



CITY OF EAST LANSING

The Home of Michigan State University

Mr. Michael Henneman
Chairman
Royal Apartments USA, Inc
1605 S. State Street, STE 103
Champaign, IL 61820
Via email: mhenneman@henneman.com

Mr. Paul Vlahakis
Manager
Vlahakis Development, LLC
c/o Vlahakis Companies, Inc
4900 Montrose Avenue, STE 100
Okemos, MI 48864
Via email: paul@vlahakis.com

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April 2, 2019

Subject: Notice of Default- Purchase & Sale Agreement

Dear Mr. Henneman and Mr. Vlahakis,
The Purchase & Sale Agreement executed between Royal Apartments USA, Inc, Vlahakis Development, LLC and the East Lansing Downtown Development Authority (ELDDA) on December 13, 2018 was contingent upon the Purchaser, the Seller, and the City of East Lansing entering into a Development Agreement by April 1, 2019 which included a number of key terms.

As no such Development Agreement has been entered into, on behalf of the ELDDA as authorized at its March 28, 2018 meeting, I hereby issue this 30 Day Notice of Default per section 7b of the agreement, to the extent that provision is applicable. If a fully executed Development Agreement is not received or the default is not otherwise cured within 30 days, the Downtown Development Authority is free to consider the agreement null and void, and may proceed to market the properties.

Please feel free to contact me with any questions.

Sincerely,

Thomas J. Fehrenbach
Community & Economic Development Administrator