



7. Within 30 days after the completion of said payments satisfying Contract 2, ELBI shall obtain and record a Warranty Deed in ELBI's name from the 754<sup>th</sup> as required by Contract 2. Within 15 days after receiving possession of Warranty Deeds for Property 1 and Property 2, ELBI shall grant, sell and convey Property 1, Property 2 and Property 3 to PASCC. ELBI shall give Warranty Deeds, subject to recorded easements and restrictions, in PASCC's name to PASCC for both Property 1, Property 2 and Property 3. Failure to grant said Warranty Deeds to PASCC as specified shall constitute a default on the part of ELBI.
8. On the same day that ELBI conveys the Warranty Deeds described in the previous paragraph, PASCC shall record a lien for Four Hundred Twenty Thousand Dollars (\$420,000) in favor of ELBI encumbering Property 1, Property 2 and Property 3. PASCC shall pay ELBI Four Hundred Twenty Thousand Dollars (\$420,000) over the space of seven years at Five Thousand Dollars (\$5000) per month at no interest beginning August 15, 2006, ending July 15, 2013. Until said Four Hundred Twenty Thousand Dollars (\$420,000) is paid in full, ELBI continues to retain an interest in the property as follows: PASCC shall not take any careless or reckless action that would endanger the value of said property. PASCC shall notify ELBI in writing of any new buildings to be constructed or destroyed, any additional liens or encumbrances placed on said property. PASCC shall provide ELBI with copies of any recorded documents related to said property. In the event that PASCC decides to sell, convey or contract to sell any portion of Property 1, Property 2 or Property 3, ELBI must be first offered the right to purchase that portion of property at similar terms and conditions. If PASCC ever attempts to sell all or a portion of Property 1, Property 2 and/or Property 3 for an amount greater than the total amount PASCC has paid as a result of terms of this agreement, then PASCC must first offer all of Property 1, Property 2 and Property 3 for sale to ELBI for the exact amount they have paid at that point in time as a result of terms of this agreement. In the event that PASCC is in default of this contract, ELBI may foreclose upon said properties as provided by applicable law. After PASCC has paid ELBI said Four Hundred Twenty Thousand Dollars (\$420,000), ELBI shall release said lien and ELBI no longer has any interest in Property 1, Property 2 and Property 3.
9. Possession of Property 1, Property 2 and Property 3 may be taken by PASCC on the date of this agreement and retained for so long as PASCC makes no default in any the terms or conditions of this agreement.
10. PASCC has the exclusive right to cast votes and otherwise represent all units of Property 2 in the Hillcrest Condominiums of Port Austin Association.
11. ELBI and PASCC agree to execute documents and take other actions that may be necessary to facilitate the minimum lawfully required function of Hillcrest Condominiums of Port Austin Association and Pleasant View Condominium Association. If such actions exceed One Hundred Dollars (\$100) in out-of-pocket costs for either party, said party need take further related actions only as the respective associations reimburse them for their related costs.
12. ELBI and PASCC agree to work together to replace the Maintenance Agreement recorded in Huron County, Liber 712 Page 195. PASCC will cause a new Maintenance Agreement to be drafted and presented to Hillcrest Condominiums of Port Austin Association and Pleasant View Condominium Association and other users of roadway, water and sewer facilities located on Property 1 and/or Property 2. Until said new Maintenance Agreement is executed and recorded, PASCC will be responsible for collecting the water and sewer usage fees formerly collected by ELBI, and will be responsible for the ongoing maintenance of water and sewer systems formerly maintained by ELBI. PASCC will accept roadway and other "common area" maintenance if so designated in the new Maintenance Agreement, but may opt to decline some such maintenance until a said Maintenance Agreement is recorded.
13. ELBI and PASCC agree to take reasonable actions necessary to transfer the west 50 feet of Unit 1 of Property 2 to Unit 2 of Property 2 as long as the expenses for surveying, document preparation and recording of a new master deed for Hillcrest Condominiums of Port Austin are paid by the owner of said Unit 2.
14. PASCC may assign and convey its interest in this contract or any part thereof provided, however, that such assignment or conveyance shall not result in the probability of waste or other impairment of ELBI's security in the subject property or the probability of default on behalf of PASCC as a result of any such assignment or conveyance. Any violation by PASCC of this condition shall be considered a default of this contract. Under no circumstances shall any assignment or conveyance release PASCC from its obligations under the provisions of this contract unless ELBI so releases PASCC in writing. No such Assignment, however, shall be valid until written notice thereof has been given to ELBI.
15. PASCC shall promptly pay all taxes and assessments of every nature, hereafter levied on said premises before any penalty for non-payment attaches thereto, and submit receipts to ELBI upon request, as evidence of payment thereof, including their prorata share of 2004 taxes if applicable.