



CITY of NOVI CITY COUNCIL

www.cityofnovi.org

Agenda Item N
August 27, 2007

SUBJECT: Approval of the Sanitary Sewer System Easement from N'Tandem Properties, L.P. for an existing sanitary sewer pump station within Hometown Novi Mobile Home Park.

SUBMITTING DEPARTMENT: Engineering [Signature]

CITY MANAGER APPROVAL: [Signature]

Table with 2 columns: Financial Item, Amount. Rows include EXPENDITURE REQUIRED (\$1.00), AMOUNT BUDGETED (N/A), APPROPRIATION REQUIRED (N/A), and LINE ITEM NUMBER (N/A).

BACKGROUND INFORMATION:

The sanitary pump station serving Hometown Novi Mobile Home Park (formerly known as Chateau Novi) was installed in the mid 1970s when the park was constructed. The park is tributary to the Walled Lake-Novu Wastewater Treatment Plant and, as such, is operated and maintained by the Oakland County Drain Commissioner's office (OCDC).

The OCDC initiated a project in August 2006 to install a fixed natural gas generator at the pump station site. The permanent generator will provide standby power to the pump station during power failures. OCDC currently transports a portable generator to this pump station during power outages to maintain sewer service to the park. During the design of the project, it was determined by OCDC that an easement was not recorded for the pump station site and they contacted Engineering for assistance in obtaining the easement.

Engineering staff and the City Attorney's office have been working with Hometown America to obtain an easement for the existing pump station site that will be acceptable to the City. The attached easement has been reviewed and is recommended for approval by the Engineering Department and the City Attorney (see Beth Kudla's letter dated August 20, 2007, attached).

Upon approval of the easement, OCDC will begin work on the generator installation and will have the work completed yet this year.

RECOMMENDED ACTION: Approval of the Sanitary Sewer System Easement from N'Tandem Properties, L.P. for an existing sanitary sewer pump station within Hometown Novi Mobile Home Park.

Table for Council Member responses with columns 1, 2, Y, N and rows for Mayor Landry, Mayor Pro Tem Capello, Council Member Gatt, and Council Member Margolis.

Table for Council Member responses with columns 1, 2, Y, N and rows for Council Member Mutch, Council Member Nagy, and Council Member Paul.

August 20, 2007

30903 Northwestern Highway
P.O. Box 3040
Farmington Hills, MI 48333-3040
Tel: 248-851-9500
Fax: 248-851-2158
www.secretwardle.com

Brian Coburn, Civil Engineer
CITY OF NOVI
45175 West Ten Mile Road
Novi, MI 48375-3024

Elizabeth M. Kudla
Direct: 248-539-2846
bkudla@secretwardle.com

Re: Hometown Sanitary Sewer Easement
Our File No. 55142 NOV

Dear Mr. Coburn:

We have received and reviewed the final executed version of the Water and Sanitary Sewer System Easement required for the purpose of permitting Oakland County to install emergency generators within the Hometown Chateau Novi Mobile Home Park to provide power to the existing sanitary sewer lift station.

Though the Easement contains an indemnity provision with respect to the City's activities on the property, however, the indemnity provision is expressly made subject to the provisions Governmental Immunity Act, thus only actions rising to the level of "gross-negligence" would be at issue. This is consistent with the state of the law and would be the case with or without the provision.

The Agreement contains a provision requiring third party contractors working on the property to name the property owner as an additional insured on their bodily injury and property damage liability coverage and to indemnify and hold harmless the property owner. This provision expressly does not apply to any governmental units, including the City and the County. Thus neither, the City, nor the County, has an obligation to take action to ensure the contractor is insured in accordance with the Easement.

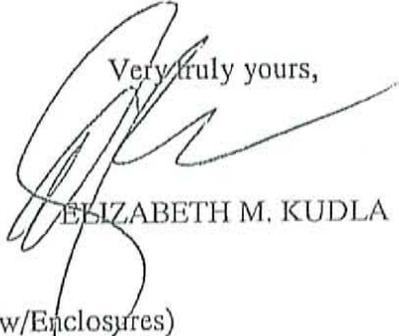
Because the City's obligations are no greater than a standard water and sanitary sewer easement, and the insurance burden falls upon third party contractors for Oakland County, we have no objection to the City's acceptance of the Easement.

Once approved, the Water and Sanitary Sewer System Easement should be signed by the City and recorded with the Oakland County Register of Deeds. I am also enclosing copies of the title policy and Bill of Sale for the facilities within the easement area, which copies should be maintained in the City's file.

Brian Coburn, Civil Engineer
August 20, 2007
Page 2

Please feel free to contact me with any questions or concerns in regard to this matter.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Elizabeth M. Kudla', written over the typed name.

ELIZABETH M. KUDLA

EMK

Enclosures

C: Maryanne Cornelius, Clerk (w/Enclosures)
Thomas R. Schultz, Esquire (w/Enclosures)

C:\Nrp\Portb\manage\BKUDLA\968822_1.DOC

WATER AND SANITARY SEWER SYSTEM EASEMENT

KNOW ALL MEN BY THESE PRESENTS, that **N'TANDEM PROPERTIES, L.P.**, a Delaware limited partnership, whose mailing address is c/o HOMETOWN AMERICA, 150 North Wacker Drive, Suite 2800, Chicago, Illinois 60606 (*hereinafter referred to as "Grantor"*), being title holder to the following described parcel of land, to-wit:

Part of the East $\frac{3}{4}$ of Southeast $\frac{1}{4}$, Section 2, T.1N., R.8E., City of Novi, Oakland County, Michigan, except beginning at Southeast corner, thence West 191.70 ft., thence N. $01^{\circ}19'30''$ E., 158.03 ft., thence N. $89^{\circ}13'10''$ E., 188.63 ft., thence S. $00^{\circ}12'00''$ W., 160.55 ft. to beginning, also except that part of South 208 ft. of East $\frac{1}{2}$ of West $\frac{1}{2}$ of Southeast $\frac{1}{4}$ lying Westerly of following described line described as beginning at point distant N. $89^{\circ}32'34''$ W., 363.71 ft. from Southeast section corner, thence N. $00^{\circ}48'41''$ E., 208 ft. to Point of Ending 116.28.

Sidwell No. 22-02-400-011, also known as "CHATEAU-NOVI MOBILE HOME PARK"

Tax Identification Number: 22-02-400-011

Common address: 45175 W. Ten Mile, Novi, Michigan 48375 (herein, the "Community")

for and in consideration of **ONE (\$1.00) DOLLAR**, receipt and sufficiency of which is hereby acknowledged, does hereby execute this Water and Sanitary Sewer Easement Agreement (*hereinafter referred to as "Agreement"*) and grant and convey to the **CITY OF NOVI, a Michigan Municipal Corporation**, whose address is **45175 W. Ten Mile, Novi, Michigan 48375** (*hereinafter referred to as "Grantee"*), a non-exclusive perpetual easement for the purpose of installing, maintaining and repairing emergency generators and related appurtenances, and for the operation and maintenance of the existing water and sanitary sewer pumping/lift station serving the Community, over, upon, across, in, through, and under the following described portion of the Community which is depicted on **Exhibit "A"** attached hereto and made a part hereof and is legally described as follows:

A PERMANENT EASEMENT DESCRIBED AS FOLLOWS:

A strip of land 15.0 ft. wide lying between Lot 231 and 232 as shown on the "CHATEAU-NOVI MOBILE HOME PARK" site plan prepared by Midwestern Consulting, Inc., Job No. 72276.;

AND ALSO,

The North 2.0 ft. of Lot 231 and the South 3.0 ft. of Lot 232 of "CHATEAU-NOVI MHP" (herein referred to as the "Easement Area").

A TEMPORARY EASEMENT DESCRIBED AS FOLLOWS:

The South 5.0 ft. of the North 7.0 ft. of Lot 231 and the North 5.0 ft. of the South 8.0 ft. of Lot 232 of "CHATEAU-NOVI MHP" (this Temporary Easement shall expire June 30, 2008).

and to enter upon sufficient land adjacent to said easement area for the purpose of exercising the rights and privileges granted herein it being understood and agreed that Grantee shall exercise reasonable efforts to minimize interference to the Community in exercising its rights hereunder. Any damage to Grantor's property or improvements thereon as the result of such access to the easement areas or the construction, maintenance, or repairs located within the Easement Area shall be promptly restored by Grantee to the condition in which it existed prior to the damage to the extent same is reasonably practicable.

Grantee may install, repair, replace, improve, modify and maintain the water and sanitary sewer lines, and all necessary appurtenances thereto (collectively, the "Lines"), and the related pump station facilities, within the Easement Area, subject to and in accordance with the terms hereof.

Grantor agrees not to build or to grant to others permission to build any permanent structures on, over, across, in, through, or under the Easement Area without Grantee's prior written approval; provided, however, nothing contained herein shall prevent or restrict Grantor's right to construct and/or install surface improvements within the Easement Area including paved driveways, roads, culverts, parking and/or walkways; landscaping; utilities (including but not limited to water lines, sewer lines, electrical lines, gas lines, telephone and cable lines) and/or similar improvements, which improvements do not unreasonably interfere with use, operation, maintenance, repair and replacement of the Lines within the Easement Area. In the event that any permanent building shall be constructed on any part of the Easement Area without the prior written consent of Grantee, such improvements shall be removed or altered at the sole cost and expense of Grantor if the removal or alteration is necessary for the maintenance, repair or replacement of any Lines located within the Easement Area, it being understood and agreed, however, that Grantee shall make every reasonable effort to perform its repair and maintenance functions with respect to said Easement Area so as not to affect any improvements placed thereon by Grantor, provided however, Grantee shall not be required to incur any substantial extra expense in doing so.

Any party that performs any work on the Easement Parcel shall restore the Easement Parcel with respect to any damage caused by or resulting from such use.

Nothing contained in this Agreement is intended to nor shall it be construed as dedicating any easements or rights to the public or any other party or entity. The easement granted herein is strictly for utility purposes.

Subject to the provisions of the Governmental Immunity Act, Public Act No. 170 of 1964, as set forth in MCL 691.1401, et. seq., Grantee agrees to be responsible for any claims, liabilities or damages occurring as a result of the actions and activities of Grantee (or those claiming through Grantee) pursuant to this Agreement, or the gross negligence of Grantee (or those claiming through Grantee) in exercising its rights hereunder; provided, however, that Grantee shall not be responsible for any claims, liabilities or damages resulting from the actions or activities of Grantor, or third parties outside of the control of Grantee, or to the extent caused by the negligence of Grantor or third parties outside of the control of Grantee.

To the extent Grantee's third-party contractors are in actual receipt of a copy of this Agreement (which Grantee is not affirmatively obligated to provide to them pursuant to this Agreement), then (a) such third party contractors shall be required to carry bodily injury and property damage liability insurance in an amount not less than \$1,000,000 and such insurance policies shall name the owner and property manager of and anyone holding a lien on the Easement Area (collectively, "**Owner Entities**") as additional insureds and, (b) Grantee's contractors (and their subcontractors) shall each indemnify, defend and save harmless the Owner Entities from and against any and all claims, damages, costs, expenses and liability (including reasonable attorneys' fees and costs), including any action or proceedings brought thereon, arising from, or as a result of, an alleged injury to or death of any person, or damage to property of any person or entity, which arises from the exercise by any of Grantee's third-party contractors, (sub)contractors and their respective agents and representatives of the rights granted to or benefiting them pursuant to this Agreement. Notwithstanding the foregoing, neither Grantee nor any other municipal or county entity nor their employees shall be subject to the terms of this paragraph.

Nothing herein contained shall be deemed to authorize or empower Grantee, its successors or assigns, to create or cause any liens or encumbrances or other charges against or to otherwise affect the title of the real estate underlying the Easement Area. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall be deemed one and the same instrument.

All notices, demands, statements and requests required or permitted to be given under this Agreement must be in writing and given, delivered or served by (i) next business day overnight delivery service providing receipt of such delivery, (ii) prepaid registered or certified mail, return receipt requested or (iii) facsimile transmission with transmission report verifying receipt thereof. Notices shall be deemed properly given, delivered, served and received as of the date of a receipt evidencing the delivery thereof, or the refusal or unavailability of any party to accept delivery. Notices shall be address to

the party's address specified in the introductory paragraph. Each party shall have the right from time to time and at any time, upon at least ten (10) days' prior written notice thereof in accordance with the provisions hereof, to change its respective address or facsimile number and to specify any other address or facsimile number within the United States of America; provided, however, notwithstanding anything herein contained to the contrary, in order for the notice of address or facsimile change to be effective, it must actually be received.

This Agreement shall be construed and determined in accordance with the laws of the State of Michigan. The provisions of this Agreement shall be deemed independent and severable and the invalidity or partial invalidity of any provision or portion hereof shall not affect the validity or enforceability of any other provision or any portion hereof.

No waiver of any of the provisions of this Agreement shall be effective unless it is in writing, signed by the party against whom it is asserted, and any such written waiver shall only be applicable to the specific instance which it relates and shall not be deemed to be a continuing and permanent waiver unless so specifically stated.

This Agreement shall run with the land and be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors, assigns and personal representatives. Upon any owner's sale or other transfer of the ownership of its interest in any portion of the Easement Area (and all successive sales and transfers thereof), the selling or transferring owner shall be relieved of all obligations hereunder from and after the date of such sale or transfer, and the applicable purchaser or transferee shall become liable hereunder with respect to its tract during its period of ownership.

[followed by signature page]

IN WITNESS WHEREOF, the undersigned Grantor has affixed its signature this 25th day of July, 2007.

GRANTOR:

<p>WITNESSES:</p> <p><i>Marcela Godoy</i> _____ (Print Name: <u>Marcela Godoy</u>)</p> <p><i>Jeremy Mitchell</i> _____ (Print Name: <u>JEREMY MITCHELL</u>)</p>	<p>N'TANDEM PROPERTIES, L.P., a Delaware limited partnership</p> <p>By: Keystone Properties LLC, a Delaware limited liability company, its general partner</p> <p>By: <i>Richard G. Cline, Jr.</i> _____ Name: Richard G. Cline, Jr. Its: Chief Executive Officer</p>
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STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

The foregoing instrument was acknowledged before me this 16th day of August, 2007, by Richard G. Cline, Jr., as Chief Executive Officer of Keystone Properties, LLC, a Delaware limited liability company, in its capacity as general partner of N'Tandem Properties, L.P., a Delaware limited partnership, as the act and deed of such limited partnership.

Marcela Godoy

 Notary Public
 Cook County, Illinois



IN WITNESS WHEREOF, the undersigned Grantee has affixed its signature this _____ day of August, 2007.

GRANTEE:

<p>WITNESSES:</p> <p>_____</p> <p>(Print Name: _____)</p> <p>_____</p> <p>(Print Name: _____)</p>	<p>City of Novi, a Michigan municipal corporation</p> <p>By: _____</p> <p>Name: _____</p> <p>Its: _____</p>
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CORPORATE ACKNOWLEDGMENT

STATE OF MICHIGAN)
) ss.
COUNTY OF _____)



The foregoing instrument was acknowledged before me this ____ day of August, 2007,
by _____, as _____
of the City of Novi, a Michigan municipal corporation, on behalf of such entity.

Witness my hand and official seal.

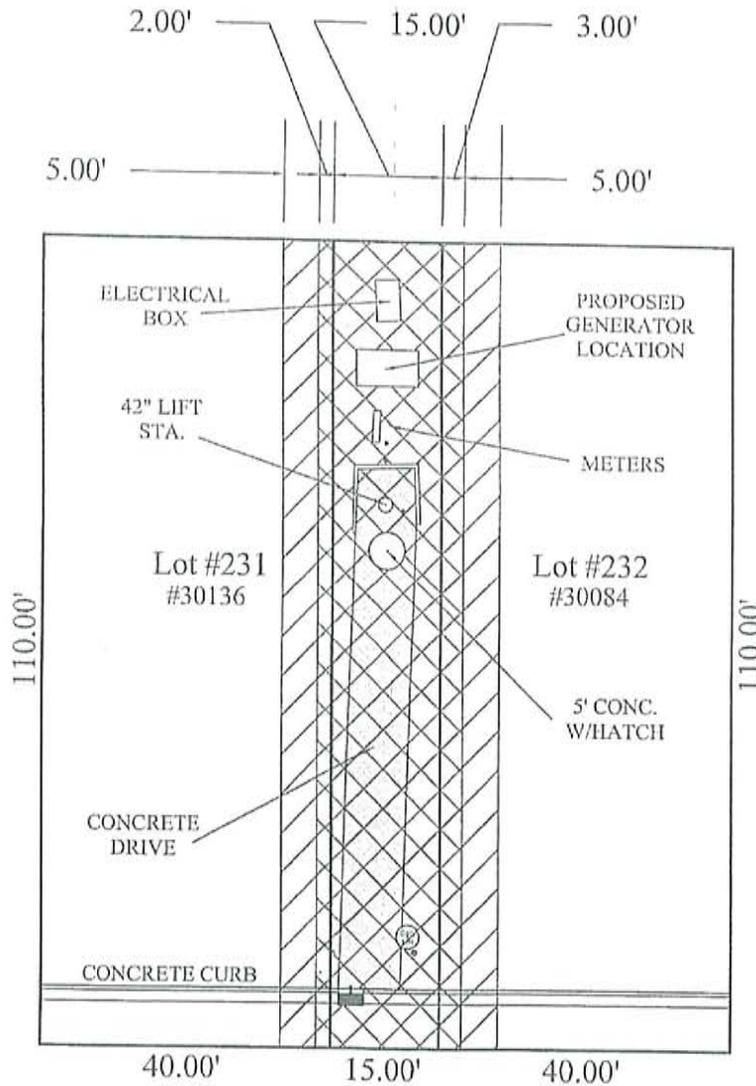
Notary Public
_____ County, MI
My commission expires: _____

**THIS INSTRUMENT DRAFTED BY AND
WHEN RECORDED, RETURN COPY TO:
Elizabeth M. Kudla, Esq.
30903 Northwestern Highway
Farmington Hills, Michigan 48334**

NOTE: NO FIELD WORK PERFORMED
DESCRIPTION TAKEN FROM RECORD



SCALE: 1" = 20'



MONTMORENCY

PROJECT: CHATEAU-NOVI PUMP STATION		03/01/2007
PERMANENT EASEMENT		EASEMENT PARCEL NO. <u>1-2007</u> DWG. <u>1</u> OF <u>1</u>
TEMPORARY EASEMENT		SIDWELL NO. <u>22-02400-011</u>
Part of the E. 3/4 of S.E. 1/4 Section 2, T1N, R8E, City of Novi "CHATEAU-NOVI MOBILE HOME PARK"		
JOHN P. McCULLOCH OAKLAND COUNTY DRAIN COMMISSIONER Page 1 of 1		
		Rev.:08/01/01



August 25, 2006

RECEIVED BY
ENGINEERING DIVISION
AUG 30 2006
CITY OF NOVI

Mr. Clay Pearson, Manager
City of Novi
45175 West Ten Mile Rd.
Novi, MI 48375-3024

John P. McCulloch
DRAIN COMMISSIONER
OAKLAND COUNTY

Reference: **Generator Installation at Chateau Novi Sewage Pump Station**

Kevin R. Larsen
CHIEF DEPUTY
DRAIN COMMISSIONER

Dear Mr. Pearson:

OCDC is currently establishing a contract with G&B Electrical Co. to install a fixed 35kW natural gas generator at the Chateau Novi sewage pump station located at 30120 Montmorency. OCDC currently transports a portable generator to this pump station at the onset of a power outage to maintain sewer service. After reviewing an estimate from Consumers Energy to install natural gas service to the Chateau Novi pump station site, it was determined installation of a natural gas generator was more economical than installing a diesel powered generator and was therefore chosen as the preferred generator. Installation of the generator is being funded through Walled Lake-Novu Replace/Repair Reserves. Please note the installation of the generator, although anticipated to begin construction in September, will be completed after the County's Fiscal Year 2006 (September 30, 2006).

The attached aerial photograph indicates the location of the pump station. Since the pump station is in close proximity to a residential area, it is recommended an upgraded sound-attenuated enclosure be included with the generator. The additional cost to include this option is estimated at \$4,750.00.

The contractor will be responsible for obtaining any applicable permits including, but not limited to electrical, building and road permits.

Please let me know if the City of Novi wants to include the upgraded sound-attenuated enclosure at this station as well as any permits that may be required as soon as possible.

If you have any questions or concerns, please call me at 248-452-9194.

Very truly yours,


Brian Bennett, P.E.
Operations Engineer

Enclosure

cc: G&B Electrical Co.



One Public Works Drive
Building 95 West
Waterford, MI 48328-1907
www.co.oakland.mi.us/drain
P 248.858.0958
F 248.858.1066



2202-00013

PERMANENT EASEMENT FOR SANITARY SEWER OVER CHATEAU ESTATES M.H.P. AS RECORDED IN LIBER 6552, PAGE 059, O.C.R.

220233002

220238208

220238301

220238302

220238303

2202-40009

WIMBLETON

DECKER

2202-40014

WEXFORD

WARLEY

MONTMORENCY

JOLIET

CELESTE

BOILEAU

PIERRE

CLARINETTE

MARQUANT

Legend

-  Property Lines
-  Pump Station Site

PROJECT NO.:	CHATEAU NOVI
DATE:	7/5/2006
SCALE:	1" = 100'
DESIGNED BY:	JSP
DRAWN BY:	JSP
CHECKED BY:	
DATE:	
PROJECT:	CHATEAU NOVI PUMP STATION SITE 30120 MONTMORENCY CITY OF NOVI
SHEET NO.:	1 OF 1



ONE PUBLIC WORKS DIVISION, 8300 W. WEST WILSON ROAD, TROY, MI 48063



**First American Title Insurance Company
National Commercial Services**

October 19, 2005

Jared VanHeter
Kirkland & Ellis
200 East Randolph Street
Chicago, IL 60601
Phone: (312)861-2000
Fax: (312)861-2200

Order Number: NCS-196357-CHI1

Property: Hometown Novi - 42000 Carousel Dr., Novi, MI

Thank You for your confidence and support. We at First American Title Insurance Company maintain the fundamental principle:

Customer First!

First American Title Insurance Company

First American Title Insurance Company

INFORMATION

The Title Insurance Commitment is a legal contract between you and the company. It is issued to show the basis on which we will issue a Title Insurance Policy to you. The Policy will insure you against certain risks to the land title, subject to the limitations shown in the policy.

The Company will give you a sample of the Policy form, if you ask.

The Commitment is based on the land title as of the Commitment Date. Any changes in the land title or the transaction may affect the Commitment and the Policy.

The Commitment is subject to its Requirements, Exceptions and Conditions.

This information is not part of the title insurance commitment.

**YOU SHOULD READ THE COMMITMENT VERY CAREFULLY.
If you have any questions about the Commitment,
please contact the issuing office.**

COMMITMENT FOR TITLE INSURANCE

Issued by

First American Title Insurance Company

Agreement to Issue Policy

We agree to issue a policy to you according to the terms of this Commitment.

When we show the policy amount and your name as the proposed insured in Schedule A, this Commitment becomes effective as of the Commitment Date shown in Schedule A.

If the Requirements shown in this Commitment have not been met within six months after the Commitment Date, our obligation under this Commitment will end. Also, our obligation under this Commitment will end when the Policy is issued and then our obligation to you will be under the Policy.

Our obligation under this Commitment is limited by the following:

The Provisions in Schedule A.

The Requirements in Schedule B-1.

The Exceptions in Schedule B-2.

The Conditions.

This Commitment is not valid without Schedule A and Sections 1 and 2 of Schedule B.

SCHEDULE A

1. Commitment Date: September 30, 2005 at 7:30 A.M.

2. Policy or Policies to be issued: Amount
 - (A) ALTA Standard Coverage Owners Policy \$1000.00
Proposed Insured:
To be determined

 - (B) ALTA Standard Coverage Loan Policy \$NONE
Proposed Insured:
NONE, its successors and/or assigns, as their interests may appear.

3. (A) The estate or interest in the land described in this Commitment is:
Fee Simple

(B) Title to said estate or interest at the date hereof is vested in:
N'Tandem Properties, L.P., a Delaware limited partnership

4. The land referred to in this Commitment is situated in the City of Novi , State of Michigan, County of Oakland , and described as follows:

PARCEL 1:
COMMENCING AT THE SOUTHEAST CORNER OF FRACTIONAL SECTION 2, TOWN 1 NORTH, RANGE 8 EAST, CITY OF NOVI, OAKLAND COUNTY, MICHIGAN; THENCE NORTH 90 DEGREES 00 MINUTES 00 SECONDS WEST, 850.00 FEET ALONG THE SOUTH LINE OF SAID FRACTIONAL SECTION 2 AND THE CENTERLINE OF 13 MILE ROAD TO THE POINT OF BEGINNING; THENCE CONTINUING NORTH 90 DEGREES 00 MINUTES 00 SECONDS WEST, 513.83 FEET ALONG THE SOUTH LINE OF SAID FRACTIONAL SECTION 2 AND THE CENTERLINE OF 13 MILE ROAD; THENCE NORTH 00 DEGREES 22 MINUTES 10 SECONDS EAST 208.00 FEET; THENCE NORTH 90 DEGREES 00 MINUTES 00 SECONDS WEST, 642.00 FEET; THENCE NORTH 00 DEGREES 24 MINUTES 22 SECONDS EAST, 2444.32 FEET (NORTH 00 DEGREES 22 MINUTES 10 SECONDS EAST 2446.15 FEET RECORDED); THENCE SOUTH 89 DEGREES 56 MINUTES 04 SECONDS EAST, 1991.63 FEET (SOUTH 89 DEGREES 57 MINUTES 00 SECONDS EAST, 1993.69 FEET RECORDED); THENCE SOUTH 00 DEGREES 05 MINUTES 47 SECONDS WEST, 2489.42 FEET (SOUTH 00 DEGREES 06 MINUTES 30 SECONDS WEST, 2491.79 FEET RECORDED); ALONG THE EAST LINE OF SAID FRACTIONAL SECTION 2; THENCE SOUTH 89 DEGREES 13 MINUTES 25 SECONDS WEST, 188.63 FEET (SOUTH 89 DEGREES 13 MINUTES 10 SECONDS WEST, 188.38 FEET RECORDED); THENCE SOUTH 01 DEGREES 13 MINUTES 03 SECONDS WEST, 98.02 FEET (SOUTH 01 DEGREES 18 MINUTES 17 SECONDS WEST RECORDED); THENCE NORTH 90 DEGREES 00 MINUTES 00 SECONDS WEST, 859.58 FEET ALONG THE NORTHERLY RIGHT OF

WAY LINE OF SAID 13 MILE ROAD; THENCE SOUTH 00 DEGREES 00 MINUTES 00 SECONDS WEST, 60.00 FEET TO THE POINT OF BEGINNING; BEING A PART OF THE SOUTHEAST 1/4 OF SAID FRACTIONAL SECTION 2. BEING SUBJECT TO THE RIGHT OF THE PUBLIC OVER THE MOST SOUTHERLY 33.00 FEET THEREOF, AS OCCUPIED BY 13 MILE ROAD.

PARCEL 2:
TOGETHER WITH AN EASEMENT PARCEL DESCRIBED IN A SEWER EASEMENT AGREEMENT AS RECORDED IN LIBER 6230, PAGE 409, OAKLAND COUNTY RECORDS.

SCHEDULE B

SECTION ONE REQUIREMENTS

The following requirements must be met:

- (A) Pay the agreed amounts for the interest in the land and/or the mortgage to be insured.
- (B) Pay us the premiums, fees and charges for the policy.
- (C) Documents satisfactory to us creating the interest in the land and/or the mortgage to be insured must be signed, delivered and recorded.
- (D) You must tell us in writing the name of anyone not referred to in this Commitment who will get an interest in the land or who will make a loan on the land. We may then make additional requirements or exceptions.
- (E) Releases(s) or Reconveyance(s) of Item(s):

The following additional requirements must be met:

1. This is a pro-forma preliminary report. It does not reflect the present status of title and is not intended to be a commitment to insure.

There are requirements that must be met before a policy of title insurance can be issued. Such requirements may include the recordation of a map or maps and/or a deed or deeds. A commitment to insure setting forth those requirements should be obtained from the Company.

2. Pay unpaid taxes and assessments unless shown as paid:
2005 Summer Taxes in the amount of \$336,427.85 are PAID
2004 Winter Taxes in the amount of \$3,346.12 are PAID
Tax Parcel Identification:
Property Address: 42000 Carousel
Tax Parcel No.: 22-02-400-011
Special Assessments: NONE
The amounts shown as unpaid do not include collection fees, penalties, interest, sewer/water service charges. Please verify before closing.
NOTICE: If taxes, assessment or water/sewer are to be paid at time of closing, an original tax and water bill must be presented.

SCHEDULE B

SECTION TWO

EXCEPTIONS

Any policy we issue will have the following exceptions unless they are taken care of to our satisfaction. The printed exceptions and exclusions from the coverage of the policy or policies are set forth in Exhibit A attached. Copies of the policy forms should be read. They are available from the office which issued this Commitment.

1. Terms and conditions of a Monitoring Agreement with the City of Novi, a Michigan municipal corporation, as recorded February 17, 2004 in Liber 32231, page 802.
2. That certain mortgage from N'Tandem Properties, L.P., a Delaware limited partnership to AIG Sunamerica Life Assurance Company, an Arizona corporation, f/k/a Anchor National Life Insurance Company, filed of record November 5, 2003 in Liber 31356, page 392, in the original principal amount of \$19,020,000.00, and the terms and conditions thereof.
3. Terms and conditions of an EAsement Assignment between M.S.E. Cable Systems, Inc., and PNC Bank as recorded in Liber 15585, page 640.
4. Terms and conditions of a Sidewalk Easement in favor of the City of Novi, as recorded in Liber 18997, page 24.
5. Agreement-Easement-Restrictions by and between Chateau Estates, a Michigan co-partnership; The Detroit Edison Company and Michigan Bell Telephone Company as recorded in Liber 6085, page 192 and re-recorded in Liber 7763, page 569.
6. Sewer Lines easement created by instrument recorded in Liber 6552, Page 59, Oakland County Records.
7. Terms and conditions of Sewer Easement Agreement between Chateau Estates and Phyllis A. Kahner, et al, as set forth in instrument recorded in Liber 6230, page 409.
8. Easement granted to the City of Novi for highway purposes disclosed by instrument recorded in Liber 7402, Page 409, Oakland County Records.
9. Easement granted to Consumers Power Company, The Detroit Edison Company and Michigan Bell Telephone Company for utilities disclosed by instrument recorded in Liber 7571, Page 792, Oakland County Records.
10. Assignment of Leases and Rents by N'Tandem Properties, L.P., a Delaware limited partnership to Sunamerica Life Assurance Company, an Arizona corporation, f/k/a Anchor National Life Insurance Company, recorded in Liber 31356, page 429.

11. A financing statement recorded as Liber 31356, page 386 of Official Records.
Debtor: N'Tandem Properties, L.P.,
Secured party: Anchor National Life Insurance Company

CONDITIONS

1. DEFINITIONS

- (a) "Mortgage" means mortgage, deed of trust or other security instrument.
(b) "Public Records" means title records that give constructive notice of matters affecting the title according to the state law where the land is located.

2. LATER DEFECTS

The Exceptions in Schedule B - Section Two may be amended to show any defects, liens or encumbrances that appear for the first time in the public records or are created or attached between the Commitment Date and the date on which all of the Requirements (a) and (c) of Schedule B - Section One are met. We shall have no liability to you because of this amendment.

3. EXISTING DEFECTS

If any defects, liens or encumbrances existing at Commitment Date are not shown in Schedule B, we may amend Schedule B to show them. If we do amend Schedule B to show these defects, liens or encumbrances, we shall be liable to you according to Paragraph 4 below unless you knew of this information and did not tell us about it in writing.

4. LIMITATION OF OUR LIABILITY

Our only obligation is to issue to you the Policy referred to in this Commitment, when you have met its Requirements. If we have any liability to you for any loss you incur because of an error in this Commitment, our liability will be limited to your actual loss caused by your relying on this Commitment when you acted in good faith to:

comply with the Requirements shown in Schedule B - Section One
or

eliminate with our written consent any Exceptions shown in Schedule B - Section Two.

We shall not be liable for more than the Policy Amount shown in Schedule A of this Commitment and our liability is subject to the terms of the Policy form to be issued to you.

5. CLAIMS MUST BE BASED ON THIS COMMITMENT

Any claim, whether or not based on negligence, which you may have against us concerning the title to the land must be based on this commitment and is subject to its terms.

Privacy Policy

We Are Committed to Safeguarding Customer Information

In order to better serve your needs now and in the future, we may ask you to provide us with certain information. We understand that you may be concerned about what we will do with such information - particularly any personal or financial information. We agree that you have a right to know how we will utilize the personal information you provide to us. Therefore, together with our parent company, The First American Corporation, we have adopted this Privacy Policy to govern the use and handling of your personal information.

Applicability

This Privacy Policy governs our use of the information which you provide to us. It does not govern the manner in which we may use information we have obtained from any other source, such as information obtained from a public record or from another person or entity. First American has also adopted broader guidelines that govern our use of personal information regardless of its source. First American calls these guidelines its *Fair Information Values*, a copy of which can be found on our website at www.firstam.com.

Types of Information

Depending upon which of our services you are utilizing, the types of nonpublic personal information that we may collect include:

- Information we receive from you on applications, forms and in other communications to us, whether in writing, in person, by telephone or any other means;
- Information about your transactions with us, our affiliated companies, or others; and
- Information we receive from a consumer reporting agency.

Use of Information

We request information from you for our own legitimate business purposes and not for the benefit of any nonaffiliated party. Therefore, we will not release your information to nonaffiliated parties except: (1) as necessary for us to provide the product or service you have requested of us; or (2) as permitted by law. We may, however, store such information indefinitely, including the period after which any customer relationship has ceased. Such information may be used for any internal purpose, such as quality control efforts or customer analysis. We may also provide all of the types of nonpublic personal information listed above to one or more of our affiliated companies. Such affiliated companies include financial service providers, such as title insurers, property and casualty insurers, and trust and investment advisory companies, or companies involved in real estate services, such as appraisal companies, home warranty companies, and escrow companies. Furthermore, we may also provide all the information we collect, as described above, to companies that perform marketing services on our behalf, on behalf of our affiliated companies, or to other financial institutions with whom we or our affiliated companies have joint marketing agreements.

Former Customers

Even if you are no longer our customer, our Privacy Policy will continue to apply to you.

Confidentiality and Security

We will use our best efforts to ensure that no unauthorized parties have access to any of your information. We restrict access to nonpublic personal information about you to those individuals and entities who need to know that information to provide products or services to you. We will use our best efforts to train and oversee our employees and agents to ensure that your information will be handled responsibly and in accordance with this Privacy Policy and First American's *Fair Information Values*. We currently maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

**6. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 1992
WITH A.L.T.A. ENDORSEMENT FORM 1 COVERAGE
EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

- 1 (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy;
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- 2 Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
- 3 Defects, liens, encumbrances, adverse claims, or other matters:
 - (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the Insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the Insured claimant and not disclosed in writing to the Company by the Insured claimant prior to the date the Insured claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured claimant;
 - (d) attaching or created subsequent to Date of Policy (except to the extent that this policy insures the priority of the lien of the Insured mortgage over any statutory lien for services, labor or material or the extent insurance is afforded herein as to assessments for street improvements under construction or completed at date of policy); or
 - (e) resulting in loss or damage which would not have been sustained if the Insured claimant had paid value for the Insured mortgage.
- 4 Unenforceability of the lien of the Insured mortgage because of the inability or failure of the Insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable "doing business" laws of the state in which the land is situated.
- 5 Invalidity or unenforceability of the lien of the Insured mortgage, or claim thereof, which arises out of the transaction evidenced by the Insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
- 6 Any statutory lien for services, labor or materials (or the claim of priority of any statutory lien for services, labor or materials over the lien of the Insured mortgage) arising from an improvement or work related to the land which is contracted for and commenced subsequent to Date of Policy and is not financed in whole or in part by proceeds of the indebtedness secured by the Insured mortgage which at Date of Policy the Insured has advanced or is obligated to advance.
- 7 Any claim, which arises out of the transaction creating the interest of the mortgagee Insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
 - (i) the transaction creating the interest of the Insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer; or
 - (ii) the subordination of the interest of the Insured mortgagee as a result of the application of the doctrine of equitable subordination; or
 - (iii) the transaction creating the interest of the Insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the failure:
 - (a) to timely record the instrument of transfer; or
 - (b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

**7. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 1992
WITH REGIONAL EXCEPTIONS**

When the American Land Title Association policy is used as a Standard Coverage Policy and not as an Extended Coverage Policy the exclusions set forth in paragraph 6 above are used and the following exceptions to coverage appear in the policy

SCHEDULE B

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof.
3. Easements, claims of easement or encumbrances which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by public records.
5. Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.
6. Any lien, or right to a lien, for services, labor or material theretofore or hereafter furnished, imposed by law and not shown by the public records.

**B. AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY - 1992
EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims, or other matters:
(a) created, suffered, assumed or agreed to by the insured claimant;
(b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
(c) resulting in no loss or damage to the insured claimant;
(d) attaching or created subsequent to Date of Policy; or
(e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.
4. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
(i) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
(ii) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:
(a) to timely record the instrument of transfer; or
(b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor

**9. AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY - 1992
WITH REGIONAL EXCEPTIONS**

When the American Land Title Association policy is used as a Standard Coverage Policy and not as an Extended Coverage Policy the exclusions set forth in paragraph B above are used and the following exceptions to coverage appear in the policy.

SCHEDULE B

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

Part One:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof.
3. Easements, claims of easement or encumbrances which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by public records.
5. Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.
6. Any lien, or right to a lien, for services, labor or material theretofore or hereafter furnished, imposed by law and not shown by the public records

BILL OF SALE

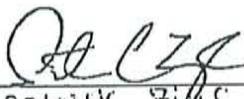
KNOW ALL MEN BY THESE PRESENTS, that N'TANDEM PROPERTIES, L.P., a Delaware limited partnership ("Seller"), whose address is c/o Hometown America, 150 N. Wacker Drive, Suite 2800, Chicago, Illinois 60606, for the sum of One Dollar (\$1.00), the receipt and sufficiency of which is hereby acknowledged, does hereby grant, bargain, sell and set over to the CITY OF NOVI, Michigan ("Purchaser"), 45175 West Ten Mile Road, Novi, Michigan 48375, all of the pipes, valves, joints and appurtenances attached to or installed in the ground as a part of the water supply system and sanitary sewer system, according to the easements and/or public right-of-ways therefor established, to the extent same are owned by the undersigned as of the date hereof and located on or under the real estate commonly known as Hometown Novi, 42000 Carousel Drive, Novi, Michigan which is legally described on Exhibit A attached hereto and by this reference made a part hereof (collectively, the "Sewer System").

Seller does hereby covenant with Purchaser that at the time of delivery of this Bill of Sale, the Sewer System is free from all encumbrances made by Seller and that Seller will warrant and defend the same against the lawful claims and demands of all persons claiming by, through or under Seller, but against none other. SELLER HEREBY DISCLAIMS, AND PURCHASER HEREBY WAIVES ANY AND ALL WARRANTIES OF MERCHANTABILITY OR WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE SEWER SYSTEM BEING TRANSFERRED BY THIS INSTRUMENT.

In witness whereof, the undersigned has executed these presents this 14th day of June, 2006.

N'TANDEM PROPERTIES, L.P., a Delaware limited partnership

By: Keystone Properties LLC, a Delaware limited liability company,
its general partner

By: 
Name: PATRICK ZILIS
Its: SENIOR VICE PRESIDENT

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

The foregoing instrument was acknowledged before me this 14 day of ~~April~~ ^{June}, 2006, by Patrick Zilis, as Senior Vice President of Keystone Properties, LLC, a Delaware limited liability company, as general partner of N'Tandem Properties, L.P., a Delaware limited partnership, as the act and deed of such limited partnership.



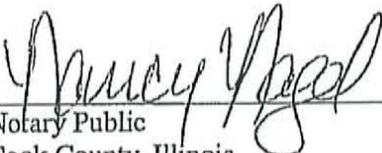

Notary Public
Cook County, Illinois

Exhibit A

Legal Description

THE EAST 3/4 OF THE SOUTHEAST QUARTER OF SECTION 2, TOWN 1 NORTH, RANGE 8 EAST, CITY OF NOVI, OAKLAND COUNTY, MICHIGAN, BEING DESCRIBED AS:

EXCEPT, BEGINNING AT THE SOUTHEAST CORNER OF SECTION 2, THENCE DUE WEST 191.70 FEET ALONG THE SOUTH LINE OF SECTION 2; THENCE NORTH 01 DEGREES 19 MINUTES 30 SECONDS EAST 158.03 FEET; THENCE NORTH 89 DEGREES 13 MINUTES 10 SECONDS EAST 188.63 FEET; THENCE SOUTH 00 DEGREES 12 MINUTES 00 SECONDS WEST 160.55 FEET TO THE SOUTHEAST CORNER OF SECTION 2 AND THE POINT OF BEGINNING.

ALSO EXCEPT, THAT PART OF THE SOUTH 208.00 FEET OF THE EAST HALF OF THE WEST HALF OF THE SOUTHEAST QUARTER OF THE SECTION LYING WEST OF THE FOLLOWING DESCRIBED LINE; COMMENCING AT THE SOUTHEAST CORNER OF SECTION 2, THENCE NORTH 89 DEGREES 32 MINUTES 34 SECONDS WEST 1363.71 FEET ALONG THE SOUTH LINE OF SECTION 2 TO THE POINT OF BEGINNING OF THIS DESCRIBED LINE; THENCE NORTH 00 DEGREES 48 MINUTES 41 SECONDS WEST 208.00 FEET TO THE POINT OF ENDING OF THIS DESCRIBED LINE.

Tax Identification Number: 22-02-400-011

Property Address: 42999 Carousel, Novi, Michigan