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REAL ESTATE & SPACE INFORMATION
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July 31, 2008

Mr. Charles M. Harris
Senior Vice President
Allen & O'Hara Development Co., LLC
530 Oak Court Drive, Ste 300
Memphis, TN 38117-3726

Delivery by Certified Mail

RE: Murfin Road Easement Work – Notification of Breach

Dear Mr. Harris:

This letter represents written notification of breach by the developer of the Easement Agreement of March 2005, between the Regents of the University of Michigan, the City of Ann Arbor and United Campus Housing. Allen & O'Hara Development Co., LLC is the successor in interest to United Campus Housing, the developer.

This written notification is provided in accordance with Section VI (1) of the Easement Agreement, notifying you of the following breaches, which were also described in the University's letter to you of April 28, 2008, from Onnie Barnes Jacque, Assistant General Counsel:

1. A construction fence has been placed upon University property, referred to in the Easement Agreement as the Murfin Property, and University property, including land west and north of the construction fence, is being used for construction staging and other construction purposes. These actions violate Sections I (A)(12) and I(D)(13) of the Easement Agreement. In addition, Murfin Court is being used for construction traffic and for parking of personal vehicles and construction trucks, in violation of Section VII(2) of the Easement Agreement. Each of these actions also violates Section VII(5) of the Easement Agreement.
2. Rubbish and construction debris are not being promptly removed from University property, notably the Murfin Property, as required by Section VII(9) of the Agreement.

All breaches specified in this written notification must be cured no later than August 30, 2008. We are confident that you will take the necessary steps to avoid any further complication.

If these breaches are not cured within the time provided by this written notification, the University may remedy any non-performance as is permitted by Section VI (2) of the Easement Agreement by appropriate action, which may include one or more of the following: (i) installing fencing along property boundaries to prevent access or use of University property for construction staging or other construction purposes (ii) removing any fencing impermissibly installed by you on University property and/or (iii) removing rubbish and construction debris from University property. Costs incurred by the University, plus interest, will be billed to you for reimbursement, in accordance with Section VI (2) of the Easement Agreement.

Sincerely,



Mark M. Eboch
Manager for Real Estate and Space Information

cc: Richard D. Heideman, Esq.
City Clerk, City of Ann Arbor
City Attorney, City of Ann Arbor
Henry Baier, Associate Vice President for Facilities and Operations
Gordon Beeman, Assistant General Counsel
Sue Gott, University Planner
James Kosteva, Director of Community Relations -Office of Vice President for
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Patricia Spence, Construction Project Engineer Senior
Judy Kirkdorffer, Real Estate Manager
Cynthia Wilbanks, Vice President for Government Relations