

[INSERT SCHOOL DISTRICT LETTERHEAD]

February __, 2024

The Chelsea Health and Wellness Foundation
Attn: Mr. Steve Petty
310 North Main ST., Suite 203
Celsea, MI 48118

**Re: Letter of Intent (“LOI”) to Purchase
Dexter Town Center Condominium Unit 1 (“Property”)**

Dear Mr. Petty:

Dexter Community Schools (“**Buyer**”) offers to purchase the Property from The Chelsea Health and Wellness Foundation (“**Seller**”) on the following terms and conditions:

1. **Purchase Price:** \$5,300,000.00 for the Property plus \$200,000.00 for the furniture, fixtures, and equipment, payable by wire transfer or other immediately available funds at the closing.
2. **Earnest Money.** None.
3. **Opening of Escrow.** Seller and Buyer shall work cooperatively and endeavor to open escrow with a definitive Purchase and Sale Agreement (the “**Agreement**”) containing these and other terms customary for a transaction of this nature and complexity (including requisite third-party consents, estoppels, corporate formalities and legal opinions) within 21 days following execution of this Letter of Intent. The parties anticipate the Agreement will be executed on or before the Closing Date.
4. **Anticipated Closing Date.** Subject to the Buyer’s satisfactions with due diligence and the Conditions Precedent (defined below), the anticipated closing date is March 29, 2024.
5. **Inspection Period.** Buyer will have until the day prior to the closing date to conduct and complete Buyer’s comprehensive due diligence and review of the Property (the “**Inspection Period**”). The completion of the due diligence and feasibility review will be conducted by Buyer at Buyer’s cost and to Buyer’s satisfaction, and the decision by Buyer at the end of the Inspection Period to move forward with this transaction or not, will be exercised in the sole and absolute discretion of Buyer. If Buyer elects not to move forward with the transaction, Buyer may terminate the LOI and, if applicable, the Agreement.
6. **Property Information.** Seller, through the Dexter Town Center Condominium, has provided Buyer with the initial tranche of due diligence materials and shall continue to provide Buyer with all information about the Property in the possession and reasonable control of Seller (and Seller’s consultants) to Buyer. Buyer is in possession of Phase I Environmental Site Assessment (2006), Phase II Environmental Site Assessment (2006), and the Baseline Environmental Assessment (2007) prepared by AKT Peerless

Environmental Services (“*AKT Peerless*”). Any original documentation provided to Buyer shall be returned to Seller should negotiations not result in a signed Agreement. In the event that Buyer does not close, Buyer will supply any other due diligence materials obtained by Buyer, to Seller.

7. **Inspections**. Buyer shall have the right to perform any usual and customary building inspection at Buyer’s sole cost and expense. The parties have entered into a Temporary Access Agreement governing the process and access rights for Buyer to conduct its inspections.
8. **Environmental**. Buyer will have the right to complete a Phase I Environmental Site Assessment and any additional environmental testing during the Inspection Period. The parties agree that the Anticipated Closing Date shall be extended to provide Buyer sufficient time to complete environmental due diligence. Buyer has contracted AKT Peerless to perform its environmental analysis and testing.
9. **Title and Survey**. Within ten (10) days after the execution this LOI by all parties, Buyer shall order from a reputable title company selected by Buyer, at Seller's expense, a commitment for title insurance for the Property without standard exceptions. Buyer will have the right, at Buyer’s cost, to order a new or updated ALTA/NSPS Survey that is acceptable to Buyer during the Inspection Period. Buyer has contracted PEA Group, who performed the original engineering and surveying, to assist with this transaction as well.
10. **Title Insurance and Escrow Prorations**. Customary prorations (real estate taxes, assessments, and the like) shall be prorated between Buyer and Seller at closing and, at Seller’s cost, Buyer shall be provided a policy of owner’s title insurance. The costs of extended coverage shall be a Seller cost (except that Buyer shall be responsible for the cost of a new or updated ALTA/NSPS Survey required to remove the standard survey exception). Title shall be conveyed to Buyer free and clear of all liens and encumbrances, save and except those approved by Buyer during the Inspection Period. Buyer and Seller agree that any tax prorations will take into account, and are subject to, Seller’s status as a non-profit charitable institution which is exempt from paying real estate taxes.
11. **Purchase and Sale Agreement**. In the event that this Offer is acceptable by Seller, Buyer and Seller will negotiate a definitive purchase and sale agreement for the conveyance of the Property. Buyer will provide Seller an initial draft of the purchase and sale agreement within 14 days of execution of this LOI. Buyer and Seller will make every effort to negotiate and execute the purchase and sale agreement within 45 days of execution of this LOI.
12. **Temporary Access Agreement**. The parties shall enter into a Temporary Access Agreement prior to executing the Agreement.
13. **Conditions Precedent**. In addition to the foregoing, the following conditions precedent (“Conditions Precedent”) to closing shall be including in the Agreement and satisfied prior the closing date.
 - a. Complete physical and environmental inspections and reports satisfactory to Buyer.

- b. Fee simple title to the Property free and clear of all mortgages, liens, or other encumbrances except those accepted or deemed accepted by Buyer.
- c. Owners of Unit 2 and Unit 3 in the Condominium Association shall agree to dissolve the Dexter Town Center Condominium and all dissolution documents shall be held in escrow with the Title Company.
- d. Buyer shall be in possession of all surveys and engineering reports to support the dissolution and subsequent lot split.
- e. Buyer shall have entered into a binding Purchase and Sale Agreement for the acquisition of Unit 2.
- f. Buyer shall have negotiated and finalized a management agreement for operations within the Property. The management agreement must preserve tax exempt status allowing for the potential of future bond financing.
- g. Both parties to have received necessary internal approvals.

BINDING PROVISIONS. The following provisions are considered binding and survive the termination of the LOI.

- 14. **Commissions.** Seller and Buyer each represent that no brokers have been involved in the transaction and shall mutually indemnify each other of any alleged brokerage commission claim.
- 15. **Seller Representations.** Seller represents and warrants that Seller has sufficient capital to extinguish all bonds and discharge the mortgage.
- 16. **Non-Solicitation.** Following mutual execution of this LOI, Seller agrees that until the closing date or the Buyer indicates in writing that it is declining to continue forward with acquiring the Property, Seller shall withdraw the Property from sale to the public and shall neither solicit nor negotiate any other offers regarding the Property, provided that Buyer is negotiating in good faith toward the execution of the Purchase Agreement as specified herein.

Except as otherwise stated, this LOI is not intended as, and does not constitute, a binding agreement, but is merely intended to specify the proposed terms and conditions of the transaction contemplated herein. Neither party may claim any legal right against the other party by reason of signing this Proposal or by taking any action in reliance thereon. Each party hereto fully understands that no party shall have any legal obligations to the other, or with respect to the proposed transaction, unless or until all of the terms and conditions of the proposed transaction have been negotiated, agreed to by all parties and set forth in the purchase contract which has been signed and delivered to both parties.

Sincerely,

DEXTER COMMUNITY SCHOOLS

By: _____
Name:
Its:

AGREED AND ACCEPTED BY:

THE CHELSEA HEALTH AND WELLNESS
FOUNDATION, Michigan non-profit
corporation

By: _____
Name:
Its:

[INSERT SCHOOL DISTRICT LETTERHEAD]

February __, 2024

BST Investments, LLC
7444 Dexter-Ann Arbor Road
Dexter, Michigan 48130

**Re: Letter of Intent (“LOI”) to Purchase
Dexter Town Center Condominium Unit 2 (“Property”)**

Steve:

Dexter Community Schools (“**Buyer**”) offers to purchase the Property from BST Investments, LLC (“**Seller**”) on the following terms and conditions:

1. **Purchase Price**: A maximum not to exceed of \$2,851,500 for the purchase of the Property after Substantial Completion (defined below) of a Senior Center Facility on the Property (“**Senior Center**”) payable by wire transfer or other immediately available funds at the closing. Substantial completion shall be: (1) when the Senior Center has received a temporary certificate of occupancy and the Senior Center is sufficiently complete in accordance with the agreed upon plans and specifications so that the Buyer can begin to use the Senior Center for its intended use while the final punch list items (minor fixes or modifications that must be completed so that the Senior Center’s agreed upon specifications are considered finished and the Buyer can occupy the building for its intended use) are completed; (2) Seller’s architect or engineer certifies to Buyer that the Senior Center’s construction is substantially complete in accordance with the agreed upon and approve plans and specifications; and (3) three (3) days after Buyer is in receipt of the architect’s certification, Buyer and Seller conduct a joint inspection of the Senior Center and jointly confirmed that construction is complete subject only to punch list items. The holdback shall be 200% of the Seller’s Architect’s certified estimated cost to complete the punch list items and work necessary to obtain the final certificate of occupancy and any outstanding amounts due to contractors.
2. **Earnest Money**. None.
3. **Opening of Escrow**. Seller and Buyer shall work cooperatively and endeavor to open escrow with a definitive Purchase and Sale Agreement (the “**Agreement**”) containing these and other terms customary for a transaction of this nature and complexity (including requisite third-party consents, estoppels, corporate formalities and legal opinions) within 21 days following execution of this Letter of Intent.
4. **Anticipated Closing Date**. The closing date shall be ten (10) days after Substantial Completion.
5. **Inspection Period**. Buyer shall have 60 days from the date the Purchase Agreement is executed to conduct and complete Buyer’s comprehensive due diligence and review of the

Property (the “*Inspection Period*”). The completion of the due diligence and feasibility review will be conducted by Buyer at Buyer’s cost and to Buyer’s satisfaction, and the decision by Buyer at the end of the Inspection Period to move forward with this transaction or not, will be exercised in the sole and absolute discretion of Buyer. If Buyer elects not to move forward with the transaction, Buyer may terminate the LOI and, if applicable, the Agreement.

6. **Property Information.** Seller, through the Dexter Town Center Condominium, has provided Buyer with the initial tranche of due diligence materials and shall continue to provide Buyer with all information about the Property in the possession and reasonable control of Seller (and Seller’s consultants) to Buyer. Buyer is in possession of Phase I Environmental Site Assessment (2006), Phase II Environmental Site Assessment (2006), and the Baseline Environmental Assessment (2007) prepared by AKT Peerless Environmental Services (“*AKT Peerless*”). Any original documentation provided to Buyer shall be returned to Seller should negotiations not result in a signed Agreement. In the event that Buyer does not close, Buyer will supply any other due diligence materials obtained by Buyer, to Seller.
7. **Inspections.** Buyer shall have the right to perform any usual and customary property inspection at Buyer’s sole cost and expense. The parties have entered into a Temporary Access Agreement governing the process and access rights for Buyer to conduct its inspections.
8. **Environmental.** Buyer will have the right to complete a Phase I Environmental Site Assessment and any additional environmental testing during the Inspection Period. Buyer, to expedite the process, engaged AKT Peerless to perform its environmental analysis and testing. The parties agree that the Inspection Period shall be extended to provide Buyer sufficient time to complete environmental due diligence, provided Buyer timely ordered the necessary testing and has not caused undue delays in AKT Peerless completing the necessary environmental inspections and reports. Seller shall provide Buyer at least sixty (60) days advance notice of the anticipated substantial completion date so that Buyer has the opportunity to update its environmental reports.
9. **Title and Survey.** Within ten (10) days after the execution this LOI by all parties, Buyer shall order, from First American Title (Marcia Lawless), at Seller's expense a commitment for title insurance for the Property without standard exceptions; provided however, that Buyer shall be responsible for the cost of a new or updated ALTA/NSPS Survey required to remove the standard survey exception. Buyer will have the right, at Buyer’s cost, to order a new or updated ALTA/NSPS Survey that is acceptable to Buyer during the Inspection Period. Buyer has contracted PEA Group, who performed the original engineering and surveying, to assist with this transaction as well.
10. **Title Insurance and Escrow Prorations.** Customary prorations (real estate taxes, assessments, and the like) shall be prorated between Buyer and Seller at closing and, at Seller’s cost, Buyer shall be provided a policy of owner’s title insurance. Title shall be conveyed to Buyer free and clear of all liens and encumbrances, save and except those approved by Buyer during the Inspection Period.

11. **Purchase and Sale Agreement.** In the event that this LOI is acceptable to Seller, Buyer and Seller will negotiate a definitive purchase and sale agreement for the conveyance of the Property. Buyer shall prepare the initial draft of the purchase and sale agreement.
12. **Temporary Access Agreement.** The parties shall enter into a Temporary Access Agreement prior to executing the Agreement.
13. **Seller Obligations:** Seller's obligations, as will be more fully set forth in the Agreement, shall include the following:
 - a. Cause Seller's architect to prepare and then submit for and receive approval from Buyer all architectural elevations, plans, specification, and costs estimates for the Senior Center development consistent with Buyer's requirements for such development; provided, however, that the Senior Center development for purposes of this subparagraph shall not include documents and approvals related to the termination of Dexter Town Center Condominium, which are Buyer's responsibility pursuant to Paragraph 14 below;
 - b. Submit and support all applications for building permits, inspections, and plan reviews and pay all related fees in connection therewith, except for any such applications and fees that are related to the termination of Dexter Town Center Condominium, which are Buyer's responsibility to prepare and pay pursuant to Paragraph 14 below;
 - c. Assemble a highly qualified professional team including but not limited to a general contractor A. R. Brouwer Co LLC, architect Wah Yee Associates, and engineer PEA, and timely develop and construct the Senior Center in accordance with the plans and specifications approved by Buyer; provided, however, that development and construction of the Senior Center for purposes of this subparagraph shall not include actions related to the termination of Dexter Town Center Condominium, which are Buyer's responsibility pursuant to Paragraph 14 below;
 - d. Monitor the course of construction in partnership with the Buyer, including any process or change order requests;
 - e. Reasonably assist Buyer in obtaining the approval needed to terminate the Dexter Town Center Condominium and reasonable documents necessary to accomplish same; and
 - f. Keep Buyer informed about any matters that could impact timing of the Senior Center and the costs elements.
14. **Buyer Obligations.** Buyer's obligations shall include, but are not limited to, the following:
 - a. Review and approve submittals relative to the design, cost estimates, and plans and specifications for the Senior Center;
 - b. Review, approve, and provide assistance and guidance where necessary prior to the

filing of any plan, lot split, and other governmental approval in connection with the Senior Center's development;

- c. Pursue all approvals needed to terminate the Dexter Town Center Condominium;
- d. Prepare all documents necessary to terminate the Dexter Town Center Condominium (including surveys, legal descriptions, and easements), all of which shall be subject to approval by Seller; and
- e. Provide proof of sufficient funds to purchase the Property at closing.

15. **Conditions Precedent.** In addition to the foregoing, the following conditions precedent ("Conditions Precedent") to closing shall be including in the Agreement and satisfied prior the closing date; provided, however, that Buyer shall have notified Seller that the conditions set forth in sections a, c, e, f, g, and h are either satisfied or are waived as Conditions Precedent before Seller has any obligation to begin construction of the Senior Center. Unless the Seller is in default, Buyer shall have no ability to terminate the contract for the purchase of the Property/construction of the Senior Center once Seller begins construction of the Senior Center on the Property pursuant to Buyer's notification of the satisfaction or waiver of the conditions set forth in sections a, c, e, f, g, and h.

- a. Documents necessary for the dissolution of the Dexter Town Center Condominium, subsequent transfers of all tenant-in-common interests to Buyer, and any and all easement and access agreements so that Units 1 and 2 are combined and Unit 3 is a stand-alone parcel are held in escrow with the Title Company.
- b. Receipt of a Temporary Certificate of Occupancy for the Senior Center as developed in accordance with the plans and specifications approved by Buyer;
- c. Complete environmental inspections and reports regarding the Property satisfactory to Buyer;
- d. Fee simple title to the Property free and clear of all mortgages, liens, or other encumbrances except those accepted or deemed accepted by Buyer;
- e. Buyer shall be in possession of all surveys and engineering reports to support the dissolution of the Dexter Town Center Condominium and subsequent lot split;
- f. Buyer shall have closed on the Purchase and Sale Agreement for the acquisition of Unit 1 of the Dexter Town Center Condominium;
- g. Final Lease held in escrow between Buyer and Dexter Senior Center, Inc., a Michigan nonprofit corporation; and
- h. Both parties to have received necessary internal approvals.

BINDING PROVISIONS. The following provisions are considered binding and survive the termination of the LOI.

16. **Commissions.** Seller and Buyer each represent that no brokers have been involved in the transaction and shall mutually indemnify each other of any alleged brokerage commission claim.
17. **Non-Solicitation.** Following mutual execution of this LOI, Seller agrees that until the closing date or the Buyer indicates in writing that it is declining to continue forward with acquiring the Property, Seller shall withdraw the Property from sale to the public and shall neither solicit nor negotiate any other offers regarding the Property, provided that Buyer is negotiating in good faith toward the execution of the Purchase Agreement as specified herein.

Except as otherwise stated, this LOI is not intended as, and does not constitute, a binding agreement, but is merely intended to specify the proposed terms and conditions of the transaction contemplated herein. Neither party may claim any legal right against the other party by reason of signing this Proposal or by taking any action in reliance thereon. Each party hereto fully understands that no party shall have any legal obligations to the other, or with respect to the proposed transaction, unless or until all of the terms and conditions of the proposed transaction have been negotiated, agreed to by all parties and set forth in the purchase contract which has been signed and delivered to both parties.

Sincerely,
DEXTER COMMUNITY SCHOOLS

By: _____
Name:
Its:

AGREED AND ACCEPTED BY:

BST Investments, LLC, a Michigan limited liability company

By: _____
Name:
Its:

**DEXTER COMMUNITY SCHOOLS
COUNTIES OF WASHTENAW AND LIVINGSTON
STATE OF MICHIGAN**

**RESOLUTION AUTHORIZING
MULTIGENERATIONAL COMMUNITY CENTER PROJECT**

At a regular meeting of the Board of Education (the “Board”) of the Dexter Community Schools, Counties of Washtenaw and Livingston, State of Michigan (the “School District”), held in the School District on March 4, 2024, at 7:00 p.m., prevailing Eastern time.

PRESENT: Members: _____

ABSENT: Members: _____

The following preamble and resolution were offered by Member _____ and supported by Member _____.

WHEREAS, pursuant to Act 321, Public Acts of Michigan, 2023, the School District has been awarded a grant in the amount of \$8,500,000 for the acquisition, renovation and construction, and programing establishment costs of a senior center and community center (the “School District Grant”); and

WHEREAS, the Dexter Senior Center has been awarded a similar grant through Washtenaw County in the amount of \$754,812 which is available to pay certain costs associated with the Senior Center described below (the “County Grant” and together with the School District Grant, the “Grants”); and

WHEREAS, the School District desires to apply the School District Grant for the purposes provided in that Grant, along with other available funds of the School District, including without limitation: (i) to acquire the Dexter Wellness Center, located at 2810 Baker Road, Dexter Michigan (the “Wellness Center”), including the equipment described in the LOI; (ii) to pay the portion of the costs of acquiring a completed senior center facility to be constructed at 2740 Baker Road, Dexter Michigan (the “Senior Center”) not covered by the County Grant; and (iii) to pay for professional and other costs associated with the acquisition and equipping of the Wellness Center and the Senior Center (collectively, the “Multigenerational Community Center Project”); and

WHEREAS, the School District’s administration has taken preliminary steps toward the acquisition of the Wellness Center and has prepared a non-binding Letter of Intent relating to such acquisition, the form of which is attached hereto as Exhibit A (the “Wellness Center LOI”); and

WHEREAS, the School District’s administration has also taken preliminary steps toward the acquisition of the Senior Center and has prepared a non-binding Letter of Intent relating to such acquisition, the form of which is attached hereto as Exhibit B (the “Senior Center LOI” and together with the Wellness Center LOI, the “LOIs”); and

WHEREAS, the Board of Directors of the Dexter Senior Center has approved and authorized the Multigenerational Community Center Project, including the acquisition of the Senior Center and the forms of the LOI’s by a resolution adopted on February 21, 2024; and

WHEREAS, the Board deems it advisable to complete the acquisitions contemplated by the LOIs and authorize the Superintendent, the Senior Project Manager and the Chief Financial Officer, or either one acting alone (each an “Authorized Officer”) to negotiate, finalize, execute and deliver purchase agreements and related documentation and any other actions necessary, convenient or advisable to effectuate the acquisition of the Multigenerational Community Center Project in accordance with this Resolution.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Approval of LOI. The Board hereby authorizes and approves the acquisition of the Multigenerational Community Center Project at a total cost to the School District of not-to-exceed \$11,900,000, and ratifies and approves the actions to date of the School District administration relating to the LOI’s.

2. Further Action. Each Authorized Officer is hereby further authorized and directed, in consultation with the School District’s legal counsel, to (a) negotiate, finalize, execute and deliver purchase agreements relating to the acquisition of the Wellness Center and the Senior Center; (b) take any and all actions and negotiate and execute any other documentation necessary, convenient or advisable to acquire the Multigenerational Community Center Project; and (c) pay the reasonable and necessary expenses related thereto.

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3. Conflicts. All resolutions and parts of resolutions insofar as they conflict with the provisions of this Resolution be and the same hereby are rescinded.

AYES: _____

NAYS: _____

RESOLUTION DECLARED ADOPTED.

Jennifer Kangas
Secretary, Board of Education

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the Board of Education of the Dexter Community Schools, Counties of Washtenaw and Livingston, State of Michigan, at a regular meeting held on March 4, 2024, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Jennifer Kangas
Secretary, Board of Education

41823650

EXHIBIT A

**FORM OF WELLNESS CENTER LOI
[Attached]**

EXHIBIT B

**FORM OF SENIOR CENTER LOI
[Attached]**

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