THIRD AMENDMENT TO
EAST LANSING CENTER CITY DISTRICT
MASTER DEVELOPMENT AGREEMENT

This Third Amendment to East Lansing Center City District Master Development Agreement ("Third Amendment to MDA") is entered into between the CITY OF EAST LANSING, a Michigan municipal corporation, with its offices at City Hall, 410 Abbot Road, East Lansing, Michigan 48823 (the "City"); the CITY OF EAST LANSING BROWNFIELD REDEVELOPMENT AUTHORITY, with offices located at 410 Abbot Road, East Lansing, Michigan 48823 (the "ELBRA"); the DOWNTOWN DEVELOPMENT AUTHORITY OF THE CITY OF EAST LANSING with offices located at 410 Abbot Road, East Lansing, Michigan 48823 (the "DDA"), and HB BM EAST LANSING LLC, 3412 Commercial Avenue, Northbrook, IL 60062 (the "Developer" and, together with the City, ELBRA, and the DDA, the “Parties” and each a “Party”).

Recitals

A. The Parties entered into the East Lansing Center City District Master Development Agreement ("MDA"), which took effect on October 31, 2017.

B. Section VIII(d) of the MDA provides that “[e]xcept as otherwise provided in this Agreement, this Agreement can be modified or amended only by a written instrument expressly referring hereto and executed by the City, DDA, ELBRA, and the Developer.”

C. The Parties wish to amend Section I(b)(6) of the MDA in the manner set forth below.

NOW, THEREFORE, the Parties mutually agree as follows:
1. Section I(b)(6) of the MDA is amended to read as follows in its entirety, with the amended language indicated by boldfaced font:

Condominium Building B3 (“Building B3”):

(A) Building B3 shall be constructed in accordance with Exhibit C-2 and shall be located above Building B2 on the property described in Exhibit B-6 (the “Albert Active Adult Housing Property”). Building B3 will be a 5 story building constructed on top of Building B2, with 92 apartments containing a total of approximately 129,533 gross square feet. Until the expiration of the Master Ground Lease, Building B3 will be owned by the Developer, or its assignee, or any successor thereto, and the units in Building B3 shall be designed to be leased and shall be leased to residential tenants age 55 and older in accordance with the Federal Housing for Older Persons Act. The Developer may change its final number of apartments in Building B3, provided that the final number of apartments does not vary from 92 apartments by more than 2%, and provided that the number of apartments in Building B3 is not less than 25% of the number of apartments in Building A2.

(B) Notwithstanding subsection (A), the Parties acknowledge that as of the Effective Date of the Third Amendment to the East Lansing Center City District Master Development Agreement, three units in Building B3 are leased to tenants who are not age 55 or older (“Under 55 Tenants”). Each of the three Under 55 Tenants may continue to reside in those units in Building B3, provided that upon the voluntary termination of tenancy by any of those Under 55 Tenants at the end of the current lease term or any subsequent voluntary renewals of the lease term by the Under 55 Tenants, once vacated by the Under 55 Tenants, those three units, as well as all other units in Building B3, will be leased only to residential tenants who include at least one person 55 years of age or older. Developer further agrees that no unit will be subleased except to residential tenants who include at least one person 55 years of age or older.

2. The Parties agree that the Developer will not be assessed any alleged penalties, fines, fees or other liabilities under the City’s ordinance, Sec. 22-34(f) of the City of East Lansing Code, with respect to the Under 55 Tenants during the current lease term or any renewals by the Under 55 Tenants.
3. The Parties acknowledge that this Third Amendment was agreed upon as a compromise of disputed claims regarding the three existing tenants and the Third Amendment is not, and may not be construed as, an admission of liability or fault by the Developer and is not to be construed as an admission that the Developer engaged in any wrongful or unlawful activity. The Developer specifically disclaims and denies: (a) any liability to the City, ELBRA or the DDA; and (b) engaging in any wrongful or unlawful activity.

4. This Third Amendment to MDA does not constitute a waiver of the Parties’ rights, remedies, and obligations under the MDA and its amendments, except as specifically provided in the amendment to Section I(b)(6) of the MDA.

5. All other provisions of the MDA and its amendments remain in full force and effect.

6. The Effective Date of this Third Amendment to MDA is __________, 2021.

Signed:

City of East Lansing

By: ______________________________
Its: ______________________________
Date: ____________________________

City of East Lansing Brownfield Redevelopment Authority

By: ______________________________
Its: ______________________________
Date: ____________________________

Downtown Development Authority of the City of East Lansing

By: ______________________________
Its: ______________________________
Date: ____________________________

HB BM East Lansing LLC

By: ______________________________
Its: ______________________________
Date: ____________________________