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Chene and Jendricks Street Lots

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**PURCHASE AND SALE AGREEMENT**

between

PANIA DEVELOPMENT CORP

as Seller,

and

EASTWOOD SENIOR LEASING, LLC

as Purchaser

June 17, 2014

## PURCHASE AND SALE AGREEMENT

17th THIS PURCHASE AND SALE AGREEMENT (this "Agreement") is made as of the day of June, 2014 (the "Effective Date"), by and between Pania Development Corp, a Michigan \_\_\_\_\_ ("Seller"), and Eastwood Senior Leasing, L.L.C, a Michigan limited liability company ("Purchaser").

### 1. PURCHASE AND SALE OF THE PROPERTY.

**1.1 Purchase.** For the consideration hereinafter set forth, and subject to the provisions contained herein, Seller hereby agrees to sell and convey to Purchaser, and Purchaser agrees to purchase from Seller, all of the following (collectively, the "Property");

Parcels of real property located in Detroit, Michigan as depicted on the sketch attached as Exhibit A-1 and as to be more particularly described in Exhibit A, together with all reversions, remainders, easements, rights-of-way, appurtenances, improvements, hereditaments and water and mineral rights appertaining to or otherwise benefiting or used in connection with such real property, together with all of Seller's right, title and interest in and to any strips of land, streets, and alleys abutting or adjoining such real property (the "Real Property").

**1.2 Purchase Price.** The purchase price for the Property shall be Three Hundred Thousand Dollars (\$300,000) (the "Purchase Price").

(a) Deposit. Simultaneously with the execution of this Agreement by Purchaser and Seller, Purchaser shall deliver funds, by check, wire transfer or other means, in the amount of Twenty-Five Thousand Dollars (\$25,000) to a title company mutually agreeable to the parties (the "Title Company") to be deposited in an interest-bearing account and held as an earnest money deposit hereunder pursuant to the terms and provisions hereof (which earnest money deposit, together with all interest earned thereon, is herein called the "Deposit"). Title Company shall retain possession or control of the Deposit until delivery thereof is permitted or required under the terms of this Agreement.

(b) Balance. The balance of the Purchase Price, subject to adjustment in accordance with Article 8, shall be paid at the closing of the purchase contemplated hereby (the "Closing") in cash, by certified check, cashier's check, wire transfer, or other immediately available funds.

**1.3 Escrow Instructions.** If required by Title Company, Purchaser and Seller shall, promptly following Purchaser's delivery of the Deposit to Title Company in accordance with Section 1.2(a), execute Title Company's standard form of escrow instructions concerning the Deposit; provided, however, that such escrow instructions shall be for the purpose of implementing this Agreement; and provided further, that such instructions shall incorporate this Agreement by reference and shall specifically provide that no provision thereof shall have the

effect of modifying this Agreement unless it is so expressly stated and initialed by or on behalf of Purchaser and Seller. In the event of any conflict between the provisions of this Agreement and any supplementary escrow instructions, the terms of this Agreement shall prevail.

## 2. INVESTIGATION OF THE PROPERTY.

**2.1 Inspection Period.** Seller acknowledges that Purchaser's obligation to purchase the Property is contingent upon Purchaser's satisfaction, in its sole discretion: (i) with the physical and environmental condition of the Property (ii) with title, and (iii) upon obtaining the necessary zoning and usage approval to develop the Property as a skilled nursing facility. Purchaser's right to inspect and evaluate the condition of the Property for these purposes shall expire at 5:00 p.m., on the date sixty days (60) after the Effective Date (the period from the Effective Date through such date herein referred to as the "Inspection Period"). Purchaser shall have the right to extend the Inspection Period for an additional thirty (30) days (90 days total) upon payment to Seller of a \$5,000 non-refundable extension fee ("Extension Fee") to the Inspection Period for the purpose of obtaining the Entitlements (as defined in Section 2.5). Purchaser shall have the right to extend the Inspection Period for a second additional thirty (30) days (120 days total) upon payment to Seller of a \$5,000 non-refundable Extension Fee for the purpose of obtaining the Entitlements. In the event that, as a direct result of Purchaser's exercise of its rights under this Section 2.1 and Sections 2.3 and 2.4, any damage occurs to the Property ("Inspection Damage"), then Purchaser shall promptly repair such damage at Purchaser's sole cost and expense. Purchaser hereby indemnifies, protects, defends and holds Seller harmless from and against any and all losses, damages, claims, causes of action, judgments, damages, costs and expenses that Seller actually suffers or incurs as a direct result of physical damage to the Property or bodily injury caused by any negligent act of Purchaser or its agents, employees or contractors in connection with the right of inspection granted under this Section 2.1 and Sections 2.3 and 2.4.

**2.2 Seller's Initial Deliveries.** Within ten (10) days after the Effective Date, Seller shall, at its sole expense, deliver or cause to be delivered to Purchaser, the following:

(a) Title Insurance Commitment. A current title insurance commitment or preliminary title report issued by Title Company, including copies of all recorded matters affecting title referred to therein (collectively, the "Title Commitment"), contemplating the issuance by Title Company of an ALTA owner's policy of title insurance (the "Title Policy") insuring such title to the Real Property in Purchaser in the amount of the Purchase Price, subject to the satisfaction of the requirements of the instruments to be delivered at the Closing as contemplated hereby. The Title Commitment shall include copies of all recorded exceptions to title. Seller shall cause the Title Company to issue a mark-up of the Title Commitment at Closing with the policy pursuant thereto to be issued as soon after the Closing as possible. The mark-up and subsequent policy shall be delivered without standard exceptions, provided Purchaser delivers an acceptable survey to the Title Company, at Purchaser's cost.

**2.3 Inspection of Property.** At any time prior to the expiration of the Inspection Period (as hereinafter defined), Purchaser and its employees, agents, and contractors, shall have the right to enter the Real Property and investigate the Property and all matters relevant to its acquisition.

development, usage, operation or marketability. Such right of investigation shall include, without limitation, the right to have made, at Purchaser's expense, any studies or inspections of the Property as Purchaser may deem necessary or appropriate. Seller shall cooperate reasonably with any such investigations, inspections, or studies made by or at Purchaser's direction.

**2.4 Environmental Inspection.** Purchaser shall have the right during the Inspection Period, at Purchaser's sole expense, to enter the Property to conduct environmental assessments of the Property, including but not limited to, the collection and analysis of soils, surface water and groundwater samples ("Purchaser's Assessment"). Regardless of whether this transaction closes, Seller shall be entitled to a copy of any and all environmental reports and assessments and any other Purchaser's Assessment that may be produced relative to the Property and Purchaser agrees to deliver a copy of the same to Seller within **5 days** of receiving the same from any testing company.

**2.5 Rezoning and Site Plan Approval.** Purchaser shall, during the Inspection Period, at Purchaser's sole cost and expense, promptly commence and diligently pursue from the appropriate municipal entity approval (i) to **rezone the Property** if necessary and (ii) **final site plan approval** for a skilled nursing home facility ("Purchaser's Intended Use") (together, the "Entitlements"), including, without limitation, the filing of all required applications for the Entitlements, subject to Seller's prior written approval of such application(s). Seller agrees to permit Purchaser to file applications for zoning variances or special use permits (if necessary) and site plan approval for Purchaser's Intended Use. Seller shall reasonably assist in any petitions required to obtain the same, provided that in no event shall any such application be effective prior to the Closing Date. Seller shall reasonably cooperate with Purchaser and may join in any proceedings, if able, in the name of Seller to the extent necessary. Purchaser shall notify Seller of all meetings and hearings with governmental committees, agencies and authorities relating to its efforts to seek zoning variances, special use permits or changes to enable Purchaser's Intended Use of the Property, any of which Seller may attend, in its discretion. Whenever possible (based upon the notice received by Purchaser), Purchaser's notice to Seller shall be in writing and given at least 48 hours prior to the scheduled meeting or hearing. In connection with the petition for requested site plan approval, zoning variances, special use permits, or any other governmental approval, Purchaser agrees that it will assume all costs and attorneys' fees of any nature whatsoever, involved in and/or incidental to filing any required applications. Purchaser agrees that any rezoning of the Property shall not be requested to be effective until after the Closing of the acquisition of the Property.

**2.6 Termination of Agreement.** Purchaser may terminate this Agreement during the Inspection Period by giving Seller written notice setting forth Purchaser's dissatisfaction with the Property for any reason whatsoever, including, without limitation, any matter relating to its acquisition, development, usage, operation or marketability. In which event, this Agreement shall terminate, the Deposit shall be promptly returned to Purchaser, and both parties shall be relieved from any further liability hereunder, except for the obligations that, by their terms, survive the termination of this Agreement (the "Surviving Obligations"). If Purchaser fails to deliver a termination notice to Seller prior to the expiration of the Inspection Period, the Deposit shall be delivered to Seller and shall become automatically non-refundable (except in the event of

Seller's default or as otherwise specifically provided in this Agreement), but applicable to the Purchase Price.

### 3. TITLE.

**3.1 Review.** Purchaser shall be entitled to object to any exceptions to title disclosed in the Title Commitment ("Exceptions"), in its reasonable discretion, by a written notice of objections delivered to Seller within ten (10) days after the date Purchaser receives the Title Commitment (the "Objection Date"). If Purchaser fails to deliver to Seller a notice of objections on or before the Objection Date, Purchaser shall be deemed to have waived any objection to any Exceptions and thereafter all Exceptions shall be deemed to be Permitted Exceptions (as hereinafter defined). Seller shall have the option, but not the obligation, within thirty (30) days after Seller's receipt of Purchaser's notice of objections, to obtain the issuance of an endorsement to the Title Commitment removing such Exceptions or to obtain affirmative title insurance protection for such Exceptions. If Seller fails either to provide for the removal of such Exceptions or to obtain affirmative title insurance protection for such Exceptions within such thirty-day period, then this Agreement, at Purchaser's option, shall be terminated by written notice delivered to Seller within ten (10) days after the expiration of such thirty-day period. Upon delivery of such termination notice by Purchaser, this Agreement shall automatically terminate, the Deposit shall be promptly returned to Purchaser, and the parties shall be released from all further obligations under this Agreement other than the Surviving Obligations. If Purchaser fails to terminate this Agreement within the ten-day period set forth above, all Exceptions referred to in Purchaser's notice of objections shall be deemed to be Permitted Exceptions, and this Agreement shall remain in full force and effect. If Purchaser waives in writing its objection to any matters described in the notice of objections, such matters shall be deemed to be Permitted Exceptions.

3.2 Intentionally deleted.

**3.3 Permitted Exceptions.** The term "Permitted Exceptions" shall mean (a) all standard permitted exceptions set forth in the Title Commitment; (b) all building, zoning, and applicable ordinances and regulations of governmental authorities having jurisdiction over the Property; (c) all easements, restrictions, rights, agreements, and conditions of record and/or shown on any recorded plat for the Property; (d) all existing utility and drainage easements and rights of way; and (e) all Exceptions contained in the Title Commitment (i) to which Purchaser does not object as herein provided or (ii) as to which Purchaser has waived or is deemed to have waived its objection.

**3.4 Extension of Closing Date.** The Closing Date shall be postponed, if necessary, by the number of days required to accommodate the procedures set forth in this Article but such extension of the Closing Date shall in no way operate to extend the initial or any extensions of the Inspection Period.

**4. SELLER'S REPRESENTATIONS AND WARRANTIES.** Seller represents and warrants to Purchaser that the following matters are true as of the Effective Date. Such representations and warranties shall survive the Closing for a period of eighteen months.

(a) **Authority.** Seller has the full right and authority to enter into this Agreement and consummate the transactions contemplated by this Agreement, and all requisite corporate action has been taken by Seller in connection with the execution of this Agreement and the documents referenced herein and the consummation of the transactions contemplated hereby. Each of the Persons signing this Agreement on behalf of Seller is authorized to do so. Seller shall furnish to Purchaser such documents to evidence such authority as Purchaser shall reasonably request.

(b) **Agreements.** There are no agreements, contracts, or leases, written or oral, which affect the Property in any manner other than this Agreement, the Leases and the Contracts, none of which are in default and any agreements disclosed by the Title Commitment:

(c) **Litigation.** Seller to its actual knowledge, has not received any notice of any pending or threatened judicial, municipal or administrative proceedings materially affecting the Property or in which Seller is a party to by reason of Seller's ownership of all or any part of the Property.

(d) **Condemnation.** Seller has no actual knowledge of a pending condemnation or other governmental taking proceedings affecting all or any party of the Property.

**5. PURCHASER'S REPRESENTATIONS AND WARRANTIES.**

**5.1 Representations, Warranties and Covenants.**

(a) **Authority.** Purchaser represents and warrants to Seller that Purchaser is a limited liability company duly organized and existing and in good standing under the laws of the State of Michigan. Purchaser has the full right and authority to enter into this Agreement and consummate the transactions contemplated by this Agreement. All requisite company action has been taken by Purchaser in connection with the execution of this Agreement and the documents referenced herein and the consummation of the transactions contemplated hereby. Each of the Persons signing this Agreement on behalf of Purchaser is authorized to do so. Purchaser shall furnish to Seller any and all documents to evidence such authority as Seller shall reasonably request.

**6. PURCHASER'S OBLIGATION TO CLOSE.**

**6.1 Purchaser's Conditions.** Purchaser shall not be obligated to close the transaction contemplated hereunder unless each of the following conditions shall be satisfied on the Closing Date:

(a) Performance. Seller shall have performed, in all material respects, its obligations hereunder to be performed on or before the Closing Date.

(b) Title Policy. Title Company shall issue (or commit unconditionally to issue) the Title Policy, at the normal premium rate, subject only to the Permitted Exceptions.

(c) Accuracy of Representations. The representations and warranties of Seller in Article 4 shall be true and correct in all material respects on and as of the Closing Date.

**6.2 Seller's Conditions.** Seller shall not be obligated to close the transaction contemplated hereunder unless each of the following conditions shall be satisfied on the Closing Date:

(a) Performance. Purchaser shall have performed, in all material respects, its obligations hereunder to be performed on or before the Closing Date.

(b) Accuracy of Representations. The representations and warranties of Purchaser in Article 5 shall be true and correct in all material respects on and as of the Closing Date.

**6.3 Failure of Conditions.** If any condition specified in Section 6.1 above is not satisfied on or before the Closing, then at Purchaser's option, (a) if Seller notifies Purchaser (which Seller shall have no obligation to do) that Seller would like to attempt to cure or satisfy any such condition that is susceptible of cure, Purchaser may at its option extend the date for Closing to allow Seller a sufficient time within which to cure or satisfy any such condition, in which case Seller shall immediately commence prosecution of such cure or satisfaction and diligently pursue same to completion, at which time a new Closing shall be scheduled within ten (10) days after completion of such cure or satisfaction, (b) Purchaser may waive such condition either at the time originally established for Closing or at any time thereafter until the end of the cure period provided pursuant to clause (a) above, (c) Purchaser may terminate this Agreement by written notice thereof to Seller, either at the time originally established for Closing or at the end of the cure period provided pursuant to clause (a) above, if by the end of such cure period such condition has not been cured, in which case the Deposit shall be promptly returned to Purchaser and the parties shall thereupon be relieved of all further obligations hereunder other than the Surviving Obligations, or (d) if the failure of the condition is due to a breach by Seller hereunder, Purchaser may pursue any of its remedies under Section 11.1.

## 7. CLOSING.

**7.1 Time of Closing.** The Closing shall take place in the offices of Title Company within **ten (10) days of the expiration of** the Inspection Period (the "Closing Date"). If the Closing does not occur, the Deposit shall be returned to Purchaser, retained by Seller, or otherwise dealt with, all as provided elsewhere in this Agreement.

**7.2 Deliveries.** At the Closing, the following shall occur:

(a) Deed. Seller shall deliver to Purchaser a duly executed and acknowledged warranty deed containing warranties of title conveying the Real Property to Purchaser.

warranting title against all matters affecting title created by, through or under Seller, except for the Permitted Exceptions.

(b) Purchase Price. Purchaser shall pay to Seller the Purchase Price as provided in Section 1.2, subject to the adjustments described in Article 8.

(c) Possession. Possession of the Property shall be delivered to Purchaser.

(d) Affidavit. Seller shall execute and deliver to Purchaser and Title Company an affidavit that evidences that Seller is exempt from the withholding requirements of Section 1445 of the Internal Revenue Code.

(e) Additional Documents. Seller and Purchaser shall execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, any and all conveyances, assignments and all other instruments and documents as may be reasonably necessary in order to complete the transaction herein provided and to carry out the intent and purposes of this Agreement.

## **8. PRORATIONS AND CLOSING EXPENSES.**

**8.1 Closing Adjustments.** The cash due at Closing pursuant to Section 1.2 shall be subject to adjustment as of the Closing Date in accordance with the following provisions:

(a) Taxes. Real property taxes and assessments, including any special assessments, on the Real Property for the year of the Closing shall be prorated to the Closing Date based on the most recent assessed valuations and mill levy available, which proration shall be deemed a final settlement between the parties.

(b) Closing Costs. Seller shall pay for the premium for the Title Policy, the cost of recording any instruments required to discharge any liens or encumbrances against the Property, one-half of Title Company's escrow or settlement fees, all transfer, sales and conveyance taxes and Seller's other customary closing costs. Purchaser shall pay the cost of recording Seller's deed, one-half of Title Company's escrow or settlement fees, and Purchaser's other customary closing costs.

**8.2 Settlement Statement.** At the Closing, Seller and Purchaser shall execute a Closing settlement statement to reflect the credits, prorations, and adjustments contemplated by or specifically provided for in this Agreement.

**8.3 Post-Closing Adjustments.** Except as expressly herein provided, Seller shall be entitled to all income, and shall pay all expenses, relating to the operation of the Property for the period prior to the Closing Date, and Purchaser shall be entitled to all income, and shall pay all expenses, relating to the operation of the Property for the period commencing on the Closing Date. Purchaser and Seller shall undertake, following Closing, to adjust between themselves, as of the Closing Date, any income or expenses of the Property that are not adjusted on the settlement statement.



9. CONDEMNATION.

9.1 Notice. If, prior to Closing, Seller learns of any actual or threatened taking in condemnation or by eminent domain (or a sale in lieu thereof) of any of the Real Property, Seller shall notify Purchaser promptly thereof

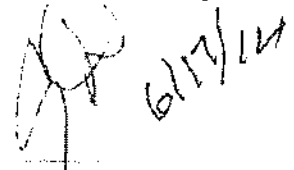
9.2 Termination. Other than with respect to an Immaterial Taking (as hereinafter defined), any actual or threatened taking or condemnation for any public or quasi-public purpose or use by any competent authority in appropriate proceedings or by any right of eminent domain of any of the Real Property between the date of this Agreement and the Closing Date shall, at Purchaser's option, cause a termination of this Agreement. The election to terminate provided hereby shall be exercised by Purchaser by written notice to Seller to that effect given within thirty (30) days following Purchaser's receipt of Seller's notice pursuant to Section 9.1 above. Upon delivery of such termination notice, the Deposit shall be promptly returned to Purchaser and both parties shall be relieved of any further obligations hereunder except for the Surviving Obligations. If Purchaser shall not so elect to terminate this Agreement, or in the event of an Immaterial Taking, Seller shall be relieved of all obligations under this Agreement with respect to the portion of the Real Property so taken or condemned, but Purchaser shall be entitled to receive all proceeds of any such taking or condemnation, and Seller agrees that it shall not make any adjustment or settlement of any such taking or condemnation proceeding without Purchaser's consent and shall take at Closing all action necessary to assign its entire interest in such award to Purchaser. Any taking or condemnation for any public or quasi-public purpose or use that affects less than twenty-five percent (25%) of the square footage of the Land and that does not affect access shall be deemed an "Immaterial Taking."

10. REMEDIES.

10.1 Breach by Seller. Time is of the essence with respect to Seller's obligations hereunder. If Seller fails to comply with any of its obligations hereunder, Purchaser, at Purchaser's option may either (i) terminate Purchaser's obligations under this Agreement by written notice to Seller, in which event the Deposit shall be returned to Purchaser, or (ii) Purchaser may file an action for specific performance of this Agreement.

10.2 Breach by Purchaser. Time is of the essence with respect to Buyer's obligations hereunder. If Purchaser fails to comply with any of its obligations hereunder, Seller shall be entitled to receive the Deposit, and ~~Seller shall have no other remedy for any default by Purchaser excepting any right to damages.~~ Purchaser and Seller acknowledge and agree that (i) the amount of the Deposit is a reasonable estimate of and bears a reasonable relationship to the damages that would be suffered and costs incurred by Seller as a result of having withdrawn the Property from sale and the failure of closing to have occurred due to default of Purchaser under the Agreement; (ii) the actual damages suffered and costs incurred by Seller as a result of such failure and failure to close due to a default of Purchaser under this Agreement would be extremely difficult and impractical to determine; and (iii) the amount of the Deposit shall be and constitutes valid liquidated damages.

"for failing to close this transaction as provided herein, but Seller shall have the right to pursue all remedies available at law or in equity for any claims against Purchaser for unrepaired damage to the Property caused by Purchaser or its contractors and agents or any other matter not related to a failure to close this transaction as provided for herein"



## 11. GENERAL PROVISIONS.

**11.1 Construction.** As used in this Agreement, the singular shall include the plural and any gender shall include all genders as the context requires and the following words and phrases shall have the following meanings: (a) "including" shall mean "including without limitation"; (b) "provisions" shall mean "provisions, terms, agreements, covenants and/or conditions"; (c) "lien" shall mean "lien, charge, encumbrance, title retention agreement, pledge, security interest, mortgage and/or deed of trust"; (d) "obligation" shall mean "obligation, duty, agreement, liability, covenant and/or condition"; (e) "any of the Property" shall mean "the Property or any part thereof or interest therein"; and (f) "any of the Real Property" shall mean "the Real Property or any part thereof or interest therein."

**11.2 Brokers.** Seller and Purchaser each hereby represent and warrant to the other that their sole contact with the other or with the Property has been made without the assistance of any broker or other third party, other than Principal Associates and Exclusive Realty ("Seller's Broker") and N/A ("Purchaser's Broker"). Seller's Broker and Purchaser's Broker will be paid from the proceeds of the sale, in accordance with the listing agreement executed by Seller and Seller's broker, and any sharing arrangement between the two brokers. Purchaser and Seller shall each indemnify, defend and hold the other party and each Affiliate of such party harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities, or losses (including, without limitation, reasonable attorneys' fees) resulting from the breach by the indemnifying party of the representations, warranties, and covenants set forth in this Section. Purchaser's and Seller's obligations under this Section 11.2 shall survive the Closing and termination of this Agreement.

**11.3 Further Assurances.** Each of the parties hereto undertakes and agrees to execute and deliver such documents, writings and further assurances as may be required to carry out the intent and purposes of this Agreement.

**11.4 Entire Agreement.** No change or modification of this Agreement shall be valid unless the same is in writing and signed by the parties hereto. No waiver of any of the provisions of this Agreement shall be valid unless in writing and signed by the party against whom such waiver is sought to be enforced. This Agreement contains the entire agreement between the parties relating to the purchase and sale of the Property. All prior negotiations between the parties are merged in this Agreement; and there are no promises, agreements, conditions, undertakings, warranties or representations, oral or written, express or implied, between the parties other than as herein set forth.

**11.5 Survival.** The obligations of the parties hereunder, to the extent not fully performed or discharged by or through the Closing, shall not be deemed merged into any instrument delivered at Closing, shall survive Closing, and shall remain fully enforceable thereafter.

**11.6 Dates.** If any date set forth in this Agreement for the delivery of any document or the happening of any event (such as, for example, the expiration of the Inspection Period or the

Closing Date) should, under the terms hereof, fall on a weekend or holiday, then such date shall be automatically extended to the next succeeding weekday that is not a holiday.

**11.7 Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the state in which the Real Property is located.

**11.8 Notices.** All notices, demands or other communications required or permitted to be given hereunder shall be in writing, and any and all such items shall be deemed to have been duly delivered as of the third business day after mailing by United States mail, certified, return receipt requested, postage prepaid, addressed as follows: or as of the immediately following business day after deposit with Federal Express or a similar overnight courier service, addressed as follows: or as of the business day of by facsimile to the facsimile number set forth below:

If to Seller:

Painia Development Corp.  
28 W. Adams  
Suite 900  
Detroit, MI 48229

If to Purchaser:

Eastwood Senior Leasing, L.L.C.  
4000 Town Center, Suite 700  
Southfield, MI 48075  
Attn: David G. Stobb, Esq.  
Telephone: (248) 386-0300

Any address or telecopy number fixed pursuant to the foregoing may be changed by the addressee by notice given pursuant to this Section 11.8.

**11.9 Headings.** The headings of Articles and Sections of this Agreement are for purposes of convenience and reference and shall not be construed as modifying the Articles or Sections in which they appear.

**11.10 Assignment.** Purchaser may not assign this Agreement without the prior written consent of Seller. Any approved assignee shall assume all obligations imposed on Purchaser as if the assignee were the original purchaser in this Agreement; provided, however, that Purchaser shall not be released from its duties and obligations hereunder

**11.11 Successors and Assigns.** Subject to Section 11.10, this Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, personal representatives, successors and assigns.

**11.12 Severability.** If any provision of this Agreement is declared void or unenforceable by a final judicial or administrative order, this Agreement shall continue in full

force and effect, except that the void or unenforceable provision shall be deemed deleted and replaced with a provision as similar in terms to such void or unenforceable provision as may be possible and be valid and enforceable.

**11.13 Confidentiality.** The existence and subject matter of this Agreement and any documents entered into or contemplated by this Agreement are confidential and shall not be disclosed to or discussed with any third parties by Purchaser (except Purchaser's counsel, representatives of lending institutions considering financing the transaction, the real estate brokers referred to in Section 11.2, and engineers or other professionals employed by Purchaser for purposes relating to this Agreement) without the prior written consent of Seller. The parties hereto shall not issue any press release or otherwise make public any information with respect to this Agreement.

*[Signature Page Follows]*

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date(s) set forth below, but as of the Effective Date.

SELLER:  
PANIA DEVELOPMENT CORP

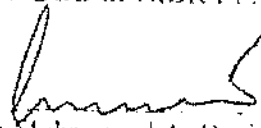
Date: June 17, 2014

By:   
Name: Cotton Lal Bose  
Title: General Partner

PURCHASER:

EASTWOOD SENIOR LEASING, LLC

Date: June 5, 2014

By:   
Name: Mohammad A. Qazi  
Title: Manager

## FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT

THIS FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT (this "**First Amendment**") is made and entered into effective as of ~~7/16~~<sup>7/16</sup>, 2015, by and between PAINIA DEVELOPMENT CORP., a Michigan corporation ("**Seller**"), and EASTWOOD SENIOR LEASING, LLC, a Michigan limited liability company ("**Purchaser**"). Seller and Purchaser are at times referred to herein collectively as the "**Parties**".

### Background Information

A. The Parties previously entered into that certain Purchase and Sale Agreement, bearing an Effective Date of June 17, 2014 (the "**Agreement**"), pertaining to a certain tract of real property located at Chene and Hendricks Streets, Detroit, Michigan, being more particularly described in the Agreement. Capitalized terms, not otherwise defined in this First Amendment, shall have the same meaning ascribed to such terms in the Agreement.

B. The Parties desire to amend the Agreement in order, among other things, to provide for an increased Purchase Price, to extend the Inspection Period as set forth in Section 2.1 thereof, and to modify the Closing Date, all under the terms and conditions set forth herein.

### Statement of Agreement

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree to the foregoing Background Information and as follows:

1. Deposit. Purchaser has previously delivered a Twenty-Five Thousand Dollar (\$25,000) deposit to the title company ("**Deposit**"). Purchaser has also delivered two non-refundable extension fees of \$5,000 each ("**Extension Fees**") which are not to be applied towards the Purchase Price. The Deposit shall be applied to the Purchase Price and should be fully refundable in case of: (a) any uncured breach by Seller, (b) the failure to close as a result of Seller's default or (c) the failure of any condition to close as set forth in the Agreement. Provided, however, that in the event that Purchaser is not satisfied with the results of the inspection of the Property or the title to the Property following Purchaser's attempt to resolve any outstanding title issues, Purchaser shall have the right prior to Closing and upon written notice to terminate the Agreement and to receive a complete refund of the Deposit.

2. Purchase Price. Section 1.2 shall be amended to provide that The Purchase Price shall be increased to Three Hundred Eighty-Five Thousand Dollars (\$385,000).

3. Extension of Inspection Period. Notwithstanding any provision of the Agreement to the contrary, the Parties hereby agree that the Inspection Period for all purposes is hereby extended through and including the date which is forty-five (45) days following the date hereof. Seller agrees to provide Purchaser with access to inspect the interior of the townhouses within forty-eight hours of Purchaser's request(s).

4. Updated Title Commitment and Extension of Title Objection Date. Within five (5) days of the full execution of this First Amendment, Seller shall provide to Purchaser an

updated Title Commitment for the Property with an effective date no earlier than June 15, 2015 naming Purchaser as the proposed insured. Purchaser hereby retains the right to make further Title Objections within ten (10) days of receipt of the updated Title Commitment. The Title Objection Date shall be extended to the date that is ten (10) days following the Purchaser's receipt of the updated Title Commitment. Any delay in Seller providing to Purchaser the updated Title Commitment beyond the ten days set forth herein shall extend the Inspection Period day for day for each day that the updated Title Commitment is received beyond the ten day period.

It is agreed that Purchaser shall purchase the Property subject to all mineral rights and the recorded Development Agreement. Seller hereby agrees to cooperate with Purchaser, at no cost to Purchaser, in effectuating the removal of the Development Agreement from the chain of title, and to execute any and all reasonable applications, instruments and documents necessary to do so. At or prior to the Closing, Seller shall pay all taxes due and owing and shall remove the following title conditions from the chain of title: all interests of Detroit Renaissance Corp. and Detroit Investment Fund, LP, all parties' interests under the Inter-Creditor Agreement recorded at Liber 45821, page 861, and the Master Deed recorded at Liber 46456, page 1294 so that Purchaser is conveyed title to the Real Property free and clear of those items.

5. Environmental Studies. Seller consents to and provides Purchaser permission to complete all necessary environmental studies, including soil borings and taking environmental samples from within any townhouse. Purchaser shall hold Seller harmless from and against claims from third parties arising out of Purchaser's environmental inspection of the Real Property.

6. Brokers. Section 11.2 shall be amended to provide that Purchaser's Broker is Principal Associates and that Seller shall pay a commission in the amount of \$15,000.00 from the sale proceeds which shall be split equally between Purchaser's Broker and Seller's Broker.

7. Ratification. Except as set forth herein, the Agreement shall remain in full force and effect and unmodified, and the Agreement, as amended hereby, is hereby ratified, confirmed and approved in all respects.

8. Notice to Seller by Email. Section 11.8 shall be amended to provide that in addition to the methods of notice designated therein that notice to Seller by email shall be allowed and shall be effective notice upon transmission thereof.


9. Counterparts. In order to expedite the action contemplated herein, this First Amendment may be executed in any number of counterparts, each of which shall be deemed an original, and all of which shall be taken to be one and the same First Amendment, for the same effect as if all parties hereto had signed the same signature page, and a facsimile copy or electronic mail copy of an executed counterpart shall constitute the same as delivery of the original of such executed counterpart. Any signature page of this First Amendment (whether original, facsimile or electronic mail) may be detached from any counterpart of this First Amendment (whether original, facsimile or electronic mail) without impairing the legal effect of any signatures thereof and may be attached to another counterpart of this First Amendment (whether original, facsimile or electronic mail) identical in form hereto but having attached to it

one or more additional signature pages (whether original, facsimile or electronic mail). The parties intend to be bound by the signatures on the facsimile or electronic mail document, are aware that the other party will rely on the facsimile or electronic mail signatures, and hereby waive any defenses to the enforcement of the terms of this First Amendment based on such form of signature.

IN WITNESS WHEREOF, the Parties have executed this First Amendment effective as of the date first above written.

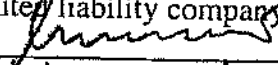
**SELLER:**

PAINIA DEVELOPMENT CORP., a  
Michigan Corporation

By:   
Name: Cullen L. Dubose, Sr.  
Its: President

**PURCHASER:**

EASTWOOD SENIOR LEASING, LLC, a  
Michigan limited liability company

By:   
Name: Mohammad Qazi  
Its: Manager