

Brownfield Plan Amendment
101 N. Park Street
(former Bridgestone / Firestone facility)
for the
Grand Traverse County Brownfield Redevelopment Authority
Grand Traverse County, City of Traverse City, Michigan

1.0 SUMMARY OF PROJECT

The Brownfield Plan (hereinafter referred to as PLAN) for the Bridgestone-Firestone Part 201 facility was adopted by the Grand Traverse County (GTC) Brownfield Redevelopment Authority (BRA) June 21, 2000. The Michigan Legislature expanded and enhanced the provisions of Act 381 in June of 2000 while the original PLAN was being drafted. The PLAN has been amended several times since its adoption to reflect changes in Act 381 and in the scope of the community's vision for brownfield redevelopment in this area.

The following is a summary of the amendments to this PLAN:

Amendment #1	August 2000	Remove Demolition from MDEQ Eligible Activities
Amendment #2	October 2000	Join PLAN together with Park Street BF Plan to fund TIR-financed infrastructure improvements that benefit both projects.
Amendment #3	November 2000	Add additional eligible property to PLAN (247 E. Front). Add MEGA eligible activities and enable SBT Credit.
Amendment #4	February 2001	Add GTCBRA Construction Manager Costs as eligible activity

The PLAN considers the redevelopment of the site, where a release from an underground storage tank site impacted soil and groundwater, to include a 5-story mixed use (retail/commercial/residential) building consistent with the City of Travers City zoning and Master Plan. The public purposes served by the PLAN include:

- Environmental clean-up and protection of the adjacent Boardman River
- Creation of Jobs
- Curbing sprawl and promoting a walkable community
- Improve/enhance tax base for City and other taxing jurisdictions

Redevelopment of the eligible property under the PLAN began in late 2000 with foundations for the being placed in 2001. Excavation for the basement and completion of Part 201 eligible assessment activities promoted the removal and proper disposal of contaminated soil from the site. The redevelopment of the site stalled due to diminished financing in conjunction with a down-turn in the economy following the September 11, 2001 attacks on the United States. Construction on the site was halted and the site remained vacant (save foundations) for seven (7) years.

At the time the project stalled, foundations were partially completed with column foundations remaining elevated above basement level with reinforcing steel exposed- ready for continued upward construction. Temporary shoring of the basement excavation had been undertaken in conjunction with foundation placement. The earth retaining walls along Front and Park Streets was designed and build (timber) as a temporary construction measure to support the sidewalks and roadways pending pouring of the concrete basement walls above the newly placed foundations.

With the abandonment of construction by the prior developer, the site remained fenced and inactive. Exposed structural steel has rusted and must be re-certified prior to construction. The temporary earth retaining walls supporting Front and Park Street have deteriorated, causing earth movements and settling of the adjacent sidewalks. Trees have taken root and are growing with other foliage which has established itself within the soils adjacent to previously placed foundations. Construction barriers that protected pedestrians within the sidewalks have been relocated within the basement excavation where they deteriorated under the brunt of the elements and seven (7) northern Michigan winters.

During this same period of idle and decline at the former Bridgestone-Firestone site, the redevelopment at the “joined” Park Street Brownfield Plan and the adjacent Radio Center Brownfield Redevelopment Plan continued. Phase I and Phase II of Radio Center was constructed and is now largely occupied. Improvements under the joined Park Street Brownfield Plan included streetscaping and construction of a multi-level public parking structure which serves the eastern downtown Traverse City area. Tax increment revenues (TIR) captured from the Bridgestone-Firestone site serve to pay down debt incurred through construction of the public, multi-level parking structure associated with the Park Street Brownfield Plan.

Since the development stalled under this PLAN, the community has also focused its attention on long-term development plans for the waterfront within the City Limits (Your Bay-Your Say initiative), regional growth and development planning (The Grand Vision) and the fate of the Boardman River through study of options for dams on the river (Boardman River Dams Committee). Closer to the eligible property under this PLAN, it has been identified that deterioration of the public alley north of (contiguous to and within) the eligible property has progressed and the sanitary sewer beneath it may be compromised, causing deterioration of the alley pavement and the steel and concrete retaining walls forming the channel through which the Boardman River flows.

The steel and concrete walls form the southern channel of the Boardman River throughout the City block that includes the eligible property. This retaining wall also serves as an abutment for the Park Street Bridge which crosses the river adjacent to the eligible property. The retaining wall and bridge abutment have moved outward with the alley subsidence limiting the structural integrity of the alley, utilities, wall and bridge. Renovation of the retaining wall along the north boundary of the eligible property is a necessary part of redevelopment under this PLAN, providing another important basis for this PLAN amendment.

In early 2008, efforts to revive the redevelopment under this PLAN began. A purchase agreement was formed in mid-2008 which would ultimately transfer the property from the original developer to Big Olives 2, LLC- a new development entity formed to complete the stalled redevelopment project. In early October 2008, Big Olives 2, LLC (BO2) petitioned MEDC to assign the Brownfield Tax Credit (pre-approved for the prior developer’s benefit in 2001) to BO2 and to extend the completion date of the development so that the new developer could ultimately obtain the Tax Credit as a redevelopment incentive. On October 24, 2008 BO2 became owner of the eligible property, ending the long period of inactivity in the redevelopment of the eligible property.

To facilitate redevelopment of this eligible property, the GTCBRA funded BO2's extraordinary due diligence costs associated with acquisition of the subject property. Phase I and Phase II Environmental Site Assessments (ESAs) were completed by GTCBRA's Consultant to the benefit of BO2. The ESA findings identified that the site remains a Part 201 facility, therefore the GTCBRA provided a Baseline Environmental Assessment (BEA) for BO2 through its Consultant who is now completing a Due Care plan. The GTCBRA utilized US EPA Petroleum Site Assessment Grant funds to foster BO2's acquisition and due diligence.

This PLAN amendment is intended to further the collaborative objectives of the City of Traverse City and the GTCBRA to redevelop City Brownfield properties, particularly- to complete the redevelopment of the adjacent eligible properties of the Radio Center, Park Street and Bridgestone-Firestone (hereinafter referred to as 101 N. Park Street) Brownfield Plans.

The continued collaboration and investment by the City, the Downtown Development Authority, the GTCBRA and the private sector will, when coupled with TIR-financed eligible activities contemplated by the Brownfield Redevelopment Financing Act, allow the community to fully realize the public purposes of this PLAN amendment.

This PLAN amendment is intended to supplement the existing PLAN eligible activities approved by the Michigan Economic Growth Authority (MEGA). The current MEGA eligible activities use TIR, contributing to the public infrastructure successes of the Park Street Brownfield Plan. The supplemental MEGA eligible activities in this PLAN provide redevelopment financing for this challenged property that are necessary for the property redevelopment to continue and which are not incented by the Brownfield Tax Credit.

The MEGA eligible activities included in this PLAN amendment address demolition, site preparation and infrastructure improvements- the need for which arises due to the significant time lag between the onset of redevelopment in 2001 and its continuation today. These MEGA eligible activities are more fully described below, but include redevelopment activities contemplated by Act 381 necessary to address destabilization and deterioration of the public alley and infrastructure occupying the northern boundary on the eligible property, impending failure of the retaining wall composing the south channel of the Boardman River and the corresponding renovation of the Park Street bridge over the Boardman River that must be addressed in conjunction with the retaining wall stabilization as the alley is made suitable to provide ingress/egress to the eligible property redevelopment.

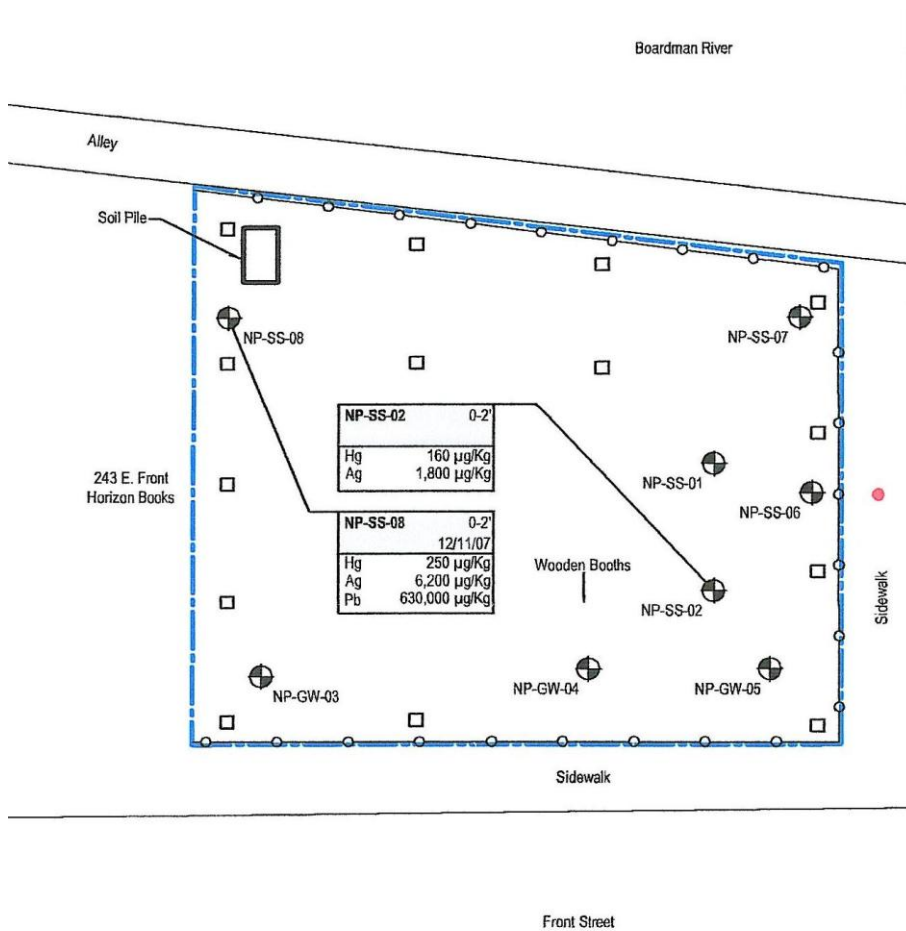
2.0 BASIS OF ELIGIBILITY

The Former Bridgestone Firestone Facility is an eligible property as defined under section 20101 of Part 201 of 1994 PA 451, the Natural Resources and Environmental Protection Act (NREPA). A confirmed release of regulated substances (used / waste oil) was recorded pursuant to Part 211 of NREPA following a UST Closure Site Assessment. The soil samples obtained near the use/waste oil UST were utilized in confirming the release. The used/waste oil UST was closed-

in-place due to its proximity to structures existing at the time of closure. The interior was filled with cement.

During initial efforts by the prior owner to redevelop the site, a Phase II ESA was conducted as part of the redevelopment Due Care Plan. The Phase II findings were used to direct soil excavation and disposal efforts associated with initial advancement of the basement in 2001. All remaining USTs and piping were removed at that time.

As noted above, GTCBRA-funded due diligence assessments identified the presence of Lead, Mercury and Silver in soil which exceed Generic Residential Clean-up Criteria. Direct Contact (DC) criteria is exceeded for Lead, whereas, Groundwater Surface Water Interface protection criterion (GSI) is exceeded for Mercury and Silver. Based on the concentrations found in soils above generic residential criterion, the site remains a “facility” as defined by Part 201. The map below shows the locations of samples acquired in conjunction with the GTCBRA-funded Phase II ESA. Certain petroleum contaminants were detected in groundwater samples acquired, but at concentrations below clean-up criteria.



3.0 REQUIRED ELEMENTS OF A BROWNFIELD PLAN

3.1.1 Description of Plan Costs to be Paid with Tax Increment Revenues

Tax Increment Revenues (TIR) derived from capture of state tax levies from the eligible property under this Brownfield Plan (PLAN) will be utilized to pay the costs of all eligible activities undertaken. Since this property is located in the Downtown Development Authority (DDA) TIF district, the local funds will be utilized for streetscapes, increased electrical costs for holiday lights, and work completed with regards to the Park street parking deck. These include:

Michigan Department of Environmental Quality (MDEQ) Eligible Activities

- Due Care Activities
- Additional Response Activities

Michigan Economic Growth Authority (MEGA) Eligible Activities

- Demolition
- Site Preparations
- Infrastructure Improvements- Including utilities, streetscapes and alley / River Improvements

The following table provides the estimated cost of the eligible activities under this PLAN.

**TABLE #1
BROWNFIELD PLAN ELIGIBLE ACTIVITY COSTS**

Eligible Activities under MDEQ		
BEA Eligible Activities		
Due Care Compliance	\$	20,000
Additional Response Activities	\$	130,000
Impacted Soil Excavation and Disposal	\$ 65,000	
Construction Dewatering - Treatment and Discharge Permitting	\$ 65,000	
Administrative/Operational Costs of the GTC-BRA	\$	3,625
Anticipated MDEQ Review Costs (7% State Total)	\$	10,150
Contingencies (15% of Total)	\$	22,500
MDEQ Eligible Activities Subtotal	\$	186,275
Eligible Activities under MEGA		
Demolition	\$	4,000
Site Preparation	\$	317,000
Mobilization-Street Barricades/Pedestrian Walkway	\$ 46,000	
Excavation & Backfill	\$ 27,000	
Clearing and Grubbing	\$ 3,000	
Cut & cap existing Water lines per City	\$ 6,000	
Perimeter Piling Restoration	\$ 120,000	
Foundation Wall Restoration	\$ 93,000	
Engineering Plans and Specifications	\$ 22,000	
Infrastructure Improvements	\$	1,131,600
Utilities- Extensions	\$ 220,000	
Streetscapes (Park and Front)	\$ 99,000	
North Property Line Improvements	\$ 665,000	
Engineering Specifications, Plans and Permit Fees	\$ 147,600	
Interest (2.5%)	\$	265,000
Administrative/Operational Costs of the GTC-BRA	\$	31,050
Anticipated MEGA Review Costs & Work Plan Costs	\$	3,500
Contingencies (15% of Total)	\$	267,173
MEGA Eligible Activity Subtotal	\$	2,019,323
Brownfield Plan Amendment Total	\$	2,205,598

As indicated in section 1.0 above, EPA Petroleum Grant funds were utilized for BEA Activities at the eligible property.

**TABLE #1a
MDEQ PLAN COSTS TO BE PAID BY TIF**

MDEQ Eligible Activities	EPA Grant	TIR
<i>BEA Activities*</i>	\$ 16,400	\$ 16,400
Due Care Compliance	\$ 20,000	\$ 20,000
Additional Response Activities	\$ 143,775	\$ 143,775
Administrative/Operational Costs of the GTC-BRA	\$ 3,625	\$ 3,625
Anticipated MDEQ Review Costs (7% State Total)	\$ 10,150	\$ 10,150
Contingencies (15% of Total)	\$ 26,633	\$ 26,633
MDEQ Eligible Activities Subtotal	\$ 204,183	\$ 204,183

*BEA Eligible Activities were not included in Table 1 as they were previously completed.

An MBT Tax credit has also been assigned to this developed for the subject eligible property. The following table depicts the breakdown of Brownfield Plan eligible activities and those costs which will be paid through the MBT tax credit and those to be reimbursed through TIR

**TABLE #1b
MEGA PLAN COSTS TO BE PAID BY TIF**

Eligible Activities under MEGA	MBT Credit	TIR
Demolition	\$ 4,000	\$ 4,000
Site Preparation	\$ 317,000	\$ 317,000
Infrastructure Improvements	\$ 1,131,600	\$ 684,750
Interest (2.5%)	\$ 265,000	\$ 265,000
Administrative/Operational Costs of the GTC-BRA	\$ 31,050	\$ 61,050
Anticipated MEGA Review Costs	\$ 3,500	\$ 3,500
Contingencies (15% of Total)	\$ 267,173	\$ 271,673
MEGA Eligible Activity Subtotal	\$ 2,019,323	\$ 1,330,573

3.1.2a Brief Summary of Eligible Activities – MDEQ

The MDEQ eligible activities that will be conducted on the eligible property are summarized as follows:

Due Care Activities

As part of the property owner's due diligence obligations, additional samples are needed within the alley to determine what if any impacts exist in the soils and/or groundwater. This due care eligible activity is necessary to mitigate unacceptable exposures to hazardous substances and to prevent exacerbation of pre-existing conditions

Additional Response Activities

Based on the additional Due Care investigation within the alley, or northern portion of the property, additional response activities may include excavation, disposal and backfilling within the alley, as well as dewatering effort for more effective soil removal.

3.1.2b Brief Summary of Eligible Activities – MEGA

The MEGA eligible activities that will be conducted on the eligible property are summarized as follows:

Demolition

As part of the interim activities undertaken while this project was idled, streetscape were installed along West Front Street. These improvements in the right of way (ROW) require removal prior to commencing construction activities.

Site Preparation

Site Preparation will take place in order to install the proposed infrastructure, construct the proposed building, and protect the river. The eligible activities include, but are not limited to; mobilization, leasing land for staging of materials and equipment, clearing and grubbing; removal and restoration of sheet pile along the perimeter of the property for securing sidewalks; excavation and backfilling; and foundation wall restoration.

Infrastructure Improvements

The proposed five (5) story, mixed use retail, commercial, and residential building is to be served by municipal utilities. These include: water, storm sewer, sanitary sewer, natural gas, telecommunications and electrical power. In addition to the utility improvements needed to extend these lines to serve the eligible property, this plan also include sidewalk replacement and streetscapes along both, Park and Front streets as well as improvements to the alley and along that section of the Boardman River which is the north property line.

Interest Costs

Eligible activities may include (subject to development agreement) a modest interest rate (2.5%) applied to approved eligible activity reimbursement requests, pending receipt of TIR to reimburse approved expense vouchers. Interest calculations used in this plan utilized simple interest, and considers all accruals and payments at the beginning of the calendar year.

3.1.3 Estimate of Captured Taxable Value and Tax Increment Revenues For Each Year from each Eligible property and in the Aggregate

Table #2 (included as Appendix B) provides an estimate of the captured taxable value and tax increment revenues (TIR) for each year of this PLAN from the eligible property and includes the aggregate captured TIR. Captured TIR has previously been used to reimburse the developer, state, attorney, and utilized for the Park Street MEGA eligible activities. MEGA eligible activities included within this plan amendment will be reimbursed through TIR revenue prior to additional monies being distributed to the Park Street MEGA eligible activities (subject to the developer agreement).

3.1.4 Method of Financing PLAN Costs and Maximum amount of Bonded Indebtedness to be Incurred

Plan Costs, including construction of the five (5) story mixed used building, will be financed privately. Developer-financed eligible activities will be reimbursed through captured TIR. Private investment for eligible activities will be reimbursed through captured TIR on a pay-as-you-go basis subject to the policies and procedures of the Brownfield Redevelopment Authority. No municipal bond or public indebtedness will be incurred throughout the duration of the PLAN

3.1.5 Duration of the Brownfield PLAN

The duration of the PLAN is estimated at 27 total years. All eligible activity costs associated with the 101 N. Park Street development at the eligible property will have been reimbursed, approximately nine (9) years from receipt of certificate of occupancy. The remaining years of capture will be utilized to reimburse the City of Traverse City for the Park Street Parking Deck Infrastructure.

3.1.6 Estimate of the Impact of Tax Increment Financing On the Revenues of All Taxing Jurisdictions

The impact of tax increment financing (TIF) on all taxing jurisdictions is demonstrated by Table #2 of Appendix B. At the conclusion of the PLAN when all PLAN costs are reimbursed, all taxing jurisdictions are expected to realize a 25-fold increase in tax revenue relative to the revenues collected during the year 2000, the base year of the plan.

3.1.7 Legal Description of Eligible Property with Map and Dimension

The following is a legal description of the real property included in the “eligible property” under this PLAN. A map of the eligible property described by this legal description is included at the end of this PLAN. For the purposes of this PLAN, “eligible property” includes personal property.

101 N. Park Street

Lots 18, 17 and East 16.85 feet of lot 16 of Hannah, Lay and Company’s 3rd Subdivision of part of Block 24 (formerly addressed as 251 E. Front Street) and the southerly 111 feet of the east 21 feet of Lot 15 and the West 8.15 feet of Lot 16 of Hannah, Lay and Company’s 3rd Subdivision of part of Block 24 (formerly addressed as 247 E. Front Street).

3.1.8 Estimate of the number of Persons Residing on Eligible Property and the Number of Families and Individuals to be Displaced, If Any

Residential development is proposed for the 101 N. Park Street, however, no persons were residing on the eligible property in 2000, base plan year, nor does anyone reside at the property at the time of this amendment. No persons or families will be displaced. Residential use of the property is anticipated, within the two (2) levels of the proposed development.

3.1.9 Relocation of Persons Displaced by the PLAN Implementation

This section of the PLAN is not applicable since there will be no displacement of persons or families during PLAN implementation. Therefore there will be no costs associated with relocation of person or families.

3.1.10 Compliance with Michigan Relocation Assistance Act

This PLAN element is not applicable since displacement of persons or families will not result from implementation of the PLAN.

3.1.11 Proposed Use of the Local site Remediation Revolving Fund

The Local Site Remediation Revolving Fund (LSRRF) will be used for the purposes authorized under Act 381, with five (5) years of capture deposited into the fund.

3.1.12a Other Information Considered Pertinent by the Authority – MBT Credit

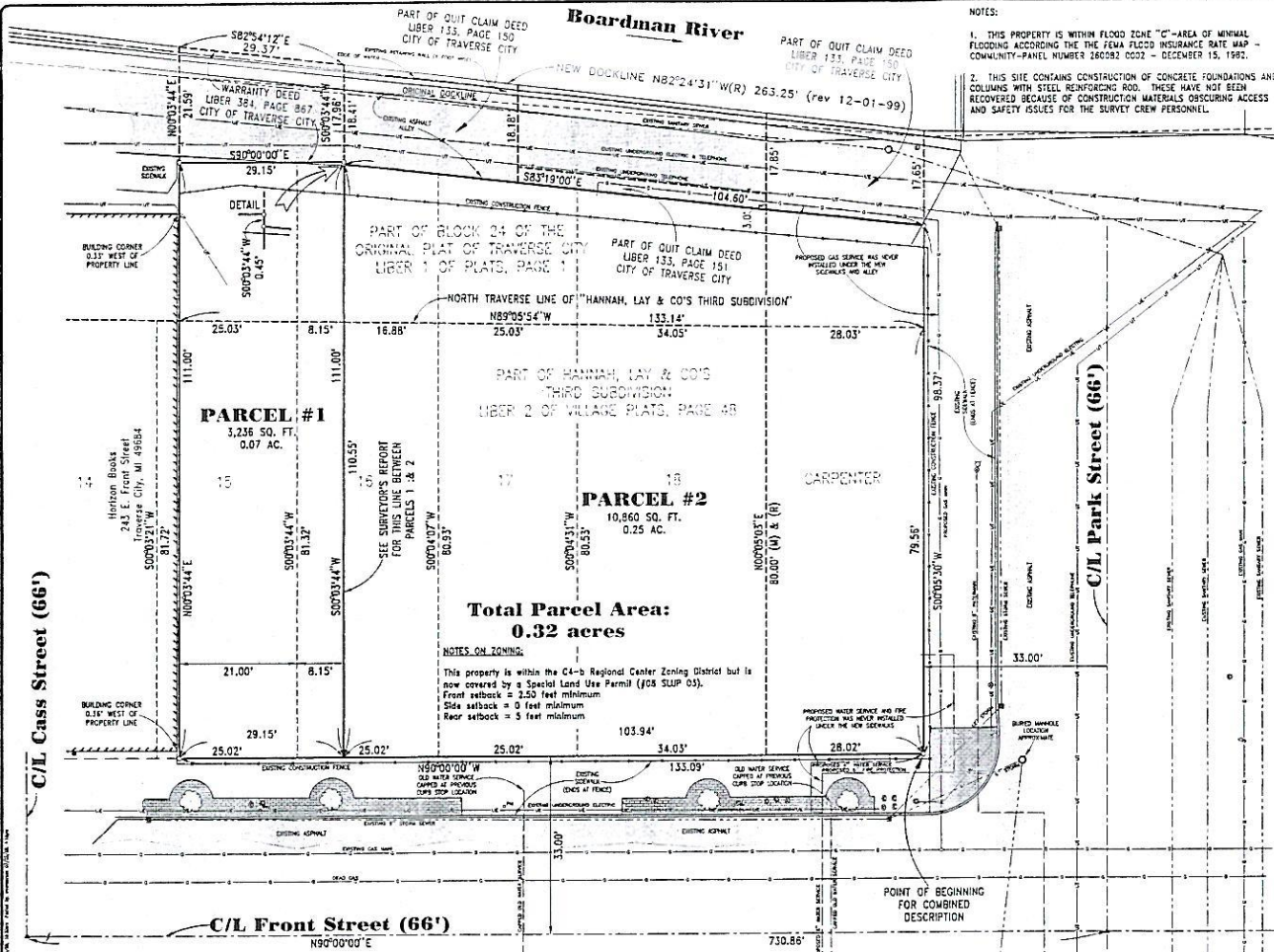
Act 36 of Public Acts of 2007 amended the State tax code to allow a tax credit against the Michigan Business Tax (MBT) liability for use by a qualified taxpayer with the credit magnitude indexed against the eligible investment at “eligible property”. It was the intent of the Michigan Legislature that this Brownfield Credit against MBT liability serve to encourage redevelopment of brownfield properties in Michigan.

Eligible investment is the demolition, construction, restoration, alteration, renovation or improvement of buildings on eligible property and the addition of machinery, equipment and fixtures to the eligible property that occurs after the date of a pre-approval letter issued by the Michigan Economic Development Corporation (MEDC). It is the intent of this PLAN to foster redevelopment of this eligible property using any means provided under Michigan law, including the MBT Brownfield Credit.

3.1.12b Other Information Considered Pertinent by the Authority

The union of the Park Street and Radio Center Brownfield Redevelopment Plans with this PLAN in 2000 was crucial for the success of all these challenged eligible properties. The redevelopment contemplated by the GTCBRA, private developers, the Downtown Development Authority and the City of Traverse City has/will resulted in the creation of approximately 260 new jobs. This collaborative effort has/will also resulted in an increase in tax base through new private investment of nearly \$32,000,000 and local community support of the \$11,000,000 municipal bonding. The collective redevelopment effort has resulted in substantial clean-up of the 101 N. Park Street site reducing the risks posed to the Boardman River and the removal of several leaking USTs and contaminated soil where Radio Center Phase I now resides.

This PLAN amendment considers an increase in State participation in this redevelopment effort. This added participation from MEGA in the form of State School TIR capture is essential for the completion of this brownfield redevelopment effort. Contribution of State TIR for this PLAN amendment will leverage the remaining private investment needed to address the public purposes envisioned by Grand Traverse County and the City of Traverse City. The TIR contribution considered in this PLAN amendment would increase the State participation in this redevelopment effort by slightly more than \$1,000,000. This additional component is essential to leverage the remaining \$16,000,000 in private investment needed to complete this Brownfield Plan.



NOTES:

1. THIS PROPERTY IS WITHIN FLOOD ZONE "C1"-AREA OF MINIMAL FLOODING ACCORDING TO THE FEMA FLOOD INSURANCE RATE MAP - COMMUNITY-PANEL NUMBER 280082 0002 - DECEMBER 15, 1992.
2. THIS SITE CONTAINS CONSTRUCTION OF CONCRETE FOUNDATIONS AND COLUMNS WITH STEEL REINFORCING ROD. THESE HAVE NOT BEEN RECOVERED BECAUSE OF CONSTRUCTION MATERIALS OBSCURING ACCESS AND SAFETY ISSUES FOR THE SURVEY CREW PERSONNEL.

Legend

- Iron Found
- Iron Nail
- P.A. Nail Found
- Iron Nail
- Sanitary Manhole
- Storm Manhole
- Water Conduit
- Hydrant
- Water Valve
- Gas Valve
- Water Valve
- Electric Meter Hole
- Painted Electric
- Painted Telephone
- Post
- Proposed Water

Location Map
West Grand
Traverse City

SCALE
1" = 10'
0 10 20

PARCEL #1 DESCRIPTION PROVIDED FROM DEED
LIBER 1498, PAGES 041-042

The Southerly 111 ft of following parcel:

East 21 ft of lot 15 and West 8.15 ft of lot 16 Hannah Lay and Company's Third Subdivision and that part of block 24 Original plat lying between North line of above lots and South line of the Boardman River and bounded on East and West lines of above lots extended to the river (One Parcel). Except easements and flow rights.

Also Described as:

The Southerly 111 feet of the East 21 feet of Lot 15 and the West 8.15 feet of Lot 16, Hannah, Lay & Co's Third Subdivision of part of Block 24 of the Original Plat of Traverse City, Michigan, and that part of Block 24, Traverse City, Michigan, described as: Commencing on North line of said Lot 16 at a point 16.85 feet West of the East line of said Lot 16; thence West along lot line 29.2 feet more or less to a line 21 feet West of the East line of said Lot 15; thence North to dock line of Boardman River thence East along dock line to a point directly North of point of beginning; thence South to point of beginning.

PARCEL #2 DESCRIPTION PROVIDED FROM DEED
LIBER 1482, PAGES 554-555

In the CITY OF TRAVERSE CITY, IN GRAND TRAVERSE COUNTY, MICHIGAN described as:

That part of Block 24 of Traverse City, Michigan (comprising in parts Lots 16, 17 and the East 16.85 feet of Lot 18 of HANNAH, LAY & CO.'S THIRD SUBDIVISION of a part of that Block 24) described as follows: COMMENCING at the Southeast corner of that Block 24; THEN North on street line, 95.37 feet; THEN N-83°19'-W, 104.6 feet, more or less, to a line 16.85 feet West of the East line of that Lot 16; THEN South, parallel to lot line to South line of that Block 24; THEN East 103.85 feet, more or less, to the POINT OF BEGINNING.

THE ABOVE LANDS ARE ALSO DESCRIBED AS:

Lots 16, 17 and 18 and part of Lot 15 of Hannah, Lay & Co's Third Subdivision, recorded in Liber 2 of Village Plats, Page 48 and part of Block 24 of the Original Plat of Traverse City, as recorded in Liber 1 of Plats, Page 1, City of Traverse City, Grand Traverse County, Michigan, more fully described as follows:

Beginning at the Southeast Corner of said Block 24; thence along the South line of said Block N89°00'00"W 133.00 feet; thence along the West line of the East 21.00 feet of said Lot 15 N20°03'44"E 111.00 feet; thence S20°00'00"E 29.15 feet; thence S0°03'44"W 0.45 feet; thence S83°19'00"E 104.60 feet to the East line of said Block 24; thence along said East line S0°05'30"W 95.37 feet to the Point of Beginning, containing 0.32 acres of land, more or less.

Surveyor's Report:

The ALTA/ACSM Land Title Survey Table "A" Item 19 (Location of existing of concrete pillars) could not be completed as requested at this time. As discussed with Mr. Tom Darga on site prior to the field survey it was determined that the survey crew would have difficulty in completing this item. The reason for this is that there is an extreme amount of construction materials obstructing the ability to safely secure this information. Prior to any construction and of some later point Gosting Craddock Engineering Sciences, Inc. will locate this information. This will only occur after all construction materials have been removed and prior concrete construction has been uncovered.

Parcel 1 and Parcel 2 descriptions are divided within lot 16 as the West 8.15 feet to parcel 1 and the East 16.85 feet to parcel 2. The record lot 16 is described as 25 feet wide in the original plat. The actual distances of lot 16 are slightly greater than recorded by 0.02 feet along Front Street and 0.03 along the original plat's traverse line. This technically results in a gap of .05 to .03 hundreds of a foot. For the purpose of this survey, as all land will be owned by one party, I elected to define parcel 1 as having the west 8.15 feet and the balance going to parcel 2.

The descriptions as shown on this survey are taken from the deeds of record in their exact text. The descriptions used in Exhibit "A" of the Title Commitment File No. 316087-85, dated June 18, 2008 used for this survey indicate minor text changes and should be replaced with the descriptions as they appear in the recorded documents. We have prepared a new, concise description for both Parcels #1 & #2 combined for future use.

To Big Cities 2, L.L.C., First American Title Insurance Company and Capital Title Insurance Agency:

This is to certify that this map or plat and the survey on which it is based were made in accordance with the "Minimum Standard Detail Requirements for ALTA/ACSM Land Title Surveys," jointly established and adopted by ALTA and NSPS in 2005, and includes items 1, 2, 3, 4, 7(a), 7(b)(1), 8, 9, 10, 11(a), 11(b), 13 & 16 of said A thread. Pursuant to the Accuracy Standards as adopted by ALTA and NSPS and in effect on the date of this certification, undersigned further certifies that in my professional opinion, as a land surveyor registered in the State of Michigan, the Relative Positional Accuracy of this survey does not exceed that which is specified therein.

Date: 10/23/08
John F. Karr Jr.
Professional Surveyor
No. 24900

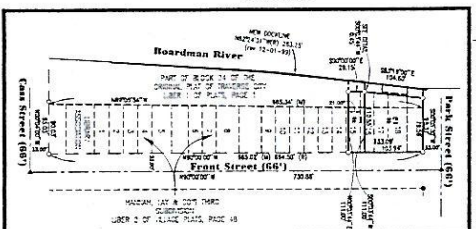
STATE OF MICHIGAN
JOHN F. KARR JR.
LAND SURVEYOR
NO. 24900
REGISTERED LAND SURVEYOR

NOTES ON TITLE COMMITMENT SCHEDULE B - SECTION 10:

1. THRU 7. STANDARD EXCEPTIONS.
8. RESTRICTIONS, LIBER 1085, PAGE 661, REGARDING MOTOR VEHICLE BUSINESS.
9. UNDERGROUND UTILITIES SHOWN HEREON FROM DRAWING SUPPLIED WITH TITLE.
10. RIPARIAN OWNERSHIP TO BOARDMAN RIVER IS UNDETERMINED.

SURVEYOR'S COMMENTS TO TABLE "A" ITEMS

- NO. 7. NO BUILDING ON THIS SITE. THE SITE DOES CONTAIN FOUNDATIONS FOR COLUMNS TO SUPPORT A PROPOSED BUILDING FROM PRIOR SITE WORK. SEE SURVEYOR REPORT ABOUT ACCESSABILITY.
- NO. 9. NO PARKING AREAS ON THIS SITE
- NO. 16. NO EVIDENCE OF RECENT CONSTRUCTION WITHIN THE PAST YEAR.
- NO. 19. LOCATION OF CONCRETE PILLARS/COLUMNS, SEE NOTE IN SURVEYOR'S REPORT AND MAP.



Gosting-Carlson
Professional Surveyors
1000 W. Grand Street
Traverse City, MI 49781
Tel: 231.947.1111
Fax: 231.947.1112

ALTA/ACSM Land Title Survey
BIG CITIES 2, L.L.C.
FOUNDED BY: HENRY J. HANNAH, NELSON B. LAY, III & EDUARD

Project No. 3008603-01
Sheet 1 of 1

