

**AGREEMENT TO HOLD AND MAINTAIN LAND**

THIS AGREEMENT TO HOLD AND MAINTAIN LAND (“**Agreement**”) is entered on this \_\_\_\_ day of \_\_\_\_\_, 2016, by and between Detroit Land Bank Authority, a Michigan public body corporate, located at 500 Griswold, Suite 1200, Detroit, Michigan 48226 (“**DLBA**”), and Prince Realty LLC, a Michigan limited liability company, whose address is 660 Woodward Avenue, Suite 2490, Detroit, Michigan 48226 (“**Developer**”).

**RECITALS**

WHEREAS, DLBA was created in order to assemble or dispose of vacant, tax foreclosed, and public property in a coordinated manner to foster the development of that property and to promote economic growth in the city of Detroit; and

WHEREAS, Developer has applied to purchase the Property (defined below) for construction the second phase of the “True North” residential development project, and requires the Hold (defined below) to conduct due diligence and project planning; and

WHEREAS, the parties intend to work in good faith to proceed to transaction on the Property (defined below) pursuant to a negotiated development agreement and subject all necessary approvals by DLBA’s Board of Directors and the Detroit City Council.

NOW THEREFORE, in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties herein agree as follows:

1. **Definitions.** The following words and expressions shall, whenever they appear in this Agreement, be construed as follows:
  - A. “**City**” shall mean the City of Detroit, a Michigan public body corporate.
  - B. “**Property**” shall mean, individually and collectively, any parcel(s) of land more particularly described in Exhibit A attached hereto and made part hereof.
2. **Hold.** Upon execution of this Agreement, DLBA shall reserve from sale or demolition all Property (“**Hold**”) for the duration of the Hold Period (as defined below) so that Developer may perform due diligence and obtain financing for development of the Property (“**Hold Purpose**”). For such Hold, Seller shall remit to DLBA a fee of One Thousand AND 00/100 Dollars (\$1000.00) (“**Hold Fee**”).
3. **Hold Period.** Unless a Termination Event identified in Article 7 first occurs, the Hold shall be for a minimum period of time pursuant to the terms below (“**Hold Period**”).
  - A. The Hold Period shall be for six (6) months from the date of this Agreement, provided that DLBA may grant extensions as provided in subsection (B).

- B. DLBA may, within its reasonable discretion by written notice within ten (10) days following Developer's request, extend the Hold Period as it deems necessary so that Developer may advance the Hold Purpose. DLBA may refuse to extend the Hold Period for any reason. Failure of DLBA to approve or reject Developers request for an extension of the Hold Period within such ten (10) day period shall be deemed a rejection of such request.
- C. Developer shall pay DLBA a fee of Five Hundred Dollars and 00/100 (\$500.00) for each renewal granted under subsection (B).

**4. Developer's Efforts.** This Agreement is contingent on Developer reporting to DLBA in narrative written form its efforts to advance the Hold Purpose by completing due diligence and/or obtaining financing no later than (1) the midpoint of the Hold Period; and (2) thirty (30) days before the expiration of the Hold Period ("**Hold Purpose Report**"). The Hold Purpose Report shall be provided via first class mail or email to:

Jano Hanna  
500 Griswold, Suite 1200  
Detroit, MI 48226  
jhanna@detroitlandbank.org

Developer shall provide DLBA with any additional Hold Purpose Reports upon reasonable request by DLBA, and shall diligently respond to DLBA's reasonable requests for further information or documentation in follow-up to any Hold Purpose Report. DLBA shall notify Developer of any breach of this obligation. If Developer does not cure the breach within ten (10) days of such notice, Developer's failure shall constitute a Termination Event within the meaning of Article 7 and result in a termination of this Agreement and all rights hereunder.

**5. Maintenance of Property.** This Agreement is further contingent on the following:

- A. Developer shall, within thirty (30) days from the date of this Agreement, secure and maintain the Property by: (1) boarding all broken or missing windows and doors of structural improvements, if any; (2) securing all openings of structural improvements, if any, to prevent entry of unauthorized persons; (3) clearing the Property of trash and debris and continuing to remove such trash and debris as needed; (4) ensuring that the grass is neatly edged and does not exceed six (6) inches; (5) trimming all trees, shrubs, and other plant life as needed; and (6) maintaining all sidewalks and other paved portions of the Property clear of snow and ice in a manner that makes it safe for pedestrians and within the timeframe currently required under City regulations.
- B. Developer shall provide an update to DLBA evidencing such maintenance within thirty (30) days from the date of this Agreement, and regular updates not less than every thirty (30) days thereafter until expiration of the Hold Period ("**Property Maintenance**").

**Report**”). The Property Maintenance Report shall be provided via first class mail or email to:

500 Griswold, Suite 1200  
Detroit, MI 48226  
documents@detroitlandbank.org

- C. If Developer fails to report as provided in subsection (B), DLBA may send an inspector to observe the condition of the Property. If an inspector is sent, Developer shall incur a fee of not less than Ten and 00/100 Dollars (\$10.00) per scattered-site parcel and Twenty-Five and 00/100 Dollars (\$25.00) per set of contiguous parcels (“**Penalty Fee**”). If DLBA’s inspector finds, or DLBA otherwise determines, Developer has not maintained the Property as required by subsection (A), DLBA shall notify Developer of Developer’s default on this obligation. Failure to remedy the default within ten (10) days of notice from DLBA shall constitute a Termination Event within the meaning of Article 7 and shall result in a termination of this Agreement and all rights hereunder.
- D. The Penalty Fee is due within ten (10) days after written notice by DLBA to Developer. The Penalty Fee shall be made payable to the “Detroit Land Bank Authority” via cashier’s check, money order, or wire transfer. Developer shall contact DLBA for payment procedures depending on Developer’s preferred payment type. If Developer fails to pay the Penalty Fee within the aforementioned ten (10) day period, Developer shall incur an additional fee of Ten and 00/100 Dollars (\$10.00) per each additional day the Penalty Fee remains unpaid. If the Penalty Fee is due and owing more than forty-five (45) days after payment is due, such failure to pay shall constitute a Termination Event within the meaning of Article 7 and shall result in a termination of this Agreement and all rights hereunder, provided that DLBA, in its discretion, may waive the Penalty Fee for good cause shown by Developer. If Developer fails to timely provide a Property Maintenance Report a total of three (3) times over the course of the Hold Period, such failure shall constitute a Termination Event within the meaning of Article 7 and result, at the election of DLBA, in termination of Agreement and all rights hereunder.
- 6. Right of Entry.** DLBA grants access to the Property to Developer and its employees, agents, contractors, or partners during the Hold Period to permit ingress, egress, repair, and maintenance of the Property as well as to inspect the Property and to make engineering and environmental tests and studies to determine the feasibility of Developer’s intended use of the Property, including but not limited to soil boring and bearing tests and detailed surveying activities and such environmental due diligence as Developer deems reasonably appropriate, provided such work does not interfere with demolition or site improvement activities of DLBA or the business use of any tenant in possession, if any. All such testing shall be done at the risk and expense of Developer. Developer shall not use the Property for any other purpose or use except to secure, maintain, or study the Property as set forth above. To the extent permitted by law, DLBA assumes no liability or responsibility whatsoever with respect to Developer’s

work on and maintenance or study of the Property. Developer agrees to indemnify and hold harmless DLBA, its departments, agencies, boards, commissions, officers, agents and employees from all claims, demands, actions, or liability for any property damages or personal injuries sustained by any person arising from or related to Developer's access of the Properties, or from any act or omission of Developer in exercising its rights under this temporary license. Developer will promptly pay and/or reimburse DLBA for any and all costs or expenses incurred in defending against an action arising out of Developer's work on and maintenance of the Property or any activities of Developer in connection with Article 5 of this Agreement. Developer shall provide notice to and incorporate the indemnification provision in agreements with all employees, successors, assigns, agents and contractors working on the Property subject to this temporary license. Developer must obtain general liability insurance that provides full coverage for DLBA, its successors and assignees for all claims, demands, actions, suits, judgments and settlements for bodily injury or property damage arising out of Developer's work on and maintenance of the Property. Developer will maintain minimum policy limits in the amount of Five Hundred Thousand and 00/100 Dollars (\$500,000.00) per occurrence for property damage, and One Million and 00/100 Dollars (\$1,000,000.00) per occurrence for bodily injury, with a Two Million and 00/100 Dollars (\$2,000,000.00) aggregate. Within thirty (30) days of the onset of the Hold Period, Developer will provide DLBA a certificate of insurance listing DLBA as an additional insured. The insurance policy must provide that it may not be modified, cancelled, or allowed to expire without thirty (30) days prior written notice to DLBA. At any time during the term of the license, DLBA may request proof of insurance coverage from Developer. Developer will reimburse DLBA for any and all costs, expenses, and insurance premiums paid and/or incurred by DLBA due to Developer's failure to maintain adequate insurance coverage.

- 7. Termination Event.** This Agreement shall be of no further force and effect upon the occurrence of any one of the following events (each a "**Termination Event**"):
- A. Developer fails to provide a Hold Purpose Report according to the terms set forth in Article 4 and such failure continues for ten (10) days after written notice thereof from DLBA;
  - B. Developer breaches the maintenance obligations and/or fails to pay Maintenance Fee and/or Penalty Fee as set forth above in Article 5 and such failure continues beyond the cure period set forth in such Article 5;
  - C. DLBA determines, on the basis of Developer's insufficient progress in pursuit of the Hold Purpose, that Developer has no reasonable prospect of success;
  - D. The Office of the Group Executive for Jobs and Economic Development in the Mayor's Office, the Planning and Development Department, the Housing and Revitalization Department, and the Detroit Economic Growth Corporation (the "**City Economic**

**Development Offices**”) instruct DLBA to terminate the Agreement, provided that in such instance DLBA shall return the entirety of the Hold Fee;

- E. DLBA and Developer close on the sale of any portion of the Property, provided that DLBA and Developer may amend this Agreement in writing so that the Hold continues to apply to any unpurchased remainder of the Property for which Developer is still actively pursuing the Hold Purpose; or
- F. Developer notifies DLBA in writing that Developer relinquishes its rights and obligations under this Agreement.

DLBA shall provide Developer with notice of the Termination Event. Upon termination, DLBA shall retain all benefits of securing and maintaining Property during the Hold Period. Developer waives any claim for compensation for securing and maintaining the Property during the Hold Period.

**8. Governing Law.** This Agreement is governed by applicable Michigan law.

**9. Integration; Modification.** This Agreement contains DLBA’s and Developer’s entire intentions and understandings. This Agreement supersedes any prior agreements, whether written or oral. DLBA and Developer may choose to modify this Agreement in writing. The written modification must be signed and sworn by both parties. Any such modifications will become part of this Agreement by incorporation. This Agreement may not be modified orally.

**10. Severability.** If any one or more of the Agreement’s provisions is/are held invalid or unenforceable in any respect, all other provisions will remain valid and enforceable as stated in the Agreement.

**11. Binding Effect.** This Agreement will be binding on the heirs, devisees, legal representatives, claimants, successors, and assignees of the parties.

**12. Counterparts.** This Agreement may be executed simultaneously in two or more counterparts, which may be delivered electronically, each of which shall be deemed an original and all of which together shall constitute one instrument.

**13. Assignments.** Developer may assign its rights under this Agreement with respect to any portion or all of the Property to any other person or entity: (i) in which Purchaser has an ownership interest, or (ii) that, directly or indirectly, controls, is controlled by or is under common control with Purchaser. For the purposes of this definition, the term “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of the person or entity in question, whether by the ownership of voting securities, contract or otherwise.

**14. Dates.** If any date herein set forth for the performance of any obligations of DLBA or Developer, or for the delivery of any instrument, payment or notice as herein provided, should be on a Saturday, Sunday or legal holiday, the compliance with such obligations (or such delivery, as the case may be) shall be deemed acceptable on the next business day following such Saturday, Sunday or legal holiday.

**15. Notice; Updates.** Except as otherwise expressly provided herein, all notices and communications hereunder shall be in writing and shall be deemed to have been given when either hand-delivered or sent by registered or certified mail, return receipt requested, postage prepaid, or by national overnight courier, and addressed to the parties at the addresses first above set forth, or at such other address as Purchaser or DLBA shall designate in writing to the other party in the manner set forth above.

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**DETROIT LAND BANK AUTHORITY**

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

State of Michigan            )  
  ) ss.  
Wayne County                )

This Agreement to Hold and Maintain Land was acknowledged before me on \_\_\_\_\_, 2016, by \_\_\_\_\_, \_\_\_\_\_ of the Detroit Land Bank Authority, a public body corporate.

\_\_\_\_\_  
Signature of Notary

\_\_\_\_\_  
Printed name of Notary  
Notary Public, State of Michigan, County of: \_\_\_\_\_  
My commission expires: \_\_\_\_\_  
Acting in the County of: \_\_\_\_\_

**Remainder of page left intentionally blank**

**PRINCE REALTY, LLC**

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

State of New York )

) ss.

New York County )

This Agreement to Hold and Maintain Land was acknowledged before me on \_\_\_\_\_, 2016 by \_\_\_\_\_ of Prince Realty, LLC, a Michigan limited liability company.

\_\_\_\_\_  
Signature of Notary

\_\_\_\_\_  
Printed name of Notary

Notary Public, State of Michigan, County of: \_\_\_\_\_

My commission expires: \_\_\_\_\_

Acting in the County of: \_\_\_\_\_

**EXHIBIT A**

**LEGAL DESCRIPTION OF PROPERTY**

S HANCOCK 783 STANTONS SUB L10 P16 PLATS, W C R 10/39 32 X 115 Parcel ID: 10000504. Commonly Known As: 2545 W Hancock
S HANCOCK 782 STANTONS SUB L10 P16 PLATS, W C R 10/39 32 X 115 Parcel ID: 10000505. Commonly Known As: 2553 W Hancock
S HANCOCK 781 STANTONS SUB L10 P16 PLATS, W C R 10/39 35.74 X 115 Parcel ID: 10000506. Commonly Known As: 2561 W Hancock
E 17TH S 38 FT 816-815 STANTONS SUB L10 P16 PLATS, WCR 10/39 38 X 60 Parcel ID: 10006752. Commonly Known As: 4706 17 <sup>th</sup> St
E 17TH S 38 FT OF N 77 FT 816-815 STANTONS SUB L10 P16 PLATS, WCR 10/39 38 X 60 Parcel ID: 10006753. Commonly Known As: 4714 17 <sup>th</sup> St
E 17TH N 39 FT 816-815 STANTONS SUB L10 P16 PLATS, WCR 10/39 39 X 60 Parcel ID: 10006754. Commonly Known As: 4720 17 <sup>th</sup> St.
W 17TH S 30 FT OF N 60 FT 790 THRU 788 S 30 FT OF N 60 FT OF E 2 FT 787 STANTONS SUB L10 P16 PLATS, WCR 10/39 30 X 98 Parcel ID: 10006930. Commonly Known As: 4717 17 <sup>th</sup> St
W 17TH S 28 FT OF N 88 FT 790 THRU 788 S 28 FT OF N 88 FT OF E 2 FT 787 STANTONS SUB L10 P16 PLATS, WCR 10/39 28 X 98 Parcel ID: 10006931-2 Commonly Known As: 4711 17 <sup>th</sup> St

<p>E 17TH 808 STANTONS SUB L10 P16 PLATS, WCR 10/39 31 X 150</p> <p>Parcel ID: 10006745.</p> <p>Commonly Known As: 4656 17<sup>th</sup> St</p>
<p>E 17TH 809 STANTONS SUB L10 P16 PLATS, WCR 10/39 31 X 150</p> <p>Parcel ID: 10006746.</p> <p>Commonly Known As: 4666 17<sup>th</sup> St</p>
<p>E 17TH 811 STANTONS SUB L10 P16 PLATS, WCR 10/39 31 X 150</p> <p>Parcel ID: 10006748.</p> <p>Commonly Known As: 4676 17<sup>th</sup> St</p>
<p>E 17TH 812 STANTONS SUB L10 P16 PLATS, WCR 10/39 31 X 150</p> <p>Parcel ID: 10006749.</p> <p>Commonly Known As: 4684 17<sup>th</sup> St</p>
<p>E 17TH 813 STANTONS SUB L10 P16 PLATS, WCR 10/39 31 X 150</p> <p>Parcel ID: 10006750.</p> <p>Commonly Known As: 4690 17<sup>th</sup> St</p>
<p>E 17TH 807 STANTONS SUB L10 P16 PLATS, WCR 10/39 31 X 150</p> <p>Parcel ID: 10006744.</p> <p>Commonly Known As: 4654 17<sup>th</sup> St</p>
<p>E 17TH 814 STANTONS SUB L10 P16 PLATS, WCR 10/39 31.26 X 150</p> <p>Parcel ID: 10006751.</p> <p>Commonly Known As: 4694 17<sup>th</sup> St</p>