

BOYNTON PROPERTY PURCHASE INITIATIVE

INFORMATIONAL HANDBOOK



**Marathon
Petroleum Company LP**

This is a voluntary initiative.

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The information contained in this booklet provides a description of a voluntary Property Purchase Initiative sponsored by Marathon Petroleum Company LP (“MPC”). It is not an offer to buy property, and neither you nor MPC are under any legal obligation with respect to entering any transaction.

INTRODUCTION

The Boynton Property Purchase initiative is sponsored by Marathon Petroleum Company LP (“MPC”) and provides as an opportunity for those property owners interested in re-locating with the opportunity to do so. This handbook summarizes the details of the initiative.

Easy access is provided through our information center, staffed by Community Interaction Consulting, Inc. (CIC). A CIC representative will be at the Information Center and will review all the features of the initiative and assist you in understanding the options that may be available.

**The CIC representative can meet with you privately,
Monday through Friday from 9am to 5pm.
The CIC office is located at 850 South Dix St. Detroit, MI 48217.
Please call the office to make an appointment.
313-768-1225**

This initiative is available to residential property owners only in the designated area. As residential properties become eligible, property owners will be contacted directly. The initiative will be reviewed each year, and updated information will be sent to those who may become eligible. A description of the area is found on page 2 of this handbook. Once a property becomes eligible, the owner will have a 120-day period to determine if they wish to participate. To be eligible, you must sign-up in the designated 120-day period.

MPC understands that circumstances may change. You may opt out any time prior to closing a sale of your property to Marathon.

Anyone acquiring or renting property after the announced date of notification is not qualified to participate. Heirs of deceased owners that signed up within the 120-day sign-up period will be eligible to participate. Property owners and renters as of the date of notification may qualify to participate.

Information center services are available at no cost to you. Meeting with an Information Center representative does not in any way obligate you to sell your property.

Note: You should consider contacting an attorney regarding this Initiative.

SUMMARY OF POTENTIAL INITIATIVE BENEFITS

Owner Occupants

- Average Appraised Price or a Minimum Appraised Price of \$70,000, whichever is higher.
- Premium Payment based on percentage of Average Appraised Price
- Potential Allowances and Bonuses:
 - Relocation Expense Allowance
 - Professional Advice Allowance
 - Mortgage Assistance Allowance for new residence purchase
 - Early Sign-up Bonus
- Other Assistance
 - Home Finding Assistance
 - Equity Advance for new residence purchase
 - Benefits Advance
 - All closing costs for sale of initiative area property paid by MPC (except for certain costs/payments listed)

Tenantable (Rental) Property Owners (Tenant-occupied or habitable, unoccupied property)

- Average Appraised Price or a Minimum Appraised Price of \$42,000, whichever is higher.
- Premium Payment based on percentage of Average Appraised Price
- Potential Allowances and Bonuses:
 - Rent Disruption Allowance
 - Professional Advice Allowance
 - Early Sign-up Bonus
- Other Assistance
 - All closing costs for sale of initiative area property paid by MPC (except for certain costs/payments listed)

Uninhabitable Property Owners

- A non-negotiable offer of \$13,500 per property
- Potential Allowances and Bonuses:
 - Professional Advice Allowance
 - Early Sign-up Bonus
- Other Assistance
 - All closing costs for sale of Initiative Area property paid by MPC (except for certain costs/payments listed)

Stand-Alone Vacant Lot Property Owners

- A non-negotiable offer of \$5,000 per property
- Potential Allowances and Bonuses:
 - Professional Advice Allowance
 - Early Sign-up Bonus
- Other Assistance
 - All closing costs for sale of Initiative Area property paid by MPC (except for certain costs/payments listed)

Tenants

- Tenant Relocation Expense Allowance of \$5,000
- Mortgage Assistance Allowance of \$2,000
- Home Finding Assistance

PROPERTY OWNERS - WHO IS ELIGIBLE?

You are eligible to participate in the purchase initiative if you own and hold good title to residential property in the initiative area as of the beginning of a phase. Eligibility for initiative payments, allowances and bonuses is contingent upon the sale of all properties you own in the initiative area. Further eligibility requirements for potential initiative payments, allowances and bonuses are explained in the following sections.

PROPERTY OWNERS - What are the steps for participating in the initiative?

The following steps must be followed to participate in the initiative. Participation is completely voluntary. Please contact a CIC representative at the Information Center if you have any questions regarding these steps or other initiative requirements.

Step 1: Sign Up

If you are a residential property owner in the initiative area, first contact the Information Center to schedule a meeting. You will be required to provide information on your property and ownership to a CIC representative.

Step 2: Appraisal Request

Next, at your request, CIC will arrange for independent appraisals on each habitable property you own in the initiative area. "Habitable" means that the property has a structure on it that is suitable for a person to live in and free of defects that endanger the health and safety of the occupants. Further explanation can be found in the Appraisals section of this handbook.

Appraisals will not be done for properties that are not habitable. An appraisal request is not a legal commitment to sell your property.

This step must be done within 120 days from the phase start date for you to fully be eligible for applicable initiative premiums and allowances. The appraisals will be done as each phase is activated. This step must be done within 60 days from the phase start date to be eligible for the Early Sign-up Bonus.

Step 3: Acceptance of Offer

Non-negotiable offers will be made by MPC to eligible participants. If MPC offers to purchase your property, the third step in participation will be to determine whether you want to accept the presented offer.

Once you have expressed an interest in participating in the initiative and been approved by CIC for an appraisal(s), the next step is to select appraisers to appraise your property. Appraisals are conducted so that CIC can determine the potential purchase price of your home. They will also determine the amount of initiative benefits you may be eligible to receive. Appraisals will not be performed on properties that are not habitable.

The appraisals under this Initiative are provided at NO cost to you if the appraisers you choose are approved by CIC and meet the Initiative Appraiser Requirements, as described below. **An appraisal request is not a legal commitment to sell your property.**

Appraiser Selection Process:

When you decide to request appraisals for your property, you must first contact a CIC representative at the Information Center. In that meeting, you will select three (3) appraisers to use in the appraisal process of your property. All three appraisers must be approved by CIC and meet the Initiative Appraiser Requirements described below. The three appraisers will consist of two (2) primary appraisers and one (1) reserve appraiser. The reserve appraiser will be used only if the appraised prices from the two primary appraisers are not within 10% of the higher appraised price, as further described in this section.

If you own the property with more than one person, please meet with a CIC representative to discuss how the Appraisal Selection Process applies to each and all owners of that property.

Appraiser Requirements:

The CIC representative will provide a list of appraisers approved by CIC and meet the Initiative Appraiser Requirements. However, you are not restricted to the appraisers on the list provided by CIC. You may name your own appraiser and they will be accepted by CIC and the initiative if they meet ALL of the following requirements.

Initiative Appraiser Requirements

In order for an appraiser to be considered approved for the initiative, he/she must:

1. *Be a full time licensed or certified appraiser in the State of Michigan with experience in the local market;*
2. *Hold an SRA, SRPA, MAI, CRP, ASA designation or be able to demonstrate significant experience in preparing appraisals in accordance with the Employee Relocation Council guidelines;*
3. *Be a member of the local Multiple Listing Service and have additional access to recent comparable sales; AND*
4. *Be willing to prepare the appraisal of your property in accordance with the appraiser instructions, as described in the addendum of this handbook.*

Appraisal Process and Average Appraised Price:

CIC will order the appraisals of your property using the two primary appraisers you selected. You will be notified when the appraisals are ordered. Each of the primary appraisers will independently develop an appraised price for your property using a standard format (AI.100.01). Further instructions and guidelines for the appraisal process are found in Appendix A of this handbook.

The two appraisals by the primary appraisers will be used by CIC to calculate the average appraised price ("Average Appraised Price"). The Average Appraised Price will equal the average of the two (2) appraisals of your property by the primary appraisers – so long as the lower appraised price is within 10% of the higher appraised price.

If the difference between the lower and higher appraised prices is greater than 10%, CIC will order a third appraisal from your selected reserve appraiser. The two highest appraised prices will then be averaged to establish the Average Appraised Price.

Minimum Appraised Price:

A minimum appraised price has been established for the initiative, depending on the type of ownership ("Minimum Appraised Price"). Please refer to the section of "Owner Occupant Benefits" or "Rental Property Owner Benefits" to see what your Minimum Appraised Price will be and how it applies to your property.

Offer and Acceptance Terms:

After the Average Appraised Price has been determined, you may be presented with a written offer from MPC to purchase your property. This offer will only be made in the form of the Initiatives purchase and sale agreement ("Purchase and Sale Agreement"). This will include all proposed payments and the terms and conditions relating to the purchase and sale of your property.

Once you receive an offer from MPC, you will have sixty (60) calendar days to accept.

Acceptance means:

1. That you have signed the Purchase and Sale Agreement;
2. That your signature was witnessed; and
3. That you have returned the signed and witnessed Purchase and Sale Agreement to a CIC representative.

The Purchase and Sale Agreement is a set of written documents. The proposed payments, terms and conditions in it are non-negotiable. Any Purchase and Sale Agreements that have been altered in any way will not be accepted and will not be considered a fully executed agreement.

Release:

Your participation in the initiative and receipt of benefits will require you to release MPC from certain liabilities and claims related to the initiative. It is recommended that you review the release language and documents with an attorney.

PROPERTY OWNERS - Home Finding Assistance

Home Finding Assistance

If you have received an offer through a Purchase and Sale Agreement to sell your property to MPC and are considering purchasing a new residence outside the initiative area, please contact a CIC representative. They will provide you with information regarding how CIC can assist you in searching for a new home. This information will include references to real estate brokers familiar with the initiative and assistance locating homes for sale outside the Initiative Area.

Closing Date:

When a Purchase and Sale Agreement is fully executed by all necessary parties and all requirements of closing are met to CIC's satisfaction, a CIC representative will arrange a closing date for that individual property. The closing must occur within six (6) months of the Purchase and Sale Agreement execution, unless conditions exist for an exception.

Closing Costs:

MPC will pay all closing costs on the sale of your property except for real estate broker commissions, delinquent and/or prorated real estate taxes, liens and judgments. These exceptions must be paid by the property owner and must be paid and cleared from the title before closing on your property takes place.

Vacating the Property:

You will be required to vacate the property as of the closing date, which means removing all possessions and leaving the property "broom clean" and in a "neat and safe condition."

"**Broom clean**" means you must remove all possessions from all structures on the land including:

- furnishings
- automobiles, trucks and recreational vehicles
- recreational equipment
- tires
- paints and other household chemicals
- automobile and motor maintenance products
- fertilizers AND
- weed and pest control products

"Neat and safe condition" means that you must have all utilities including water, sewer, electric, gas and cable service disconnected from the property at the street. This is so all the improvements on the property may be safely removed in accordance with utility providers' guidelines.

An authorized representative of MPC or CIC will inspect the property on the closing date to ensure that the property is "broom clean" and in a "neat and safe condition."

Once the property is vacated, all property owners are responsible for requesting and obtaining the Final Real Estate Water Read and the DTE Electric Clearance Letter. Both documents must be sent to CIC in order to arrange a closing date.

It is the owner's responsibility to cover the cost for disconnecting the natural gas and water. As a convenience, MPC will deduct the \$720 fee for the gas disconnection and \$710 fee for the water disconnection, from the final sale proceeds at closing. MPC will then take on the responsibility of facilitating the final disconnection of natural gas and water.

PROPERTY OWNERS - OWNER TYPES

There are four different types of property owners who may participate in the Initiative (“Owner-Type”). For the general purposes of this Initiative, a single owner shall be defined as one of the following:

1. An individual who holds good title to the property as of the date of notification
2. Spouses who both hold good title to the property as of the date of notification OR
3. Any type of corporate entity or partnership that holds good title to the property as of the date of notification.

For property owners who may own more than one property in the initiative area, please refer to the section on Multiple Owners and Properties below.

The following are the Owner-Types under the Initiative:

Owner Occupants:

An “Owner Occupant” is a person who, as of the date of notification, holds good title to the property in the initiative area and occupies (as defined below) a residence on that property until any possible closing of the sale of the property. Such property will be called the “Owner Occupant Property.”

If you are an Owner Occupant and:

- (1) Own the property with one or more persons AND/OR
- (2) Own more than one property in the initiative area.

Please refer to the Multiple Owners and Properties section. For information regarding any benefits available to an Owner Occupant, please refer to the Owner Occupant Benefits section

Rental Property Owners:

A Rental Property Owner is defined as any person or persons who, as of the date of notification, has title to one or more properties in the Initiative Area that are either:

- A. Tenant occupied, OR
- B. Unoccupied but habitable as defined on page 11.

Please refer to the Multiple Owners and Properties section for information regarding any benefits available to a Rental Property Owner.

Uninhabitable Property Owners:

An Uninhabitable Property Owner is defined as any person or persons who, as of the date of notification, holds good title to property in the initiative area that is either vacant or not habitable (as defined below) until any possible closing of the sale of the property. Such property will be called "Uninhabitable Property."

Please refer to the Multiple Owners and Properties section. For information regarding benefits available to an Uninhabitable Property Owner please refer to the Uninhabitable Property Owner section.

Stand-Alone Vacant Lot Owners:

The contributory value of a vacant lot that is contiguous with an owner's improved property will be included in the appraisal for the improved property and is not a Stand-Alone Vacant Lot. A Stand-Alone Vacant Lot is a vacant lot that is not contiguous with the vacant lot owner's improved property.

Definitions Relating to Owner Types:

"Habitable" means that the property has a structure on it that is suitable and fit for a person to live in and that is free of defects that endanger the health and safety of the occupants.

"Occupy" (and variations thereof) means that you actively and consistently reside in the residence and that said residence is your primary residence. Unoccupied, habitable residences will be treated as Rental Property. If you have a question as to whether a property is habitable, CIC and MPC will make that determination in their sole and reasonable discretion based upon appraisal reports for the subject property.

Multiple Owner-Types:

Multiple Owners of One Property:

If you own property in the initiative area with one or more persons, please meet with a CIC representative to discuss how the payments, benefits, eligibility and conditions of the initiative apply to you.

One Owner of Multiple Properties:

If you own more than one property in the initiative area, you will be classified as the owner-type that best describes each individual property.

If you are an owner of residential property in the initiative area, you may be eligible for certain benefits depending on your Owner-Type, participation, and commitment. Please refer to the benefits section for your specific Owner-Type for further benefits information.

Premium Payment:

A premium payment is available to property owners who qualify for an appraisal under the terms of the initiative ("Premium Payment"). It is part of the property purchase price. The Premium Payment is made at closing and is intended to assist you in purchasing property outside the Initiative Area. The Premium Payment will be based on the following:

1. A percentage of the Average Appraised Price of your property, AND
2. Whether you are an Owner Occupant or a Rental Property Owner.

Please refer to either the "Owner Occupant Benefits" or "Rental Property Owner Benefits" to learn more about how to calculate your Premium Payment.

The following are the allowances and bonuses in the initiative that may be available to you, depending on your Owner-Type and your participation in the initiative. *If you own more than one property in the initiative area, please meet with a CIC representative to discuss how these allowances and bonuses will apply to you.*

It is recommended that you obtain advice from a tax professional, as the payment of these allowances and bonuses will be reported to the Internal Revenue Service.

Professional Advice Allowance:

A professional advice allowance of \$500 per property owner will be given to you when you receive your offer ("Professional Advice Allowance"). You will only receive the professional advice allowance if and when you complete Steps 1 and 2, meeting with a CIC representative, providing initiative-required information and having your property appraised. The Professional Advice Allowance is only available once to each owner, despite the number of properties they may own.

The Professional Advice Allowance is intended to help pay costs for any legal, financial, and/or tax advice and assistance you obtain when reviewing the Purchase and Sale Agreement.

The Professional Advice Allowance is yours to keep regardless of your decision to participate any further in the initiative.

Early Sign-up Bonus:

If at the start of a phase including your property, you request an appraisal for all properties that you own in the initiative area, ("Initiative Sign Up"), you will receive an early sign-up bonus payment of \$1,000 ("Early Sign-up Bonus"). The time frame for early sign up is within the first sixty (60) days of eligibility. After the first sixty (60) days, owners are ineligible for the bonus, but are still eligible for regular sign up.

There will only be one Early Sign-up Bonus available for any property in the initiative area. The Early Sign-up Bonus is only available once per property owner, despite the number of properties they may own.

The Early Sign-up Bonus will be paid at the closing of the sale unless all owners of the property request it to be paid as a Benefit Advance. Please refer to the Benefit Advance section for details and terms.

Rent Disruption Allowance:

If a Purchase and Sale Agreement has been fully executed and if you are a habitable property owner, a rent disruption allowance may be available to you if you have tenants, as defined in the Tenants section of this handbook ("Rent Disruption Allowance"). The purpose of the allowance is to assist with any rental income loss due to selling property to MPC.

The Rent Disruption Allowance provides eligible property owners with \$1,000 per rental property, as defined in the Tenants section of this handbook. When you sign up for the initiative, you must provide CIC with a list of all tenants who are residing in or on your property as of the date of notification. This information must include a written lease with the landlord, a canceled rent payment check, utility bills, or other documentation to verify that the listed tenants were tenants as of the date of notification.

MPC will pay only one Rent Disruption Allowance and one Tenant Relocation Allowance per property. A Tenant that relocates before the owner enters into a purchase agreement with MPC will not be eligible for the Tenant Relocation Allowance.

The Rent Disruption Allowance will be paid at closing, so long as the following conditions are met:

1. All tenants have fully vacated the property. Each rental address must be broom clean and in neat and safe condition, as defined in the Closing and Vacating section of this handbook, by the closing date. An authorized representative of MPC or CIC representative will inspect the property as of the closing date to ensure these requirements are met.

AND

2. All possible and actual disputes between you and each of your tenants have been resolved as of the closing.

If you have requested the Rent Disruption Allowance, you will be required, as a part of the execution of the Purchase and Sale Agreement, to represent and warrant that the above conditions have been met on the closing date. If such conditions are not met, you will not be eligible to receive any Rent Disruption Allowance.

Eligibility:

The benefits outlined in this section are available to Owner Occupants (“Owner Occupant Benefits”). To be considered eligible for Owner Occupant Benefits, a potential Owner Occupant must provide proof to CIC that he/she meets the requirements of an Owner Occupant. The Owner Occupant Benefits under the initiative consist of the following payments, allowances and bonuses:

- Property purchase price:
 - Property payment: the Average Appraised Price of your property, as described below, but no less than Owner Occupant Property Minimum Appraised Price of \$70,000
 - Premium Payment based upon 50% of the Average Appraised Price
- Relocation Expense Allowance of \$5,000 (described below)
- Professional Advice Allowance of \$500
- Mortgage-Assistance Allowance of up to \$2,000
- Early Sign-up Bonus of \$1,000
- Rent Disruption Allowance of \$1,000
- Equity Advance (described below)
- Benefits Advance
- Home Finding Assistance (described on page 8)

Premium Payment:

The Premium Payment for an Owner Occupant Property equals 50% of its Average Appraised Price.

Owner Occupant Average Appraised Price:

If you are an Owner Occupant and MPC offers to purchase your property, the first part of the offered purchase price is the Average Appraised Price for your property. This includes all the improvements on the property (such as a house, garage, etc.). You will not be paid less, than Owner Occupant Property Minimum Appraised Price. Please refer to the Appraisals section of this handbook for further information regarding the appraisal process.

Owner Occupant Property Minimum Appraised Price:

A minimum appraised price for each Owner Occupant Property has been set at \$70,000 (“Minimum Appraised Price”).

Owner Occupant Appraised Price Examples:

The examples in the chart below show how an appraised price might be determined for an Owner Occupant Property.

	Appraisal	Appraisal	Appraisal	Avg. Appraised Price	Min. Appraised Price
Ex. 1	\$45,000	\$41,000	not required	\$43,000	\$70,000
Ex. 2	\$30,000	\$35,000	\$31,000	\$33,000	\$70,000

In example #1, the higher appraisal is \$45,000. This means that the lower appraisal must be within 10% (\$4,500) of the higher appraisal. Since the two appraisals are only \$4,000 apart, a third appraisal is not required. The two appraisals are averaged to establish the Average Appraised Price of \$43,000. However, because the Average Appraised Price is less than \$70,000, the purchase price will be the \$70,000, the Minimum Appraised Price.

In example #2, the higher appraisal is \$35,000. This means that the lower appraisal must be within 10% (\$3,500) of the higher appraisal. However, the appraisals are \$5,000 apart. This means a third appraisal is required. Based on all three of the appraisals, the two higher appraisals (Appraisal #2 = \$35,000 and Appraisal #3 = \$31,000) are averaged to establish the Average Appraised Price of \$33,000. However, because the Average Appraised Price is less than \$70,000, the purchase price will be \$70,000, the Minimum Appraised Price.

Relocation Expense Allowance:

If a Purchase and Sale Agreement is fully executed for the sale of your Owner Occupant Property, you will be eligible for a relocation expense allowance payment of \$5,000 (“Relocation Expense Allowance”). In the case of multiple Owner Occupants of one (1) Owner Occupant Property, the Relocation Expense Allowance remains \$5,000 and will be distributed per Owner Occupant Property, not per person.

The Relocation Expense Allowance is intended to assist you in the payment of any costs you may accrue for moving and personal relocation associated with the sale of your property. It will be paid at closing unless you request any portion of it to be paid as a Benefit Advance. Please refer to the Benefit Advance section for details and terms.

Mortgage Assistance Allowance:

If you are an Owner Occupant in the process of obtaining a mortgage or loan for a new residence outside the initiative area and have a fully executed Purchase and Sale Agreement with MPC, please meet with a CIC representative regarding your eligibility for a mortgage assistance allowance ("Mortgage Assistance Allowance"). If you qualify for a Mortgage Assistance Allowance, MPC will pay up to \$2,000 in total, per Owner Occupant, toward the costs listed below:

1. An appraisal for a new home or land
2. Mortgage loan origination fee and/or discount points
3. Home inspection service, survey, or Home Warranty Plan

If you qualify, the Mortgage Assistance Allowance will be paid to you the day of the closing of your new residence, so long as the closing is within 90 days of vacating your Owner Occupant Property.

Equity Advance:

You may be eligible to apply for an equity advance ("Equity Advance") if you:

- (1) are an Owner Occupant of the property who is in the process of obtaining a mortgage or loan for a new residence

AND

- (2) have fully executed a Purchase and Sale Agreement between MPC and all property owners of the property in question

An Equity Advance is an advance of the amount of equity you have in your current property. For the purposes of the initiative, equity is calculated by taking your Average Appraised Price and Premium Payment and subtracting the amount remaining on any current mortgages, loans, or liens you have on the property.

If you qualify, CIC will determine how much of a percentage of the equity in your property you are eligible to receive. The decision will be based on your percentage of ownership in the property along with other financial factors that you will provide to a CIC representative during the Equity Advance application process. The Equity Advance will not equal more than 90% of the equity in your Owner Occupant Property. Should you qualify for a Initiative Equity Advance, the advance will be paid directly by MPC to the applicable vendor or lender. When you receive an Equity Advance, you will sign an agreement that you agree that the amount paid at the closing of your property will be reduced by the amount paid for the Equity Advance. To learn more about Equity Advances and to apply for one, please contact a CIC representative.

Benefits Advance:

If a Purchase and Sale Agreement is fully executed by the Owner Occupant and MPC, the applicable payments, allowances and bonuses will be paid at closing.

In between the execution of the Purchase and Sale Agreement and closing, an Owner Occupant has the option of requesting an advance of certain allowances and benefits ("Benefit Advance"). In order to determine whether you are able to receive a Benefit Advance and what the requirements are, please see a CIC representative.

When you receive a Benefit Advance, you will sign an agreement acknowledging that the amount paid at closing will be reduced by the amount advanced for any and all Benefit Advances.

Eligibility:

The benefits set forth in this section are available to Rental Property Owners (“Rental Property Benefits”). To be considered eligible for Rental Property Owner Benefits, you must provide proof to CIC that you meet the requirements to be a Rental Property Owner. Rental Property Owner Benefits consist of the following potential payments, allowances and bonuses:

- Property purchase price:
 - Property payment: the Average Appraised Price of your property, as described below, but no less than \$42,000, the Rental Property Minimum Appraised Price.
 - Premium Payment based upon 30% of the Average Appraised Price
- Professional Advice Allowance of \$500
- Early Sign-up Bonus of \$1,000
- Rent Disruption Allowance of \$1,000 per property

Premium Payment:

The Premium Payment for a Rental Property equals 30% of its Average Appraised Price.

Rental Property Average Appraised Price:

If you are a Rental Property Owner and MPC offers to purchase your property, the first part of the offered purchase price is the Average Appraised Price for your property. This also includes the improvements to the property (such as a residence, garage, etc.). You will not be paid less than the Rental Property Minimum Appraised Price. Please refer to the Appraisals section of this handbook for further information regarding the appraisal process.

Rental Property Minimum Appraised Price:

A minimum appraised price for each Rental Property has been set at \$42,000 (“Minimum Appraised Price”).

Appraised Price Examples:

The examples in the chart below show how an appraised price might be determined for a Rental Property.

	Appraisal #1	Appraisal #2	Appraisal #3	Avg. Appraised Price	Min. Appraised Price
Ex. 1	\$25,000	\$27,000	not required	\$26,000	\$42,000
Ex. 2	\$25,000	\$20,000	\$22,000	\$23,500	\$42,000

In example #1, the higher appraisal is \$27,000. This means that the lower appraisal must be within 10% of the higher appraisal, or \$2,700. Since the two appraisals are only \$2,000 apart, a third appraisal is not required.

The two appraisals are averaged to establish the Average Appraised Price of \$26,000.

However, because the Average Appraised Price is less than \$42,000, the purchase price will be the Minimum Appraised Price of \$42,000.

In example #2, the higher appraisal is \$25,000. This means that the lower appraisal must be within 10% or \$2,500. However, the appraisals are \$5,000 apart. This means a third appraisal is required. Based on all three of the appraisals, the two higher appraisals (Appraisal #1 = \$25,000 and Appraisal #3 = \$22,000) are averaged for the Average Appraised Price of \$23,500. However, because the Average Appraised Price is less than \$42,000, the purchase price will be the Minimum Appraised Price of \$42,000.

Eligibility:

The benefits set forth in this section are available to Uninhabitable Property Owners (“Uninhabitable Property Owner Benefits”). To be considered eligible for Uninhabitable Property Owner Benefits, you must provide proof to CIC that you meet the requirements to be an Uninhabitable Property Owner. The Uninhabitable Property Owner Benefits consist of the following potential payments, allowances and bonuses:

Property purchase price:

- A non-negotiable offer of \$13,500 per uninhabitable property
- Professional Advice Allowance of \$500
- Potential Early Sign-up Bonus of \$1,000

Eligibility:

The benefits set forth in this section are available to Stand-Alone Vacant Lot Property Owners that have vacant single lots that are not contiguous with the vacant lot owner's improved property.

Property purchase price:

- A non-negotiable offer of \$5,000 per vacant property
- Professional Advice Allowance of \$500
- Potential Early Sign-up Bonus of \$1,000

Eligibility:

Tenants, as defined below, may be eligible for certain benefits as explained in this initiative handbook. A Tenant is defined as any person occupying a household address in the initiative area ("Tenant Address") as of the date of notification and:

1. He or she has a current and valid written lease with the landlord for the Tenant's Address and his or her name established as a tenant on that lease; and/or
2. He or she has a current and valid oral or written lease with a landlord for the Tenant's Address; canceled rent payment checks or utility bills verifying residence at the Tenant's Address as of the date of notification; AND written confirmation by the landlord or utility company certifying that the provided document is true and that the name on the document belongs on the Tenant.

Participation:

If you are a Tenant in the initiative area, the first step is to contact CIC to provide initiative-required information, including verification of eligibility for the Initiative. If:

1. You are determined to be eligible for the initiative;
2. All required conditions in the Tenant's Benefits section of this initiative handbook are met in full; AND
3. You are presented with a proposed agreement by MPC.

The next step is to determine whether you wish to accept the agreement and the terms, conditions, obligations, and benefits that are offered to you.

TENANTS BENEFITS

Tenant Relocation Expense Allowance:

If you are a tenant of a residence in the initiative area as of the date of notification, you meet the documentation requirements stated on page 22, and your landlord has accepted an offer by MPC to purchase the property on which that residence is located, then you will be eligible for a relocation expense allowance of \$5,000. This allowance is to assist you in relocating outside the initiative area, as explained below (“Tenant Relocation Expense Allowance”).

It is recommended that you obtain advice from a tax professional, as the payments of these allowances and bonuses will be reported to the Internal Revenue Service.

MPC will pay only one Tenant Relocation Allowance. A Tenant that relocates before the owner enters into a purchase agreement with MPC will not be eligible for the Tenant Relocation Allowance. The Tenant Relocation Expense Allowance is a one-per-residence allowance. This will be paid by MPC pro-rata to each tenant of that residence only after all tenants of that residence execute the proposed agreement with MPC and after all the following conditions are met:

Tenant’s landlord provided tenant’s information when he/she signed up to sell his/her property as a part of the initiative.

- A. Tenant’s landlord has accepted an offer by MPC to purchase the property on which tenant’s residence is located.
- B. All tenants of the residence in question must individually execute an agreement with MPC for the acceptance of the Tenant Relocation Expense Allowance and the obligations and terms that are attached to it.
- C. Each tenant of the residence in question must provide proof to MPC and CIC that they have vacated the residence.

Mortgage Assistance Allowance:

Please meet with a CIC representative regarding eligibility for a mortgage assistance allowance if you are a tenant in the process of obtaining a mortgage or loan for a new residence outside the initiative area and have a fully executed Tenant Agreement with MPC (“Mortgage Assistance Allowance”). If you qualify for a Mortgage Assistance Allowance, MPC will pay up to \$2,000 in total, per tenant, toward the costs listed below:

1. An appraisal for a new home or land
2. Mortgage loan origination fee and/or discount points
3. Home inspection service, survey, or Home Warranty Plan

If you qualify, the Mortgage Assistance Allowance will be paid to you on the day of the closing of your new residence, so long as the closing is within 90 days of your vacating your Tenant Address.

Does MPC have any plans to build operating facilities on the property it purchases?

MPC does not intend to use the acquired land for operations.

How long will the initiative last?

Eligible participants will have 120 days from the date of notification to request an appraisal on their Habitable property (“Appraisal Request Period”) which will make them eligible for initiative premiums, allowances and/or bonuses if they decide to sell. Once MPC expresses an interest in a specific property and appraisals have been requested by the owner, CIC will order the requested appraisals. Any offers made by MPC on properties in the initiative area will be made as MPC progresses through the initiative.

What if residents decide not to accept MPC’s offer?

MPC intends to be a good neighbor – to those who wish to leave the area and to those who wish to stay. There is no requirement to participate in the initiative.

How can residents start talking to MPC about this?

An Information Center, staffed by representatives of Community Interaction Consulting, Inc. (CIC) has been set up at 850 South Dix Street, Detroit, MI 48217. The first step is to simply contact a CIC representative at the Information Center (313-768-1225) and provide certain required information relating to participation in the Initiative.

How will the appraisers determine the appraised price?

Appraisers determine the appraised price of a property based on the concept of “comparable sales.” The appraisers will look at comparable property sales outside of the initiative area in the nearby Detroit market, taking into consideration: location, property size, number of square feet, bedrooms, baths, and other features.

What if the potential purchase price and initiative benefits won’t pay off the balance on my mortgage or I am facing foreclosure proceedings?

Please contact a CIC representative to review your situation and discuss any potential assistance they may be able to provide.

What will the initiative offer to tenants in the initiative area?

Tenants who meet the qualifications and requirements set in the Tenants Benefits section of this handbook may receive a pro rata portion of the Tenant Relocation Expense Allowance of up to \$5,000 to assist with the payment of moving costs and to help tenants establish a new residence

SITUATION

1. Marathon Petroleum Company LP (MPC) is the sponsor of a property purchase initiative focused on purchasing certain residential property in the Initiative Area. Accordingly, it is in MPC's best interest to fairly compensate property owners.
2. The properties will be acquired by MPC for purpose of creating green space. Therefore, MPC is not attempting to establish a price, which would allow them to re-sell or mortgage the properties.

APPRAISAL PROCEDURES

1. The appraisers will be chosen by the property owner, approved by and paid by MPC's representative, Community Interaction Consulting, Inc. (CIC).
2. Appraisers will contact property owners within three business days of the appraisal being ordered to schedule a mutually agreeable time to inspect the owner's property. The appraiser who receives the assignment must inspect the subject property.
3. Appraisers will develop their appraised price in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP).
4. All appraisals will be completed using Appraisal Institute form AI.100.01.
5. Appraisers will email original reports and invoices to CIC.

APPRAISER GUIDELINES

1. Sole emphasis will be placed on the sales comparison approach for all properties. Do not use the cost or income approach.
2. Do not use comparable sales from the initiative area generally bounded by:
 - Schaefer Highway,
 - I-75,
 - Sanders St., and
 - Campbell and more specifically described in the attached initiative area map.
3. Do not adjust comparables for FHA or VA financing.
4. Any adjustment deemed to be subjective shall be made to benefit the subject property. Make the highest defensible adjustment.
5. Include non-permitted livable square footage above grade in your total square footage estimate.
6. Do not consider conditional aspects of the subject property like cracked foundation slabs and deferred maintenance. Focus on the objective characteristics like finished living area, room count, number of bathrooms and garages, floor plan, age and lot size. Accordingly, rate the condition of the subject property and comparable sales as fair, average, or good.
7. Utilize price per square foot adjustments, as opposed to lump sum adjustments for living area and lot size.
8. Expect property owners to provide property information they believe is relevant in determining the appraised price. This information should be discussed in the appraisal report.
9. When calculating total living area, round up all exterior dimensions to the nearest half foot.
10. Include in your report the following items:
 - Color photos of the subject property's exterior and interior, and the front of all comparables
 - A sketch, not necessarily to scale, indicating the dimensions used for determining living area
 - A map indicating the location of the subject property and comparable sales.
11. As outlined in our Business Code of Conduct, MPC believes in doing business with those who, at all times embrace and demonstrate our core values, including Integrity, Respect, Inclusion, Collaboration and Safety & Environmental Stewardship.

