

EXCLUSIVE LEASING AND SALE LISTING AGREEMENT

This AGREEMENT, dated this 6th day of December 2016 by and between County of Muskegon, a Michigan municipal corporation whose address is 990 Terrace Street, Muskegon, Michigan (hereinafter "Owner") and JONES LANG LASALLE MICHIGAN, LLC, a Michigan limited liability company whose address is 226 East Hudson, Suite 200, Royal Oak, Michigan (hereinafter "JLL" or "Agent").

BACKGROUND

- A. Owner owns several parcels of property Muskegon County, Michigan. See the properties identified in the attached Schedule A ("Property").
- B. Owner desires to engage JLL as its sole and exclusive leasing and sale agent for the Property.
- C. JLL desires to accept such employment and is engaged in the business of leasing and marketing properties.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1. TERM

1.1 Term. JLL's duties and responsibilities under this Agreement shall begin on the 6th day of December 2016 ("Anniversary Date") and shall end at midnight on December 5, 2017 ("Term") with two (2) options to renew for one (1) year periods on the Anniversary Date. The option to renew may be exercised by either party giving written notice to the other not less than thirty (30) days prior to the expiration of the current Term.

1.2 Pending Matters. In addition to all amounts payable to JLL during the Term of this Agreement, Owner agrees to pay JLL a commission in accordance with Schedule A if within ninety (90) calendar days after the expiration or termination of the Term, Property is sold or leased to, or negotiations continue, resume or commence and thereafter continue leading to the execution of a sale or lease, or exchange or grant of an option with/to any person or entity (including his/her/its successors, assigns or affiliates) with whom JLL has negotiated (either directly or through another broker or agent) or to whom the Property has been submitted prior to the expiration or termination of the Term. JLL is authorized to continue negotiations with such persons or entities. JLL agrees to submit a list of such persons or entities to Owner not later than fifteen (15) calendar days following the expiration or termination of the Term.

ARTICLE 2. SERVICES

2.1 Services. Owner hereby engages JLL as its exclusive broker for the purpose of leasing and/or selling any or all space in the building on the Property (the "Services"). JLL shall perform the Services in accordance with applicable professional standards. Owner shall refer all inquiries to JLL and to conduct all negotiations through JLL (under the supervision, direction and control of Owner); but JLL has no authority to obligate Owner until expressly authorized in writing by Owner. Robert Horn of JLL (the "Project Team") will perform the Services under this Agreement. JLL may cooperate with cooperating brokers, including representatives of JLL or its affiliates other than Project Team members ("JLL Non-Team Brokers"), in leasing space within the Property. In such case, the JLL Non-Team Brokers shall be considered cooperating brokers for purposes of this Agreement. In the event that a cooperating broker shall procure a tenant for space within the Property, and such tenant enters into a lease with the Owner, Owner shall pay JLL the commissions as

set forth in Schedule A to this Agreement. All final business decisions shall be made solely by Owner. All tenant leases shall be prepared by Owner's counsel with assistance from JLL.

2.2 Advertising. JLL shall prepare and submit to Owner for approval a proposed marketing plan and budget for the leasing, sale, promotion, and marketing of the Property (which once approved shall be the "Approved Marketing Plan and Budget"). Such proposed plan shall include proposed leasing guidelines (including allowances for tenant improvements, commission rates and any broker incentives, if applicable) for use in marketing and leasing the Property. JLL shall cause advertising plans and promotional material to be prepared to further rentals in accordance with the Approved Marketing Plan and Budget. Such plans or material shall only be used if approved in advance by Owner.

2.3 Security Deposits. JLL shall not accept security deposits, letters of credit or any other security or financial instruments on behalf of Owner, and shall instruct tenants to tender such deposits and instruments directly to Owner or persons designated by Owner.

2.4 Technical Matters. Owner acknowledges, however, that JLL is not an expert in and is not responsible for any legal, regulatory, tax, accounting, engineering, environmental or other technical matters, all of which shall be solely Owner's responsibility; provided, however, JLL shall, based on its professional expertise, assist Owner in connection with such matters, including giving Owner recommendations as to experts to use for such matters and coordinating the work of such experts with the other parties working on the transaction, but in no event shall JLL have responsibility for the work of such experts.

ARTICLE 3. COMPENSATION

JLL shall receive remuneration for its services as set forth in Schedule A to this Agreement.

ARTICLE 4. NOTICES

All notices, demands, consents and reports provided for in this Agreement shall be in writing and shall be given to the Owner or JLL at the address set forth below or at such other address as they individually may specify thereafter in writing:

OWNER: Muskegon County
990 Terrace St.
Muskegon, MI 49442
Beth Dick c/o Finance & Management Services

With copies to: Williams Hughes, PLLC
120 West Apple Avenue, POB 599
Muskegon, MI 49443
Attention: Douglas M. Hughes

JLL: Jones Lang LaSalle
226 E. Hudson, Suite 200
Royal Oak, MI 48067
Attention: Larry Emmons

With copies to: Jones Lang LaSalle
200 East Randolph Drive
Chicago, IL 60601
Attention: General Counsel

Such notice or other communication shall be delivered by hand or by nationally recognized overnight courier service. For purposes of this Agreement, notices will be deemed to have been given upon receipt or refusal of receipt.

ARTICLE 5. GENERAL PROVISIONS

5.1 Confidentiality; Publicity. JLL shall keep confidential all non-public information obtained from Owner relating to the Services, except as reasonably required in order to perform Services hereunder. In addition, any and all data and studies created in connection with the Services shall belong to Owner. Owner agrees that JLL may publicize its role in any transaction Owner enters into, provided JLL does not disclose any financial information regarding such transaction. JLL may use Owner's name in a list of clients for marketing and promotional purposes.

5.2 Limited Liability. Neither party shall be liable to the other for, and each party hereby waives any and all rights to claim against the other, any special, indirect, incidental, consequential, punitive or exemplary damages in connection with this Agreement, including, but not limited to, lost profits, even if the party has knowledge of the possibility of such damages; and in no event shall JLL's liability to Owner with respect to any particular lease, lease renewal, extension, sale or modification transaction exceed the fees paid to JLL in connection with such transaction.

5.3 Miscellaneous. This Agreement represents the complete and final understanding between JLL and Owner with respect to the Services and may not be waived, amended, or modified by either party, unless such waiver, amendment or modification is in writing and signed by both parties. If any provision of this Agreement is invalid under applicable law, such invalidity shall not affect the other provisions of this Agreement. This Agreement shall be governed by the laws of the state of Michigan. This Agreement is binding upon the parties hereto and their respective successors, This Agreement may not be assigned by either party except to any other entity which acquires all or substantially all of the business and employees of such party.

5.4 Non-Discrimination. The parties hereto acknowledge that it is illegal to refuse to display, lease or sell to or from any person because of one's membership in a protected class, e.g.: race, color, religion, national origin, sex, ancestry, age, marital status, physical or mental handicap, familial status, or any other protected class and agree not to discriminate unlawfully against anyone in a protected class.

5.5 Survival. The provisions of Section 1.3, Article 4 and Sections 5.1, 5.2, and 5.6 of this Agreement shall survive the expiration or termination of the Term of this Agreement.

5.6 Attorney's Fees; JURY WAIVER; Late Payments. If either party shall institute any action or proceeding against the other relating to the provisions of this Agreement, then each party shall be responsible for its own expenses and attorneys' fees. THE PARTIES HEREBY WAIVE TRIAL BY JURY. Delinquent payments hereunder shall earn interest at the rate of one-and-a-half (1-1/2) percent per month from the date due until paid.

5.7 Sale of the Property. In the event of a sale or other conveyance of the Property or any portion of the property by Owner, any portion of the commission which has not yet been paid to JLL pursuant to this Agreement shall thereupon become due and payable by Owner in full on the closing of the conveyance of the Property. In addition, Owner shall remain liable thereafter for any unearned portion of the commission as it becomes due and payable unless buyer of the Property executes and delivers to JLL an agreement, reasonably acceptable to JLL, assuming the obligation to pay the unearned portion of the commission, then Owner shall have no further liability for the unearned portion of the commission.


5.8 Authorization to Act. JLL represents that (i) it is validly organized, existing and authorized to do business under Michigan law; (ii) it has the full power and lawful authority to enter into this Agreement; and (iii) the execution of this Agreement by the individual who has signed below is legally binding on JLL.

IN WITNESS WHEREOF the parties hereto have executed this Agreement on the date and year first above written.

County of Muskegon

By: 
Name: Terry J. Sabo
Title: Chairman of the Board
Muskegon County Board of Commissioners

JONES LANG LASALLE MICHIGAN LLC

By: 
Name: Larry H. Emmons
Title: Managing Director

SCHEDULE A

I. Agent's Compensation:

- A. New Leases and Expansions: Six (6%) percent of the net base rental for the first sixty (60) months in which rent is to be paid plus three (3%) percent of the net base rental for the remaining term.
- B. Renewals and Extensions: One-half of the amounts list above for new leases.
- C. Time of Payment: For new leases, 50% of the commission shall be due and payable upon execution of the lease by Owner and the prospective tenant; 50% of the commission shall be due and payable upon tenant occupancy. For expansions and renewals, 100% of the commission shall be due and payable upon execution of the lease amendment or other definitive document evidencing such transaction by Owner and the tenant.

For purposes of this Agreement "Base Rent" shall mean the base rent payable by a tenant. The following shall be excluded from Base Rent:

- a) Any free rent or other abatement of rent allowed by Owner;
 - b) Amounts payable, by reason of rent inclusion or otherwise, for electricity, or after hours utilities, utility services, heat and/or air-conditioning or other services;
 - c) Payments by tenant of any additional rent charges, for operating expenses (including management recovery cost) of the Property; real estate taxes; wage or labor rate payments, or any lease cancellation payments; and
 - d) Any moving costs of tenant paid by Owner or credited to tenant.
- D. Sale Commissions: The Sale Transaction Fee is Six (6%) percent of the Gross Proceeds. For purposes of calculating the Sale Transaction Fee payable to JLL under this Agreement, the term "Gross Proceeds" shall mean the total value of the gross consideration (including without limitation, cash, notes, abated, securities, property, obligations or mortgages assumed or taken subject to, and any other form of consideration) to be received by Owner and/or its investors in connection with the Transaction. Gross Proceeds shall include any portion of the purchase price placed in escrow or subject to a holdback as part of the Transaction but shall not be adjusted by any fees, prorations or closing expenses. The Sale Transaction Fee will become due and payable by Owner upon consummation of a Transaction, whether or not through the efforts of JLL, provided Owner has entered into a letter of intent or definitive agreement for the Transaction during the Term of this Agreement.

For purposes of this Agreement, the term "Transaction" shall include a direct or indirect transaction with respect to the Property or of the interests in any entity holding title to the Property, whether accomplished through a sale, merger, consolidation or otherwise; any direct or indirect transaction with respect to a partial ownership interest in the Property; or any capital investment structured as a financing, joint venture or any combination thereof. In no event, however, shall a Transaction be deemed to have occurred if the Transaction does not close for any reason; and in such case JLL shall not be entitled to any Sale Transaction Fee.

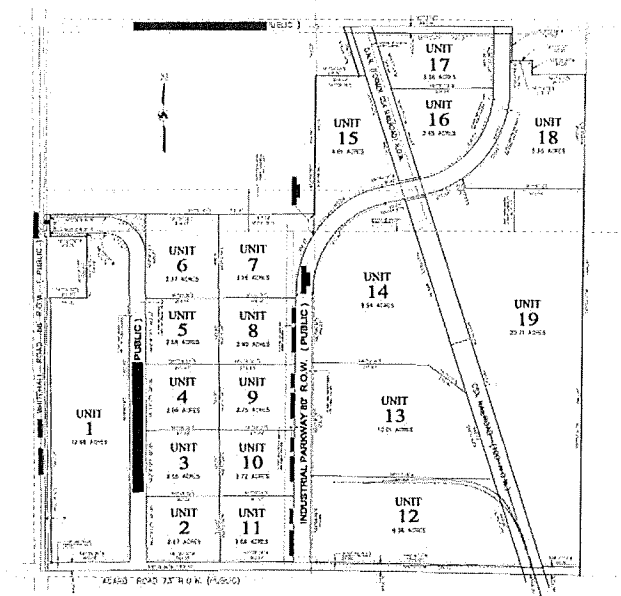
II. Properties included but not limited to:

A. Muskegon County Airport Business Park, City of Norton Shores

- Lot 5 Approximately 1.9 Acres
- Lot 9 Approximately 1.7 Acres
- Lot 12 Approximately 1.7 Acres
- Lot 13 Approximately 3.2 Acres
- Lot 17 Approximately 2.3 Acres

For the sale price of \$30,000 an acre



B. Muskegon County Business Park North



For the sale price of \$30,000 an acre for part or whole.

C. Part or whole of the 2300 Acres Waste Water treatment Plant located at 698 N. Maple Island Road, PP #11-024-400-0001-00, for the sale price of \$10,000 per acre.

REQUEST FOR BOARD CONSIDERATION-COUNTY OF MUSKEGON

COMMITTEE Ways & Means		BUDGETED NON-BUDGETED PARTIALLY BUDGETED		
REQUESTING DEPARTMENT Administration		COMMITTEE DATE November 3, 2016		REQUESTOR SIGNATURE Jonathan Wilson
<p>SUMMARY OF REQUEST (GENERAL DESCRIPTION, FINANCING, OTHER OPERATIONAL IMPACT, POSSIBLE ALTERNATIVES)</p> <p>A Request For Proposals for Commercial Real Estate Broker services was released on August 19, 2016. The bid deadline was September, 9, 2016 and five (5) responses were received. An RFP Review Committee was formed and the proposals were evaluated. The committee recommends awarding the Commercial Real Estate Broker services bid to Jones Lang LaSalle (JLL).</p> <p>In JLL's response they indicated: The JLL team has deep relevant experience in the Muskegon commercial real estate market and has provided integrated real estate services to public sector clients throughout Michigan and across the nation. JLL is uniquely well-suited for the assignment, with:</p> <ul style="list-style-type: none"> The depth and breadth of experience marketing properties in Muskegon and West Michigan. Bob Horn, our brokerage lead, has successfully completed dozens of transactions in the local market including a deal at the Muskegon Airport Industrial Park for Johnson Tech. Mr. Horn has received several awards from the Commercial Alliance of Realtors for his outstanding work in West Michigan; Proven bottom-line results in representing other county and government agencies in Michigan and across the nation; An integrated real estate services approach that will allow us to align Muskegon County's real estate portfolio with its strategic goals; Access to an expansive network of brokerage professionals and development firms; and Extensive and recent experience with projects of similar size and complexity <p>JLL offers an opportunity for Muskegon County to attract national firms to our region, which will in turn, lead to more jobs and increase our tax base. JLL provided a comprehensive strategy to market County-owned property, and provided a competitive commission rate of 6%.</p>				
<p>SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)</p> <p>Move to award a one (1) year Commercial Real Estate Broker services contract, with the option of two (2) one (1) year extensions, to Jones Lang LaSalle (JLL) and that they be compensated by commission fees.</p>				
ADMINISTRATIVE ANALYSIS (AS APPLICABLE)				
<u>HUMAN RESOURCES ANALYSIS:</u>		<u>FINANCE & MANAGEMENT ANALYSIS:</u>		
				
<u>CORPORATE COUNSEL ANALYSIS:</u>		<u>ADMINISTRATOR RECOMMENDATION:</u>		
				
<p>If motion originates from a Statutory Board, Authority or Advisory Committee, please provide the date the motion was approved by that Board/Authority/Committee</p> <div style="border: 1px solid black; width: 150px; height: 25px; margin-left: auto; margin-right: auto;"></div>				
AGENDA DATE: 11/3/16	AGENDA NO.: Wm16/11-153	BOARD DATE: 11/8/16	PAGE NO.	

MUSKEGON COUNTY PROPOSAL SUMMARY

Commodity Number: 91889, 95883, 97135, 99884

Proposal: RFP 16-2236

Department: Administration

Release Date: 8/19/2016

Product / Service: Commercial Real Estate Broker

Opening Date: 9/9/2016

****MITN Solicitation Statistics****

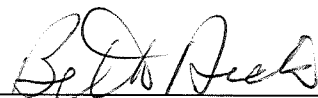
Vendors Received Notice:	252
Vendors Viewed Documents:	11
Proposals Received:	5
No-Proposal Form Received:	0

Vendor Name & Address	Proposal Received	Scoring	Pricing: Commission Fees			Comments
			For Purchase	For Sale	For Lease	
Core Realty Partners 451 W Western Ave Muskegon MI 49440	Yes	55.8%	7%	7%	7%	Senior Associate: \$125/ Hr Sales Associate: \$75/ Hr Admin Support: \$35/ Hr
Colliers International -West MI 333 Bridge St NW Ste 1200 Grand Rapids MI 49504	Yes	61.8%	7%	7%	7%	
Jones Lang LaSalle Michigan, LLC 226 East Hudson Ave Royal Oak MI 48067	Yes	72.4%	6%	6%	6%	
NAI Wisinski of West Michigan 100 Grandville Ave SW Ste 100 Grand Rapids MI 49503	Yes	46.0%	6%	6%	6%	
Signature Associates 1675 E Mt Garfield Ste 175 Muskegon MI 49444	Yes	67.8%	4% **	8% *	3% / 6 % **	* Listing commissions split 50/50 with selling/ leasing broker ** Commission received from listed properties credited towards fee due

Department Recommendation: Jones Lang LaSalle Michigan, LLC

Name of Buyer: Jamie Burmeister

Director of Finance/Assistant County Administrator's Name: Beth Dick

Signature: 

Vendor Awarded: _____

Board Approval Date: _____

Board Motion Number _____

**Muskegon County
Ways & Means Committee
November 3, 2016
4:00 p.m.
Hall of Justice
990 Terrace
Muskegon, MI**

Charles Nash, Chair

Susie Hughes, Vice-Chair

MINUTES

CALL TO ORDER

The meeting was called to order by Commissioner Hughes at 4:00 p.m.

ROLL CALL

Present: Benjamin Cross, Marvin Engle, Susie Hughes, Jeff Lohman, Kenneth Mahoney, Bob Scolnik, Rillastine Wilkins

Excused: Charles Nash [arrived at 4:02 p.m.], Terry J. Sabo

APPROVAL OF MINUTES

It was moved by Commissioner Lohman, supported by Commissioner Wilkins, to approve the minutes of October 18, 2016, as written. Motion carried.

PUBLIC COMMENT (On an agenda item.)

None.

ITEMS FOR CONSIDERATION

WM16/11 - 152 It was moved by Commissioner Cross, supported by Commissioner Wilkins, to approve payment of the accounts payable of \$14,043,549.10 covering the period of October 7, 2016, through October 20, 2016, as presented by the County Clerk. Motion carried.

WM16/11 - 153 It was moved by Commissioner Mahoney, supported by Commissioner Cross, to award a one (1) year Commercial Real Estate Broker service contract, with the option of two (2) one (1) year extensions, to Jones Lang LaSalle (JLL) and that they be compensated by commission fees. Motion carried.

WM16/11 - 154 It was moved by Commissioner Lohman, supported by Commissioner Mahoney, to approve the operating levy of 0.5000 mills for PA 39 of 1976 Activities or Services for Older Persons Act to be levied in December 2016 and to authorize the Muskegon County Clerk and the Chair of the Muskegon County Board of Commissioners to sign the associated updated forms required by the State of Michigan which will be submitted to the State of