

PURCHASE AGREEMENT

Mackie Properties, Inc. ("Seller"), of 2952 Benedict Lane, Shelby Township, MI 48316, agrees to sell, and Rochester-Avon Recreation Authority ("Purchaser"), a Michigan public corporation, of 108 E. Second Street, Rochester, Michigan 48307, agrees to purchase the following real property (the "Property"), upon the following terms and conditions:

1. Property Description. The real property consisting of the land and buildings located at 500 E. Second Street in the City of Rochester, Oakland County, Michigan, Parcel I.D. No. 15-14-128-005, more particularly described as:

Lot 19 of East Third Street Urban Renewal Plat of part of the NW ¼ of Sec. 14, T3N, R11E, City of Rochester, Oakland County, Michigan, as recorded in Liber 129 of Plats, Pages 31-33, Oakland County Records.

together with all fixtures, improvements and appurtenances, and subject to existing building and use restrictions, rights-of-way and easements of record, and zoning ordinances.

2. Purchase Price; Sale on Land Contract. The sale price for the Property is One Million Four Hundred Thousand Dollars (\$1,400,000.00), payable as follows: \$500,000.00 down payable by cash or by cashier's or certified check upon execution of a mutually acceptable Land Contract, with a term of ten (10) years, and the balance of \$900,000.00, together with interest at the rate of 5.75% on the unpaid balance, shall be payable in 120 monthly installments of \$9,879.23 or more, with the first installment due thirty (30) days after the closing date.

3. Earnest Money Deposit. Within five (5) business days after the Effective Date, Purchaser shall deliver to the title insurance company an earnest money deposit in the amount of Fifty Thousand Dollars (\$50,000.00) to be held in escrow and applied toward the Purchase Price at closing (or to otherwise be applied or refunded in accordance with this agreement).

4. Evidence of Title. As evidence of title, Seller shall furnish to Purchaser, as soon as possible, a commitment for title insurance issued by a title insurance company acceptable to Purchaser and certified to a date later than the Effective Date of this agreement, wherein the title insurance company agrees to issue a standard ALTA owner's title insurance policy, without

standard exceptions, in an amount not less than the purchase price, insuring title to be in good and marketable condition free and clear of any liens, encumbrances, encroachments, leases or rights of parties in possession of any kind or nature to the date of closing, subject only to existing building and use restrictions, rights-of-way and easements of record, and zoning ordinances. Upon closing, Seller shall pay for and order a title insurance policy consistent with the commitment, which Seller shall have updated to the date of closing.

5. Survey. As soon as possible, Seller shall provide Purchaser with a survey of the Property's boundaries, prepared by a registered surveyor and certified to Purchaser, with corner markers in place.

6. Defective Title. If, based on Purchaser's review of the title insurance commitment and survey required hereunder, Purchaser is dissatisfied with the title or survey, Seller shall have thirty (30) days from the date Purchaser notifies Seller, in writing, of the particular defects claimed, either to: (1) remedy the defects, or (2) obtain a commitment for title insurance insuring title, in a manner satisfactory to Purchaser, against the defects claimed. If Seller remedies the defects or, alternatively, obtains the necessary title insurance commitment within the time specified, Purchaser shall complete the sale in accordance with the provisions stated herein. If Seller does not remedy the defects within the time specified, Purchaser may waive the defects and close subject to them, although Purchaser may set-off against the purchase price the balance due on any mortgage, land contract, lien or other encumbrance on the Property. Alternatively, if Purchaser chooses to not so waive, or if, in Purchaser's sole discretion, the survey indicates the Property is not suitable for Purchaser's intended use or improvements, Seller shall, upon receiving written notification from Purchaser, refund the entire earnest money deposit to Purchaser forthwith, and this agreement shall be considered nullified.

7. Condition of the Property. Seller shall not, through act or omission, cause or permit waste to occur or jeopardize or lessen Seller's interest in the Property from the Effective Date of this agreement through the date of closing.

8. Purchaser's Due Diligence Investigation. Purchaser shall have sixty (60) days after the Effective Date of this agreement to perform a due diligence investigation including, but not limited to, an environmental study of the Property, and to determine whether Purchaser is satisfied with the condition of the Property. In the event Purchaser is dissatisfied with the condition of the Property and notifies Seller within the sixty (60) days, Purchaser shall be entitled to a full refund of Purchaser's earnest money deposit in termination of this agreement.

9. Seller's Representation Regarding Environmental Condition of Property. Seller represents and warrants to Purchaser that to the best of Seller's knowledge, after due diligence

and appropriate inquiry, and except as may be revealed in the environmental study to be performed by Purchaser: (1) No toxic or hazardous substances have been generated, treated, stored, deposited or disposed of on the Property except in compliance with all applicable federal, state and local laws or regulations, and (2) Neither Seller nor prior owners, occupants or users have caused or permitted the release of any toxic or hazardous substances on or from the Property. Seller's representations and warranty shall survive the closing.

Seller shall, within five (5) business days after the Effective Date of this Agreement, deliver to Purchaser copies of all prior title reports, boundary surveys and environmental reports in its possession relating to the Property.

10. Purchaser's Rights Upon Discovery of Environmental Hazard. In the event Purchaser discovers or determines the existence of any environmental hazard, including, without limitation, a spill, discharge or contamination, that existed on or prior to the closing date and was not fully revealed in Purchaser's environmental study, or any act or omission occurring prior to the closing date, the result of which may require remedial action pursuant to law or provide a basis for third parties, including governmental agencies, to assert claims, Purchaser shall promptly notify Seller, and Seller shall, at Seller's sole cost, proceed with due diligence to undertake the appropriate action and response thereto. In the event Seller fails to proceed with due diligence, Purchaser may, at Purchaser's option, undertake the appropriate remedial action and shall have the right to full indemnification from Seller for all costs, expenses and liabilities incurred by Purchaser in connection therewith. Seller's obligations under this section shall survive the closing.

11. Taxes and Assessments. Seller shall pay all taxes, special assessments and utility and capital charges which have become a lien on the Property. Current taxes, if any, shall be prorated and adjusted to the date of closing on a "due date" basis.

12. Transfer Tax and Recording Fees. Seller shall be responsible for any transfer tax due on the Seller's conveyance of the Property to Purchaser, as well as any fees for the recording of documents other than the warranty deed to Purchaser, the fee for which shall be paid by Purchaser.

13. Preparation of Closing Documents. Seller shall be responsible for preparing, executing and delivering, in a form satisfactory to Purchaser and the title insurance company, all closing documents, including the land contract, deed, closing statement, transferor's certificate of non-foreign status as required under the Internal Revenue Code, and any other documents necessary for closing.

14. Closing Time and Location. Unless this agreement is otherwise terminated due to default or Purchaser's dissatisfaction with the title, survey or condition of the Property, closing shall take place within fourteen (14) days after all the conditions precedent to closing, as set forth herein, have been met to Purchaser's satisfaction. Closing shall take place at a location mutually acceptable to Seller and Purchaser.

15. Broker's Commission. Purchaser has not engaged and is not represented by a broker. Seller shall be solely responsible for payment of any real estate broker's commission.

16. Default. In the event of default by Purchaser, Seller may, as Seller's sole remedy, declare forfeiture and retain the earnest money deposit as liquidated damages in full termination of this agreement. In the event of default by Seller, Purchaser may, at Purchaser's option, elect to specifically enforce the terms hereof, or demand, and be entitled to, an immediate refund of Purchaser's entire earnest money deposit in full termination of this Agreement.

17. Assignability. Purchaser may assign this agreement to another entity of its choosing including, but not limited to, a member government agency.

18. Irrevocability of Purchase Offer. Purchaser's offer to purchase the Property shall be irrevocable for five (5) calendar days. If not accepted by Seller within that time, Purchaser may revoke its offer and be entitled to full refund of any earnest money deposit.

19. Effective Date. The Effective Date of this agreement shall be the date of Seller's acceptance and execution of this agreement.

20. Entire Agreement. This instrument constitutes the entire agreement between Purchaser and Seller and shall inure to the benefit of and bind the parties hereto and their respective heirs, legal representatives, successors and assigns.

SELLER:

MACKIE PROPERTIES, INC.

By: _____

Its: _____

PURCHASER:

ROCHESTER-AVON RECREATION
AUTHORITY

By: _____

Ronald Jewell, Executive Director

STATE OF MICHIGAN
COUNTY OF OAKLAND

The foregoing Purchase Agreement was acknowledged before me on
_____, 2012, by _____, the _____, of
Mackie Properties, Inc., a Michigan corporation, on behalf of the corporation.

Subscribed and sworn to before me
on _____, 2012.

_____, Notary Public
Oakland County, Michigan
My Commission Expires: _____

STATE OF MICHIGAN
COUNTY OF OAKLAND

The foregoing Purchase Agreement was acknowledged before me on _____, 2012,
by Ronald Jewell, Executive Director, of the Rochester-Avon Recreation Authority, a Michigan
public corporation, on behalf of the corporation.

Subscribed and sworn to before me
on _____, 2012

_____, Notary Public
Oakland County, Michigan
My Commission Expires: _____