FINAL
10/15/07

TURNKEY PARKING DECK CONSTRUCTION AND DONATION AGREEMENT

BY AND BETWEEN

LOWER TOWN DEVELOPMENT GROUP, LLC

AND

THE CITY OF ANN ARBOR

_____ __, 2007

For development of land, construction thereon of
an approximately 700 car Parking Deck, and acquisition of land
and building upon completion thereof

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TURNKEY PARKING DECK CONSTRUCTION AND DONATION AGREEMENT

THIS TURNKEY PARKING DECK CONSTRUCTION AND DONATION AGREEMENT (this "Agreement") is made and entered into as of _____ __, 2007, by and between **LOWER TOWN DEVELOPMENT GROUP, LLC,** a Michigan limited liability company, the address of which is c/o Strathmore Development Co., 1427 W. Saginaw, Suite 200, E. Lansing, Michigan 48223 ("Developer"), and **THE CITY OF ANN ARBOR,** a Michigan municipal corporation ("City"), the address of which is 100 North Fifth Avenue, Ann Arbor, Michigan 48107. Developer and City are sometimes collectively referred to herein as the "Parties" and each of the Parties is sometimes singularly referred to herein as a "Party".

RECITALS:

A. Developer is the owner of the Project Parcel (as hereinafter defined), consisting of approximately Six and 41/100 (6.41) acres, more or less, of land located in the City of Ann Arbor, Washtenaw County, State of Michigan, all as more particularly described on Exhibit A attached hereto;

B. The Land (as herein defined) is presently part of the Project Parcel which Developer contemplates developing as a mixed-use project commonly known as Broadway Village at Lower Town (the "Project", as defined herein);

C. The development of the Project is governed by the Development Agreement (as hereinafter defined);

D. The Development Agreement contemplates that Developer will construct, on a turnkey basis, an approximately 700 space, fully operational and functioning multi-level parking deck (the Parking Deck, as hereinafter defined) on the Land, and upon completion of such construction will donate to City by deed the Land, the Parking Deck and the Site Improvements (as herein defined); and

E. City and Developer wish to set forth on a more particularized basis the agreement of the parties with respect to implementation of the contemplated construction and donation in accordance with the Development Agreement.

NOW, THEREFORE, in consideration of the sum of $10.00 paid by City to Developer, the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE 1

DEFINITIONS

As used herein (including any Exhibits attached hereto), the following terms shall have the meanings indicated:

"Access Easement" means that easement to be granted to City by Developer at Closing, as an appurtenance to the Land, providing vehicular ingress and egress to and from the Parking Deck and Nielson Lane, Maiden Lane and Broadway, and which is the subject of the Reciprocal Easement Agreement which comprises one of the Easement Agreements defined hereinbelow.

"Approved Plans" has the meaning set forth in Section 3.2.

"Architect" means SmithGroup, working in conjunction with the Engineer.

"Architect's and Engineer's Certificate of Completion" means a Certificate signed by an authorized officer of the Architect, and an authorized officer of the Engineer, certifying to City in form satisfactory to City, that the construction of the Improvements is Complete (excluding the Environmental Remediation Scope) as defined herein, fully in accordance with the Approved Plans.

"Business Agreement" means any management agreement, service contract, easement, covenant, restriction or other agreement relating to the operation or maintenance of the Land.

"Business Day(s)" means calendar days other than Saturdays, Sundays and legal holidays.

"City" means the City of Ann Arbor, a Michigan municipal corporation.

"Claim" means any obligation, liability, lien, encumbrance, loss, damage, cost, expense or claim, including, without limitation, any claim for damage to property or injury to or death of any person or persons, arising hereunder or in relation to the transaction contemplated herein.

"Closing Date" means the date on which the Closing shall take place, as set forth in Section 2.1, but in no event later than the Outside Closing Date.

"Closing" means the consummation of the conveyance of the Land, completed Parking Deck and Site Improvements to City from Developer, to be held at the offices of Miller Canfield Paddock & Stone PLC, 101 N Main St Fl 7, Ann Arbor, MI 48104, or such other place as the Parties may mutually agree.

"Completion" means: (i) all work described in the Approved Plans has been substantially completed, lien-free and in good, workmanlike condition and order, (ii) all work in the Environmental Remediation Scope has been completed (to the extent required by and consistent with the stage of such work to be completed by Completion in accordance with the Environmental Remediation Scope), (iii) the Improvements are fully functional, operational and capable of unimpeded use as a municipal parking deck, (iv) all work requiring inspection or certification by any governmental agency has been substantially completed and all requisite certificates, approvals and other necessary authorizations have been obtained, (v) streets (or drives), off-site utilities and systems necessary to the operation of the Improvements have been substantially completed to the satisfaction of all governmental agencies having jurisdiction over same and are otherwise fully operational and functional, and (vi) all furniture, fixtures and equipment necessary to the operation of the Parking Deck have been delivered to and installed at the Parking Deck, and are in fully operational condition.

"Construction Schedule" shall mean the schedule to be prepared by Developer's General Contractor pursuant to Section 3.3, with input from Developer, the Architect and the Engineer, a copy of which shall be attached hereto upon completion as Exhibit B. Developer shall promptly provide City any changes or revisions to the Construction Schedule.

"Design Criteria" means the criteria set forth in Exhibit C hereto, setting forth the basic requirements for design and engineering of the Parking Deck which will be required by City as a condition of approving the Plans and accepting conveyance and ownership of the Land and Improvements. .

"Design Schedule" means the schedule prepared by Developer, its Architect and Engineer, and submitted to, and approved by, City under Section 3.2. The Design Schedule shall cover all phases for the preparation of the Plans, bidding of work and construction of the Improvements, and shall in any event allow for the timely completion of the Improvements in accordance with Article 3 hereof.

"Developer" means Lower Town Development Group, LLC, a Michigan limited liability company, and its permitted successors and assigns.

"Development Agreement" means that certain Broadway Village at Lower Town Development Agreement between City and Developer, dated September 3, 2004, as amended by First Amendment to Development Agreement dated as of July 16, 2007, and as further duly amended from time to time.

"Due Diligence Materials" means the information provided or to be provided by Developer to City pursuant to the provisions of Section 4.1 hereof.

"Easement Agreements" means those easements between the City and Developer and/or its affiliates required and/or contemplated by this Agreement and/or

the Development Agreement and shall include (i) a Reciprocal Easement Agreement which will provide to the Parking Deck easements of vehicular ingress and egress through the Project and to Nielsen Court, Maiden Lane and Broadway, (ii) a separate pedestrian ingress, egress and elevator access easement between Building F and the Parking Deck and (iii) a vehicular and pedestrian access easement through the Parking Deck for the benefit of that portion of Building A intended for parking located beneath Beckley Street.

"Effective Date" means the date first written above.

"Engineer" means Carl Walker, Inc., the structural engineering firm engaged by Developer and working with the Architect in connection with the design and construction of the Improvements.

"Engineering Documents" means all site plans, surveys, soil borings and substrata studies, architectural drawings, plans and specifications, engineering plans and studies, floor plans, landscape plans, and other plans and studies that relate to the Land, the Parking Deck or the Site Improvements and that are in Developer's possession or control (other than the Environmental Reports, as defined below).

"Environmental Remediation Scope" means the full scope of work to be undertaken by Developer under the terms and conditions of the Development Agreement, including both the Minimum Clean-Up Scope of Work thereunder (as further delineated by City and Developer pursuant thereto) and any additional remediation work from time to time either included pursuant to the Development Agreement or otherwise required by this Agreement.

"Environmental Reports" means Phase I, Phase II and all other environmental tests, soil, groundwater and other studies, analyses, reports, and related documents and instruments relating to the Project prepared by Developer or its consultants, or prepared by third parties and in the possession or under the control of Developer, and in particular means all of the foregoing identified on Exhibit D attached hereto.

"Exception Documents" means true, correct and legible copies of each document listed as an exception to title on the Title Commitment as to the Land.

"General Contractor" means Developer's selected general contractor for the construction of the Improvements, being Clark Construction Company, or such other general contractor as may be engaged by Developer, which complies with the requirements hereof and has been approved by the Lender. A General Contractor selected by Developer shall in all cases have significant experience in the construction of structures similar to the Parking Deck, be of sufficient size to adequately manage the construction of the Improvements in accordance with the schedules and budgets as hereinafter described and otherwise be of financial condition and creditworthiness at least comparable to that of Clark Construction Company as of the date of this

Agreement. Any substitution of the General Contractor may be effected by Lender without City's consent provided such replacement General Contractor satisfies the foregoing requirements.

"Hazardous Materials" means any substance, including without limitation perchloroethylene (PCE) or any substance containing PCE, deemed hazardous under any Hazardous Materials Law, the group of organic compounds known as polychlorinated biphenyls, flammable explosives, radioactive materials, medical waste, chemicals, pollutants, effluents, contaminants, emissions or related materials and items included in the definition of hazardous or toxic wastes, materials or substances under any Hazardous Materials Law.

"Hazardous Materials Law" means any law, regulation or ordinance relating to environmental conditions, including without limitation the Resource Conservation and Recovery Act of 1976 ("RCRA"), the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), as amended by the Superfund Amendments and Reauthorization Act of 1986 ("SARA"), the Hazardous Materials Transportation Act, the Federal Water Pollution Control Act, the Clean Air Act, the Clean Water Act, the Toxic Substances Control Act, the Safe Drinking Water Act, the Atomic Energy Act, the Michigan Natural Resources and Environmental Protection Act and all similar federal, state and local environmental statutes, ordinances and the regulations, orders, or decrees now or hereafter promulgated thereunder.

"Improvements" means, collectively, the Parking Deck and the Site Improvements (as defined below).

"Land" means the real property which presently constitutes a portion of the Project Parcel, and upon which the Improvements are to be constructed, the approximate size and boundaries of which are shown in dark outline on Exhibit E hereto, to be more particularly agreed upon by City and Developer pursuant to Section 5.1 and thereafter identified in the Survey, together with all appurtenances, incorporeal hereditaments, covenants, licenses, privileges and benefits thereto belonging, and any easements, rights-of-way, rights of ingress or egress. The Land is expressly benefited by, and subject to, the Easement Agreements.

"Laws" means all federal, state and local laws, moratoria, initiatives, referenda, ordinances, rules, regulations, standards, orders and other governmental requirements, including, without limitation, those relating to the environment, health and safety, disabled or handicapped persons applicable to the Parking Deck.

"Lender" means the entity which extends to Developer a loan, secured by a first lien security interest in all or any part of the Project, and which will be used to finance or refinance all or any part of the costs of construction of the Project. Developer shall provide advance written notice to City of the name and contact information for the

Lender, and City shall not be required to provide notice hereunder to, or to otherwise recognize and deal with, any Lender of which City has not received such notice. City agrees to acknowledge the collateral assignment by Developer to Lender of its interest in this Agreement and the Parking Deck Operating Agreement (as hereinafter defined) at the time of Developer's consummation of its closing on the construction loan with the Lender. The Lender may act as a lead agent for any series of syndicate banks which may take a participation in any such financing.

"Non-Foreign Affidavit" means the certificate dated as of the Closing Date , addressed to City and duly executed by Developer, in the form of Exhibit F attached hereto.

"Outside Closing Date" means June 15, 2015.

"Parking Deck" means the approximately 700 car, multi-level parking structure, to be constructed and equipped by Developer on the Land and donated to the City upon completion, together with the Land and the Site Improvements, to be a fully functioning and operational municipal parking facility.

"Parking Deck Operating Agreement" means the Parking Deck Operating Agreement in the form attached hereto as Exhibit H, which shall be entered into and become effective at the Closing, between City, as owner, and Developer, as manager, covering the operation and maintenance of the Parking Deck by Developer as contemplated by the Development Agreement. The parties agree that the Parking Deck Operating Agreement shall not be amended or modified without the prior written consent of the Lender, if any, at the time of such amendment or modification.

"Party" and "Parties" have the meanings set forth in the preamble to this Agreement.

"Permits" means all permits, licenses, approvals, entitlements, notifications, determinations and other governmental and quasi-governmental authorizations, including without limitation zoning and land use approvals, required in connection with the ownership, planning, development, construction, use, operation or maintenance of the Land and Improvements. As used herein, "quasi-governmental" shall include the providers of all utility services to the Parking Deck.

"Permitted Exceptions" has the meaning set forth in Section 5.2.

"Person" means a natural person, corporation, partnership, trust, association, limited liability company or other entity.

"Plans" means all plans, specifications and drawings necessary or appropriate for the construction, development, use and operation of the Improvements, as more particularly identified in Section 3.2.

"Project" means Broadway Village at Lower Town, a mixed-use project to be developed by Developer on the Project Parcel in accordance with, and subject to, the Development Agreement, applicable zoning, and all other requirements set forth in the planned unit development ordinance, approved site plan, supplemental zoning regulations and any other agreements between City and Developer and relating thereto.

"Project Parcel" means the real property more particularly described on Exhibit A attached hereto, of which the Land is a part.

"Qualified Costs" means the amounts expended by Developer, under written contracts with third parties or pursuant to valid governmental requirements, in the design and construction of the Improvements pursuant to, and in accordance with, this Agreement, including: (i) architect's fees for design and supervision services under Section 3.2 and other professional fees; (ii) hard costs of construction, paid to the General Contractor, subcontractors and suppliers; (iii) costs of permits necessary to the construction of the Improvements; (iv) costs of the furniture, fixtures and equipment necessary to the operation of the Parking Deck for its intended use; (v) ordinary and usual tap-in fees paid to utility providers for connection to mains not constructed as part of the Site Improvements; (vi) the cost of the Land; and (vii) any other costs defined as "Eligible Expenses" pursuant to the Michigan Brownfield Redevelopment Financing Act (the "Act"). Upon completion of construction, and as a condition of the Closing, Developer shall provide to City a sworn certification, executed by an appropriate officer of Developer, of the claimed Qualified Costs. Any contract entered into by Developer in connection with such design and construction shall require the contracting party to provide full access and cooperation to City and its auditors to information necessary or appropriate to complete any audit required hereunder.

"Review Period" has the meaning set forth in Section 4.2.

"Search Reports" means the initial reports of searches made of the Uniform Commercial Code Records of the Counties in which the Land is located and the Developer's principal place of business is located, and of the office of the Secretary of State of the State in which the Land is located, which searches shall reflect no undischarged filings, liens or encumbrances on the Land or Improvements. The Search Reports shall be updated, at Developer's expense, at or within one week prior to the Closing.

"Site Improvements" means any and all alleyways, connecting tunnels, crosswalks, sidewalks, landscaping, roads, drainage and all aboveground and underground utilities and other so-called "infrastructure" improvements which are to be constructed by and at the expense of Developer on the Land, and necessary to the operation, of the Parking Deck, as provided for in Section 3.2.

"Survey" means a current ALTA survey of the Land (prepared pursuant to Section 5.1), certified to ALTA requirements and complying with such of the minimum standard details, 2005 revisions, as may be required by City, prepared at Developer's expense by an engineer or surveyor who is licensed in the State of Michigan and acceptable to City, which survey shall: (a) include a legal description of the Land by metes and bounds (including a reference to the recorded plat, if any), and a computation of the area comprising the Land in both acre, gross square feet and net square feet (to the nearest one-hundredth of said respective measurement); (b) accurately show the location on the Land of all improvements, building and set-back lines, fences, evidence of abandoned fences, ponds, creeks, streams, rivers, officially designated 100-year flood plains and flood prone areas, canals, ditches, easements, roads, rights-of-way and encroachments; (c) be certified, and re-certified on an updated, "as-built" basis at the time of the Closing (the "Closing Survey"), to City and the Title Company pursuant to a certification in substantially the form of Exhibit G attached hereto (excluding, however, for purposes of the initial certification before construction, those items that are identifiable only with improved property); (d) legibly identify any and all recorded matters shown on the Title Commitment or on said survey by appropriate volume and page recording references; (e) show the location of all adjoining streets; and (f) be satisfactory to the Title Company so as to permit it to amend the standard survey exception in the Title Policy to be issued to City at the Closing. City hereby approves Washtenaw Engineering Company as the surveyor for purposes of preparing the Survey.

"Title Commitment" means a current commitment issued by the Title Company to City pursuant to the terms of which the Title Company shall commit to issue the Title Policy (as defined below) to City in accordance with the provisions of this Agreement, and reflecting all matters which would be listed as exceptions to coverage on the Title Policy.

"Title Company" means a nationally recognized title insurance company selected by Developer and acceptable to City and the Lender. City hereby approves LandAmerica Transnation Title Insurance Company.

"Title Policy" means an ALTA Extended Coverage Owner's Policy of Title Insurance, issued by the Title Company, together with the following endorsements, to the extent available in the State of Michigan: (a) comprehensive endorsement; (b) access endorsement; (c) survey endorsement; (d) separate tax parcel endorsement; and (e) such other endorsements as are reasonably and customarily required by institutional purchasers of and lenders on real property similar to the Land and Improvements. The face amount of the Title Policy will be the higher of $19,200,000.000 or the amount necessary to prevent the application of co-insurance restrictions on claims under the Title Policy upon completion of the Parking Deck and Site Improvements. The Title Policy shall be issued subject only to the Permitted Exceptions and without the standard printed exceptions included in the ALTA standard

form extended coverage policy of title insurance, with the following modifications: (a) the exception for areas and boundaries shall be deleted; (b) the exception for ad valorem taxes shall reflect only taxes for the current and subsequent years; (c) any exception as to parties in possession shall be limited to rights of Developer under the Parking Deck Operating Agreement; (d) there shall be no general exception for visible and apparent easements or roads and highways or similar items (with any exception for visible and apparent easements or roads and highways or similar items to be specifically referenced to and shown on the Survey and also identified by applicable recording information); (e) the creditors' rights exception shall be deleted; and (f) all other exceptions shall be modified or endorsed in a manner reasonably acceptable to City.

ARTICLE 2

DONATION AGREEMENT

2.1 **Closing.** Provided that this Agreement shall not have been earlier terminated, the Closing shall occur (the Closing Date), subject to and in accordance with Article 8 hereof, within sixty (60) days after the last to occur of: (i) satisfaction by Developer or waiver by City of all of the conditions to City's obligations under Section 7.1; (ii) Completion of the Improvements, or (iii) receipt by City of the Architect's and Engineer's Certificate of Completion, but in no event later than the Outside Closing Date without the mutual written consent of City and Developer which shall not be unreasonably withheld, conditioned and/or delayed.

2.2 **Agreement to Convey and to Accept Conveyance.** In accordance with and subject to all the terms and conditions of this Agreement, Developer agrees to convey to the City, and the City agrees to pay consideration to Developer of $10.00 and to accept the conveyance of, fee simple, marketable title to the Land and Improvements at Closing in the condition called for herein. Developer shall grant to City the right to make zero (0) divisions pursuant to the Michigan Land Division Act.

ARTICLE 3

DESIGN AND CONSTRUCTION

OF IMPROVEMENTS

3.1 **The Turnkey Concept.** By execution of this Agreement, Developer agrees to cause to be designed, constructed and delivered to City upon Completion, on

a so-called "turnkey" basis (as hereinafter defined), the Improvements. Developer acknowledges the adequacy of the Design Criteria and the feasibility of designing and constructing the Improvements fully consistent therewith and without cost or expense to City. It is Developer's sole responsibility to design, construct, equip and furnish, in accordance with this Agreement, the Design Criteria and the Approved Plans, the Improvements, and it is the intent of the parties that Developer shall deliver the Land and Improvements located on the Land to City, lien-free, fully and finally completed and furnished, and in functional, unimpeded operating condition fit for its intended purpose as a municipal parking deck, all as set forth in Section 3.3, below, at no cost to the City, at the Closing.

3.2 **Approved Plans.** Promptly upon execution of this Agreement, Developer will engage (if it has not already done so) the Architect and Engineer for the preparation of the Plans. Within fifteen (15) days following Developer's engagement of the Architect, Developer will provide City with the proposed Design Schedule. City shall review and either approve or reject the proposed Design Schedule within ten (10) days following receipt thereof. City's failure to object timely shall be deemed acceptance Developer will give City reasonable opportunity for input in the design of the Improvements and preparation of the Plans during the design process, and will submit the Plans to City for review and approval upon completion thereof. City will promptly undertake such review, and will respond to Developer with either approval thereof or rejection, with specification of the bases for rejection, within forty-five (45) days after being provided with a full and complete set of the Plans. If changes or additions are required by City due to the Plans not being in compliance with the Design Criteria, Developer shall cause the Architect and/or Engineer, as the case may be, to implement the same and resubmit the Plans to City within fifteen (15) days thereafter. City will undertake its review and response process to the revised Plans as set forth above. The Plans as approved by City are referred to herein as the "Approved Plans". There shall be no material changes to the Approved Plans without advance submission to and approval by City. For purposes hereof, Material Changes shall be any change in the structural design and/or exterior elevations, or appearance of or materials utilized in the Parking Deck or any other modification thereof, either individually or in the aggregate, which exceeds the sum of $5,000.00. City acknowledges that following its approval of the Approved Plans it shall not have the right to independently initiate change orders thereto. The Budget shall set forth, in reasonable detail, the projected Qualified Costs. Developer shall, after consultation with the Architect and the Engineer, prepare and make available to the City for review a detailed budget ("Budget") for the construction of the Improvements based upon the Approved Plans. Developer shall periodically update and/or amend the Budget and make same available to the City for review.

3.3 **Commencement and Completion of the Improvements**.

3.3.1 General Contractor Selection; Bidding. Developer has engaged the General Contractor for the construction of the Parking Deck and Site Improvements. In

connection with the selection of the General Contractor, as well as bidding and award of all labor and materials contracts/subcontracts for the construction of the Improvements, Developer shall itself, and shall cause the General Contractor to, fully comply in all respects with all applicable Federal, state, county and City laws, regulations, rules and ordinances pertaining to the development and construction of the Improvements, including expressly but without limitation the following:

3.3.1.1 Nondiscrimination. The Developer and its General Contractor shall comply with the nondiscrimination provisions of Chapter 112 of the Ann Arbor City Code with respect to the construction of the Improvements and shall take affirmative action to assure that applicants are employed and that employees are treated during employment in a manner which provides equal employment opportunity and tends to eliminate any inequality based upon race, national origin or sex. The Developer and its General Contractor shall comply with the provisions of Section 9:161 of Chapter 112 of the Ann Arbor City Code, Exhibit J.

3.3.1.2 Living Wage. The Developer and its General Contractor are a "covered employer" as defined in Chapter 23 of the Ann Arbor City Code with respect to the construction of the Improvements and shall comply with the living wage provisions of Chapter 23 of the Ann Arbor City Code. The Developer and its General Contractor shall pay those employees providing services under this Agreement a "living wage," as defined in Section 1:815 of the Ann Arbor City Code; shall post a notice approved by the City of the applicability of Chapter 23 in every location in which regular or contract employees providing services under this Agreement are working; to maintain records of compliance; if requested by the City, to provide documentation to verify compliance; to take no action that would reduce the compensation, wages, fringe benefits, or leave available to any employee or person contracted for employment in order to pay the living wage required by Section 1:815; and otherwise to comply with the requirements of Chapter 23. A copy of selected provisions of Chapter 23 of the Ann Arbor City Code is attached as Exhibit K. The current living wage rates under Section 1:815 of the Ann Arbor City Code, as adjusted in accordance with Section 1:815(3) of the Ann Arbor City Code, are $10.33 an hour for a covered employer that provides employee health care to its employees and $11.96 an hour for a covered employer that does not provide health care to its employees.

3.3.2 Construction Schedule. Within fifteen (15) days of the completion of, and City sign-off on, the Design Schedule, Developer shall cause its General Contractor to submit to City its Construction Schedule. City shall review and either approve or reject the proposed Construction Schedule within fifteen (15) days following receipt thereof, but shall not unreasonably withhold its consent to the Construction Schedule so long as the Construction Schedule has been prepared in accordance with sound industry practices, in reasonable detail and provides for the orderly completion of the Improvements. City's failure to object timely, shall be deemed acceptance.

3.3.3 Evidence of Funding. Prior to commencement of construction, Developer shall make available for review evidence reasonably satisfactory to City that it has sufficient funds either on hand, or committed by the Lender or another lender or lenders, and/or private equity participants, to cover the anticipated cost of the Parking Deck and the Site Improvements based on the Budget therefor, and thereafter during construction shall upon request by City and from time to time provide evidence of further funding, or commitments therefor, to cover any increases in the cost of the Site Improvements and/or the Parking Deck based on the updated Budget therefor, so that Developer shall at all times have available all funding necessary to complete the construction of the Improvements.

3.3.4 Construction of Improvements. Developer shall commence as soon as practicable after obtaining all necessary permits and financing, and thereafter diligently proceed with, the construction of the Improvements to Completion in conformity with the Approved Plans and the Environmental Remediation Scope. Unless otherwise specifically provided in the Approved Plans, all equipment, material, and articles incorporated in the Improvements shall be new and of the most suitable grades for the intended purpose. Materials shall conform to manufacturer's standards in effect at the date of execution of this Agreement and shall be installed in strict accordance with manufacturer's latest directions. Developer shall, if required by City, furnish satisfactory evidence as to the kind and quality of any materials.

3.4 **Construction Information.** City will be given reasonable opportunity (but shall in no event be required) to provide input in the design and construction of the Improvements; provided, however, that such input shall be timely presented, so as not to interfere with or delay the construction process. Further, one or more representative(s) of City shall be given the opportunity at the City's cost to consult with and provide regular and ongoing input to Developer's field representatives, and to attend the regular construction briefings and status meetings with the contractor/construction manager, the Architect and Developer's own field representative, but shall not have the authority to require changes to the Approved Plans or the Construction Schedule. Developer shall from time to time, upon request by City, arrange other meetings, or reports in lieu of meetings, by, between or among City, the general contractor/construction manager or its project superintendent, and/or the architect, so that City is kept fully advised and informed as to the progress of construction.

3.5 **Rights of Inspection**. City and its consultants shall at all times and from time to time have the right (but not the obligation) to access to the Land and the work being constructed for the purpose of inspecting the same, determining the conformance of the work to the Approved Plans, the progress of the work with relationship to the Construction Schedule, and any other factor that City deems appropriate to determining its satisfaction therewith. For purposes of exercising this right, City may jointly engage an inspector with Lender, in which case City may rely on the findings of the inspector so

engaged. This right of entry and inspection shall be in addition to and separate from the City's Planning and Development Services Unit normal inspection of construction projects, and no such entry or inspection under this Section 3.5 shall be deemed to waive, diminish or impair in any way the obligation of Developer to deliver the Land and Improvements upon Completion fully in accordance with the Approved Plans, in the operational condition and consistent with all other requirements set forth in this Agreement

3.6 **Permits and Warranties.** At or before Closing, Developer shall furnish City originals, or true and complete copies, as the case may be, of (i) all Permits, and (ii) all warranties and guaranties, if any, received from the General Contractor or any subcontractor or supplier furnishing labor, materials, equipment, fixtures or furnishings in connection with the construction of the Improvements, all of which shall be expressly assigned to City as owner of the Improvements; provided, however, that all such permits and warranties shall be made available to, and may be enforced by, the Operator under the Parking Deck Operating Agreement.

3.7 **Systems Start-Up.** Upon Closing, Developer shall also deliver to City all operators manuals, procedures and other materials relating to building systems, furniture, fixtures and equipment incorporated in and servicing the Improvements, and City shall be entitled to be present at (and shall receive reasonable advance notice of) initial start-up and testing thereof.

3.8 **Architect's and Engineer's Certificate of Completion.** Upon Completion of the Improvements, Developer shall obtain and deliver to City the Architect's and Engineer's Certificate of Completion.

3.9 **Protection Against Liens.** As an express condition to Closing, Developer shall pay and discharge all claims (whether or not the subject of liens) for labor, materials and services furnished in connection with the construction (under contract with Developer, and exclusive of any such items provided by or under separate contract, if any, with City) of the Improvements, take all actions required to prevent the assertion of claims of lien against the Land and/or Improvements, and provide City evidence of such payment and true copies of any documents recorded to discharge any such lien, without any requirement of City having first provided notice thereof to Developer. Nothing contained herein shall obligate Developer to pay any claim so long as such claim is being contested in good faith and by appropriate proceedings, or if a lien claim is disputed by either party, if that party bonds over the lien in accordance with applicable Michigan law or provides other adequate security therefore; provided, however, Developer shall nevertheless be obligated to convey title to the Land and Improvements to City free and clear of any such lien or claim.

3.10 **Insurance.** Developer and its General Contractor shall at all times comply with all insurance requirements mandated by the Lender in connection with the

construction of the Improvements, including without limitation general liability coverage. City shall be an additional named insured on all such policies, as its interests may appear. Developer shall provide to the City before commencement of physical construction on the Land, or at such earlier time as such insurance coverage is required by Lender, documentation demonstrating it has obtained the above mentioned policies. Documentation must provide and demonstrate an unconditional 30 day written notice of cancellation in favor of the City of Ann Arbor. Further, the documentation must explicitly state the following: (a) the policy number; name of insurance company; name and address of the agent or authorized representative; name and address of insured; project name; policy expiration date; and specific coverage amounts; (b) any deductibles or self-insured retentions which shall be approved by the City, in its sole discretion; (c) that the policy conforms to the requirements specified. An original certificate of insurance may be provided as an initial indication of the required insurance, provided that no later than 21 calendar days after commencing any work the Developer supplies a copy of the endorsements required on the policies. Upon request, the Developer shall provide within 30 days a copy of the policy(ies) to the City. If any of the above coverages expire by their terms during the term of this Contract, the Developer shall deliver proof of renewal and/or new policies to the Administering Service Area/Unit at least ten (10) days prior to the expiration date.

ARTICLE 4

DUE DILIGENCE

4.1 **Due Diligence Materials.** Within fifteen (15) days after the Effective Date, Developer shall deliver to City for review by City and its consultants the following items (to the extent not previously so delivered) to the extent in Developer's possession or under its reasonable control, provided however, Business Agreements need not be physically delivered, but shall in any event be made available for review by the City at such locations in the City of Ann Arbor as may be mutually agreeable:

4.1.1 True, correct, complete and legible copies of all Business Agreements, Permits, Environmental Reports and Engineering Documents pertaining in any way to the Land, including expressly but without limitation all mortgage and related documents encumbering all or part of the Land;

4.1.2 True, correct, complete and legible copies of the following items:

4.1.1 Any and all approvals, conditions, determinations, orders or declarations issued by any governmental authority relating to the Land, including without limitation all orders and written communications from MDEQ relating to the Environmental Reports; and

4.1.2 all litigation files, if any, with respect to any pending litigation and claim files for any claims made or threatened, the outcome of which might have a material adverse effect on the Land or the use and operation of the Land.

4.1.3 Any of the foregoing materials prepared or furnished by third parties are delivered without any representation or warranty by Developer as to their accuracy or completeness.

4.2 **Due Diligence.** For the period of thirty (30) days after Developer has delivered to City the last of the Due Diligence Materials, accompanied by a certificate from an authorized officer or member of Developer attesting that the Due Diligence Materials so delivered comprise all such materials within its possession or reasonable control as required in Section 4.1, City may (i) review and analyze the Due Diligence Materials, and (ii) at City's sole discretion and at the sole cost of City, undertake its own, independent environmental or soil tests on the Land. Developer hereby grants City the right of entry on the Land and any portion of the remaining Project Site necessary to conduct such tests. Neither the review by City of the Due Diligence Materials, nor the election by City to perform any further environmental/soil tests on the Land, shall be deemed to abrogate or limit in any way any warranty, representation or undertaking made by Developer in this Agreement or the Development Agreement with respect to the subject matter thereof. If City finds (x) the Due Diligence Materials disclose a condition and/or fact, the existence of which will, following Closing, materially interfere with the use of the Parking Deck as a fully functioning parking garage, or (y) either the presence of Hazardous Substances not disclosed in the Environmental Reports, or at levels in excess of those disclosed in the Environmental Reports, City shall provide written notice thereof to Developer and the Lender, identifying with reasonable particularity the deficiencies found. City acknowledges that at Closing, the Land may be impacted with Hazardous Materials, as contemplated by the Development Agreement, and will be a "facility" as defined in the Michigan Natural Resources and Environmental Protection Act. City shall not have the right to object to any environmental condition existing on the Land, have the right to terminate this Agreement pursuant to the provisions of this 4.2, otherwise refuse to accept the conveyance of the Land and/or the Improvements at Closing if and to the extent that such condition and level is identified in the Environmental Reports listed on Exhibit D hereto, such condition will be (and actually has been to the extent required by said document by said date) attenuated by the Developer pursuant to and fully in accordance with Developer's obligations under the Development Agreement and the Environmental Remediation Scope set forth herein or such condition is not reasonably anticipated to materially interfere with the use of the Parking Deck as a fully functioning parking garage. Developer shall have ten (10) Business Days within which to provide a written response to City's notice, specifying a timetable for such remedy, a plan with reasonable specificity for such remedy, and evidence satisfactory to City that Developer has in its possession or otherwise committed, adequate funds to carry out the remedy to timely completion, or to decline to undertake remediation of such additional environmental condition, it being

acknowledged that nothing herein shall negate the environmental undertakings of the Developer under the Development Agreement, or for any environmental contamination caused by its acts or omissions hereunder. In the event the parties are unable to agree on the scope of any remediation for any environmental conditions on the Land not already Developer's obligation under the Development Agreement or this Agreement, or Developer declines to undertake such additional remediation, then the City shall have the right to terminate this Agreement upon thirty (30) days advance written notice to the Developer if such condition materially interferes with the use of the Parking Deck as a fully functioning Parking Deck, whereupon the provisions of Section 7.3 shall apply. If Developer undertakes in writing such additional environmental undertaking, the timetable shall be reasonable under the particular facts and circumstances of the deficiencies noted. Developer shall thereafter be unconditionally obligated to perform such cure to completion in accordance with such timetable, but in any event prior to Completion of the Improvements. With respect to any such environmental condition discovered under this Section 4.2, the scope of work and schedule therefor to remediate shall be subject to approval by City and its consultants, and shall be deemed incorporated into the Minimum Clean-up Scope of Work under the Development Agreement and the Environmental Remediation Scope under this Agreement. In the event City fails to object to the Due Diligence Materials or the environmental condition of the Land within the thirty (30) day period referenced in this Section 4.2, City shall be deemed satisfied with the Due Diligence Materials and the environmental condition of the Land as reflected therein, subject in any event to Developer's full and complete compliance with the requirements of the Development Agreement and the Remediation Scope of Work hereunder.

4.3 **Pre-Closing Due Diligence.** Without limiting the rights of City under the Development Agreement, and in addition thereto and to any requirements of Developer under Section 4.2, above, City shall have the further right (but not the obligation) during the six (6) month period prior to the projected Completion of the Improvements (as reflected from time to time in the Construction Schedule), and thereafter until the Closing Date, to enter the Land and (with reasonable prior notice to Developer and opportunity for Developer's representatives to accompany City's representatives) the balance of the Project Parcel, if necessary, for the purpose of conducting such inspections and further environmental testing as City in its sole discretion may deem necessary or appropriate to determine both the presence of Hazardous Substances on the Land and the status and effectiveness of Developer's progress and performance under the Environmental Remediation Scope. If, and in the event, City conducts such inspection, investigation and testing and the results thereof in City's opinion demonstrate either the presence of Hazardous Substances not disclosed in the Environmental Reports attached as Exhibit D hereto, or at levels in excess of those disclosed in such Environmental Reports and, in either case, such previously undisclosed environmental condition can be reasonably anticipated to materially interfere with the use of the Parking Deck as a fully functioning parking garage, or that Developer has not complied with its obligations under the Development Agreement and

hereunder with respect to the Environmental Remediation Scope, City shall provide written notice thereof to Developer and Lender, identifying with reasonable particularity the deficiencies found. Developer shall have ten (10) Business Days within which to provide a written response to City's notice, specifying: (i) whether Developer intends to remedy the deficiencies or not; (ii) if Developer intends to remedy the deficiencies, a timetable for such remedy, a plan with reasonable specificity for such remedy, and evidence satisfactory to City that Developer has in its possession or otherwise committed, adequate funds to carry out the remedy to timely completion. The timetable shall be reasonable under the particular facts and circumstances of the deficiencies noted. In connection with any Baseline Environmental Assessment ("BEA") conducted by or on behalf of City for submission to the State of Michigan in connection with the Closing and conveyance of the Parking Deck Parcel and Improvements to City, Developer expressly covenants and agrees to perform, at Developer's cost, any and all "due care" obligations which form a part of the BEA (as disclosed to Developer) and are required in connection with the approval of the BEA by the State of Michigan. If Developer fails to timely respond to City's notice, such failure shall be deemed to be an election by Developer not to remedy the deficiencies identified by City. If Developer elects (or is so deemed to elect) not to remedy the deficiencies which are Developer's responsibility hereunder or under the Development Agreement (it being acknowledged that Developer shall not be liable to the City nor responsible for cleanup of any environmental condition on the Land not caused by Developer's acts and/or omissions or not included in the Environmental Remediation Scope), or fails after undertaking to timely complete the remedy pursuant to the Development Agreement or the Environmental Remediation Scope as amended by Developer's additional plan under this Section 4.3, or applicable due care obligations under a BEA, such election or failure shall be deemed a material default under this Agreement and shall entitle City to all remedies set forth in Article 10.1 of this Agreement or otherwise available to City at law or in equity.

4.4 **City's Entry Upon the Land/Indemnity**. Any entry by City on the Land or the Project for purposes of effecting its investigation as contemplated by this Article 4 shall be performed by City at its sole cost and expense and at City's sole risk. Developer shall not be liable to City for any injury to persons or property resulting from or caused by City's entry upon the Land for such purposes and City agrees to indemnify, defend and hold Developer harmless from and against any and all Claims resulting from City's entry, including the acts or omissions of any of its contractors and/or consultants. City agrees at the request of Developer to restore the Land to a condition equal to that which existed prior to such entry. All of the investigation work undertaken by or at the direction of City shall be performed in a manner so that no liens attach to or effect the Land or the Project. Prior to any such entry, City shall provide reasonable notice to Developer of its intent to enter upon the Land and the anticipated work to be performed during such period. In no event shall City's investigation rights interfere with the ongoing progression of the work within the Project.

ARTICLE 5

TITLE AND SURVEY

5.1 **Title Commitment, Exception Documents and Survey.** As soon as practicable after the Effective Date of this Agreement, Developer and City shall together establish and approve in writing the boundaries of the Land, together with the boundaries of the Access Easement which will become appurtenant to the Land and be incorporated into the Reciprocal Access Easement. Promptly thereafter, Developer shall cause the Survey to be prepared and delivered to the Title Company, together with a request to prepare the Title Commitment covering the Land and the Access Easement. As soon as reasonably practicable, Developer shall deliver or cause to be delivered to City, the Title Commitment and the Survey, together with Exception Documents and Search Reports for the Land and Access Easement covered thereby. Following the finalization of the legal description for the Land, Developer shall petition City for a tax split such that the Land is established as a separate tax parcel prior to Closing. City agrees to fully cooperate in connection with such split applications.

5.2 **Review and Comment Period.** City shall have the period of forty-five (45) days following its receipt of the last of the Title Commitment, Exception Documents, Search Reports and Survey within which to review the same. In the event any matters appear therein that are unacceptable to City, City shall, within five (5) days following the expiration of the forty-five (45) day period, notify Developer in writing of such fact; provided, however, City shall not have the right to object to (nor shall Developer have any obligation to undertake efforts to remove or amend) the Easement Agreements, any environmental disclosure statutorily required to be placed of record against the Land or any other encumbrance made pursuant to the requirements of the Development Agreement (including Broadway Village PUD Zoning District Supplemental Regulations approved by the City on October 7, 2003) or any such other encumbrance not reasonably anticipated to interfere materially with the use of the Parking Deck as a fully functioning parking garage. It is further acknowledged that Developer has certain obligations with respect to the removal of easements arising under the Development Agreement which obligations shall not be affected by this Agreement and the City shall not have the right to object to same for purposes of this Section 5.2. If City fails to provide notice of its objections within the foregoing five (5) day notice period, City shall be deemed to have accepted all exceptions to title referenced in the Title Commitment and all matters shown on the Survey, and such accepted exceptions shall be included in the term “Permitted Exceptions” as used herein; provided that in no event shall any of the items listed on Schedule B-1 of the Title Commitment constitute Permitted Exceptions for purposes hereof. In the event that City objects to any such matters within the period described above, Developer shall have twenty (20) days from receipt of such notice within which to provide notice to City of Developer’s intention or declination to eliminate or provide affirmative insurance over any such unacceptable exceptions or items prior to Closing. If Developer fails to provide notice within such

twenty (20) day period, Developer shall be deemed to have agreed to eliminate or provide affirmative insurance over the unacceptable exceptions or items prior to Closing. In the event that Developer so notifies City that it is unable or unwilling to eliminate or provide insurance over such unacceptable items prior to Closing, City may either (a) waive such objections and accept the state of title to the Land subject to such unacceptable items (which items shall then be deemed to constitute part of the "Permitted Exceptions"), or (b) terminate this Agreement, in which event the provisions of Section 7.3 shall govern and control.

5.3 **Additional Exceptions.** In the event that at any time the Title Commitment, Exception Documents, Survey or Search Reports are modified to reflect additional items not previously disclosed (other than the deletion or elimination of any item as to which City has made an objection) and are not the result of the wrongful acts and/or omissions of the City, City shall have the right to review and approve or disapprove any such modification and (i) if the modification results from the affirmative acts and/or omissions of Developer, to declare Developer in default under this Agreement, or (ii) if the modification does not result from the affirmative acts and/or omissions of Developer, to terminate this Agreement, in either case in the event that Developer is unable or unwilling to eliminate any such matters to the reasonable satisfaction of City in accordance with the provisions of Section 5.2 above, except that City's review period under Section 5.2 as to such additional items shall be for a period expiring fifteen (15) days following the date of City's receipt of such modification.

5.4 **Additional Due Diligence Following Completion of Construction.** Upon Completion of Developer's construction of the Improvements, Developer shall obtain and provide to City: (i) an updated, "as-built" Survey, and (ii) an updated (to a date after Completion) Title Commitment. City shall have the period of thirty (30) days following its receipt of the last of the foregoing items to review and object to any new matter disclosed therein (not resulting from the acts or omissions of City) which constitutes, or may constitute, an adverse change from the state of facts and conditions approved by City in the initial Survey and Title Commitment under Section 5.2. Developer shall have the period of thirty (30) days following its receipt of such objections from City to cure both the matter to which objection is made, and any prior matters objected to by City under Section 5.2 not previously cured, and the Closing shall be conditioned on such cure.

ARTICLE 6

REPRESENTATIONS, WARRANTIES, COVENANTS AND AGREEMENTS

6.1 **Representations and Warranties of Developer.** To induce City to enter into this Agreement and to accept the donation of the Land and Improvements upon Completion, Developer represents and warrants to City, as of the Effective Date and to be deemed restated as of Closing as follows:

6.1.1 Pursuant to Section 5.2 hereof, Developer has, and at the Closing Developer will have, and will convey, transfer and assign to City by Warranty Deed in the form attached hereto as Exhibit I, good, marketable and insurable fee title to the Land and Improvements, subject only to the Permitted Exceptions.

6.1.2 Developer has duly and validly authorized and executed this Agreement, has right, title, power and authority to enter into this Agreement and, at the Closing, to consummate the actions provided for herein, and the joinder of no person or entity will be necessary to convey title to the Land and Improvements fully and completely to City at Closing. The execution by Developer of this Agreement and the consummation by Developer of the transactions contemplated hereby do not, and at the Closing will not (i) result in a breach of any of the terms or provisions of, or constitute a default or a condition which upon notice or lapse of time or both would ripen into a default under, any indenture, agreement, instrument or obligation to which Developer is a party or by which Developer or the Land, the Improvements or any portion thereof is bound; or (ii) constitute a violation of any order, rule or regulation of any court or of any federal or state or municipal regulatory body or administrative agency or other governmental body having jurisdiction over Developer or any portion of the Land and/or Improvements.

6.1.3 To Developer's knowledge, there are no adverse or other parties in possession of the Land, the Improvements (at Closing) or of any part thereof and Developer has not granted to any party any license, lease or other right relating to the use or possession of the Land which will survive Closing.

6.1.4 No brokerage or leasing commissions or other compensation will be due or payable by City to any person, firm, corporation or other entity with respect to, or on account of, the transaction set forth in this Agreement.

6.1.5 No notice has been received by Developer and Developer is not aware of any person having received notice from any insurance company that has issued a policy with respect to any portion of the Land (and Improvements, at Closing) or from any board of fire underwriters (or other body exercising similar functions), claiming any defects or deficiencies in the Improvements or requiring the performance of any repairs, replacements, alterations or other work to the Improvements. No notice has been received by Developer from any issuing insurance company that any of such policies will not be renewed, or will be renewed only at a higher premium rate than is presently payable therefor.

6.1.6 To Developer's knowledge, no pending condemnation, eminent domain, assessment or similar proceeding or charge affecting the Land (and Improvements at Closing) or any portion thereof exists.

6.1.7 No work has been performed or is in progress at the Land, and no materials will have been delivered to the Land, that might reasonably be expected to provide the basis for a construction, materialmen's or other lien against the Land, the Improvements, or any portion thereof, except for the construction contemplated by this Agreement, and all of which that are applicable to or affect the Land or the Access Easement shall have been fully paid for and any liens discharged at Closing.

6.1.8 At Closing no service contracts, management or other agreements applicable to the Land (and Improvements at Closing) will exist other than the Business Agreements furnished to City pursuant to Section 4.1(a), and the Parking Deck Operating Agreement. There are no material agreements or understandings (oral or written) with respect to the Land (and Improvements at Closing) or any portion thereof, to which Developer is a party, which will survive the Closing, other than those delivered to City pursuant to Section 4.1.

6.1.9 To Developer's knowledge, no default or breach exists under the Development Agreement, any of the Business Agreements, or any covenant, condition, restriction, right-of-way or easement affecting the Land (and Improvements at Closing) or any portion thereof.

6.1.10 There are no actions, suits or proceedings pending or, to Developer's knowledge, threatened against or affecting the Land (and Improvements at Closing) or any portion thereof or relating to or arising out of the ownership of the Land (and Improvements at Closing), or before any federal, state, county or municipal department, commission, board, bureau or agency or other governmental instrumentality, other than those disclosed to City pursuant to Section 4.1.

6.1.11 Other than as disclosed in the Environmental Reports, or as contemplated by the Development Agreement, to the Developer's knowledge, there is not (i) any Hazardous Materials installed, used, generated, manufactured, treated, handled, refined, produced, processed, stored or disposed of, or otherwise on or under, the Land, except in compliance with Hazardous Materials Law; (ii) any activity on the Land which could cause (a) the Land to become a hazardous waste treatment, storage or disposal facility within the meaning of any Hazardous Materials Law, (b) a release or threatened release of Hazardous Materials from the Land within the meaning of any Hazardous Materials Law, or (c) the discharge of any Hazardous Materials into any watercourse, body of surface or subsurface water or wetland, or the discharge into the atmosphere of any Hazardous Materials which would require a permit under any Hazardous Materials Law; (iii) any activity with respect to the Land which would cause a violation or support a claim under any Hazardous Materials Law; (iv) any investigation, administrative order, litigation or settlement with respect to any Hazardous Materials relating to or affecting the Land; or (v) any notice being served on Developer from any entity, governmental body or individual claiming any violation of any Hazardous Materials Law, or requiring compliance with any Hazardous Materials Law, or

demanding payment or contribution for the environmental damage or injury to natural resources. Developer at all times shall comply in all respects with and perform the Environmental Remediation Scope and all other requirements of the Development Agreement, and will not add to or exacerbate in any respect the existing environmental conditions on the Land as reflected in the Environmental Reports.

6.1.12 To Developer's knowledge, utility services, including public water, storm and sanitary sewer, as well as electric, natural gas and telephone, are located at, or within the road right-of-way adjoining, and readily available to the Land, with available capacity (subject only to completion of the stormwater storage and disposal systems contemplated by the Approved Plans and otherwise to be constructed by Developer pursuant to the Development Agreement) sufficient to adequately and fully serve the Parking Deck, and without moratorium on connection or use either in existence or contemplated.

6.1.13 All documents and information delivered by Developer to City pursuant to the provisions of this Agreement are, to Developer's knowledge, true, correct and complete as of the date hereof, and will be true, correct and complete as of the Closing Date.

6.2 **Indemnity of Developer.** In the event City becomes aware of any breach of any representation or warranty of Developer as set forth in this Agreement prior to Closing, City shall provide advance written notice of such breach to Developer and if Developer is unable to cure such breach or otherwise satisfy City with respect to the subject matter of such representation or warranty, then City's sole remedy in such circumstance shall be to terminate this Agreement, in which event the provisions of Section 7.3 shall apply. If such breach is first discovered by City following Closing then, Developer hereby agrees to indemnify and defend, at its sole cost and expense, and hold City, its successors and assigns, harmless from and against and to reimburse City with respect to any and all claims, demands, actions, causes of action, losses, damages, liabilities, costs and expenses (including without limitation reasonable attorneys' fees and court costs) of any and every kind or character, known or unknown, fixed or contingent, asserted against or incurred by City at any time and from time to time by reason of or arising out of (a) the breach of any representation or warranty of Developer set forth in this Agreement, (b) the failure of Developer, in whole or in part, to perform any obligation required to be performed by Developer pursuant to Section 6.3, following notice and expiration of any applicable cure period, or (c) except for the matters disclosed herein, or resulting from the acts and/or omissions of City and its agents, employees and/or contractors, the ownership, construction, occupancy, operation, use and maintenance of the Land prior to Closing, or (d) the violation by Developer, its agents, employees, contractors and/or consultants, after the Closing Date (or occurring prior to the Closing Date but not discovered by City until after the Closing Date) of any Hazardous Material Law and any and all matters arising out of any act or omission by Developer, its agents, employees, contractors and/or consultants, existing

or occurring on or prior to the Closing Date which results in a violation of a Hazardous Materials Law. The provisions of this Section 6.2 shall be subject to the other provisions of this Agreement and survive the Closing of the transaction contemplated by this Agreement and shall continue thereafter in full force and effect for the benefit of City, its successors and assigns. However, except as otherwise provided above, City may exercise any right or remedy City may have at law or in equity should Developer fail to meet, comply with or perform its indemnity obligations required by this Section 6.2.

6.3 **Covenants of Developer.** Developer covenants and agrees with City, from the Effective Date until the Closing or earlier termination of this Agreement:

6.3.1 Upon reasonable notice as to time by City to Developer, and without limiting the separate and distinct right and jurisdiction of City to cause inspections to be made pursuant to applicable municipal codes and ordinances, City shall be entitled to make, at its sole cost, all inspections or investigations desired by City with respect to the Land and Improvements or any portion thereof, and, subject to any security requirements, shall have complete physical access to the Land and Improvements. Developer shall have the right to have one or more representatives present at any such inspection or investigation.

6.3.2 Developer shall obtain and cause to be maintained (or cause the General Contractor and/or Architect to obtain and maintain, as applicable) in full force and effect from the Effective Date and at all times through Closing insurance meeting the requirements therefore established by Lender; provided, however, that City shall be an additional named insured on all such insurance, as its interests may appear.

6.3.3 Developer shall pay when due all bills and expenses of the Land and Improvements; provided, however, that nothing herein shall preclude Developer from contesting any such bills and expenses, so long as either: (i) the same do not constitute liens or encumbrances, choate or inchoate, on the Land and Improvements, or (ii) if the same do constitute liens or encumbrances on the Land and Improvements, Developer causes the Title Insurance Policy to insure thereover, or otherwise provides alternative security therefore satisfactory to City. Notwithstanding the foregoing, City consents to Developer granting Lender a mortgage on the Land, to be discharged at Closing, securing advances by Lender for the construction of the Improvements, and City further consents to the creation of such easements or encumbrances as are expressly contemplated by the Development Agreement, this Agreement.

6.3.4 Developer shall not create or voluntarily permit to be created any liens, easements or other encumbrances affecting any portion of the Land and Improvements, without the prior written consent of City, except as expressly permitted by the Development Agreement or this Agreement.

6.3.5 Developer will (i) provide full access to City, its attorneys, accountants and other representatives, during normal business hours and as often as may be requested, to the Land and Improvements and to all books, records and files relating to the Land and Improvements; (ii) provide full access to all information concerning the Land and Improvements which City, its attorneys, accountants or other representatives reasonably request; and (iii) cooperate with City in the conducting of such audit by City of the construction of the Improvements to the extent that it does not materially interfere with Developer's business or require any substantial out-of-pocket expense by Developer, and will make available to the accountants conducting such audit such information known to Developer as may be reasonably required addressing, among other things, any irregularities or undisclosed claims or liabilities that could have a material effect on the results of the audit.

6.3.6 The Improvements will be constructed in such a manner as to not be in violation of any applicable law, ordinance, rule, regulation or requirement of any governmental authority having jurisdiction there over, including without limitation Hazardous Materials Law, and those pertaining to zoning, building, health or safety, of the municipal, county, state or federal governments, and the Development Agreement.

6.4 **Representations, Warranties and Covenants of City.** To induce Developer to enter into this Agreement, City represents and warrants to Developer that:

6.4.1 City has duly and validly authorized and executed this Agreement, and has full right, power and authority to enter into this Agreement and to consummate the actions provided for herein, and the joinder of no person or entity will be necessary to accept the donation of the Land and Improvements from Developer at Closing.

6.4.2 The execution by City of this Agreement and the consummation by City of the transactions contemplated herein do not, and at the Closing will not, result in any breach of any of the terms or provisions of or constitute a default or a condition which upon notice or lapse of time or both would ripen into a default under any indenture, agreement, instrument or obligation to which City is a party, and do not constitute a violation of any order, rule or regulation of any court or of any federal or state or municipal regulatory body or administrative agency or other governmental body having jurisdiction over City.

6.5 **Survival of Reps and Warranties**. The representations and warranties of Developer and City under this Article 6 shall survive the Closing for the period of six (6) years.

ARTICLE 7

CONDITIONS TO CITY'S OBLIGATIONS

7.1 **Conditions to City's Obligations.** The obligations of City to accept the donation of the Land and Improvements from Developer and to consummate the transactions contemplated by this Agreement are subject to the satisfaction, as of the Closing Date, of each of the following conditions:

7.1.1 All of the representations and warranties of Developer set forth in this Agreement shall be true as of the Closing Date in all material respects except for changes expressly permitted or contemplated by the terms of this Agreement.

7.1.2 The Improvements have been Completed, and Developer shall have delivered, performed, observed and complied in all material respects with, all of the items, instruments, documents, covenants, agreements and conditions required by this Agreement and the Development Agreement to be delivered, performed, observed and complied with by Developer prior to, or as of, the Closing Date.

7.1.3 Developer shall have delivered to City the Architect's and Engineer's Certificate of Completion.

7.1.4 Neither Developer, Developer's manager, nor any members of Developer holding more than five (5%) percent of the membership interest in Developer (but excluding the members of any member other than a single-member entity) shall be in receivership, bankruptcy or dissolution proceedings or have made any assignment for the benefit of creditors, or admitted in writing its inability to pay its debts as they mature, or have been adjudicated as bankrupt, or have filed a petition in voluntary bankruptcy, a petition or answer seeking reorganization or an arrangement with creditors under the federal bankruptcy law or any other similar law or statute of the United States or any state and no such petition shall have been filed or threatened against Developer, Developer's manager or any member of Developer holding more than five (5%) percent of the membership interest in Developer (but excluding the members of a member other than a single-member entity) which are not dismissed within sixty (60) days of filing.

7.1.5 No material adverse change shall have occurred with respect to the condition of the Land or Improvements.

7.1.6 Neither the Land, the Improvements, nor any part thereof or interest therein shall have been taken by execution or other process of law in any action prior to the respective Closing Dates.

7.1.7 City shall be satisfied with the results of its due diligence, survey and title review (and further due diligence and/or review, as applicable) under Articles 4 and 5.

7.1.8 Developer shall have received, in form acceptable to City, all Permits required or appropriate for the construction of the Improvements.

7.1.9 No portion of the Land or Improvements shall have been destroyed by fire or casualty and not restored.

7.1.10 No condemnation, eminent domain or similar proceedings shall have been commenced or threatened with respect to any portion of the Land.

7.1.11 Developer shall have paid and/or reimbursed to City all those portions of City's legal fees and other expenses as shall have become due and payable by the Closing Date in accordance with the Development Agreement and any other agreements between City and Developer with respect thereto.

7.2 **Construction Sequencing/Timing Contingencies.** The parties acknowledge that, based on preliminary construction sequencing contemplated by Developer, it is likely that there will be a time period during which the physical construction of the Improvements may be substantially complete, the Parking Deck may be capable of use in part, yet not have achieved Completion as defined herein because it is not yet fully functional and operating due to ongoing construction activities relating to Building F, the residential structure immediately adjacent to and wrapping around portions of the Parking Deck. Under this Agreement, City shall have no obligation to Close and accept the donation of the Land and Improvements until such time as Completion shall have occurred and all other conditions to the City's obligation to close under this Agreement have been met. Under the foregoing circumstances, and subject to the normal inspection and approval process of the City's Planning and Development Services Unit, the fire department and all other necessary governmental approvals, and subject in any event to the Outside Closing Date, Developer may utilize such portions of the Parking Deck as are capable of use for parking to satisfy the parking requirements of the other buildings located on the Project Parcel pending Closing hereunder in accordance with applicable zoning and the approved Planned Unit Development plan for the Project. No such use shall be deemed to constitute acceptance by City of the Land and Improvements hereunder, nor acknowledgment by City that the Improvements have achieved Completion, or that the other conditions to City's obligation to accept the donation of the Land and Improvements have been met. Additionally, and as material consideration for such permissive interim use by Developer, Developer covenants and agrees to maintain the Parking Deck during such interim period fully in accordance with the terms and conditions for maintenance set forth in the Parking Deck Operating Agreement, all of which are incorporated herein by reference.

7.3 **Failure of Conditions to City's Obligations**.

7.3.1 In the event Completion of the Improvements has occurred but any one or more of the other conditions to City's obligations under Section 7.1 have not

been satisfied in whole due to a default by Developer in the performance of its obligations hereunder, or events within Developer's reasonable control, Developer shall be required to promptly and diligently take such actions as may be necessary or appropriate to cure the unsatisfied condition(s), at Developer's expense, and the Closing shall be delayed accordingly. Notwithstanding the foregoing, if Developer has not fully cured such deficiencies by the Outside Closing Date, then Developer's failure to cure shall be deemed a material default under this Agreement and shall entitle City to exercise all rights and remedies available to it hereunder or otherwise at law or in equity.

7.3.2 In the event Completion of the Improvements has occurred but any one or more of the other conditions to City's obligations under Section 7.1 have not been satisfied, and such non-satisfaction is not due to a default by Developer in the performance of its obligations hereunder, or to events not within Developer's reasonable control, City may, at its sole option and discretion (i) delay the Closing until such time as the conditions under Section 7.1 have been satisfied, or (ii) terminate this Agreement by written notice to Developer and Lender. If City elects to delay the Closing, and if Closing does not occur by the Outside Closing Date, either City or Developer may by written notice to the other and to Lender thereafter terminate this Agreement. If this Agreement is terminated as permitted in this Section 7.3.2, Developer shall be entitled to retain ownership and possession of the Land and Improvements for use by tenants and occupants of the Project, for such fees and upon such other terms and conditions as Developer elects; provided, however: (x) Developer acknowledges that if the City does not take title to the Land and Improvements as contemplated by this Agreement, and/or if Developer does not operate and maintain the Improvements in accordance with the Parking Deck Operating Agreement, the construction of the Improvements may not qualify as Eligible Activities, nor may the cost thereof be subject to reimbursement by the Washtenaw County Brownfield Redevelopment Authority under the Michigan Brownfield Redevelopment Financing Act, Act 381 of 1996, as amended; (y) non-acceptance of the Improvements by City shall not waive or negate the provisions and requirements of applicable zoning, the Planned Unit Development plan approved for the Project, the Development Agreement, or the necessity that the Improvements and the construction and operation thereof comply with all other applicable Federal, state or municipal statutes, ordinances, rules or regulations.

ARTICLE 8

PROVISIONS WITH RESPECT TO THE CLOSING

8.1 **Developer's Closing Obligations.** At the Closing, Developer shall furnish and deliver to the Title Company and/or City the following:

8.1.1 A Warranty Deed in the form attached hereto as Exhibit I, Warranty Bill of Sale or other instrument appropriate under Michigan law and acceptable to the Title Company to pass, warrant and convey title to the Land and Improvements in the condition required hereby, subject only to the Permitted Encumbrances, and otherwise as contemplated herein, each duly executed and acknowledged by Developer, as contemplated and called for herein.

8.1.2 The Title Policy, with premiums fully paid.

8.1.3 An estoppel certificate or certificates, in form satisfactory to City, from Developer, acknowledging and confirming that the Development Agreement is in full force and effect, and that, to Developer's knowledge, there are no defaults by Developer thereunder.

8.1.4 An affidavit, agreement and indemnity executed by Developer and dated as of the Closing Date, stating that there are no unpaid debts for any work that has been done or materials furnished to the Land and Improvements prior to and as of the Closing and stating that Developer shall indemnify, save and protect City and its assigns harmless from and against any and all Claims, including court costs and reasonable attorneys' fees related thereto, arising out of, in connection with, or resulting from the same, up to and including the Closing Date (not resulting from the acts and/or omissions of City, its agents, employees, consultants and/or contractors), in form and substance mutually acceptable to Developer and City.

8.1.5 The Parking Deck Operating Agreement, or counterpart signature pages therefor, duly executed and acknowledged by Developer.

8.1.6 Intentionally omitted.

8.1.7 Certificates of insurance of the type, in the forms and for the required amounts pursuant to the Parking Deck Operating Agreement showing City as additional insured and loss payee thereunder, with appropriate provisions for prior written notice to City in the event of cancellation or termination of such policies in accordance with the Parking Deck Operating Agreement.

8.1.8 Updated Search Reports, dated not more than ten days prior to the Closing Date, evidencing no UCC-1 Financing Statements or other filings in the name of Developer or any other Person with respect to the Land, Improvements and personal property, including furniture, fixtures and equipment.

8.1.9 Such affidavits, certificates or letters of indemnity as the Title Company shall reasonably require in order to omit from its insurance policy all standard exceptions and to issue the Title Policy.

8.1.10 Any and all transfer declarations or disclosure documents, duly executed by the appropriate parties, required in connection with the Warranty Deed, Warranty Bill of Sale or other conveyancing instrument by any state, county or municipal agency having jurisdiction over the Land and Improvements or the transactions contemplated hereby.

8.1.11 Such instruments or documents as are necessary, or reasonably required by City or the Title Company, to evidence the status and capacity of Developer and the authority of the person or persons who are executing the various documents on behalf of Developer in connection with the transactions contemplated hereby.

8.1.12 Counterpart signature pages of the closing statement, together with funds, if any, required of Developer thereunder.

8.2 **City's Closing Obligations.** At the Closing, City shall deliver to the Title Company and Developer the following:

8.2.1 The Parking Deck Operating Agreement, or counterpart signature pages therefor, duly executed and acknowledged by City.

8.2.2 The Continuation of Operation/Put Agreement, or counterpart signature pages therefore, duly executed and acknowledged by City.

8.2.3 Such instruments as are necessary, or reasonably required by Developer or the Title Company to evidence the authority of City to consummate the transactions contemplated hereby and to execute and deliver the closing documents on City's part to be delivered.

8.2.4 A counterpart signature page of the closing statement, together with funds, if any, required of City thereunder.

8.2.5 A duly executed certificate evidencing acceptance by City of the donation by Developer of the Land and Improvements as constructed.

8.2.6 An estoppel certificate or certificates, in form mutually satisfactory to Developer, Lender and City, acknowledging and confirming that this Agreement, the Development Agreement and the Parking Deck Operating Agreement are (or will upon execution be) in full force and effect, and that there are no known material defaults by City or Developer thereunder except as disclosed, if any, in the certificate.

8.2.7 Such other documents as may reasonably requested by Developer and/or Developer's Lender.

ARTICLE 9

EXPENSES OF CLOSING

9.1 **Prorations and Adjustments.** Developer shall be and remain responsible for, and shall pay, all real estate and personal property taxes and assessments which have become a lien against the Land and Improvements as of and through the Closing Date, as well as any and all such taxes and assessments from and after the Closing Date pursuant to its ongoing obligations under the Parking Deck Operating Agreement. Similarly, there shall be no adjustment of water or sewer charges, gas, electric, telephone or other utilities, operating expenses, premiums on insurance policies or other items that are normally prorated, it being agreed and understood by the Parties that Developer shall be responsible therefor prior to the Closing Date, and the operator under the Parking Deck Operating Agreement shall be obligated to pay such items under the terms of the Parking Deck Operating Agreement after the Closing Date.

9.2 **Closing Costs.** Developer shall pay all costs of closing, including without limitation: (i) Developer's attorneys' fees and expenses, (ii) City's attorneys' fees and expenses, in accordance with the Development Agreement and other agreements between City and Developer with respect thereto, (iii) all title examination fees and premiums for the Title Policy and endorsements called for herein, (iv) the Search Reports, (v) the Survey (including the initial and the as-built update), (vi) all state, municipal or other documentary or transfer taxes payable in connection with the delivery of any instrument or document required or contemplated by this Agreement or any agreement or commitment described or referred to herein, and (vii) the charges for or in connection with the recording and/or filing of any instrument or document required or contemplated by this Agreement or any agreement or document described or referred to herein. Developer's obligations under this Section 9.2 shall survive the Closing.

ARTICLE 10

DEFAULT AND REMEDIES

10.1 **Developer's Default; City's Remedies**.

10.1.1 **Developer's Default**. Developer shall be deemed to be in default hereunder upon the occurrence of any one or more of the following events: (i) any of Developer's warranties or representations set forth herein shall be untrue in any material respect when made or at the Closing; (ii) Developer shall fail to meet, comply with, or perform any covenant, agreement or obligation on its part required under, within the time limits set forth and in the manner required in this Agreement; or (iii) Developer defaults under the Development Agreement or any other document or instrument between City and Developer governing or relating to the Project.

10.1.2 **City's Remedies**. In the event Developer shall default hereunder, and fails to cure such default within thirty (30) days after written notice of such default from City [provided, however, that if such default is by its nature not capable of cure within thirty (30) days, Developer shall not be deemed in default if and so long as Developer commences cure within thirty (30) days and diligently prosecutes such cure to completion], City may: (i) terminate this Agreement (but City shall not be deemed solely by such termination to have terminated the Development Agreement or any other document or instrument between City and Developer and pertaining to the Project); (ii) specifically enforce performance of this Agreement by Developer, including payment of City's costs and reasonable attorneys fees in connection with such enforcement; or (iii) bring an action for damages or seek such other relief as may be available under applicable law or in equity.

10.1.3 **Lender Notice.** Notwithstanding anything contained herein to the contrary, so long as City is advised in writing of the name, address and contact information for the Lender, any and all notices given by the City to the Developer hereunder, including any and all notices of default, shall be given to the Lender simultaneously with the delivery of same to the Developer; provided, however, that failure or omission by City to give such notice to Lender shall not be deemed to make notice to Developer ineffective or without effect. In the event Developer fails to cure any alleged default within the time period provided, then, in that event, the Lender shall have a period of thirty (30) days from and after the date the Developer's cure period has expired, advise the City by written notice of the Lender's election to undertake efforts to cure such alleged default. Lender shall have no obligation to cure any such default, nor shall have any liability if it elects not to do so. In the event Lender elects to undertake efforts to cure the default, it shall have such additional period of time following the cure period of Developer equal to that given to Developer hereunder to effect such cure prior to the City's ability to terminate this Agreement. Any cure by Lender shall be deemed a cure by the Developer and shall be accepted by the City and during the pendency thereof the City shall not pursue any other remedies hereunder.

10.2 **City's Default; Developer's Remedies**.

10.2.1 **City's Default**. City shall be deemed to be in default hereunder upon the occurrence of any one or more of the following events: (i) any of City's warranties or representations set forth herein shall be untrue in any material respect when made or at the Closing; or (ii) City shall fail in any material respect to meet, comply with, or perform any covenant, agreement or obligation on its part within the time limits and in the manner required in this Agreement.

10.2.2 **Developer's Remedy**. In the event City shall default hereunder, and fails to cure such default within thirty (30) days after written notice of such default from Developer [provided, however, that if such default is by its nature not capable of cure within thirty (30) days, City shall not be deemed in default if and so long as City

commences cure within thirty (30) days and diligently prosecutes such cure to completion], Developer's sole remedy shall be to seek specific performance after full tender of performance by Developer under this Agreement and, to the extent applicable, the Development Agreement, including Completion of the Improvements up to the date of such demand for specific performance and tender of title thereto in accordance with this Agreement.

ARTICLE 11

MISCELLANEOUS

11.1 **Survival.** Except as otherwise expressly limited by the terms of this Agreement, all of the representations, warranties, covenants, agreements and indemnities (but not matters or items identified as conditions for parties' obligation to close) of Developer and City contained in this Agreement, to the extent not performed at the Closing, shall survive the Closing and shall not be deemed to merge upon the acceptance of the Warranty Deed/Warranty Bill of Sale by City.

11.2 **Notices.** Any notices, demands, approvals and other communications provided for herein shall be in writing and shall be delivered by telephonic facsimile, overnight air courier, personal delivery or registered or certified U.S. Mail with return receipt requested, postage paid, to the appropriate party at its address as follows:

If to Developer:

Lower Town Development Group, LLC
c/o Strathmore Development Company
1427 W. Saginaw, Suite 200
East Lansing, Michigan 48823
Attn.: Scott A. Chappelle, President
Telephone: (517) 664-4111
Fax: (517) 664-4151

with a copy to:

Miller Canfield Paddock & Stone PLC
101 N Main St Fl 7
Ann Arbor, MI 48104
Attention: Joseph M. Fazio, Esq.
Telephone: (734) 668-7633
Fax: (734) 747-7147

(ii) if to City:

City of Ann Arbor

100 North Fifth Avenue
Ann Arbor, MI 48107
Attention: Roger Fraser, City Administrator
Telephone: (734) _____
Fax: (734) _____

with a copy to:

City Attorney's Office
City of Ann Arbor
100 North Fifth Avenue
Ann Arbor, MI 48107
Attention: Stephen K. Postema, Esq.
Telephone: (734) 997-1020
Fax: (734) 994-4954

with a copy to:

Butzel Long
Stoneridge West
41000 Woodward Avenue
Bloomfield Hills, MI 48304
Attention: James C. Adams, Esq.
Telephone: (248) 258-2901
Fax: (248) 258-1439

(iii) If to Developer's Lender:

Key Bank National Association
100 South Main, Floor 6
Ann Arbor, MI 48104
Attention: David F. Baker
Telephone: (734) _____
Fax: (734) 741-6753

with copy to:

Bodman LLP
201 W Big Beaver Rd Ste 500
Troy, MI 48084
Attention: Wendy L. Zabriskie
Telephone: (248) 743-6046
Fax: (248) 743-6000

Addresses for notice may be changed from time to time by written notice to all other parties. Any communication (i) if given by mail, will be effective upon the earlier of (a) three business days following deposit in a Post office or other official depository under the care and custody of the United States Postal Service or (b) actual receipt, as indicated by the return receipt; (ii) if given by telephone facsimile, when sent; and (iii) if given by personal delivery or by overnight air courier, when delivered to the appropriate address set forth.

11.3 **Entire Agreement; Modifications.** This Agreement embodies and constitutes the entire understanding between the parties with respect to the transactions contemplated herein, and all prior or contemporaneous agreements, understandings, representations and statements (oral or written) are merged into this Agreement. Neither this Agreement nor any provision hereof may be waived, modified, amended, discharged or terminated except by an instrument in writing signed by the Party against whom the enforcement of such waiver, modification, amendment, discharge or termination is sought, and then only to the extent set forth in such instrument. The City Administrator is empowered on behalf of the City to agree to non-material and non-monetary amendments to this Agreement that do not change the overall intent of the Agreement.

11.4 **Applicable Law.** This Agreement shall be construed and enforced in accordance with the laws of the State of Michigan, except with respect to remedial provisions, if any, which by their nature are subject to, and shall be enforced in accordance with, the laws of the State of Michigan. If any provision of this Agreement is in conflict with a statute or rule of law of the State of Michigan, or to the extent applicable, a statute or rule of law of the State of Michigan, or is otherwise unenforceable for any reason whatsoever, then such provision shall be deemed null and void to the extent of such conflict or unenforceability, but shall be deemed separable from and shall not invalidate any other provisions of this Agreement.

11.5 **Captions.** The captions in this Agreement are inserted for convenience of reference only and in no way define, describe, or limit the scope or intent of this Agreement or any of the provisions hereof.

11.6 **Binding Effect.** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal and personal representatives, successors, and assigns.

11.7 **Extension of Dates.** Notwithstanding anything to the contrary contained in this Agreement, if Developer shall fail to deliver any document or item required pursuant to any of the terms and provisions of Article 4 and/or Article 5 within the applicable time period required, City, at its option, shall have the right to extend the date of expiration of the Review Period, and correspondingly the date of respective Closings, by the number of days elapsing from the date such items were required to be delivered

and the date such items were actually delivered to City; provided that City shall give Developer and Lender notice of its intent to extend such dates. Nothing herein shall diminish Developer's obligation to timely furnish such items.

11.8 **Time is of the Essence.** With respect to all provisions of this Agreement, time is of the essence. However, if the first date of any period which is set out in any provision of this Agreement falls on a day which is not a Business Day, then, in such event, the time of such period shall be extended to the next day which is a Business Day.

11.9 **Waiver of Conditions.** Any Party may at any time or times, at its election, waive any of the conditions to its obligations hereunder, but any such waiver shall be effective only if contained in a writing signed by such Party. No waiver by a Party of any breach of this Agreement or of any warranty or representation hereunder by the other Party shall be deemed to be a waiver of any other breach by such other Party (whether preceding or succeeding and whether or not of the same or similar nature), and no acceptance of payment or performance by a Party after any breach by the other Party shall be deemed to be a waiver of any breach of this Agreement or of any representation or warranty hereunder by such other Party, whether or not the first Party knows of such breach at the time it accepts such payment or performance. No failure or delay by a Party to exercise any right it may have by reason of the default of the other Party shall operate as a waiver of default or modification of this Agreement or shall prevent the exercise of any right by the first Party while the other Party continues to be so in default.

11.10 **Brokers.** Each party represents to the other that it has not created any legal rights in any broker or salesman to claim a real estate commission or similar fee with respect to the purchase or sale of the Land. Each party agrees to defend, indemnify and hold the other harmless from any and all claims for any real estate commissions, leasing fees or similar fees arising out of or in any way relating to a breach of the foregoing representation.

11.11 **Risk of Loss.** Until the Closing Date, the risk of loss of any portion of the Land or Improvements shall be solely that of Developer. Risk of loss shall be that of City from and after the Closing Date, at which time Developer shall deliver to City possession of the Land and Improvements, subject, however, to the terms and conditions of the Parking Deck Operating Agreement.

11.12 **No Assumption of Liabilities.** City shall not assume any of the existing liabilities, indebtedness, commitments or obligations of any nature whatsoever (whether fixed or contingent) of Developer in respect of the Land, Improvements or otherwise, except those expressly assumed herein.

11.13 **Evidence of Interest.** City may, at its election, record an affidavit, memorandum or other evidence of its interest hereunder with the register of deeds for Washtenaw County, Michigan.

11.14 **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

11.15 **Acknowledgement.** The parties acknowledge that City, Developer and the Washtenaw County Brownfield Redevelopment Authority ("WCBRA") have entered in to a development agreement (the "WCBRA Agreement") pursuant to which certain expenses to be incurred by Developer in connection with the Project (including the construction of the Parking Deck pursuant to the terms hereof) are to be reimbursed through WCBRA's capture and distribution of certain tax increment and revenues from the levies imposed by taxing jurisdictions upon the taxable property. City agrees to reasonably cooperate with Developer in the implementation of City's role under the WCBRA Agreement, subject in all respects to Developer's compliance with the Development Agreement, the Brownfield Plan and the 381 Work Plan (as both terms are defined in the WCBRA Agreement), this Agreement, and all other obligations of Developer to City under applicable contracts or law.

EXECUTED to be effective as of the Effective Date.

Developer:

LOWER TOWN DEVELOPMENT GROUP, LLC, a Michigan limited liability company

By Terra Management Company, its manager

By:_____
Scott A. Chappelle, its President

City:

CITY OF ANN ARBOR, a Michigan municipal corporation

By:_____
John Hieftje
Mayor

By:_____
Jacqueline Beaudry
City Clerk

Approved as to Substance:

_____
Roger W. Fraser, City Administrator

Approved as to Form:

_____
Stephen K. Postema, City Attorney

LIST OF EXHIBITS

EXHIBIT A – LEGAL DESCRIPTION OF PROJECT PARCEL

EXHIBIT B – CONSTRUCTION SCHEDULE

EXHIBIT C - DESIGN CRITERIA

EXHIBIT D—ENVIRONMENTAL REPORTS

EXHIBIT E – LAND DRAWING AND OUTLINE

EXHIBIT F- NON-FOREIGN (SECTION 1445) AFFIDAVIT

EXHIBIT G- SURVEYOR'S CERTIFICATE

EXHIBIT H- PARKING DECK OPERATING AGREEMENT

EXHIBIT I- WARRANTY DEED

EXHIBIT J- CITY CODE NON-DISCRIMINATION REQUIREMENTS

EXHIBIT K- CITY CODE LIVING WAGE REQUIREMENTS

EXHIBIT A

LEGAL DESCRIPTION OF PROJECT PARCEL

BEGINNING at the intersection of the Northeast line of Maiden Lane (50,00 feet wide) and the Southeast line of Broadway Street (82.50 feet wide), said point being the West corner of Lot 78 of Assessor's Plat No. 33, City of Ann Arbor, Washtenaw County, Michigan; thence along the Southeast line of Broadway Street (82.50 feet wide) N57"48'00"E 564.41 feet; thence N01 o46'04"E 2070 feet (recorded as N01o46'00"E 20.54 feet) along a line coincident between said Assessor's Plat No. 33 and Assessor's Plat No. 32, City of Ann Arbor, Washtenaw County, Michigan; thence along the Southeasterly line of Broadway Street (66,00 feet wide) N5B'18'00"8 59.38 feet; thence 522'42'30"8 13.78: thence S52"08'30"8 51.77 feet; thence S65"44'00"E 29.31 feet; thence S73'06'00"E 50.81 feet; thence N37"31'00"8 25.40 feet; thence S79o25'00"E 177.07 feet along the Northeasterly line of Lot 25 of said Assessor's Plat No. 32; thence S31"16'00"W 410.29 feet along the Northwesterly line of Ross-Maiden Lane Apartments property; thence S58'44'00"E 75.00 feet; thence 531o16'00"W 255.50 feet; thence N58"44'00"W 653.23 feet along the Northeasterly line of Maiden Lane (50.00 feet wide) to the Place of Beginning, being all of Lots 73 through 87 of said Assessor's Plat 33, and all of Lots 26,27 ,28,29 and part of Lots 25 and 30 of said Assessor's Plat 32, City of Ann Arbor, Washtenaw County, Michigan, including those portions of the vacated alleys adjacent thereto, Containing 6.41 acres of land, more or less, Also being subject to easements and restrictions of record, if any.

EXHIBIT B
CONSTRUCTION SCHEDULE

[TO BE ATTACHED UPON COMPLETION]

EXHIBIT C

DESIGN CRITERIA

LOWER TOWN PARKING STRUCTURE

CITY OF ANN ARBOR

ANN ARBOR, MICHIGAN

DESIGN PROGRAM SUMMARY

By

Strathmore Development Company
SmithGroup
Carl Walker, Inc.

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DESIGN CRITERIA

PROGRAM REQUIREMENTS

I SCOPE OF WORK

The project includes the design and construction of an Eight (8) level parking structure to be located in the Broadway Village at Lower Town development near the corner of Broadway and Maiden Lane in Ann Arbor.

The project is to include everything necessary to provide a fully functional and operational parking facility, whether or not such requirements for each project element are expressed or implied in this document. All elements of the project must comply with applicable codes and criteria specified herein, and must be architecturally compatible with the existing surrounding features. System compliance, ease of use, and features to facilitate a sixty (60) year life expectancy, with no major repairs, for all elements of the project are required. All demolition required for execution of the work is included.

The project also includes the preparation of design drawings and specifications necessary for fabrication and construction of all components. The successful contractor shall employ engineering consultants, currently registered in the State of Michigan to perform the design. The engineers shall be the "Engineer of Record". The engineer shall prepare and seal final design documents and submit these documents to appropriate governing authorities for approval, review shop drawings and make necessary field observations to assure that the project is constructed in accordance with the design intent.

Architectural design services will be performed by Carl Walker, Inc. and SmithGroup, Inc.

The project does not include provisions for future expansion.

II PARKING STRUCTURE DESIGN

This design will meet the following general requirements and the attached outline specifications.

General: The placement of the parking structure on the site is to accommodate the project development, and to provide public parking.

- The parking structure shall contain approximately 700 parking spaces. Parking space size and layout shall meet the City of Ann Arbor minimum standards.
- The ingress and egress locations have already been approved by the City.
- At each vehicle ingress location appropriate height check bars (head knocker) are to be provided.
- Access control shall provide operator the ability to count/track and control parking group(s) access. Multiple entry/exit lanes may be required (minimum 1 entry, 1 exit, and 1 reversible lane).

Building Facade and Finishes: All finishes and architectural materials are subject to the reasonable approval of the City.

The interior of the parking structure shall utilize uniform, repetitive structural elements with emphasis placed on openness to promote infiltration of natural light and absence of visual barriers throughout. The interior finish of structural elements shall be smooth and regular, in absence of ridges, fins, blemishes, etc. All floor slabs in parking areas shall have a broom finish. Finishes in the stairs, elevators, lobbies shall utilize aesthetically pleasing and durable materials, and shall be satisfactory to the City. Painted finishes should be avoided.

Elevator and Stairs: As a minimum, elevator and stair locations are to meet all appropriate codes. The stairs and elevator towers are shared between the parking structure and residential buildings. The stair and elevator towers shall be structurally independent of the residential building. The stair and elevators shall be enclosed as required by all appropriate codes. All stairs shall be precast concrete and have a permanent, durable non-slip surface. Metal pan stairs with or without a concrete infill and steel stringers are not allowed. The stair enclosures at the top level shall have a glass exterior enclosure as allowed by applicable codes, door, dark anodized aluminum gravel stop and a single ply EDPM roof.

Railings and Closures: Stair railings shall be 1-1/4" pipe minimum, hot dipped galvanized, setting sleeves shall be PVC, plates and other accessories shall be galvanized. No attachments which are exposed to the weather shall be made to the top side horizontal surface.

Storage Room: A secured storage area will be provided in the basement of the parking structure for storage of maintenance equipment and supplies. Additional enclosed areas to house appropriate electrical, elevator equipment rooms, and other code required spaces will be provided. Storage rooms and electrical/mechanical areas will be separated, as required by applicable codes.

Parking Office: Provide a parking office to include:

- All finishes, including all weather flooring, ceiling, walls, etc.
- Heating, cooling, and ventilation.
- Locking doors to be keyed in accordance with City requirements.
- Restroom (staff only).
- Storage room with mop sink.

Clearance: The minimum clear height at any location within the parking structure must be 7'-4" (Signed for 7’-0”). The minimum clear height in the clear span parking bays must be 7'-6". Clear height for access to the accessible parking spaces shall be 8'-4" (Signed for 8’-2”).

Durability: The parking structure shall be designed with special emphasis on durability and ease of maintenance. All components shall include details and materials which promote long term durability. Durability features to be included are:

- Low water/cement ratio concrete
- DCI (Calcium Nitrite) corrosion-inhibiting admixture
- Air entrained concrete
- Proper drainage of the floor decks
- Minimum concrete cover of 2 inches for walls and slabs that are exposed to deicing salts and 1-1/2 inch cover for precast floor toppings.
- Properly sized expansion joints
- Hot-dip galvanized finish for all connections and embed plates exposed on precast or CIP members
- Stainless steel precast tee to tee flange connections
- Concrete sealers & Deck Coatings
- Concealed structural connections to prevent water seepage and rusting
- Restraint free design and construction to allow volume changes as a result of temperature change, concrete shrinkage, elastic shortening, etc.

The design shall adhere to the recommendations of the, American Concrete Institute, ACI 362, *"Guide for the Design of Durable Parking Structures"* Zone 3 and ACI 318, Chapter 4, "Durability Requirements". Latest Edition of each to be used.

Utilities: Relocation of existing above or below grade utilities are not included. All existing utilities are to be protected during construction operations.

Structural Systems: A precast concrete system with a field applied concrete topping slab will be used for the main portion of the parking structure. The portion of the parking structure below Beckley Street and Residential Building F will consist of a conventionally reinforced short-span cast-in-place concrete system. Both systems shall comply with applicable codes and criteria specified herein. The structural system shall conform to the State of Michigan Building Code (as adopted by the City of Ann Arbor) requirements and minimum design requirements by the American Concrete Institute (ACI) Manual of Concrete Practices, Parts 1 through 5. Structural

drawings and calculations signed by a Structural Engineer licensed in the State of Michigan shall be furnished as required for the Building Permit prior to construction.

Drainage: The floors at each level of the parking structure shall have positive slope to each floor drain. The minimum design slope shall be 1.5% (2.0% desired). Positive drainage is mandatory. Approaches to the parking structure shall slope away from the building and be coordinated with existing storm drainage inlets. The drain piping system should not impede or delete parking spaces, or reduce head room. The drain piping system will drain into sanitary and/or storm drainage systems in accordance with City of Ann Arbor requirements. The drainage system is to include appropriate connections to sewers and storm drains, including oil interceptors if necessary. Provide foundation, wall, and below slab drainage as necessary to remove all standing water from walls, slabs, and foundations above the water table.

Structural Frame: Framing shall provide clear span parking so that columns are located only at the outer edge of the parking bays. Vertical elements so located shall not encroach more than eighteen (18) inches into the depth of any stall. The clear distance between columns shall be approximately 60 ft. Vertical elements will be permitted between parking stalls in the cast-in-place portion of the structure below Beckley Street.

Shear walls, if used, shall be arranged to promote security for the users by avoiding closed in or hidden areas. If shear walls are used within the parking structure they shall not extend more than 16'-6" into adjacent clear span bays. These shear walls shall be "shear-frame" types which utilize large openings in the wall to promote visual security.

The surface of all floors and ramps, including roof and ground floor shall be concrete and shall be finished with a medium broom finish. Design of floors and ramps, shall provide uniform surfaces for drainage and maintenance. Camber shall be provided in structural framing where short and long term deflections will adversely affect these requirements or create an undesirable appearance. All elevated parking levels and expansion joints, where required, shall be designed to be watertight and to require as little maintenance as possible.

The design documents shall indicate column and beam locations and sizes, floor slab construction thickness, location and size of lateral load resisting elements, typical perimeter section/detail which defines proposed spandrel beam to column and/or floor connections, drainage slopes, ramp slopes, expansion joint locations, typical interior column line section/detail at ramp/flat bay, and any additional information which defines the proposed structural system.

Corrosion-Inhibiting Admixture: Concrete mix designs with corrosion inhibitor will be based on the use of a Calcium Nitrite Corrosion Inhibitor manufactured by W.R. Grace Co., Master Builders, or approved equivalent.

Sealants: Sealants are to be placed in all slab construction and control joints including those joints where the horizontal floor interfaces with precast vertical or horizontal surfaces (coves). Sealant shall be placed at the top side of all horizontal joints in precast, CIP, or combined assemblies. All joints shall be tooled in plastic concrete. Saw cutting will not be allowed. All

slab-on-grade joints shall be sealed. All sealants shall have a minimum 5 year joint and several warranty.

Expansion Joints: Expansion joints shall be provided as required for structural considerations. Double columns are required at expansion joints; slide bearing expansion joints are not allowed. Expansion joints shall be properly sized to accommodate volume changes in the parking structure due to temperature change, lateral forces, shrinkage, creep and compression of concrete. All expansion joints shall have a minimum 5 year joint and several warranty.

Parking Slab Waterproofing & Protection: All supported parking slabs are to be protected with a 40% Silane Sealer prior to exposure to vehicle traffic subject to deicers. Heavy duty deck coating to be applied to slabs over office, storage areas, electrical rooms, etc.

Below Grade Waterproofing: Provide necessary foundation and wall waterproofing as required to prevent water leaking through exterior wall and mat foundation system for construction below the water table. Provide water stops in construction joints in cast-in-place concrete elements that have one side exposed to the weather or soil.

Slabs On Grade: The ground floor within the structure shall be a concrete slab on grade. This slab shall be a minimum of 5 inches thick over a minimum 6 inches of compacted sub-base and shall be reinforced as required. Design shall consider location and spacing of proposed control joints and construction joints. The maximum control joint spacing shall be 15'-0". All joints shall be properly prepared and sealed with sealant. All concrete slabs on grade shall be constructed in accordance with requirements in the geotechnical report.

Security: An important element in the overall design of the parking structure is dealing with security issues. As a minimum both passive and active security measures are incorporated into the overall design of the parking structure.

Signage: Non-illuminated Signage will be provided in accordance with current signage standards as provided in other parking structures owned by the City of Ann Arbor.

Parking Stripes: Typical parking layout shall meet City requirements. Accessible spaces shall be in accordance with accessibility requirements.

Painting: Proposal shall include painting of hollow metal doors and frames, stair railings, fire protection lines, fire standpipe pipes, etc. The ceiling and beams shall be stained white in both the precast and cast-in-place systems.

Plumbing: Provide plumbing systems for all elements of the project including, sewer and storm water piping, water piping, hose bibs, floor drainage, restroom, etc. All work must conform to federal, state and local codes. Materials and equipment provided shall be high quality and low maintenance. Provide a floor wash down system with 3" copper cold water lines and 1 1/4" hose bibs at each stair and at the mid-length at all levels of the parking structure. Work includes connection of sewer, water and storm lines to appropriate existing mains in the vicinity of the parking structure.

Fire Protection: If a dry or dry/wet standpipe fire protection system is required for the parking structure (or components of the parking structure), all components of the fire protection system should be located so as not to impede or delete parking spaces and they shall not reduce the required height clearance nor shall it interfere with pedestrian traffic in stairs, lobbies or other areas. The fire protection system must be in compliance with applicable codes and must be approved by the State Fire Marshal and the City's insurance carrier. All piping shall be provided from State Fire Marshal approved sources.

Ventilation: Mechanical ventilation shall be provided in accordance with code requirements.

Electrical: Provide all necessary equipment and materials for a complete, operating, electrical system. Work shall include but is not limited to connection to transformers, service entrance lines, switchboard, panel boards, meters, disconnect switches, emergency power system, distribution wiring, convenience outlets, parking access and revenue control system, telephone wiring, lighting and power for all equipment operation. Weatherproof convenience outlets shall be provided at all stairway enclosures on each level of the parking structure. Electrical panels shall be protected from access by the general public.

Lighting: Provide Metal Halide light fixtures for all covered areas and the roof level necessary to meet the following minimum criteria:

TABLE 1 shows the light levels for open and covered parking facilities recommended by IES. According to IES, these light levels are for the safe movement of traffic, for satisfactory vision for pedestrians, and for the guidance of both vehicles and pedestrians. They are the lowest acceptable levels consistent with the seeing task involved and the need to deter vandalism while at the same time meeting energy constraints. Patrons' convenience, Closed Circuit Television (CCTV) surveillance, and business attraction may require a higher level of lighting in some circumstances.

IES further indicates that ***TABLE 1*** specifies average light levels for the vehicular area in open and covered parking facilities, it specifies minimum light levels for the pedestrian areas of open parking facilities. The reason for this is that an absolute minimum of lighting is considered necessary for the identification of features or pedestrian safety, which should be achieved at all points.

TABLE 1 RECOMMENDED MAINTAINED LIGHT LEVELS FOR PARKING FACILITIES

A) OPEN PARKING FACILITIES

Level of Activity	General Parking and Pedestrian Area			Vehicle Use Area (only)		
	Minimum on Pavement		Uniformity Ratio	Average on Pavement		Uniformity Ratio
	Lux	Footcandles	(Avg:Min)	Lux	Footcandles	(Avg:Min)
High	10	0.9	4:1	22	2	3:1
Medium	6	0.6	4:1	11	1	3:1
Low*	2	0.2	4:1	5	0.5	4:1

B) COVERED PARKING FACILITIES

Areas	Day		Night		Uniformity Ratio
	Average on Pavement [1]		Average on Pavement		
	Lux	Footcandles	Lux	Footcandles	(Avg:Min)
General Parking & Pedestrian Areas	54	5	54	5	4:1
Ramps and corners	110	10	54	5	4:1
Entrance areas	540	50	54	5	4:1
Stairways [2]	215	20	215	20	4:1

* *This recommendation is based on the requirement to maintain security at any time in areas where there is a low level of nighttime activity.*

[1] *Sum of electric (artificial) light and daylight.*

[2] *Light level varies from 5fc to 20fc.* ***Carl Walker*** *recommends 20fc.*

A. Special Considerations

1. In covered parking facilities, vertical illuminance of objects such as columns and walls should be equal to the horizontal values given in ***TABLE 1***. These vertical values are for a location 6 feet (1.8 meters) above the pavement.

2. In covered facilities the circuitry will be such that all lighting will be left on during nighttime for security reasons.

3. Emergency light fixtures will be located so as to provide a minimum lighting supply. These units will provide light levels per applicable local code

requirements. An emergency generator will be provided to maintain the minimum light levels during power outages.

4. Lighting of access roads to all types of parking facilities should comply with the local highway/roadway agency lighting requirements.

5. With respect to energy conservation, light levels will be reduced in sections of the facility where daylight infiltration exceeds the recommended light levels.

6. At entrances/exits (both pedestrian and vehicular), loading zones, and pedestrian crossings will be given special consideration to permit ready identification and to enhance safety/security.

7. Lighting for stair towers may require a light fixture on every landing with additional units in between if required for a higher level of safety/security. It may be necessary to call attention by adding supplementary light fixtures to changes in elevations, e.g., steps.

8. Light poles at roof levels will have a mounting height of 24 feet, which includes four feet for the concrete base and 20 feet for the light pole. The four feet concrete base will prevent damage to poles from automobiles being parked. The overhang of a typical automobile is approximately 1.5 to 3.3 feet (0.5 to 1.0 meter) in front, and 5 feet (1.5 meters) in the rear.

Emergency Lighting Circuit: An emergency lighting circuit will be provided which remains on during power outages. The emergency lighting circuit includes an emergency generator. Emergency lighting shall meet the requirements of the Building Code.

Landscaping: Landscaping is not included in the scope of work.

Parking Access and Revenue Control Equipment: All entrance, exit and reversible lanes will be equipped with a Federal APD (or equivalent) access control and revenue control system. The parking and access control equipment will be coordinated with the City of Ann Arbor requirements. Concrete pads at entrance/exit lanes to accommodate access control equipment and parking attendant booths will be provided . Power conduits will be to the booth.

Fire Resistance: Hourly fire resistance ratings of structural members and connections shall be in accordance with the Building Code requirements.

Maintenance Manuals: Provide maintenance manuals for all items associated with the Parking Structure. The maintenance manual shall be project specific for this project.

III DESIGN SERVICE LOADS

DESCRIPTION

A. Supported parking and drive areas - 40 psf

B. Snow load - 25 psf

C. Slab on grade - 100 psf

D. Stairs, landings, and lobbies - 100 psf

E. Concentrated wheel load acting on 20 square inch area - 3,000 lbs

F. Bumper impact load, located 18 inches above finished floor - 6,000 lbs

G. Wind load: As required

H. Seismic: As required.

I. Volume change due to temperature, relative humidity, concrete shrinkage, and elastic shortening shall be included in design. As a minimum, loads per PCI MNL 120, Chapter 3.

J. Construction loading - 30 psf

2,000 lbs (over a 20 square inch area)

IV OUTLINE SPECIFICATION

DIVISION 2 SITE WORK

2.1 FOUNDATION DESIGN

Provide a mat foundation system as recommended by the geotechnical submittal by Soil & Materials Engineers.

2.2 GENERAL - SITE WORK

A. All bearing earth to be undisturbed or compacted fill. Remove and dispose of off site all unsuitable materials. Proof roll and place engineered fill in accordance with the soils report.

C. All material to be compacted to 95% maximum density in accordance with ASTM D 1557. Verify adequacy of subgrade preparation, fill material and compaction.

D. The base of all foundations and walls shall be placed a minimum of 4'-0" below the adjacent grade.

E. All foundations, earthwork, excavation, backfill and subgrade drainage shall be approved by the geotechnical engineer prior to placement of concrete in footings, and over subgrades.

F. Determine in the field the horizontal and vertical location of any existing utility lines and/or appurtenances and advise City of any conflicts with new structure prior to construction. Do not destroy any existing underground structure unless authorization is obtained prior to construction.

G. Provide drainage aggregate and tiles with filter fabric behind walls retaining more than 3'-0" of earth.

H. Maintain safety in connection with earth slopes caused by Trenching, excavation and/or fill during construction. All excavations shall comply with OSHA 29 CFR part 1926 and other applicable codes.

I. As a minimum, provide volclay waterstops in construction joints for the cast-in-place exterior basement / retaining walls.

J. Any unusual soil conditions (water, soft layers, odors, etc.) encountered during excavation for footings should be immediately brought to the attention of the City. All excavations shall conform to applicable environmental regulations for contaminated soil as applicable.

DIVISION 3 CAST-IN-PLACE AND PRECAST CONCRETE

3.1 All design and construction shall be in accordance with the ACI Manual of Concrete Practice Volumes 1-5, ACI 318, ACI guide 362, PCI MNL-120-92, AND PCI MNL-116-85 and additional information listed herein. In addition the precaster shall have current PCI Plant Certification.

3.2 CONCRETE

A. CAST-IN-PLACE CONCRETE - ACI 362.1R TABLE 3.2 (ZONE 3)

DESCRIPTION	F'C PSI, MIX	MAXIMUM CHLORIDE ION	MAX. W/C RATIO	AVERAGE ENTRAINED AIR
FOOTINGS AND MAT FDNS	4000 STD	0.30	0.50	N/A
COLUMNS	5000 CNS	0.15	0.40	6-1/2%
BEAMS	5000 CNS	0.06	0.40	6-1/2%
SLABS	5000 CNS	0.06	0.40	6-1/2%
FLOOR TOPPING (3" NOM.)	5000 CNS	0.06	0.40	6-1/2%
SLAB-ON-GRADE	4000 STD	0.15	0.40	6-1/2%
WALLS	5000 CNS	0.15	0.40	6-1/2%
ISLANDS, HOUSEKEEPING PADS	4000 STD	0.15	0.40	6-1/2%
ALL OTHERS	4000 STD	0.30	0.40	6-1/2%

NOTES:
(1) STD: DESIGNATES A CONCRETE MIX DESIGN IN ACCORDANCE WITH SPECIFICATION SECTION 03300, WHICH DOES NOT CONTAIN A SILICA FUME OR CALCIUM NITRITE ADMIXTURE.
(2) LWT: DESIGNATES A LIGHT WEIGHT CONCRETE MIX DESIGN IN ACCORDANCE WITH SPECIFICATION SECTION 03300.
(3) CNA: DESIGNATES A CONCRETE MIX DESIGN IN ACCORDANCE WITH SPECIFICATION SECTION 03300 WHICH CONTAINS 3 GAL/CY OF CALCIUM NITRITE CORROSION-INHIBITOR ADMIXTURE.
(4) SFA: DESIGNATES A CONCRETE MIX DESIGN IN ACCORDANCE WITH SPECIFICATION SECTION 03300 WHICH CONTAINS 7-1/2% OF A SILICA FUME ADMIXTURE BY WEIGHT OF CEMENT.
(5) CNS OPTION: DESIGNATES A CONCRETE MIX DESIGN WITH A DOSAGE RATE OF 3 GAL/CY OF CALCIUM NITRITE CORROSION-INHIBITOR PLUS 5% SILICA FUME.
(6) SUFFIX - F: DESIGNATES A CONCRETE MIX DESIGN WITH 1-1/2 LBS. FIBRILLATED FIBER REINFORCEMENT PER CUBIC YARD OF CONCRETE OR 1 LBS MICROFILAMENT REINFORCEMENT PER CUBIC YARD OF CONCRETE.
(7) AVERAGE AIR-ENTRAINED VALUES ARE FOR IN-PLACE CONCRETE. TOLERANCE ON TOTAL AIR CONTENT IS 1-1/2% PER ACI.
(8) ALL NORMAL WEIGHT CONCRETE TO HAVE A DENSITY OF APPROXIMATELY 145 PCF UNLESS NOTED. ALL LIGHT WEIGHT CONCRETE TO HAVE A DENSITY OF APPROXIMATELY 115 PCF.
(9) ALL AIR-ENTRAINED CONCRETE SHALL INCLUDE 564 LBS OF CEMENT MINIMUM PER CUBIC YARD OF CONCRETE. THE WEIGHT

OF FLY ASH AND SILICA FUME ADMIXTURES MAY NOT BE INCLUDED WITH THE WEIGHT OF CEMENT.

B. PRECAST CONCRETE - ACI 362.1R TABLE 3.3 (ZONE 3)

DESCRIPTION	F'C PSI 28 DAYS	MAX W/C RATIO	TOTAL AIR CONTENT
COLUMNS	5000 CNA	0.40	6-1/2%
BEAMS	5000 CNA	0.40	6-1/2%
LIGHT WALLS	5000 CNA	0.40	6-1/2%
DOUBLE TEES	5000 CNA	0.40	6-1/2%
WALLS	5000 CNA	0.40	6-1/2%
STAIRS	5000 CNA	0.40	6-1/2%

NOTES:
(1) STD: DESIGNATES A CONCRETE MIX DESIGN IN ACCORDANCE WITH SPECIFICATION SECTION 03400, WHICH DOES NOT CONTAIN A SILICA FUME OR CALCIUM NITRITE ADMIXTURE.
(2) CNA: DESIGNATES A CONCRETE MIX DESIGN IN ACCORDANCE WITH SPECIFICATION SECTION 03400 WHICH CONTAINS A 2 GAL/CY CALCIUM NITRITE CORROSION-INHIBITING ADMIXTURE.
(3) SFA: DESIGNATES A CONCRETE MIX DESIGN IN ACCORDANCE WITH SPECIFICATION SECTION 03400 WHICH CONTAINS 5% OF SILICA FUME ADMIXTURE BY WEIGHT OF CEMENT.
(4) TOLERANCE ON TOTAL AIR CONTENT IS 1-1/2%.

3.3 PORTLAND CEMENT

A. ASTM C150, Type I or III, grey portland, use only one brand of cement throughout project, unless otherwise approved.

3.4 AGGREGATES

A. Aggregates for all normal weight concrete shall conform to ASTM C33 exposure 5S and shall have a total water soluble chloride ion content below 0.02 percent by weight of aggregate, unless corrosion inhibitors are added to mixture to offset the additional chloride.

3.5 MILD REINFORCEMENT

A. Mild reinforcement, ASTM A615 Grade 60

B. Mild reinforcement (low alloy weldable), ASTM A706 Grade 60

C. Mechanical tension and compression splices for reinforcing shall develop a minimum of 125 percent of the spliced reinforcing strength in tension.

D. Welded plain wire fabric sheets, ASTM A185, Grade 65

E. Welding for steel reinforcing bars AWS D1.4

F. The concrete protection shall be per ACI 318 and ACI 362.1R, except as specified herein. Epoxy coated reinforcement is not required.

1. CAST-IN-PLACE CONCRETE: CONCRETE PROTECTION

SHALL BE PER ACI 362.1R, EXCEPT AS NOTED HEREIN.

DESCRIPTION	COVER
FOOTINGS AND MAT FDNS	3"
BEAMS TOP REINFORCING	3"
BEAMS BOTTOM REINFORCING	2"
BEAM STIRRUPS AT SIDE AND BOTTOM	1-1/2"
BEAM STIRRUPS AT TOP	2-1/2"
COLUMNS MAIN REINFORCING	2-1/2"
COLUMN TIES	2"
SLAB TOP REINFORCING	2"
SLAB BOTTOM REINFORCING	1"
FLOOR TOPPING (3" NOM.)	1-1/2"
SLAB-ON-GRADE	2" FROM TOP
WALLS NOT IN CONTACT WITH EARTH	1-1/2"
WALLS IN CONTACT WITH EARTH	2"
STAIRS TOP REINFORCING	2"
STAIRS BOTTOM REINFORCING	1"

2. PRECAST CONCRETE: THE MINIMUM CONCRETE PROTECTION SHALL BE PER ACI 318, EXCEPT AS SPECIFIED HEREIN.

DESCRIPTION (ZONE 3)	COVER
COLUMNS	2"
BEAMS	1-1/2"
LIGHT WALLS	1-1/2"
DOUBLE TEES (PRETOPPED)	1-1/2"
DOUBLE TEES	1-1/2"
WALLS	1-1/2"
STAIRS	3/4"

NOTE: PRESTRESSING TENDONS END COVER SHALL ALSO BE AS SPECIFIED HEREIN INDICATED UNDER "COVER."

3.6 PRESTRESSING TENDONS

A. Seven wire, low relaxation type strand (LRS), ASTM A416, Grade A, 270 ksi.

3.7 CONCRETE ACCESSORIES

A. Miscellaneous steel shapes, plates, and bars, ASTM A36, hot-dip galvanized after assembly.

B. Anchor bolts/base plates ASTM A36, hot-dip galvanized.

C. Wedge anchors and adhesive anchors zinc plated sizes as required, by Hilti or equal. Anchors to be stainless steel or hot-dip galvanized.

D. Provide 1" asphaltic joint filler or compressible filler between all columns and the slab-on-grade.

E. Concrete dams shall be formed or backer rods. Roofing felt is not permitted for cast-in-place toppings over precast.

F. Water stops bentonite strips 1“ x 1/2“ typical.

G. All stair treads shall have integral nosings such as Balco, DXH-330 or equal.

H. Provide a 3/4" dia x 3'-0" high strength coil rod or equivalent welded connection between each tee stem and spandrel or light wall. Coil rods are to be electro galvanized, ASTM B633.

I. Double tee flange edge connections shall be stainless steel ASTM A666 Type 304L. All other precast hardware to be hot-dip galvanized.

3.8 GROUT

A. Premixed, packaged, non-shrink, chloride-free, non staining, f’c = 6000 psi minimum, ASTM C1107.

3.9 BEARING PADS

A. Double tees: random oriented fiber, 3/8" thick.

B. Beams preformed fabric pads 1/2" thick.

C. Shim pads shall be AASHTO grade neoprene, shore hardness 50.

D. Shim stock “Korolath.”

3.10 CAST-IN-PLACE CONCRETE: GENERAL NOTES

A. Provide extra reinforcing around all openings, two #5 bars on all four sides of each opening. Extend 2 feet beyond the corners of the opening.

B. Provide standard 90 degree bar hooks.

C. Provide a 3/4 inch chamfer on exposed corners of concrete. Top edges of walls may be tooled.

D. All weld assemblies shall use E70xx low hydrogen electrodes. Minimum weld size 1/4". Stainless steel electrodes shall be Type 347.

E. Welding of reinforcement is prohibited.

F. For field welding galvanized connection hardware, remove slag, wire brush, and apply three coats of Z.R.C. Cold Galvanizing.

G. Medium broom finish required for all slabs.

H. Tool all slab joints at the time of finishing. Saw cutting is not allowed.

I. Construction and control joints for walls and slab-on-grade, space joints at maximum 15 feet on center.

J. Patch and finish all bug holes in concrete formed surfaces larger than 1/2".

K. Construction joints for supported slabs shall be provided in cast-in-place topping between adjacent precast members and as required to prevent any random slab cracks.

L. All cast-in-place concrete slabs or topping shall be covered and wet cured for 7 days minimum. After curing slabs and toppings shall be coated with a membrane curing compound.

M. All cast-in-place concrete slabs or topping shall be placed using rigid screed rails - wet screeding is not permitted.

N. Minimum length of reinforcement lap splices shall be based on Chapter 12 Class A of ACI 318.

O. Approved rebar couplers may be used at the contractor's option to aid placement of dowels through forms.

P. Reinforcing steel shall not be bent or straightened in the field in a manner injurious to the bars or concrete.

Q. The use of chlorides such as deicing salts are prohibited for use of melting ice prior to placement of concrete.

R. Install inserts and anchors in concrete for suspending mechanical and architectural items where feasible. If additional fasteners are needed in conventionally reinforced concrete, use drilled-in type anchors located to avoid conflict with reinforcement. Do not use power driven fasteners in post-tensioned concrete.

S. No aluminum conduit or products containing aluminum or any other material injurious to the concrete shall be embedded in the concrete.

T. Provide fiber reinforced concrete at pour strips.

3.11 PRECAST GENERAL NOTES

A. All welds shall be E70xx low hydrogen electrodes, 1/4" minimum. Stainless steel electrodes to be Type 347.

B. High-strength bolts to be ASTM A325 Type 1, hot-dip galvanized 3/4" .

C. For pocketed spandrel beams which support tee stems, provide galvanized embedded bearing plate (or angle) at the base of all pockets.

D. For ledger spandrel beams and inverted tee beams which support tee stems, provide galvanized embedded bearing plate (or angle) in the beam ledge under any tee stem with ultimate load reactions equal to or greater than 35 kips.

E. At all inverted tee and spandrel beam member end bearings provide bearing plates in the bottom of the beam member and in the top of the supporting haunch (3/8" min. thick).

F. Openings less than 10 inches round or square shall be located and field drilled or saw cut by the trade requiring opening after member is erected. Such openings shall be coordinated by the contractor and receive prior approval by the P/C manufacturer and the engineer.

G. Provide one inch clearance for double tee flanges around columns.

H. All field topped double tees shall receive a 3 inch composite topping slab, plus positive draining concrete wash at all exterior walls and interior beams.

I. Provide adequate shoring and bracing during construction where unbalanced loading conditions are possible.

J. Do not use power driven fasteners in prestressed concrete.

K. Do not embed conduits in concrete floor topping. Provide (1) 4" x 8" blockout in each tee stem 16' from each end of the tee for purpose of routing electrical conduit.

L. Alignment: members shall be properly aligned and leveled. Variations between adjacent member shall be leveled out by jacking, loading, or any other feasible methods as recommended by the manufacturer. Maximum vertical and horizontal difference between adjacent double tees shall be 1/4" and 3/8" respectively.

M. All tee to tee flange connectors shall be stainless steel.

DIVISION 4 UNIT MASONRY

4.1 All design and construction shall be in accordance with ACI 530 and ACI 530.1.

4.2 CONCRETE UNIT MASONRY

A. Hollow and solid load-bearing units ASTM C90, Grade N, Type 1.

B. Net area compressive strength of concrete masonry units 2800 psi.

4.3 MORTAR

A. Mortar ASTM C270, Type S minimum compressive strength 2000 psi.

4.4 GROUT

A. Grout ASTM C476, f'c = 2000 psi.

4.5 REINFORCING STEEL

A. ASTM A615 grade 60.

4.6 MASONRY ACCESSORIES

A. Joint reinforcement ASTM A82, 9-gage galvanized truss type at 16" o.c.

B. Anchors and ties

1. Slots - 20 gage galvanized.
2. Anchors - 3/16" diameter wire tie with 12 gage dovetail

C. Control joints solid rubber or PVC strips.

D. Bond breaker 15 lb roofing felt.

E. Membrane flashing 20 mil PVC.

4.7 GENERAL

A. Masonry control joints shall be spaced at 24 feet maximum.

B. Bond beams shall be filled with grout and reinforced with a minimum of 2 - #4 continuous or as indicated on the drawings.

C. All lintels shall be galvanized and have a minimum bearing of 8 inches.

DIVISION 5 STRUCTURAL AND MISCELLANEOUS STEEL

A. Design and construction standard - American Institute of Steel Construction, Manual of Steel Construction, Allowable Stress Design, 9th Edition.

B. Structural steel shapes ASTM A36 or ASTM A572 Grade 50, unless noted otherwise.

C. Structural steel plates and bars: ASTM A36, unless noted otherwise.

D. Cold-formed steel tubing: ASTM A500, Grade B.

E. Hot-formed steel tubing: ASTM A501.

F. Steel pipe: ASTM A53, Type E or S, Grade B.

G. All welding shall be made with E70xx low hydrogen electrodes and shall conform to the latest edition of the American Welding Society Specifications. All welds shall be performed by a certified welder.

H. Structural bolted connections shall be made using ASTM A325-N high strength bolts, bearing type connection with threads included in shear plane, or ASTM A325-SC for slip critical connections.

I. Anchor bolts, ASTM A36.

J. No splices in columns or beams will be permitted unless specifically noted on drawings.

K. All steel shall receive grey oxide shop primer and field paint 2 coats zinc rich paint color per architect.

L. Bumper strand, 1/2" seven-wire strand ASTM A416 galvanized stressed to 2k minimum tension. Back stress to seat wedges to 20k at each anchorage. Handrails and bumper guards shall not create ladder effect per code.

M. Handrails as required shall be aluminum or painted galvanized steel to meet code requirements.

DIVISION 7 THERMAL AND MOISTURE PROTECTION

7.1 CONCRETE SEALER

A. A 40% solids silane concrete sealer shall be applied in strict accordance to manufacturers installation requirements and at a rate of 125 sf/gal to all slab on grade and supported slab surfaces including stairs. And extended up vertical surfaces twenty-four (24) inches, apply sealer after all joint sealants.

B. Approved silane surface sealers are (all sealers to have minimum of 40% solids):

1. "Chemetrete BSM 40," by Huls America, Inc., Piscataway, NJ.

2. "Hydrozo 40," by Hydrozo Coatings Co., Lincoln, NE.

3. "Hydrozo Enviroseal 40," by Hydrozo Coatings Co., Lincoln, NE.

4. "Pentane 40," by L & M Construction Chemicals, Inc., Omaha, NE.

5. "Sil-ACT Act-42," by Advanced Chemical Technologies, Oklahoma City, OK.

6. "Isoflex 618 40%," by Lymtal International, Pontiac, MI.

7.2 TRAFFIC-BEARING MEMBRANE (DECK COATING)

A. Traffic-bearing membrane shall be heavy duty, and applied to supported slab surfaces above all storage rooms, electrical room, offices, or other occupied spaces and extended up vertical surfaces four (4) inches, including walls, panels, columns, curbs, pipes, etc. Surfaces shall be shot blast prepared and installed in strict accordance to manufacturer's installation requirements. Two part urethane sealants shall be used below deck coated areas.

B. Approved heavy duty deck coating systems:

1. "Iso-flex 750 U HVT Deck Coating System," by Lymtal International, Pontiac, MI.

   750U HVT = Primer, 1 Bast Coat at 30 Mils, and 2 Grit Coats at a total of 30 Mils.

2. "Auto-Gard II Double Texture," by Neogard Corporation, Dallas, TX.

   Double Texture = Primer, 1 to 2 Base Coats at a Total of 25 Mils, 2 Grit Coats at a Total of 25 Mils, and 1 Top at 12 Mils.

C. The approved aggregates for the deck coating system are:

1. "#10 Granusil," Unimin, Ottawa, MN.

2. "16-30 Fracsand," Texas Mining Co., Brady, TX.

3. "16-30F," Badger Mining Corporation, Fairwater, WI.

7.3 JOINT SEALANTS

A. All joints between the structural (and architectural) members shall be properly prepared and filled with joint sealant unless noted otherwise. All joint edges, including top and bottom surfaces and vertical and horizontal surfaces, shall be formed or tooled as required. Joint sealant shall be applied only to the top, vertical, and horizontal surfaces interior to garage.

B. Joints to be prepared in strict accordance to manufacturer's installation requirements and filled with joint sealant shall include, but are not limited to, construction joints, control joints, isolation joints, and all interface joints between similar and dissimilar members. Specific locations may be required by the shop drawings, or may occur due to the construction sequence selected by the contractor. At minimum joints shall be ground to proper joint profile, abrasive blasted, and blown clean with oil free compressed air.

C. Horizontal, vertical and cove joint sealant

1. One component, non-sag silicone sealant, gray in color, unless otherwise noted.

2. Approved joint sealant is "DOW NS Parking Structure Sealant," Dow Corning, Corporation, Midland, MI.

D. Architectural sealant for precast, concrete and masonry exposed to the exterior of the building.

1. One component, non-sag silicone sealant, unless noted otherwise.

2. Color to be determined by architect from standard colors.

3. Approved architectural sealant is "DOW Corning Sealant 790," by Dow Corning, Midland, MI.

7.4 EXPANSION JOINTS

A. As a minimum a double column expansion joint shall be provided at mid length of the structure, between slab-on-grade and supported slab, and as required around stair towers. A korolath slide bearing system is required at the slab-on-grade to supported slab transition.

B. Acceptable elastomeric membrane with heat cured epoxy/urethane nosing with aggregate conforming to ASTM C35, Exposure 45, Expansion joint systems are: "Wabocrete/membrane 201 Expansion Joint System," Watson Bowman Acme/Harris Specialty Chemicals, Inc., Amherst, Ny. or "Polycrete/membrane Cr-series System," Erie Metals Specialties, Inc., Akron, NY.

DIVISION 8

8.1 DOORS & FRAMES

A. Doors and frames to be Stainless Steel Type 304, #4 brushed finish, complying with ASTM A167.

B. Grind and polish surfaces to produce uniform, directional, textured, polished finish indicated, free of cross scratches. Run grain with long dimension of each piece.

8.2 GLASS AND GLAZING

A. Glass and glazing to be provided in accordance with all applicable codes and ordinances; Float Glass, Tempered Glass, Insulating Glass, etc.

8.3 GLAZED ALUMINUM CURTAIN WALL

A. Aluminum curtain wall system to be designed, reinforced, and sized to withstand dead loads and live loads caused by pressure and suction of wind acting normal to plane of wall as calculated in accordance with applicable building codes.

B. System shall accommodate, without damage to system or components, or deterioration of perimeter seal: Thermal, structural or other movement within system; movement between system and perimeter framing components; dynamic loading and release of loads; and deflection of structural support framing.

C. Detail curtain wall system for:
- gasketed glazing
- secure joints and corners that are flush, hairline, and weatherproof
- concealed fasteners, attachments, and jointing
- concealed sealant between fabricated members to ensure a watertight condition.
- Class 1 anodized finish per AA-C22-A42: Color as determined by Owner.

DIVISION 9 PAVEMENT MARKING

A. All parking stripes are to be double striped. Center lines of the double stripe are shown on the drawings.

B. All stripes are to be 4" wide. Color is to be traffic yellow.

C. All materials shall meet the Type I requirements of Federal Specification TT-P-1952-B for paints.

D. Acceptable striping paints are:

1. “Latex Traffic Paint,” No. 22685 yellow by Glidden, Cleveland, OH.
2. “Setfast Acrylic Latex Traffic Paint,” No. TM225 yellow by Baltimore Paint and Chemical Co., Division of the Sherwin-Williams Co., Baltimore, MD.

E. Verify compatibility with concrete sealer, joint sealant, traffic bearing membrane, and all other surface treatments as specified in Division 7.

F. Apply painting and finishing materials in accordance with the Manufacturer's directions. Use applicators and techniques best suited for the material and surfaces to which applied. Apply for 15 mils wet thickness.

DIVISION 10 SIGNS

A. Signage will be provided consistent with signage in other City of Ann Arbor parking structures.

B. Illuminated Exit signs as required by code shall be furnished and installed by the electrical contractor.

DIVISION 14

A. Elevator manufacturer for base bid to be Otis Elevator Corporation. Voluntary Alternates may include Dover Elevator Corp., Montgomery Elevator Co., Schindler Elevators, Millar Elevator Service Co.

B. Elevator is to be traction.

C. Car enclosure surfaces, provide manufacturer’s standards, but not less than the following:
- Car enclosure to be ADA compliant.
- Fabricate car door frame integrally with front wall of car.
- Fabricate car with recesses and cutouts for signal equipment.
- Flush panels with downlights in the center of each panel.
- Handrails: provide manufacturer’s standard tubular, stainless-steel handrails on side walls and back wall.
- Exhaust fan or blower ventilation.
- Removable ceiling exit
- Emergency lighting in car

D. Hoistway Entrances to be Satin Stainless-Steel Frames: Formed stainless-steel sheet, ASTM A167, Type 302 or 304, with No. 4 satin finish.

E. Hoistway Doors to be Satin Stainless-Steel Panels: Flush construction fabricated from ASTM A167, Type 302 or 304, embossed diamond plate.

DIVISION 15 BASIC MECHANICAL REQUIREMENTS

A. All systems shall be designed and installed to meet applicable local, state and federal codes. Locate pipes and other materials to maintain minimum headroom clearance specified elsewhere in specification.

1. Provide concrete thrust block at base of all rain water collectors, cold water risers and standpipes and at all bends below grade, for support.
2. Pipe hangers and supports shall be galvanized and arranged so that they will sustain the loads and retain the piping securely in position under fully loaded conditions.
3. Coordinate all block-outs required with Precaster/General Contractor.
4. Provide PVC sleeves 2" larger than pipe outside diameter at all grade slab and supported level penetrations.
5. Provide approved, hot dipped galvanized steel guards around all piping and risers exposed to possible bumper damage.
6. Powder fasteners are prohibited.

B. Contractor shall design and provide a complete drainage system for the parking ramp.

1. Provide floor drains and leaders within parking structure.
2. Roofed areas (stair, elevator shall drain to deck surface) shall drain to the storm system via enclosed piping.
3. Provide sump pump in elevator pit. Run discharge through oil water separator, if required by code.
4. All drainage piping above grade shall be cast iron with no-hub connections. All drainage piping below grade shall be cast iron with hub and spigot connections. Slope all drainage at 1/8" per foot minimum unless noted otherwise. PVC piping is acceptable if allowed by code.
5. Top of drain grate shall be 1/2" below finished floor at supported levels and 1" at ground level. Typical for all drains.
6. Cleanouts shall be located at the base of all drainage risers and at other locations requested by code.
7. Connect drainage system to site system.

C. Contractor shall design and provide a complete approved standpipe system as required by the local authorities and all applicable codes for the exclusive use of Fire Department.

1. Standpipes shall be located in each stair and other locations required by local authorities.

2. Provide Siamese connections as required by local authorities.
3. Interconnect all standpipes at bottom level if required by code.
4. Provide drain valves and pits as required to completely drain system.

D. Contractor shall provide positive ventilation and heating system in elevator machine room in accordance with Code and elevator manufacturer/supplier requirements. Contractor shall also provide positive ventilation system for storage, office, lobby, and below grade parking areas as required by Code.

DIVISION 16

16.1 BASIC ELECTRICAL

A. All systems shall be designed to applicable local, state and federal codes. Locate conduit and other materials to maintain minimum headroom clearance requirements.

B. All above grade conduits shall be hot-dip galvanized steel and surface mounted.

C. All below grade conduits shall be PVC.

D. Provide expansion joint fittings at all expansion joints.

E. Route all horizontal conduit runs through block outs in the precast tees or cast-in-place beams.

F. Coordinate all conduit, junction box and equipment locations with other trades.

G. Provide hot-dip galvanized steel guards around conduits, junction boxes and other equipment that may be exposed to bumper damage.

16.2 LIGHTING

A. Provide lighting within the parking structure as outlines above and herein.

B. Covered Parking Areas: Light fixtures types in the parking areas shall be 150-Watt Metal Halide, non-cutoff luminaries with a dropped prismatic refractor. Acceptable manufacturers are as follows:

1. Bantam 2000 Prismatite by Holophane Co. with clear, prismatic, tempered glass refractor.

2. Design 430 by Quality Lighting with Polycarbonate Transflector

3. GFP80 by Devine Lighting with clear, prismatic, polycarbonate refractor.

4. Paragon 5600 Series by Kenall with clear, prismatic, polycarbonate refractor.

5. PGL 3 Fixture by KIM Lighting.

The light fixtures shall include the following features:

1. Light fixtures shall be closed and gasketed to prevent infiltration of dirt and bugs.

2. Light fixtures shall be UL wet location listed.

3. Light fixture hardware and mounting hardware shall consist of tamper proof design.

4. Fixtures shall be pendant or trunnion-mounted such that the bottom of the refractor is 1 inch above the bottom of the beams.

C. Roof Level: At the roof level, provide cutoff luminaire with a 250-Watt Metal Halide, vertical lamp. Acceptable manufacturers are as follows:

1. Devine SECV20
2. Gardco Lighting
3. Lithonia KVS
4. LSI Park Avenue
5. Specifier by Quality Lighting

D. Switching/Controls: The exterior loop of fixtures (adjacent to an open exterior wall) in the above grade covered levels shall be on a separate circuit which is off during the day (including overcast days). This exterior loop of fixtures shall be controlled by a photocell to come on at dusk. The interior loop of fixtures and all below grade fixtures shall be on a separate circuit and remain on during all hours of operation.

The roof lighting shall be controlled by a separate photocell.

A solid state timer shall be used to override the photo cell controls and turn all lights off after hours except the night light circuit. Manual overrides shall also be provided to turn any level on or off for special circumstances.

Parking structure lighting shall be metered separately from the Buildings.

Vehicle Entry-Exit lighting shall be switched to be on during the day and off during darker hours.

EXHIBIT D

ENVIRONMENTAL REPORTS

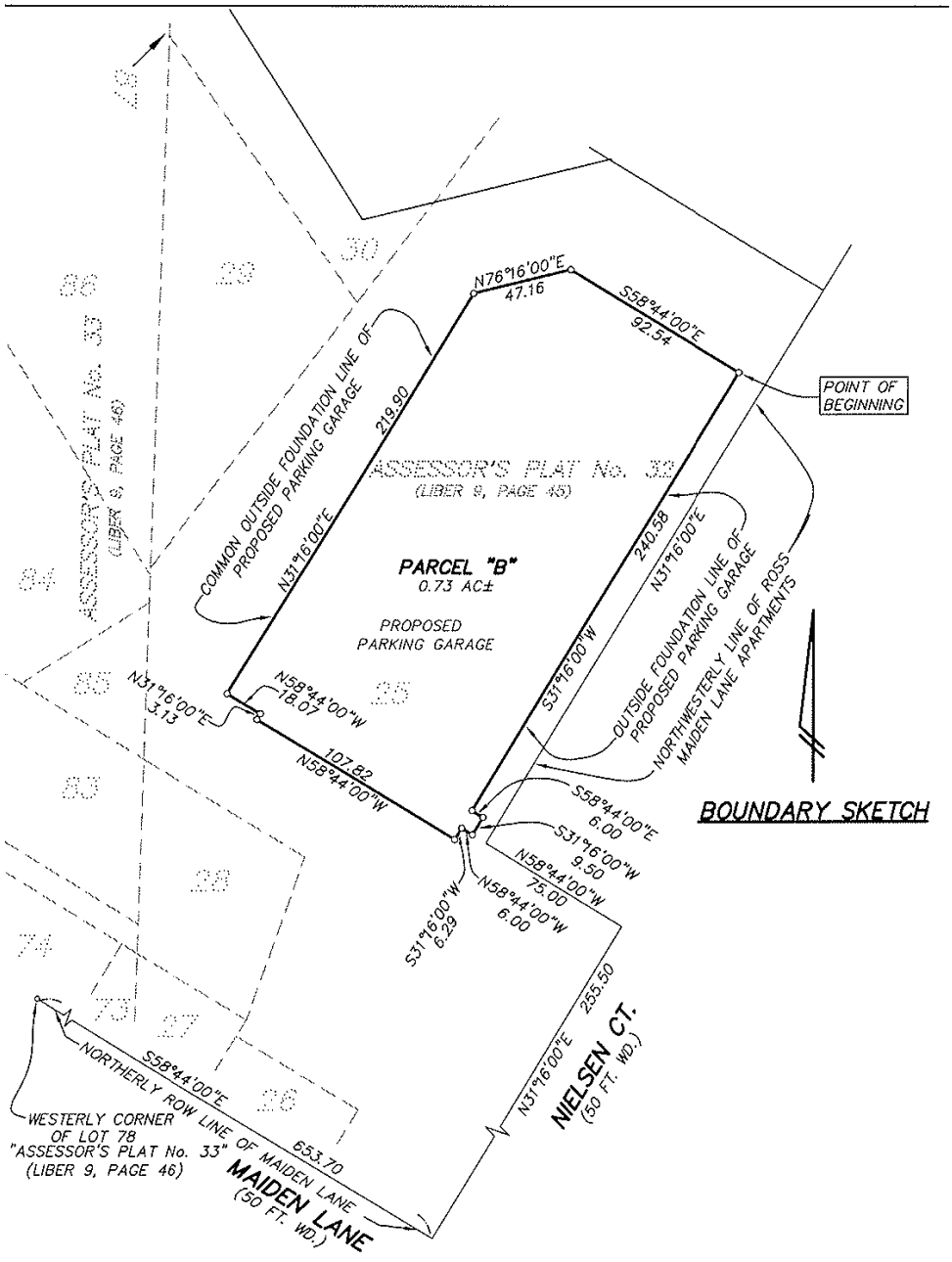
LIST OF ENVIRONMENTAL REPORTS FOR BROADWAY VILLAGE AT LOWER TOWN

- Phase I ESA for 1100, 1102, 1110, 1120 Broadway, 915 and 923 Maiden Lane, Atwell-Hicks, Inc. (AHI), October 29, 2001 (updated July 10, 2003)
- Limited Phase II Subsurface Investigation, AHI, December 21, 2001
- Phase I ESA for 1140 Broadway and 943 Maiden Lane, AHI, August 19, 2002
- Phase I ESA for 1156, 1160-1170 Broadway and 959 Maiden Lane, AHI, October 31, 2002
- Final Technical Memorandum #1, Harding – ESE, January 29, 2003
- Site Characterization Report, AHI, July 7, 2003
- Baseline Environmental Assessment (BEA) for 923 Maiden Lane, Ann Arbor, MI, AHI, October 2003
- Asbestos Inspection Report, AHI, May 2004
- BEA for 1120 Broadway Ann Arbor, MI, CRA, February 2005
- Section 7A Compliance Analysis (Due Care Plan), CRA, dated April 2005
- Interim Response Work Plan, prepared by CRA, dated May 2005
- BEA for 915 Maiden Lane and 1100/1102 and 1110 Broadway Ann Arbor, MI, CRA, May 2005
- BEA for 1140 Broadway and 943 Maiden Lane Ann Arbor, MI, May 2006
- Pilot Study Work Plan (Amended), prepared by CRA, dated July 2006
- Pilot Study Results, prepared by CRA, dated 2007
- Interim Response Work Plan, prepared by CRA, dated April 2007

EXHIBIT E

LAND DRAWING AND OUTLINE

[see following page]



SCALE: 1 INCH = 60 FEET

EGEND

WASHTENAW ENGINEERING COMPANY
CIVIL ENGINEERS • PLANNERS
SURVEYORS • LANDSCAPE ARCHITECTS
3250 W. LIBERTY RD
ANN ARBOR, MICHIGAN 48103
L. 734-761-8800 FAX. 734-761-9530
washtenaw_engineering@msn.com

CLIENT: STRATHMORE DEVELOPMENT	
SECTION 21 TOWN 2 SOUTH • RANGE 6 EAST CITY OF ANN ARBOR WASHTENAW COUNTY • MICHIGAN	
DATE 10-09-07	REV. -
DRAWN RKY	JOB 29797
CHECK -	F.B.
SHEET 1 OF 1	FILE NO. -

EXHIBIT F

SECTION 1445 AFFIDAVIT

Section 1445 of the Internal Revenue Code provides that a transferee of a U.S. real property interest must withhold a tax equal to ten percent (10%) of the amount realized by the transferor on the disposition of a U.S. real property interest if the transferor is a foreign person.

To inform **CITY OF ANN ARBOR,** a Michigan municipal corporation ("Transferee"), that withholding such tax is not required upon the transfer by **LOWER TOWN DEVELOPMENT GROUP, LLC.**, a Michigan limited liability company ("Transferor"), of certain real property located in the City of Ann Arbor, Washtenaw County, State of Michigan ("Property"), the undersigned, intending that the Transferee rely hereon, hereby certifies the following on behalf of the Transferor:

1. The Transferor is not a foreign corporation, foreign partnership, foreign trust or foreign estate (as those terms are defined in the Internal Revenue Code and income tax regulations), and is a U.S. person within the meaning of Internal Revenue Code § 77 I, (a)(30).

2. The Transferor's U.S. employer identification number is 63-1133454.

3. The Transferor's principal place of business and office address is: 2201 Lexington Avenue, Ashland, Michigan 41101.

The undersigned understands that this Certificate may be disclosed to the Internal Revenue Service by the Transferee and that any false statement contained herein can be punished by fine, imprisonment, or both.

Under penalty of perjury, Transferor hereby declares as of _____, 200_, that Transferor has examined this Certificate and has determined, to the best of its knowledge and belief, that it is true, correct and complete.

LOWER TOWN DEVELOPMENT GROUP, LLC, a Michigan limited liability company

By Strathmore Development Company, its Manager

By: _____
Scott A. Chappelle, its President

STATE OF MICHIGAN)
:SS
WASHTENAW COUNTY)

The foregoing instrument was acknowledged before me this ___ day of _____, 200_, by Scott A. Chappelle, the President of Strathmore Development Company, a Michigan _____, Manager of Lower Town Development Group, LLC, a Michigan limited liability company, on behalf of the limited liability company.

_____
Notary Public
_____County, Michigan
Acting in _____ County
My Commission Expires: _____

EXHIBIT G

SURVEYOR'S CERTIFICATE

Date: _____

This survey is made for the benefit of City of Ann Arbor., and _____ Title Insurance Company.

I, _____, Registered Land Surveyor do hereby certify to the aforesaid parties, as of the date set forth above that I have made a careful survey of a tract of land described as follows:

legal description

I further certify that:

1. The accompanying survey was made on the ground and correctly shows the location of all buildings, structures and other improvements situated on the above premises; the print of survey reflects boundary lines of the described property which "close" by mathematical calculation; the courses and distances shown on the survey are correct; the size and location of the buildings and improvements are correct as shown and are all within the boundary lines of the property; there are no easements, encroachments or rights-of-way of which the undersigned has been advised, or appearing from a careful physical inspection of the property, other than those shown and depicted on the survey; and that the property described hereon is the same as the property described in _____ Commitment Number _____, dated _____, and that all easements, covenants and restrictions referenced in said title commitment have been plotted hereon or otherwise noted as to their effect on the subject property; that there are no building encroachments on the subject property or upon adjacent land abutting said property unless shown hereon.

2. This map or plat and the survey on which it is based were made in accordance with Minimum Standard Detail Requirements for ALTA/ACSM Land Title Surveys," jointly establishing and adopted by ALTA and ACSM in 2005 and meets the accuracy requirements of an Urban Survey, as defined therein, and including Items 1-4, 6-11 and 13 in Table A contained therein.

3. Said described property is located within an area having a Zone Designation _____ by the Federal Emergency Management Agency (FEMA), on Flood Insurance Rate Map Number _____, in Washtenaw County, Michigan, which is the current Flood Insurance Rate Map for the community in which said premises is situated.

4. All set back, side yard and rear yard lines shown on the recorded plat or set forth in the applicable zoning ordinance are shown on the survey.

5. The property has access to _____, a dedicated public street or highway.

6. The number of striped parking spaces on the property is _____.

_____

Registered Land Surveyor No. _____

EXHIBIT H

PARKING DECK OPERATING AGREEMENT

EXHIBIT I

WARRANTY DEED

[to be attached prior to execution]

EXHIBIT J

CITY CODE NON-DISCRIMINATION REQUIREMENTS

FAIR EMPLOYMENT PRACTICE

The consultant, its agents or sub-contractors, shall comply with all requirements of Chapter 112 of Title IX of the Code of the City of Ann Arbor and in particular the following excerpts therefrom:

9:161 NONDISCRIMINATION BY CITY CONTRACTORS

(1) All contractors proposing to do business with the City of Ann Arbor shall satisfy the nondiscrimination administrative policy adopted by the City Administrator in accordance with the guidelines of this section. All contractors shall receive approval from the Director prior to entering into a contract with the City, unless specifically exempted by administrative policy. All City contractors shall take affirmative action to insure that applicants are employed and that employees are treated during employment in a manner which provides equal employment opportunity and tends to eliminate inequality based upon race, national origin or sex.

(2) Each prospective contractor shall submit to the City data showing current total employment by occupational category, sex and minority group. If, after verifying this data, the Director concludes that it indicates total minority and female employment commensurate with their availability within the contractor's labor recruitment area, i.e., the area from which the contractor can reasonably be expected to recruit, said contractor shall be accepted by the Director as having fulfilled affirmative action requirements for a period of one year at which time the Director shall conduct another review. Other contractors shall develop an affirmative action program in conjunction with the Director. Said program shall include specific goals and timetables for the hiring and promotion of minorities and females. Said goals shall reflect the availability of minorities and females within the contractor's labor recruitment area. In the case of construction contractors, the Director shall use for employment verification the labor recruitment area of the Ann Arbor-Ypsilanti standard metropolitan statistical area. Construction contractors determined to be in compliance shall be accepted by the Director as having fulfilled affirmative action requirements for a period of six (6) months at which time the Director shall conduct another review.

(3) In hiring for construction projects, contractors shall make good faith efforts to employ local persons, so as to enhance the local economy.

(4) All contracts shall include provisions through which the contractor agrees, in addition to any other applicable Federal or State labor laws:

(a) To set goals, in conference with the Human Resources Director, for each job category or division of the work force used in the completion of the City work;

(b) To provide periodic reports concerning the progress the contractor has made in meeting the affirmative action goals it has agreed to;

(c) To permit the Director access to all books, records and accounts pertaining to its employment practices for the purpose of determining compliance with the affirmative action requirements.

(5) The Director shall monitor the compliance of each contractor with the nondiscrimination provisions of each contract. The Director shall develop procedures and regulations consistent with the administrative policy adopted by the City Administrator for notice and enforcement of non-compliance. Such procedures and regulations shall include a provision for the posting of contractors not in compliance.

(6) All City contracts shall provide further that breach of the obligation not to discriminate shall be a material breach of the contract for which the City shall be entitled, at its option, to do any or all of the following:

(a) To cancel, terminate, or suspend the contract in whole or part and/or refuse to make any required periodic payments under the contract;

(b) Declare the contractor ineligible for the award of any future contracts with the City for a specified length of time;

(c) To recover liquidated damages of a specified sum, said sum to be that percentage of the labor expenditure for the time period involved which would have accrued to minority group members had the affirmative action not been breached;

(d) Impose for each day of non-compliance, liquidated damages of a specified sum, based upon the following schedule:

Contract Amount	Assessed Damages Per Day of Non-Compliance
$ 10,000 - 24,999	$25.00
25,000 - 99,999	50.00
100,000 - 199,999	100.00
200,000 - 499,999	150.00

500,000 - 1,499,999	200.00
1,500,000 - 2,999,999	250.00
3,000,000 - 4,999,999	300.00
5,000,000 - and above	500.00

(e) In addition the contractor shall be liable for any costs or expenses incurred by the City of Ann Arbor in obtaining from other sources the work and services to be rendered or performed or the goods or properties to be furnished or delivered to the City under this contract.

EXHIBIT K

CITY CODE LIVING WAGE ORDINANCE

LIVING WAGE REQUIREMENTS EXCERPT

If a "covered employer," Contractor will comply with all the requirements of Chapter 23 of the Ann Arbor City Code (Sections 1:811 B 1:821), in particular but not limited to the following sections thereof:

1:813. Definitions.

For purposes of this Chapter, the following definitions shall apply:

(1) "Contractor/vendor" is a person or entity that has a contract with the City primarily for the furnishing of services where the total amount of the contract or contracts with the City exceeds $10,000 for any 12month period. "Contractor/vendor" does not include a person or entity that has a contract with the City primarily for the purchase of goods or property, or for the lease of goods or property to or from the City.

(2) "Covered Employee" means a person employed by a covered employer to perform services which are covered or funded by the contract with or grant from the City; provided, however, that persons who are employed pursuant to federal, state or local laws relating to prevailing wages shall be exempt from this Chapter.

(3) "Covered Employer" means a contractor/vendor or grantee that has not been granted an exemption from this Chapter pursuant to Section 1:817.

(4) "Employee" means an individual who provides personal services performed for wages under any contract calling for the performance of personal services, whether written or oral, express or implied. The term "employee" does not include any individual who volunteers to perform services for an employer if

(a) The individual receives no compensation or is paid expenses, reasonable benefits, or a nominal fee to perform the services for which the individual volunteered; and

(b) Such services are not the same type of services which the individual is employed to perform for such employer.

(5) "Employee Health Benefits" or "Health Benefits" means providing health care benefits for employees (or employees and their dependents) at employer cost or making an employer contribution toward the purchase of such health care benefits for employees (or employees and their dependents), provided that the employer cost or contribution equals no less than $1 an hour for the average work week of such employee, and provided further that any employee payment or contribution toward health care shall not exceed 50 cents an hour for the average work week for such employee.

(6) "Grant" means any form of financial assistance to a "Grantee" as set forth and defined in Section 1:813(7). "Grant" does not include financial assistance used for the purchase or lease of property or other nonpersonnel costs.

(7) "Grantee" is a person or entity that is a recipient of any financial assistance from the City in the form of any federal, state or local grant program administered by the City, revenue bond financing, tax increment financing, tax abatement, tax credit, direct grant, or any other form of financial assistance that exceeds $10,000 for any 12month period, including any contractors, subcontractors, or leaseholders of the grantee whose contract, subcontract or lease with the grantee exceeds $10,000 for any 12month period.

(8) "Living Wage" means a wage equal to the levels established in Section 1:815.

(9) "Person" means any individual, copartnership, corporation, association, club, joint adventure, estate, trust, and any other group or combination acting as a unit, and the individuals constituting such group or unit.

(10) "$10,000 for any 12 month period" is computed by taking the total amount of the contract, grant or loan and dividing it by the number of months the contract, grant or loan covers.

1:814. Applicability.

(1) This Chapter shall apply to any person that is a contractor/vendor or grantee as defined in Section 1:813 that employs or contracts with five (5) or more individuals; provided, however, that this Chapter shall not apply to a nonprofit contractor/vendor or nonprofit grantee unless it employs or contracts with ten (10) or more individuals.

(2) This Chapter shall apply to any grant, contract, or subcontract or other form of financial assistance awarded to or entered into with a contractor/vendor or grantee after the effective date of this Chapter and to

the extension or renewal after the effective date of this Chapter of any grant, contract, or subcontract or other form of financial assistance with a contractor/vendor or grantee.

1:815. Living Wages Required.

(1) Every contractor/vendor or grantee, as defined in Section 1:813, shall pay its covered employees a living wage as established in this Section.

(a) For a covered employer that provides employee health care to its employees, the living wage shall be $8.70 an hour, or the adjusted amount hereafter established under Section 1:815(3).

(b) For a covered employer that does not provide health care to its employees, the living wage shall be $10.20 an hour, or the adjusted amount hereafter established under Section 1:815(3).

(2) In order to qualify to pay the living wage rate for covered employers providing employee health care under subsection 1:815(1)(a), a covered employer shall furnish proof of said health care coverage and payment therefor to the City Administrator or his/her designee.

(3) The amount of the living wage established in this Section shall be adjusted upward no later than April 30, 2002, and every year thereafter by a percentage equal to the percentage increase, if any, in the federal poverty guidelines as published by the United States Department of Health and Human Services for the years 2001 and 2002. Subsequent annual adjustments shall be based upon the percentage increase, if any, in the United States Department of Health and Human Services poverty guidelines when comparing the prior calendar year's poverty guidelines to the present calendar year's guidelines. The applicable percentage amount will be converted to an amount in cents by multiplying the existing wage under Section 1.815(1)(b) by said percentage, rounding upward to the next cent, and adding this amount of cents to the existing living wage levels established under Sections 1:815(1)(a) and 1:815(1)(b). Prior to April 1 of each calendar year, the City will notify any covered employer of this adjustment by posting a written notice in a prominent place in City Hall, and, in the case of a covered employer that has provided an address of record to the City, by a written letter to each such covered employer.

1:816. Employees Covered.

A covered employer shall pay each of its employees performing work on any covered contract or grant with the City no less than a living wage as defined in Section 1:815.

1:817. Exemptions.

Notwithstanding any other provisions in this Chapter, the following exemptions shall apply:

(1) Sweat equity contracts for home construction or rehabilitation grant will not subject the grantee to coverage under this Chapter. Housing construction or rehabilitation grants or contracts that are passed through to a contractor in their entirety are exempt from the provisions of this Chapter, even when the City participates in the selection of the contractor.

(2) For any contract or grant, the City Council may grant a partial or complete exemption from the requirements of this Chapter if it determines one of the following:

(a) To avoid any application of this Chapter that would violate federal, state or local law(s); or

(b) The application of this Chapter would cause demonstrated economic harm to an otherwise covered employer that is a nonprofit organization, and the City Council finds that said harm outweighs the benefits of this Chapter; provided further that the otherwise covered nonprofit employer shall provide a written plan to fully comply with this Chapter within a reasonable period of time, not to exceed three years, and the City Council then agrees that granting a partial or complete exemption is necessary to ameliorate the harm and permit the nonprofit organization sufficient time to reach full compliance with this Chapter.

(3) A loan shall be considered a grant under this ordinance only to the extent that a loan is provided at below market interest rates and then only the difference between the amount of the loan and the present value of the payments thereunder, discounted over the life of the loan, shall be treated as financial assistance under this ordinance.

(4) A payment of funds for the purpose of purchasing services, property, or goods on behalf of individuals being assisted by a covered employer or potentially covered employer (sometimes known as a "pass through" grant) that is used for said purchases shall not be considered a grant; such funds shall be considered a grant only to the extent that any such funds are retained by the covered employer or potentially covered employer to provide financial assistance and support to its own operations.

1:818. Monitoring and Enforcement.

(1) Every covered employer shall agree to the payment of a living wage as a condition of entering into or renewing a covered contract or grant with the City, shall agree to post a notice regarding the applicability of this Chapter in every work place or other location in which employees or other persons contracted for employment are working, and shall agree to provide payroll records or other documentation as deemed necessary within ten (10) business days from the receipt of the City's request. All City contracts and grants covered by this Chapter shall provide that a violation of the living wage requirements of this Chapter shall be a material breach of the contract or grant. The Human Rights Office of the City shall monitor the compliance of each contractor/vendor or grantee under procedures developed by the Human Rights Office and approved by the City Administrator.

(2) Each covered employer shall submit to the Human Rights Office of the City information regarding number of employees and applicable wage rates of its employees covered by this Chapter in such manner as requested by that office. At the request of the Human Rights Office, any contractor/vendor or grantee shall provide satisfactory proof of compliance with the living wage provisions of this Chapter.

(3) Any person may submit a complaint or report of a violation of this Chapter to the Human Rights Office. Upon receipt of such a complaint or report, the Human Rights Office shall investigate to determine if there has been a violation.

1:819. Penalties and Enforcement.

(1) A violation of any provision of this Chapter is a civil infraction punishable by a fine of not more than $500.00 plus all costs of the action. The Court may issue and enforce any judgment, writ, or order necessary to enforce this Chapter, including payment to the affected employee or employees of the difference between wages actually paid and the living wage that should have been paid, interest, and other relief deemed appropriate.

(2) Each day upon which a violation occurs shall constitute a separate violation.

(3) In addition to enforcement under Subsections (1) and (2), the City shall have the right to modify, terminate, and/or seek specific performance of any contract or grant with an affected covered employer or to cancel, terminate or suspend the contract in whole or in part and/or to refuse any further payments under the contract or grant;

(4) Nothing contained in this Chapter shall be construed to limit in any way the remedies, legal or equitable, which are available to the City or any other person for the correction of violations of this Chapter

* * * * *

1:821. Other Provisions.

(1) No affected covered employer shall reduce the compensation, wages, fringe benefits, or leave available to any covered employee or person contracted for employment in order to pay the living wage required by this Chapter.

* * * * *

(3) No employee covered by a federal, state or local law requiring the payment of prevailing wages shall be covered by this Chapter.

(4) This Chapter shall not be construed to apply to any person or entity that is a tax exempt religious, educational or charitable organization under state or federal law, but is not a contractor/vendor or grantee as defined in Section 1:813.

(5) This Chapter shall not be applicable to the establishment and/or continuation of the following if developed specifically for high school and/or college students:

(a) A bona fide training program;
(b) A summer or youth employment program;
(c) A work study, volunteer/public service, or internship program.

* * * * *