



Beginning at the Northwest corner of the SW ¼ of the SE ¼ of Fractional Section 31, Township 19 North, Range 13 East, Port Austin Township, Huron County, Michigan, United States of America, thence Easterly 540 feet to a point; thence Southerly and parallel to the North and South ¼ line of said Fractional Section 31, 330.0 feet to a point; thence Westerty 540 feet to a point on the West line of the SE ¼; thence Northerly 330.0 feet on the North and South ¼ line to the Point of beginning; and containing 4 Acres of land, more or less.

1. Property 1 2 and 3 include the land and all tenements, hereditaments, improvements and appurtenances, including all lighting fixtures, plumbing fixtures, shades, Venetian blinds, curtain rods, storm windows, storm doors, screens, awnings, if any, now on the premises, and subject to all easements of record.
2. This contract is contingent upon Arthur Hawkins and ELBI receiving an agreement to obtain a written release from their obligations from the 754<sup>th</sup>, Inc. under point 8 of Contract 2. ELBI shall record and furnish a copy of the agreement and the release within 7 days of receipt of said documents. To void this contract, ELBI must return both un-cashed checks mentioned below to PASCC.
3. Neither party, PASCC or ELBI, shall encumber Property 1, Property 2 or Property 3 with mortgages, liens or other encumbrances without the approval of the other party
4. PASCC will observe all of the provisions of Contract 1 with the following modifications which ELBI and PASCC understand to be acceptable to Gary L. Babcock and Lorene J. Babcock: Upon signing this contract, PASCC will deliver a check to ELBI, payable to Gary L. Babcock and Lorene J. Babcock for Eighty Four Hundred Dollars (\$8400), Sixty Six Hundred Dollars (\$6600) of which constitutes the March 15, April 15 and May 15, 2004 payments of Twenty Two Hundred Dollars (\$2200) each, and Eighteen Hundred Dollars (\$1800) of which represents an additional amount paid for deviating from Contract 1. PASCC will make two additional payments to Gary L. Babcock and Lorene J. Babcock, Twenty Eight Hundred Dollars (\$2800) on June 15, 2004 and a final payment of Ninety Four Thousand Three Hundred Seventy Four and 16/100 Dollars (\$94,374.16) on July 15, 2004. Failure to make said payments by said dates shall constitute a default on the part of PASCC.
5. ELBI shall obtain and record a Warranty Deed in ELBI's name from Gary L. Babcock and Lorene J. Babcock for Property 1 within 30 days after the completion of said payments fulfilling the requirements of Gary L. Babcock and Lorene J. Babcock. ELBI shall not sell convey or encumber title to the property, but retain title and convey as described in the following points:
6. PASCC will observe all of the provisions of Contract 2 with the following modifications which ELBI and PASCC understand to be acceptable to the 754<sup>th</sup>, Inc.: Upon signing this contract, PASCC will deliver a check to ELBI, payable to the 754<sup>th</sup>, Inc., for Thirteen Thousand and Forty Four Dollars (\$13,044) which constitutes the March 15, April 15 and May 15, 2004 payments of Forty Three Hundred Forty Eight Dollars (\$4348) each. In correspondence with Contract 2, PASCC shall pay the Balance due of Ninety Four Thousand Six Hundred Thirty Three and 81/100 (\$94,633.81) at 7% beginning June 15, 2004. PASCC may pay the balance at any time, but must make, as a minimum, 24 payments of Forty Three Hundred Forty Eight Dollars (\$4348) on the fifteenth of each month from June 15, 2004 to May 15, 2006 and a final payment on July 15, 2006 of Fourteen Hundred Ninety Seven and 40/100 Dollars (\$1497.40). Failure to make said payments including all interest due by said dates shall constitute a default on the part of PASCC.
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,