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VIA E-MAIL & U.S. MAIL

Mr. Ed Anzek, Director Planning Department City of Rochester Hills 1000 Rochester Hills Drive Rochester Hills, MI 48309

Re: City Place PUD

Dear Ed:

I have reviewed the latest, revised (07-20-10) version of the City Place Amended and Restated Planned Unit Development Agreement, after having seen prior versions as well. I am satisfied with the form of the agreement and believe that it complies with legal requirements and will be enforceable. Expanding on that last point, the PUD designation, just like any other zoning designation, zoning approval or variance, is not just personal to the developer, but rather, it runs with the land and is binding on the developer's successors, assigns and grantees.

I also take this opportunity to address a question that came to my attention about bankruptcy, and what happens if the developer goes bankrupt? In the event of bankruptcy of the developer or owner of property, federal bankruptcy law would govern just as it does with any other developer, owner or user of land. One cannot draft a bankruptcy-proof PUD agreement. However, it is my opinion that in the event a developer under bankruptcy protection is able to set aside a PUD agreement, that would apply to the rights as well as the burdens under the agreement and the municipality could thereafter revisit the planning and zoning of the property.

Very trally yours.

John D. Staran

JDS/ijd