

UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF MICHIGAN

IN RE:

GRAHAM LAND DEVELOPMENT
ENTERPRISES, LLC,

Debtor./

CASE NO.: DK14-00928

FOUR GRAHAMS, INC.

Debtor./

CASE NO.: DK14-00929

NOTICE TO CREDITORS AND OTHER PARTIES IN INTEREST

**DEBTORS' MOTION FOR SALE OF REAL & PERSONAL PROPERTY
LOCATED AT 4210 STADIUM DRIVE IN KALAMAZOO, MICHIGAN
PURSUANT TO COURTROOM AUCTION**

Please take notice that the above-referenced motion has been filed with the Bankruptcy Court. **Your rights may be affected.** **You should read these papers carefully and discuss them with your attorney.** (If you do not have an attorney, you may wish to consult one.)

If you want the court to consider your views on this matter, attend the hearing scheduled for May 3, 2016 at 10:00 a.m. at the United States Bankruptcy Court, U.S. Courthouse and Federal Building, 410 West Michigan, Room 114, Kalamazoo, Michigan.

You or your attorney may wish to file a response explaining your position. Such response should be **received** at least seven days prior to the scheduled hearing. A copy should also be served upon the party who has filed the motion and to his/her attorney.

If you or your attorney do not take these steps, the court may decide that you do not oppose the relief sought in the motion or objection and may enter an order granting that relief.

Notice returned to Cody H. Knight, Esq. for service of notice and motion the matrix.
Court to serve Buyer's List. (April 5, 2016-kt)

April 5, 2016

DANIEL M. LAVILLE
CLERK OF BANKRUPTCY COURT



/s/
BY: Kathleen Trapp, Deputy Clerk

NOTICE IS HEREBY GIVEN that the court may, in its discretion, orally continue or adjourn the above hearing on the record in open court. If this occurs, parties in interest will not be given further written notice of the new hearing date. If an entity is not present at the originally scheduled hearing, information regarding the time, date and place of an orally continued or adjourned hearing may be accessed through the Bankruptcy Court's web site (www.miwb.uscourts.gov) provided the person has a PACER login and password, or by visiting the Clerk's Office of the United States Bankruptcy Court located at One Division Avenue North, 2nd Floor, Grand Rapids, Michigan 49503. Information about a PACER login and password may be obtained by either calling PACER service center between 8:00 a.m. and 5:00 p.m. Monday through Friday, CST at (800) 676-6856 or via its web site at <http://pacer.pcs.uscourts.gov>.

**UNITED STATES BANKRUPTCY COURT
IN THE WESTERN DISTRICT OF MICHIGAN**

IN THE MATTER OF:

GRAHAM LAND DEVELOPMENT
ENTERPRISES, LLC,

Case No.: 14-00928
Chapter 11 – Filed: 02/19/14

Debtor.

_____ //

IN THE MATTER OF:

FOUR GRAHAMS, INC.

Case No.: 14-00929
Chapter 11 – Filed: 02/19/14

Debtor.

_____ //

**DEBTORS' MOTION FOR SALE OF REAL & PERSONAL PROPERTY LOCATED AT
4210 STADIUM DRIVE IN KALAMAZOO, MICHIGAN,
PURSUANT TO COURTROOM AUCTION**

NOW COME Graham Land Development Enterprises, LLC (“Graham Land”) and Four Grahams, Inc. (“Gallagher’s Kalamazoo”) (collectively, “Debtors”), by and through their attorneys, Rayman & Knight, and for their Motion for Sale of Real & Personal Property Located at 4210 Stadium Drive in Kalamazoo, Michigan Pursuant to Courtroom Auction (“Motion”), state as follows:

GENERAL ALLEGATIONS

1. On February 19, 2014 (“Petition Date”) the Debtors filed Voluntary Petitions under Chapter 11 of the United States Bankruptcy Code (“Code”).
2. Since the Petition Date, the Debtors have operated their businesses as Debtors-in-Possession, pursuant to §§ 1107 and 1108 of the Code.
3. No official committee of creditors holding unsecured claims has been appointed. No Trustee or Examiner has been appointed.
4. The Debtors file this Motion pursuant 11 U.S.C. § 363(b) and (f).

OVERVIEW

5. Graham Land is a real estate holding company which filed for Chapter 11 relief along with two operating entities. One of these entities, Gallagher's Paw Paw, has closed. Gallagher's Kalamazoo remains open and intends to remain open pending this sale.

7. The Debtors only secured creditor (other than *ad valorem* taxes) is Mercantile Bank of Michigan ("Mercantile").

8. Mercantile has consented to the sale of property commonly known as 4210 Stadium Drive in Kalamazoo, Michigan ("Real Property¹") and the personal property of Gallagher's Kalamazoo ("Personal Property") (collectively, "Property"), pursuant to 11 U.S.C. § 363(b) and (f) as further set forth in this Motion

RELIEF REQUESTED

9. The Debtors have received an offer from Maha, LLC ("Buyer") to purchase the Real Property for the price of \$825,000.00 and \$75,000.00 for the purchase of the Personal Property (including the liquor license) pursuant to this Motion and the attached sales agreement ("Agreement"). (*See*, Exhibit "B").

10. The *ad valorem* taxes are estimated to be \$50,000.00.

11. The sale shall be subject to competitive bidding.

12. The sale shall be on an "AS IS" basis with no representations or warranties from the Debtor of any kind or nature.

13. The sale of the Property shall be sold free and clear of all liens, encumbrances, and/or claims therein in accordance with 11 U.S.C. §363(f), with said liens, encumbrances, and/or claims attaching to the sale proceeds in the same order of validity, rank, and priority as now exists.

¹ A copy of the legal description is attached as Exhibit "A".

14. Any party interested in purchasing the Property **must appear at the hearing scheduled for this Motion** and be prepared to bid in increments of \$1,000.00 with the opening bid at \$915,000.00. The prospective bidder must provide sufficient evidence of ability to close. The Debtors reserve the right to accept the best offer, which may not be the highest, and the Debtors will seek authority to seek a back-up bidder. Any increase bid will be attributed for purposes of the Debtors bankruptcy estates as being an equal increase for the Real and Personal Property.

15. There are three classes of creditors in the Property. There are *ad valorem* taxing authorities, taxing authorities with tax liens (Internal Revenue Service and Michigan Treasury), which have liens in personal property inferior to the third secured creditor, Mercantile.

16. The Property may be sold free and clear of liens because *ad valorem* taxing authorities which have liens for unpaid property taxes shall be paid in full at closing and, as such, the sale may be free and clear of their liens pursuant to 11 U.S.C. § 363(f)(3).

17. With respect to the other taxing authority creditors, the Debtors believe that they will receive their consent and, as such, the Property may be sold free and clear pursuant to 11 U.S.C. § 363(f)(2). Even without their consent, the sale may be free and clear of the taxing authorities' liens as their claims are limited to the value of the collateral pursuant to 11 U.S.C. § 506(a), and the sale may then be free and clear of liens, pursuant to 11 U.S.C. § 363(f)(3). (*See generally, In re Becker Indus., Inc.*, 63 B.R. 474 (Bankr. S.D.N.Y. 1986) and *In re Terrance Gardens park P'ship*, 96 B.R. 707 (Bankr. W.D. Tex. 1989). Further, each could be compelled to accept a money satisfaction of their lien rights, such as this Chapter 11 proceeding. As such, the Property may be sold free and clear of liens, pursuant to 11 U.S.C. § 363(f)(5).

18. Mercantile consents to the sale and, as such, the Property may be sold free and clear pursuant to 11 U.S.C. § 363(f)(2).

19. If there are any additional creditors claiming a lien, those creditors do not have valid recorded liens and, as such, their liens would be subject to *bona fide* dispute and, as such, the Property may be sold free and clear of liens, pursuant to 11 U.S.C. § 363(f)(4). The Property may be sold free and clear of liens pursuant to 11 U.S.C. § 363(f)(2), (3) & (4).

20. Your Debtors seek approval of the sale of the Property pursuant to 11 U.S.C. § 363(b), which provides in relevant part that “the trustee, after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate.”

21. This Court has discretion to determine whether a sale of assets should be approved. *See, In re Embrace Systems Corp.*, 178 B.R. 112, 123 (Bankr. W.D. Mich. 1995).

22. In determining whether a sale of assets outside the ordinary course of business should be approved pursuant to 11 U.S.C. § 363(b), a debtor has the burden of establishing that a valid business purpose exists. *See, In re Lionel Corp.*, 722 F.2d 1063, 1070-71 (2d Cir. 1983); *see also, In re Stephens Industry, Inc. v. McClung*, 789 F.2d 386 (6th Cir. 1986).

23. Graham Land is a real estate holding company and Gallagher’s Kalamazoo operates out of its property. The business is in such a condition that the property must liquidate. The Debtors have a valid business purpose for selling the Property. The Property has been marketed and has generated interest from multiple parties, including the Buyer.

24. Once a debtor has articulated a valid business purpose, a presumption arises that the debtor's decision to sell the assets was made on an informed basis, in good faith and in the honest belief the action was in the best interests of the estate. *See, In re Integrated Resources, Inc.*, 147 B.R. 650, at 656 (S.D.N.Y. 1992); *In re S.N.A. Nut Company*, 186 B.R. 98 (Bankr. N.D. 111. 1995) (the business judgment rule is a presumption that in making a business decision the directors of a corporation acted on an informed basis, in good faith and in the honest belief that the action was in the best interest of the company).

25. Courts within the Sixth Circuit have held that transactions may be approved under 11 U.S.C. § 363 when they are supported by sound business judgment. *See, e.g., Stephens Industries, Inc. v. McClung*, 789 F.2d 386, 389-390 (6th Cir. 1986) ("a court can authorize a sale of a debtors' assets when a sound business purpose dictates such action"); *see also, In re Embrace Sys. Corp.*, 178 B.R. at 124; *In re North American Royalties, Inc.*, 276 B.R. 860, 866 (Bankr. E.D. Tenn. 2002); *In re Quality Stores Inc.*, 272 B.R. 643, 647 (Bankr. W.D.Mich. 2002) ("noting the 'wide business discretion' given to debtors selling assets under § 363").

26. The sale is in the best interests of the estates and a valid business purpose exists and the sale should be approved.

CARVE OUT

27. Mercantile has agreed and consented to the sale and has agreed to provide a "carve out" of \$15,000.00 for the real estate for the Graham Land estate and a \$10,000.00 "carve out" for the Gallagher's Kalamazoo estate.

28. Because the sale is subject to competitive bidding, Mercantile has also agreed that any overbid would be shared evenly between the estates and Mercantile. By way of example, if the highest overbid is \$20,000.00, Mercantile shall receive \$10,000.00, Graham Land shall receive \$5,000.00 and Gallagher's Kalamazoo receives \$5,000.00.

CONCLUSION

29. The sale of the Property is in the best interests of the estates, the Debtors have a valid business reason to sell the Property and this Motion should be approved.

30. As the Buyer desires to close as soon as possible, the Debtors submit that it is appropriate to waive the provisions of Federal Rules of Bankruptcy Rule 6004(h).

WHEREFORE, your Debtors pray:

A. That this Court enter an Order authorizing the sale, pursuant to 11 U.S.C. § 363(b), consistent with this Motion;

B. That the Court enter an Order determining that the sale of the Property is free and clear of liens pursuant to 11 U.S.C. §363(f) with all liens attaching to proceeds;

C. That the Debtors be authorized to execute a Deed and Bills of Sale consistent with the Motion and to execute other documents as are or may become necessary to effectuate the sale;

D. Authorize the Debtors to execute such documents as may be necessary to transfer the liquor license upon approval of the Michigan Liquor Control Commission;

E. Authorize the Debtors to pay all *ad valorem* taxes and other closing costs including the Berkshire service fee;

F. Authorize the Debtor to accept a backup bidder;

G. That this Court waive the provisions of Federal Rules of Bankruptcy Rule 6004(h);
and

H. That this Court order such other relief as it finds just and equitable.

RAYMAN & KNIGHT
Attorneys for Debtors

Dated: April ¹⁴~~1~~, 2016

By:


Cody H. Knight (P64811)

BUSINESS ADDRESS:
141 E. Michigan Avenue, Suite 301
Kalamazoo, MI 49007
Telephone: (269) 345-5156

Exhibit A

The following property located in the City of Kalamazoo, County of Kalamazoo, State of Michigan and more legally described as follows:

Section 30-2-11 Commencing at the northwest corner of fractional Section 30-2-11; thence South 89deg 34min 10sec East 1300.57ft along the north line of Section 30 to the west line of the East 1/2 of the NW 1/4 of said fractional Section 30; thence South 00deg 20min 30sec East 825ft along the said west line; thence East 391.08ft parallel to the north line of Section 30 to the point of beginning; thence East 342.72ft parallel to the north line of Section 30; thence South 00deg 20min 30sec East 129.73ft (measured 129.64ft; thence North 89deg 34min 10sec West 123.82ft; thence South 00deg 05min 20sec West 175.90ft; thence South 00deg 05min 20sec West 185.87ft (measured South 00deg 06min 17sec West also measured South 00deg 04min 51sec West) to the northerly line of Stadium Drive; thence South 81deg 47min 00sec West 221ft along the northerly line of Stadium Drive; thence North 00deg 20min 30sec West 523.08ft parallel with said west line to the point of beginning.

Exhibit B



COMMERCIAL ALLIANCE OF REALTORS®
BUY AND SELL AGREEMENT FOR BUSINESS ASSETS WITH REAL ESTATE
(Not for Use in Sales of Stock in Corporations or Other Equity Interests in Other Entities)

Office of Callander Commercial, LLC

Phone: 269-373-8109

FAX: 269-349-2541

Offer Date: 03/23/2016

BROKER 2:00PM (Time)

1. Agency Disclosure. The undersigned Buyer and Seller each acknowledge the Broker named above is acting as (choose one):
Subagent of the Seller [] Agent of the Buyer [X] Dual Agent (with written, informed consent of both Buyer and Seller) []
Other (specify):

2. Buyer's Offer. The undersigned Buyer hereby offers and agrees to purchase the assets, tangible and intangible, currently utilized in the operation of the business commonly known as Gallagher's Restaurant
4210 Stadium Drive, Kalamazoo, Michigan PPID# 39000630146002 (the "Business Entity"), located at
estate described as per survey and title commitment prior to closing (the "Real Estate").
Other than the "Excluded Assets" identified in this Agreement, the assets to be purchased include, but are not necessarily limited to:
a. The machinery, equipment, furniture, fixtures, leasehold improvements and other tangible property described in Exhibit 2.a.
b. All of Seller's rights under the existing contracts, including any real estate or personal property leases, described in Exhibit 2.b., all of which Buyer agrees to assume and pay.
c. All licenses, approvals, certificates, permits or other evidences of authority issued by any governmental authority, described in Exhibit 2.c.
d. All trade names, trademarks, service marks, copyrights, inventions, designs, patents and trade secrets, as described in Exhibit 2.d.
e. All business records such as books and records of account, correspondence, property records production records, engineering records, purchasing and sales records, tax returns, credit records, personnel and payroll records, accounting records, computer programs, customer and vendor lists and records, and any other records, or copies of same, as described in Exhibit 2.e.
f. The goodwill, telephone number, any post office box, and the name of the Business Entity, and any other name, as described in Exhibit 2.f.
g. Other: Class C Liquor License

3. Purchase Price. The purchase price for the Business entity and Real Estate shall be Nine Hundred Thousand Dollars (\$900,000.00) plus amounts for inventory and/or accounts receivable being purchased, if any, with \$850,000.00 allocated to the Real Estate. Any further allocation of the purchase price between Land, improvements, Personal Property, and Business Entity shall be agreed to in writing by the parties within 30 days prior to the closing. Seller and Buyer acknowledge that the allocation of the purchase price shall be binding upon the parties for all applicable federal, state and local tax purposes.

4. Payment of Purchase Price and Financing. Complete subparagraph "A" and subparagraph "B".
A. Terms of Payment. The purchase price shall be paid at the closing by Buyer to Seller as indicated by "X" below (mark one box or the other under this subparagraph "A").
[] Cash. Buyer shall pay the full purchase price to Seller upon execution and delivery of warranty deed and performance by Seller of the closing obligations specified in this agreement.
[] Land Contract. Buyer shall pay the full purchase price to Seller pursuant to the terms and conditions stated in the Commercial Alliance of REALTORS® Land Contract form, unless the parties mutually agree upon a different form of land contract, upon performance by Seller of the closing obligations specified in this Agreement. The Land Contract shall provide a down payment of \$ and payment of the balance \$ in installments of \$ or more, at Buyer's option, including interest at the rate of % per annum computed monthly, interest to start on date of closing, and first payment to become due after date of closing. The entire unpaid balance will become due and payable months after closing. Seller understands that consumption of the sale or transfer of the Premises shall not relieve Seller of any liability that Seller may have under the mortgage(s) to which the Premises are subject, unless otherwise agreed to by the lender or required by law or regulation.
[X] Commercial Loan. The Buyer shall pay the full purchase price to the Seller in cash, by certified check, or in other immediately available funds, contingent upon Buyer's ability to obtain a loan from a commercial lender in the amount of \$500,000.00 bearing interest not greater than 5.5% per annum, within 30 days after this Agreement is fully executed. The Buyer shall apply for the loan immediately and accept it promptly if rendered. If Buyer does not deliver to Seller on or before 4/22/2016 (date) proof that Buyer has accepted a loan commitment, Seller may thereafter at any time treat this contingency as not having been satisfied and terminate this Agreement by written notice to Buyer, unless Buyer has waived this contingency in writing, prior to the date indicated in this paragraph.

[] Seller Financing (applicable to business assets). A down payment of \$ in cash, by certified check, or other immediately available funds, and payment of the balance of \$ pursuant to Buyer's Promissory Note to Seller in installments of \$ or more at Buyer's option, including interest at the rate of % per annum computed monthly; each payment being applied first to interest, then to principal. Interest shall begin to accrue at the date of closing, and the first payment shall become due thirty (30) days after the date of closing. The indebtedness represented by the Promissory Note and the Security Agreement to be signed by Buyer shall contain such covenants, terms and conditions as are customary in transactions of this type. Promptly after this Agreement is fully executed, Seller shall deliver to Buyer a form of promissory note, financing statement, and security agreement to be signed at the closing, and Buyer shall be obligated to promptly express to the Seller, in writing, any objections that Buyer may have to the contents of those documents.

B. Financing. Indicate by an "X" below which applies (mark one box or the other under this subparagraph "B"):
[] No Financing Contingency. Buyer's obligation to purchase the Premises is not contingent upon Buyer obtaining financing for all or any portion of the purchase price.
[X] Financing Contingency. Buyer's obligation to purchase the Premises is contingent upon Buyer obtaining financing for the purchase of the Premises that is acceptable to Buyer, in Buyer's sole and absolute discretion, within calendar days of the Effective Date of this Agreement (the "Financing Contingency Period"). Buyer agrees to diligently pursue in good faith obtaining financing for the purchase of the Premises. If after making such diligent effort Buyer fails to obtain financing for the purchase of the Premises that is acceptable to Buyer within the Financing Contingency Period, then Buyer may terminate this Agreement without liability and receive a refund of any deposit by delivering a written notice of termination to Seller in accordance with this Agreement within the Financing Contingency Period. If Buyer does not deliver a written notice of termination to Seller within the Financing Contingency Period, then Buyer shall be deemed to have waived this financing contingency. Seller understands that consummation of the sale or transfer of the Real Estate shall not relieve Seller of any liability that Seller may have under the mortgage(s) to which the Real Estate is subject, unless otherwise agreed to by the lender or required by law or regulation.

Buyer's Initials Seller's Initials

Buyer shall have the right to terminate this Agreement if the objections are not resolved to Buyer's satisfaction by giving Seller written notice 20 calendar days after providing written objections to Seller. If payments due Seller are to be secured under more than one instrument or agreement (e.g., security agreement, mortgage, land contract, etc.), appropriate cross-default provisions shall be included therein, and appropriate provisions shall be made for reassignment of applicable licenses upon default. Other:

Additional Provisions:

This is a Real Estate and Business Assets Sale. Buyer is only purchasing the Real Estate, Class C Liquor License and FF&E.

5. Inventory. Inventory is is not being sold to Buyer. If inventory is being sold, it shall be described in Exhibit 5, it shall be priced at the lower of the Seller's cost or market value, the price shall be added to the price specified in this Agreement, but Buyer shall not be obligated to purchase inventory in excess of \$ _____ Buyer and Seller shall meet to count and price the inventory approximately _____ days prior to closing. Other:

6. Accounts Receivable. Accounts Receivable are are not being sold to Buyer. If Accounts Receivable are being sold, they shall be valued as of the closing at the book amounts, less an allowance of _____ percent for doubtful accounts, and the value shall be added to the price specified in this Agreement. Seller makes no representation or warranty regarding the collectability of the accounts, or agrees to repurchase any accounts not collected within ninety (90) days, at face value less the above-specified allowance. Buyer shall have the right to endorse Seller's name on any instruments received in payment of purchased accounts, and Buyer shall promptly deliver to Seller any other instruments payable to Seller received after closing. Other:

7. Excluded Assets. The assets described in Exhibit 7, if any, used in the operation of the Business Entity, will be retained by Seller and are excluded from this transaction.

8. Survey (select one of the following):

- A new survey.
 - ALTA showing all easements of record, improvements, and encroachments, if any, and completed to the most current ALTA/ACMS minimum requirements; or
 - boundary survey with iron corner stakes and with all easements of record, improvements, and encroachments (if any);
- A recertified survey.

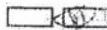
An existing survey (if available) shall be provided by Buyer Seller as soon as possible after the later to occur of (i) the title insurance commitment referenced in this Agreement is delivered to the party responsible for the survey, and (ii) Buyer's right to terminate under this Agreement is waived or deemed to have been waived. If Seller fails to provide the new or recertified survey as required by this paragraph, the Buyer may elect to order the required survey at Seller's cost. If the survey reveals a matter that materially and adversely affects the value of the Premises or Buyer's intended use of the Premises, Buyer shall have the right to terminate this Agreement by giving Seller written notice within ten (10) calendar days after copies of both the survey and title commitment referenced in this Agreement are delivered to Buyer, otherwise Buyer's right to terminate this Agreement pursuant to this paragraph shall be deemed to have been waived. Other:

9. Title Insurance. At Seller's expense, Seller shall provide Buyer with a standard ALTA owner's policy of title insurance in the amount of the purchase price, allocated to the Real Estate, effective as of the date of closing. A commitment to issue such policy insuring marketable title (as defined in this Agreement) vested in Buyer, including a tax status report, shall be ordered within seven (7) calendar days after the Effective Date, and shall be delivered, with copies of all title exception documents, as soon as feasible thereafter. (Note that some title commitments do not report on the status of oil, gas, or mineral rights.) If any matter disclosed by the title commitment adversely and materially affects the value of the Real Estate or Buyer's intended use of the Real Estate, Buyer shall have the right to terminate this Agreement by giving Seller written notice within _____ calendar days after copies of both the title commitment and survey referenced in this Agreement above are delivered to Buyer; otherwise Buyer's right to terminate this Agreement pursuant to this paragraph shall be deemed to have been waived. A matter disclosed in the title commitment that is in the form of an encumbrance that is liquidated in amount and that can be readily discharged (such as a mortgage) shall not be grounds for termination of this Agreement by Buyer under this paragraph so long as Seller discharges such encumbrance at the closing. Other:

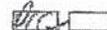
Buyer's Initials

Seller's Initials

- 10 Closing Adjustments. The following adjustments shall be made between the parties as of the close of business on the closing date, with Buyer receiving a credit or assuming responsibility as the case may be for amounts attributable to time periods following the closing date:
- Prepaid rent;
 - Prepaid services or products by customers;
 - Interest on any existing indebtedness assumed by Buyer;
 - Charges for any transferable service contracts assigned to Buyer that Buyer agrees to assume;
 - Prepaid insurance.
 - Utility deposits;
 - Security deposits;
 - Additional rent.
- 11 Personal Property Taxes. All property taxes first billed prior to the year of closing will be paid by Seller, without proration. All property taxes billed or to be billed in the year of closing will be paid as follows (choose one):
- No Proration:
- Buyer Seller shall pay the taxes billed in July
- Buyer Seller shall pay the taxes billed in December
- Calendar Year Proration. Combined per diem tax amount representing both the July bill and the December bill shall be calculated based on a 365 day year. Seller shall be responsible for the per diem total from January 1 to, but not including, the day of closing. Buyer shall be responsible for the difference between the total of the two tax bills and the Seller's share. If the amount of either tax bill is unknown on the day of closing, it shall be calculated using the taxable value and the current millage rate assigned to the Premises as of the day of closing.
- Not Applicable.
- 12 Real Estate Property Taxes. All property taxes first billed prior to the year of closing will be paid by Seller, without proration. All property taxes billed or to be billed in the year of closing will be paid as follows (choose one):
- No Proration:
- Buyer Seller shall pay the taxes billed in July
- Buyer Seller shall pay the taxes billed in December
- Calendar Year Proration. Combined per diem tax amount representing both the July bill and the December bill shall be calculated based on a 365 day year. Seller shall be responsible for the per diem total from January 1 to, but not including, the day of closing. Buyer shall be responsible for the difference between the total of the two tax bills and the Seller's share. If the amount of either tax bill is unknown on the day of closing, it shall be calculated using the taxable value and the current millage rate assigned to the Premises as of the day of closing.
- 13 Special Assessments (choose one):
- Seller shall pay all special assessments which have become a lien on the Real Estate prior to the Effective Date, whether due in installments or otherwise.
- Seller shall pay all special assessments which have become a lien on the Real Estate prior to the Effective Date, provide, however, that in the event a special assessment is payable in installments, Seller shall only be responsible for those installments covering the years prior to the year of closing, and Buyer shall be responsible for all installments covering all years after the year of closing. Installments of special assessments covering the year of closing shall be prorated using the same method set forth in this Agreement for the proration of real estate taxes.
- Other:
- 14 Inspections After the Effective Date. Buyer and Buyer's agents shall have the right to enter upon the real estate during reasonable business hours for the purposes of conducting such inspections of the Real Estate that Buyer deems appropriate provided, however, that such inspections shall not interfere with the rights of the tenants in possession. Buyer shall indemnify, defend and hold Seller and Broker harmless from and against any damage to persons or property caused by Buyer or Buyer's agents in conducting such inspections. Buyer shall have the right to terminate this Agreement if the inspections are not acceptable to Buyer by giving Seller written notice within 45 calendar days after this Agreement is fully executed, otherwise the right to terminate shall be deemed to have been waived. Buyer agrees that Buyer is not relying on any representation or statement made by Seller or any real estate salesperson regarding any aspect of the Real Estate, Business Entity, or this sale transaction, except as may be expressly set forth in this Agreement, a written amendment to this Agreement, or a disclosure statement separately signed by Seller. Accordingly, Buyer agrees to accept the Real Estate and Business Entity "as is" and "with all faults", except as otherwise expressly provided in the documents specified in the preceding sentence. Other:
- 15 Conveyance. Upon performance by Buyer of the closing obligations specified in this Agreement, Seller shall convey the marketable title to the Real Estate to Buyer by warranty deed or agree to convey marketable title by land contract or assignment, as required by this Agreement, including oil, gas and other mineral rights owned by Seller, if any, subject only to existing zoning ordinances, and to the following matters of record: building and use restrictions, easements, oil and gas leases, and reservations, if any, as do not materially interfere with the current use of the Real Estate and Seller shall convey the Business Entity to Buyer by Bill of Sale. As used herein, "marketable title" means marketable title within the meaning of the Michigan 40-Year Marketable Title Act (Mich. Comp. Laws §§ 565.101 et seq.).
- Seller agrees to grant Buyer at closing the right to make (insert number) all allowed division(s) under Section 10B (2), (3) and (4) of the Michigan Land Division Act. (If no number is inserted, the right to make divisions under the sections referenced above stays with any remainder of the parent parcel retained by Seller. If a number is inserted, Seller retains all available divisions in excess of the number stated; however, Seller and/or Broker do not warrant that the number of divisions stated is actually available.) If this sale will create a new division, Seller's obligations under this Agreement are contingent on Seller's receipt of municipal approval, on or before NA (date), of the proposed division to create the Real Estate. Other:



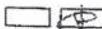
Buyer's Initials



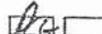
Seller's Initials

- 16 Warranties of Seller. Except as otherwise provided or acknowledged in this Agreement, Seller represents and warrants to, and agrees with Buyer as follows:
- Seller has full power and authority to conduct the business currently conducted by the Business Entity, and to enter into and carry out this Agreement. This Agreement has been properly executed by Seller and is the valid and binding Agreement of Seller, enforceable against Seller in accordance with its terms.
 - No approval or consent is required from any other person or entity in connection with Seller's consummation of this transaction.
 - The consummation of this transaction by Seller will not be in conflict with, or cause a violation of, any Seller's organizational documents, any contract by which Seller is bound, or any order, judgment or decree of any court or agency, or arbitration award, applicable to Seller.
 - Any financial statements or financial records of Seller delivered to Buyer are true and correct in all material respects.
 - All taxes and other governmental charges that could represent a lien against, or charge upon the assets comprising the Business Entity or Real Estate being sold hereunder, by reason of the conduct of the Business Entity before the closing, are now, or will be as of the closing, paid in full or otherwise discharged.
 - Seller has good and marketable title to all of the assets comprising the Business Entity or Real Estate being sold hereunder, and title to such assets and Real Estate shall be conveyed to Buyer at the closing, free from all liens, encumbrances, and claims of others.
 - There is no litigation or proceeding pending, or to Seller's knowledge, threatened against or involving Seller, or the assets comprising the Business Entity or Real Estate being transferred hereunder, and Seller does not know, or have reason to know, of any grounds for any such litigation or proceeding that could have adverse impact on Seller's ability to perform under this Agreement or that could adversely affect Buyer's title or use of the Real Estate.
 - Seller neither maintains or is required to contribute to any employee benefit or welfare plan that could become binding on Buyer as a successor employer or result in any encumbrance against the assets being transferred hereunder.
 - To the knowledge of Seller, all of the machinery and equipment being transferred hereunder is in good working order and in a state of repair so as to permit the effective operation and use thereof in the ordinary course of business.
 - Seller warrants it has all the necessary licenses to operate the Business Entity and agrees to transfer the licenses to Buyer to the extent legally transferable and subject to third party consent(s). Said licenses are listed in Exhibit 2.c.
 - The performance of the obligations of Seller under this Agreement will not violate any contract, indenture, statute, ordinance, judicial or administrative order, applicable to Seller or the Real Estate.
 - Seller shall continue to operate the Business Entity and Real Estate in the ordinary course of business and maintain the Real Estate in a state of good condition and repair during the interim between the signing of this Agreement and the closing date.
 - All statement(s) of income and expense with respect to the operation of the Real Estate is (are) accurate for the period(s) designated in the statement(s).
 - The information concerning written leases and any tenancies not arising out of written leases described in Exhibit 2.b. is accurate as of this date, and there are no leases or tenancies with respect to the Real Estate other than those described in Exhibit 2.b. (the "Leases"). The warranties of this paragraph do not apply to oil and gas leases, if any. Except as otherwise described in Exhibit 2.b.:
 - All of the leases are in full force and effect, none of which have been modified, amended, or extended, and no party thereto is in material default there under.
 - No renewal or extension options have been granted to tenants.
 - No tenant has an option to purchase the Real Estate.
 - The rents set forth are being collected on a current basis and there are no arrearages or advance payments in excess of one month.
 - There are no security deposits, and
 - No real estate brokerage commission will become owing in the event of any tenant's exercise of any existing option to renew the term of any lease or purchase of the Real Estate.
 - If a schedule of service, maintenance, supply and management contracts ("Service Contracts") is described in Exhibit 2.b, the Exhibit lists all the Service Contracts currently in effect with respect to the Real Estate.
 - The Real Estate will be in compliance with any applicable smoke detector ordinances as of the closing date.
 - With respect to underlying land contracts or mortgages, the sale will not accelerate indebtedness, increase interest rates, or impose penalties and sanctions.
 - Seller is without personal knowledge as to the presence on the Real Estate of any toxic or hazardous substances or of any underground storage tanks.
 - Other:

- 17 Warranties of Buyer. Except as otherwise provided or acknowledged in this Agreement, Buyer represents and warrants to Seller as follows:
- Buyer has full power and authority to enter into and carry out this Agreement. This Agreement has been properly executed by Buyer and is the valid and binding Agreement of Buyer, enforceable against Buyer in accordance with its terms.
 - No approval or consent is required from any other person or entity in connection with Buyer's consummation of this transaction.
 - Buyer shall accept the transfer of licenses and apply for any additional licenses and permits necessary to run the Business Entity.
 - The performance of the obligations of Buyer under this Agreement will not violate any contract, indenture, statute, ordinance, judicial or administrative order or judgment applicable to Buyer.
 - There is no litigation or proceeding pending, or to Buyer's knowledge threatened, against or involving Buyer, and Buyer does not know or have reason to know of any grounds for any such litigation or proceeding that could have an adverse impact on Buyer's ability to perform, or Seller's interests under this Agreement.
 - In entering into this Agreement, Buyer has not relied upon any written or verbal representations made by Seller or any representative of Seller, including any real estate salesperson, regarding the Real Estate or any aspect of this transaction that are not expressly set forth in this Agreement.



Buyer's Initials



Seller's Initials

- 18 Seller's Covenants. Except as otherwise provided or acknowledged in this Agreement, Seller covenants and agrees with Buyer as follows.
- a. From the date this Agreement is fully executed until the closing, Seller shall operate the business entity only in the ordinary course, and Seller will use Seller's best efforts to preserve intact the present business organization and the relationships with persons having business dealings with Seller.
 - b. Seller will assign all of Seller's rights under any Service Contracts, which are assignable by their terms and which Buyer wishes to assume, together with an original or true copy of each Service Contract signed.
 - c. Seller shall provide Buyer and Buyer's representatives with reasonable access to Seller's facilities and Seller's business and financial records during such hours as are mutually agreed by Buyer and Seller.
 - d. Seller agrees not to engage in any activity competitive to the Business Entity, either directly or indirectly, whether as proprietor, shareholder, partner, or other entity owner, employee, director, officer, consultant, agent, or otherwise within a radius of five miles miles from the present location of Business Entity for a period of five years after the closing.
 - e. Seller shall shall not be required to provide customer transition assistance and training to Buyer for weeks days hours described as follows:

- 19 Licenses. Buyer's obligation to close this transaction shall be contingent upon the transfer and/or issuance of the following licenses or permits and receipt of the following inspections showing substantial compliance with laws and governmental regulations:
- Local Health Department where Business Entity is required to be licensed. Jurisdiction _____
 - License(s) for existing lotto or lottery operations by Michigan Lottery Licensing Department.
 - Other:

Buyer's obligation to close this transaction shall be contingent upon Buyer obtaining conditional approval from the Michigan Liquor Control Commission of the transfer of License(s) for existing operations involving the sale of alcoholic beverages by the Michigan Liquor Control Commission. Types and license numbers:

Class C Liquor License / Number to be determined

Seller and Buyer shall promptly do such things and perform such acts as may be necessary or advisable in the exercise of their best efforts to make application for and expeditiously conclude the transfer of the aforementioned liquor license(s) including compliance with all reasonable requests or requirements from local governing bodies. The parties acknowledge that the actual transfer and/or issuance of the license may not occur until after closing. Therefore, so long as Buyer has the conditional approval described above, such actual transfer and/or issuance shall not be a contingency of closing. Other:

Buyer represents and warrants to Seller: (i) Buyer has never been convicted of a felony; (ii) Buyer has never been denied an alcoholic beverage license; (iii) Buyer has never been called for a violation of the Michigan Liquor Control Act; (iv) Buyer knows of no reason why the application for the aforementioned transfer of license might be denied; (v) Buyer understands that alcoholic beverage inventory must be paid for in cash at the closing; (vi) None of the funds being used by Buyer to finance the purchase of the Business Entity will be borrowed, except as follows, or as provided in this Agreement.

20. Closing. The closing shall be held on or before June 21, 2016 (date) and as promptly as practical after all necessary documents

have been prepared. An additional period of 30 days shall be allowed for closing to accommodate delays in obtaining any required inspections, surveys or repairs, obtaining consents from any landlord, obtaining transfers and/or issuance of any alcoholic beverage, lotto, or lottery or other license or permit specified herein, delays in completing Environmental Site Assessments, Baseline Environmental Assessment or Due Care Plan/Section 7a Compliance Analysis if such assessments or plans were ordered in a timely manner, or if the terms of purchase require participation of a lender and the lender has issued a commitment consistent with the requirement but is unable to participate in the closing on or before the required date shall be allowed for closing to accommodate delays in obtaining any required inspections or repairs. The obligations of the Seller and the Buyer to close the transaction shall each be conditioned upon all of the representations and warrants of the other being true and correct as of the closing date.

- a. Buyer shall be entitled to possession of the Business Entity and Real Estate being transferred hereunder at the conclusion of closing. Other:
- b. The sum of \$ 10,000.00 shall be withheld from the cash portion of the purchase price and deposited with the above-named Broker, to be held in escrow until such time as Seller has furnished to Buyer a conditional tax clearance certificate from the Michigan Department of Treasury showing all taxes administered by the Department to have been paid to the closing date. If a tax clearance certificate, conditional or otherwise, is not received from Seller within eighteen months, then the monies escrowed under this paragraph shall be automatically disbursed to the Buyer.

21. Possession. Seller shall tender to Buyer possession of the Real Estate upon completion of the closing, subject to all existing leases and rights of tenants in possession. Other:

22. Damage to Business. If between the date of this Agreement and the closing date, all or any part of the premises where the Business Entity conducts its affairs or Real Estate is damaged by fire or natural elements or other causes beyond Seller's control that cannot be repaired prior to the closing date, or any part of the premises or Real Estate is taken pursuant to any power of eminent domain, Seller shall immediately notify Buyer of such occurrence and either Seller or Buyer may terminate this Agreement by written notice to the other within fifteen (15) days after the date of damage or taking. If neither elects to terminate this Agreement, there shall be no reduction in the purchase price and, at closing, Seller shall assign to Buyer whatever rights Seller may be with respect to any insurance proceeds or eminent domain award.

Buyer's Initials Seller's Initials

23. **Seller's Closing Obligations.** At closing, Seller shall deliver the following to Buyer:
- The warranty deed, land contract, or assignment of land contract required by this Agreement.
 - A bill of sale for the assets of the Business Entity.
 - A written assignment by Seller of Seller's interest in all leases and a transfer to Buyer of all security deposits, accompanied by the original or a true copy of each lease.
 - An assignment of all Seller's rights under any Service Contracts that are assignable by their terms and which Buyer wishes to assume, together with an original or true copy of each Service Contract assigned.
 - A notice to any tenants advising the tenants of the sale and directing that future payments be made to Buyer.
 - Any other documents required by this Agreement to be delivered to Buyer.
 - An accounting of operating expenses, including, but not limited to, CAM taxes, insurance, and Additional Rent, collected in advance or arrears, spent or not yet spent by Seller, showing an accurate allocation between the parties pursuant to the leases.
24. **Buyer's Closing Obligations.** At closing, Buyer shall deliver to Seller the following:
- The cash portion of the purchase price specified in this Agreement shall be paid by cashier's check or other immediately available funds, as adjusted by the apportionments and assignments in accordance to this Agreement.
 - A written assumption by Buyer of the obligations of seller under the leases arising after closing, including an acknowledgment of the receipt of all security deposits.
 - Any other documents required by this Agreement to be delivered by Buyer.
25. **1031 Tax Deferred Exchange.** Upon either party's request, the other party shall cooperate and reasonably assist the requesting party in structuring the purchase and sale contemplated by this Agreement as part of a tax deferred, like-kind exchange under section 1031 of the Internal Revenue code of 1986, as amended; provided, however, that in connection therewith, the non-requesting party shall not be required to (a) incur any additional costs or expenses; (b) take legal title to additional real property (i.e. the requesting party's "replacement property" or "relinquished property"); or (c) agree to delay the closing.
26. **Notices.** Any notice required or permitted to be given hereunder shall be deemed to have been properly given, if in writing and delivered to the parties at the addresses shown below, and shall be deemed received (a) upon delivery, if delivered in person or by facsimile transmission, with receipt thereof confirmed by printed facsimile acknowledgement, (b) one (1) business day after having been deposited for next day overnight delivery with a nationally recognized overnight courier service, (c) two (2) business days after having been deposited in any U.S. post office or mail repository and sent by certified mail, postage paid, return receipt requested, or (d) upon sending, if sent by email (with a confirmation copy sent the same day by overnight delivery).
27. **Additional Acts.** Buyer and Seller agree to execute and deliver such additional documents and to perform such additional acts after the closing as may become necessary to effectuate the transfers contemplated by this Agreement.
28. **Authority of the Parties.** Each of the undersigned individuals who have signed this Agreement on behalf of Seller and Buyer entities represent and warrant that he/she is authorized to sign this Agreement on behalf of such party and to bind such party to the requirements of this Agreement.
29. **Attorneys' Fees.** In the event of litigation arising from the failure or alleged failure of either party to perform its obligations under this Agreement, the party prevailing in that litigation (including appeals of all levels) shall be entitled to collect its own costs and reasonable attorneys' fees incurred in connection with such litigation from the other party. The provisions of this Section shall survive Closing and termination of this Agreement.
30. **Credit Reports.** Buyer consents that, if not otherwise prohibited, the Broker(s) may give Seller information about the Buyer contained in a credit report that may be furnished to the Broker(s) by a credit reporting agency.
31. **Environmental.**
- Notice to buyers and sellers (environmental risks).**
Whenever real property is acquired or occupied, the buyer incurs some degree of risk with regard to potential environmental contamination and/or protected natural resources on the property. Various federal, state, and local laws may impose liability upon the buyer for the remediation of the contamination even though the buyer did not cause it, or may restrict the buyer's ability to fully develop or utilize the property. Such risk can be minimized through the performance of environmental due diligence. Additionally, sellers are advised that they may have an obligation to provide certain environmental information and/or disclosures to prospective buyers. The failure to provide such information or disclosures may subject a seller to potential liability or result in the loss of certain liability protections.

No real estate brokers/salespersons in this transaction possess the expertise necessary to assess the nature or extent of these environmental risks or to determine the presence of environmental contamination or protected natural resources. The real estate brokers/salespersons involved in this transaction do not make independent investigations as to environmental contamination or protected natural resources with respect to any property, and they make no representations regarding the presence or absence, now or in the past, of environmental contamination. It is therefore prudent for each party to this transaction to seek legal and technical counsel from professionals experienced in environmental matters to provide an evaluation of the environmental risks associated with the transaction.
 - Environmental reports and assessments.**
 - Within 5 calendar days of the Effective Date, Seller shall deliver to Buyer copies of any existing reports, data, plans, permits, notices and/or information in Seller's possession relating to environmental matters pertaining to the Premises ("Seller's Environmental Documents").
 - Buyer shall have a period of 45 calendar days after the Effective Date to evaluate environmental matters relating to the Premises ("Environmental Due Diligence Period"). Buyer and Buyer's agents shall have the right to enter upon the Premises during the Environmental Due Diligence Period during reasonable business hours for the purpose of conducting, at Buyer's expense, any environmental assessments of the Premises that Buyer deems appropriate, which assessments may include, but shall not be limited to, a Phase I Environmental Site Assessment, Transaction Screen, and/or evaluation of other regulated conditions or matters such as wetlands, asbestos containing materials, mold, or lead based paint ("Environmental Assessments"). The Environmental Assessments may not include the collection or analysis of samples of soil, groundwater, soil gas, indoor air, surface water, building components or any other environmental medium unless Buyer obtains prior written consent from Seller, which consent shall not be unreasonably withheld, delayed or conditioned. Buyer agrees that the Environmental Assessments shall not unreasonably interfere with the rights of Seller or any tenants in possession and Seller agrees to reasonably cooperate and to request that its tenants reasonably cooperate with the Environmental Assessments.

Buyer's Initials

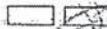
Seller's Initials

- (3) Buyer shall have the right to terminate this Agreement if Seller's Environmental Documents or the Environmental Assessments are not acceptable to Buyer by delivering written notice to Seller prior to the expiration of the Environmental Due Diligence Period. If Buyer determines that any additional environmental due diligence activities (including, but not limited to, any additional environmental investigations, reports, approvals or permits) are warranted, then Buyer may provide Seller with a proposed amendment to this Agreement to extend the Environmental Due Diligence Period to allow Buyer to conduct such activities. If Buyer does not deliver a termination notice or proposed amendment to Seller prior to the expiration of the Environmental Due Diligence Period, then Buyer shall be deemed to have waived any objections to environmental matters relating to the Premises. If Buyer provides Seller with a proposed amendment to this Agreement, then Seller shall have a period of 10 calendar days to execute or negotiate mutually acceptable terms for such amendment, otherwise Buyer may, but shall not be obligated to, terminate this Agreement by delivering written notice to Seller with two (2) calendar days after Seller's deadline for executing or negotiating an amendment to this Agreement.
- (4) If the Environmental Assessments cause any damage to the Premises, Buyer agrees to reasonably restore the Premises to the condition that existed prior to such damage. The restoration obligation does not require the remediation of any existing environmental condition. Buyer shall indemnify, defend and hold Seller and Broker harmless from and against any damage to persons or property caused by Buyer or Buyer's agents in conducting the Environmental Assessments.

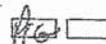
c. **Nondisclosure.**

If Seller's Environmental Documents or the Environmental Assessments identify the Land as a "facility" as defined in part 201 of Michigan's Natural Resources and Environmental Protection Act, Public Act 451 of 1994, as amended ("NREPA") or a "site" as defined in Part 213 of NREPA, then Buyer may conduct a Baseline Environmental Assessment ("BEA") and/or a Due Care Plan ("DCP").

32. **Professional Advice.** Both the Buyer and the Seller confirm that they have been advised by the Broker(s) involved in this transaction to seek legal, tax, environmental, and other appropriate professional advice relating to this transaction, and that Broker(s) makes no representations or warranties with respect to the advisability of, or the legal effect of this transaction. Buyer and Seller further acknowledge that Broker(s) recommends that Buyer retain an attorney to pass upon the marketability of title, to ascertain that terms of the sale are adhered to before the transaction is closed, and to advise with respect to this Agreement, before the transaction is consummated.
33. **Entire Agreement.** This Agreement contains the entire agreement of the parties with respect to its subject matter; provided, however, that the terms and conditions of any related addendum are incorporated by reference. All contemporaneous or prior negotiations have been merged into this Agreement. This Agreement may be modified or amended only by written instrument signed by the parties to this Agreement. This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan.
34. **Binding Effect.** Seller shall have _____ calendar days to deliver a completed Notice of Unemployment Tax Liability and Rate form (UIA 1027) and this Agreement shall not be effective until two calendar days have passed (excluding Saturdays, Sundays, and legal holidays) after Seller has delivered to Buyer the completed Notice of Unemployment Tax Liability and Rate form (UIA 1027) after which this Agreement shall be binding upon and inure to the benefit of the Buyer and the Seller and their respective heirs, personal representatives, successors, and assigns, as the case may be; provided, however, that neither party shall assign this Agreement without the consent of the other party. Other:
35. **Unenforceability.** In the event any provision of this Agreement shall be held invalid or unenforceable, the remainder of the Agreement shall continue in full force and effect as if such invalid or unenforceable provision were not contained herein. This Agreement shall survive the closing.
36. **Earnest Money.** Buyer gives Callander Commercial, LLC Broker, 2 days to obtain the written acceptance of this offer and agrees that this offer, when accepted by Seller, will constitute a binding agreement between Buyer and Seller.
Buyer shall deposit \$25,000.00 with Callander Commercial, LLC Escrow Agent (insert name of Broker, Title Company or other) with this offer or within 2 days after acceptance of this offer, evidencing Buyer's good faith, to be held by the Escrow Agent and to apply to the purchase price or the down payment portion thereof where applicable. If this offer is not accepted, or the title is not marketable, or if the purchase is contingent upon conditions specified that cannot be met, this deposit shall be promptly refunded. If the Buyer defaults, all deposits made may be forfeited as liquidated damages at Seller's election, or alternatively, Seller may retain the deposits as part payment of the purchase price and pursue Seller's legal or equitable remedies against Buyer. If the sale is not closed according to its terms, the selling Broker may notify Buyer(s) and Seller(s) of Escrow Agent's intended disposition of earnest deposit, and all parties shall be deemed to have agreed to the disposition of the earnest money deposit unless Escrow Agent is notified of a court action pending concerning this sale or disposition of earnest money within thirty (30) days after notice to the parties.
37. **Brokerage Fee.** Seller and/or Buyer agrees to pay the broker(s) involved in this transaction a brokerage fee as specified in any agency agreement or other written agreement between them. In the event no such agreement exists, Buyer Seller agrees to pay a brokerage fee of SIX PERCENT (6%). This brokerage fee shall be paid in full promptly after it is earned, but not later than any applicable closing. Unless otherwise previously agreed, Buyer and/or Seller agree(s) that the brokerage fee may be shared by the recipient with any cooperating broker who participates in the sale, in such amount as the recipient decides, without further disclosure to or consent from Buyer and/or Seller. Other:
38. **Disclosure of Price and Terms.** The purchase price and the terms of this sale may be disclosed by the Commercial Alliance of REALTORS® Multiple Listing Service (CARWM) in the ordinary conduct of its business. Deletion of this paragraph shall not be considered a counter offer that would require a counter acceptance.
39. **Financial Records.** Seller shall deliver to Buyer within NA days after the Effective Date the financial statements of Seller and statements of income and expense for the prior three years and year-to-date, if available, with respect to the operation of the Real estate and the Business Entity. Other:



Buyer's Initials



Seller's Initials

43. SELLER'S ACCEPTANCE

Date: 3/30/16 Time: _____

The above offer is hereby accepted as written modified as follows.

See U.S. Bankruptcy Court in the Western District of Michigan
See Addendum one

By signing below, Seller acknowledges having read and authorizes delivery of this Agreement to Buyer. If this Agreement is signed by Seller without any modifications, the date Seller signs becomes the Effective Date. If this Agreement is signed by Seller subject to any modifications, Seller gives Broker above named until 4/1/16 (time) _____ (date) to obtain Buyer's written acceptance of Seller's counter offer.

Seller: _____
(print name of individual or entity)

Signature: _____

Its: _____
(if Seller is an entity)

Seller's Address: _____

X Seller: PAUL GRAHAM
(print name of individual or entity)

Signature: Paul Graham

Its: _____
(if Seller is an entity)

Bus. Phone: _____ Fax: _____
Email: _____

For the Business Entity

Seller: _____
(print name of individual or entity)

Signature: _____

Its: _____
(if Seller is an entity)

Seller's Address: _____

X Seller: FOUR GRAHAMS INC
(print name of individual or entity)

Signature: Paul Graham

Its: _____
(if Seller is an entity)

Bus. Phone: _____ Fax: _____
Email: _____

For the Real Estate

Seller: _____
(print name of individual or entity)

Signature: _____

Its: _____
(if Seller is an entity)

Seller's Address: _____

X Seller: GRAHAM LAND
(print name of individual or entity)

Signature: Paul Graham

Its: _____
(if Seller is an entity)

Bus. Phone: _____ Fax: _____
Email: _____

44. BUYER'S RECEIPT OF ACCEPTANCE

Date: _____ Time: _____

Buyer acknowledges receipt of Seller's acceptance of Buyer's offer. If Seller's acceptance of Buyer's offer was subject to a counter offer, Buyer agrees to accept the terms of the counter offer.

as written (with all other terms and conditions of Buyer's offer remaining unchanged); or modified as follows:

If Buyer is accepting a counter offer from Seller as written, the date Buyer signs below becomes the Effective Date. If Buyer is accepting Seller's counter offer subject to any modifications, Buyer gives Broker above named until _____ (time) _____ (date) to obtain Seller's written acceptance of Buyer's counter offer.

Buyer: Maha LLC
(print name of individual or entity)
Signature: _____
Its: Member

Buyer: _____
(print name of individual or entity)
Signature: _____
Its: _____

45. SELLER'S RECEIPT OF ACCEPTANCE

Date: 3/31/16 Time: _____

Seller acknowledges receipt of a copy of Buyer's acceptance of Seller's counter offer (if Seller made a counter-offer), or Seller agrees to accept the terms of Buyer's counter offer as written. If Seller is accepting the terms of Buyer's counter offer as written, then the date Seller signs below becomes the Effective Date.

For the Business Entity

Seller: _____
(print name of individual or entity)
Signature: _____
Its: _____
(if Seller is an entity)

Seller: _____
(print name of individual or entity)
Signature: _____
Its: _____
(if Seller is an entity)

For the Real Estate

Seller: _____
(print name of individual or entity)
Signature: _____
Its: _____
(if Seller is an entity)

Seller: _____
(print name of individual or entity)
Signature: _____
Its: _____
(if Seller is an entity)

BROKER RECOMMENDS THAT BOTH BUYER AND SELLER RETAIN LEGAL COUNSEL



ADDENDUM # One

Office of: BHHS Michigan Real Estate REALTOR®

Portage Michigan, Phone: 269-488-5325 FAX: _____

Email: joannebecker@bhhsmi.com Date: 3/30/16 Time: _____

1. Addendum to Agreement dated 3/23/16 covering property commonly known as:

4210 Stadium Dr., Kalamazoo, MI

Permanent Parcel Number 39000630146002

2. This Addendum to be an integral part of the agreement, which is amended as follows:

Par. 19. Licenses: Buyer's obligation to close this transaction shall not be contingent upon Buyer obtaining conditional approval from the Michigan Liquor Control Commission of the transfer of the Class C Liquor license or any other license.

Par. 40. Other Provisions: Purchase is not subject to Municipal Site Plan Approval.

There is no Lease in effect.

3. By signing below, Buyer/Tenant acknowledges having read and received a copy of this agreement.

Buyer/Tenant: _____
(print name of individual or entity)

Buyer/Tenant: Mahg LLC
(print name of individual or entity)

Signature: _____

Signature: [Signature]

Its: _____
(if Buyer is an entity)

Its: Mahg LLC
(if Buyer is an entity)

Buyer/Tenant Address: _____

Bus. Phone: _____ Fax: _____

Email: _____

4. By signing below, Seller/Landlord acknowledges having read and received a copy of this agreement.

Seller/Landlord: _____
(print name of individual or entity)

Seller/Landlord: _____
(print name of individual or entity)

Signature: _____

Signature: [Signature]

Its: _____
(if Seller is an entity)

Its: _____
(if Seller is an entity)

Seller/Landlord Address: _____

Bus. Phone: _____ Fax: _____

Email: _____

**UNITED STATES BANKRUPTCY COURT
IN THE WESTERN DISTRICT OF MICHIGAN**

IN THE MATTER OF:

GRAHAM LAND DEVELOPMENT ENTERPRISES, LLC

Case No.: 14-00928

Chapter 11 – Filed: 2/19/14

Debtor.

/ //

ADDENDUM TO AGREEMENT TO PURCHASE REAL ESTATE

SELLER: Graham Land Development Enterprises, LLC; Case No. 14-00928

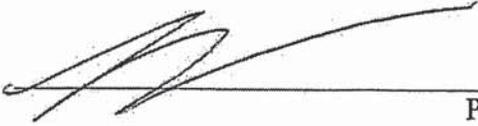
PURCHASER: Maha, LLC

Notwithstanding the printed provisions in the attached Buy and Sell Agreement for Business Assets with Real Estate, the sale of the property and the Seller's obligation with respect to the payment of commissions are subject to the following terms and conditions:

1. The sale is subject to the approval of the United States Bankruptcy for the Western District of Michigan ("Sale Order").
2. Title to the property will be transferred by the Seller's execution of a "Trustee's Deed."
3. The sale of the property, including improvements and fixtures hereto or located thereon, shall be made on an "**AS IS, WHERE IS**" basis as of the date of the Sale Order, without representation or warranty, express or implied, of any kind, nature or description, or of merchantability, habitability, use, ability or if fitness for any purpose. The Trustee shall not be required to inspect or test or report on the condition of the property, or the operability of the property, or the existence of any possible defects in the property.
4. The sale of the real estate shall be free and clear of the lien, claims, encumbrances, and/or interest of any creditor and/or interest attaching to the sale proceeds and the Sale Order shall operate as a discharge of same.
5. Since all liens and encumbrances will be discharged, the Seller shall have no obligation to furnish an abstract of title.
6. All taxes which are a lien on the described property shall be paid as directed by the Bankruptcy Court.

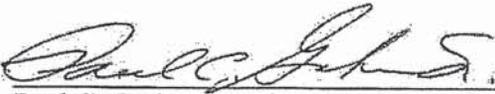
7. The sale offer will be subject to potential competitive bidding in open Court.
8. The purchase price allocation shall be \$825,000.00 for the real-estate, \$50,000.00 for the liquor license and \$25,000.00 for all other personal property.

Dated: 3/30/16



Purchaser

Dated: 3/30/16

By: 

Paul C. Graham, Sr. for Seller