

Ludington Area School District  
Property Bid: Lakeview Elementary School  
Address: 502 W. Haight St. Ludington, MI 49431



Bidder: Gibson Custom Homes, Inc.  
Purchase Price: \$240,000



# Gibson Custom Homes, Inc.

*the art of fine homebuilding*

February 10, 2021

Dr. Jason J. Kennedy  
Ludington Area School District  
809 E. Tinkham Avenue  
Ludington, MI 49431

RE: Lakeview Elementary School, 502 W. Haight St., Ludington, MI 49431

The following sets out the basic terms upon which we would be prepared to purchase the Property. The terms are not comprehensive and we would expect that additional terms (*including reasonable warranties and representations*) will be incorporated in to a formal agreement (the "Agreement") to be negotiated. The basic terms are as follows:

1. Purchaser: Gibson Custom Homes, Inc., 424 S. James St., Ludington, MI 49431
2. Seller: Ludington Area School District, 809 E. Tinkham Avenue Ludington, MI 49431
3. Property: Lakeview Elementary School, 502 W. Haight St., Ludington, MI 49431  
ADDITION NO. 4 LOTS 6 THROUGH 11 INCLUSIVE & LOTS 17 THROUGH 22 INCL TOGETHER WITH ADJACENT VACATED ALLEY AS RECORDED IN L.188, P.149 EXCEPT THE N 20 FT OF LOT 8 AND EXCEPT THE N 20 FT OF LOT 17, ALL IN BLOCK 143.
4. Condition: Purchaser agrees to take possession of the property in "as-is" condition.
5. Purchase Price: \$240,000.00 for the referenced premises and its contents including all fixtures, furniture and equipment currently located on the property, payable in cash at closing.
6. Deposit: Upon execution of the Agreement, the Purchaser will deposit with Lakeshore and & Title at 220 E. Ludington Ave., Ludington, MI 49431, the amount of \$10,000.00. Which amount shall be fully applicable to the purchase price at closing of the transaction. Said deposit shall be returned to Purchaser if Purchaser decides not to complete the transaction during the due diligence period, as outlined below.
7. Environmental: Environmental Baseline Assessment to be paid for by the Purchaser. Seller agrees to full disclosure, upon request, of all environmental knowledge and documentation, including but not limited to filling out the Environmental Questionnaire.

8. Due Diligence Period: Purchaser shall have 120 days ("Due Diligence Period") from the mutual execution of a Purchase and Sale Agreement in which to examine all aspects of the Property and determine the suitability of it for its intended purposes. Within ten (10) days of Contract Date, Seller agrees to provide pertinent documents, tests, reports or other materials in its possession to Purchaser to assist Purchaser in this review. Within ten (10) days of Contract Date, Seller shall deliver to Purchaser all leases, contracts, permits, approvals, and agreements relating to the premises for Purchaser's review and determination concerning assumption. Purchaser shall decide by the end of the due diligence period which obligations Purchaser desires to assume. Purchaser may terminate the transaction without further liability for any reason or no reason during the due diligence period and the escrow deposit shall be returned to Purchaser. If Purchaser decides to proceed with the transaction after the due diligence period ends, said escrow deposit shall thereafter be non-refundable unless Seller defaults or some condition to closing of Seller's is not satisfied.

9. Conditions to Close: The following shall be absolute conditions to closing unless waived by Purchaser:

1. Purchaser's satisfactory review of all conditions and matters it deems necessary or appropriate during the due diligence period.
2. Seller's ability to deliver good and marketable, indefeasible, title to the property and all rights and appurtenances thereto. Seller to provide an Owner's Title Policy for the amount of the sale.

10. Fees: Seller shall pay the basic premium for the issuance of the Owner's Title Policy, including the cost of the title search, binder and premium, and preparation and recordation of curative title documents. The cost of any endorsement or additional coverages shall be paid by the Seller. Seller shall also pay for the preparation and recordation of the deed, and all transfer taxes or documentary stamps on the deed. Seller shall further pay all then- due installments of any existing special assessments and all delinquent real estate taxes, as well as any additional taxes assessed for a period prior to closing resulting from changes in the Property's use or ownership. Current real estate taxes, utility costs, and other pro-ratable expenses shall be pro-rated between the parties at closing. Purchaser shall pay at closing the cost of recording any mortgages and mortgage taxes or documentary stamps applicable to Purchaser's lender. Seller and Purchaser shall split equally any escrow fees and miscellaneous closing costs. Each party shall be responsible for the payment of its own attorney fees. Any costs not expressly identified shall be paid according to local custom. There are to be no brokerage expenses.

10. Deed: Purchaser requires a Warranty Deed, not a Quit Claim deed, and full conveyance of all mineral rights, if applicable.
11. Survey: Purchaser does not require a survey.
12. Delivery: Seller agrees to deliver the Property to the Purchaser in "as-is" condition with all mutually agreed upon transferable equipment and properties no later than September 1<sup>st</sup>, 2021.
13. Execution: Within 5 days form execution of this letter of intent, Seller's counsel shall generate a first draft of a Purchase and Sale agreement consistent with the foregoing terms, which shall be on an "as-is" basis, and forward the same to Purchaser, and the parties shall expeditiously and in good faith negotiate the final Purchase and Sale agreement. This letter does not legally bind either party with the foregoing terms, and is subject to the execution of a mutually agreeable contract for the purchase and sale of the Property. The parties acknowledge that the foregoing does not encompass all terms that will be included in the final agreement of purchase and sale. The Contract shall be executed no later than \_\_\_\_\_, 20\_\_.

Please acknowledge your receipt of this letter and Seller's interest in pursuing the execution of a Purchase and Sale agreement in accordance with the foregoing by countersigning the duplicate copy of this letter enclosed herein in the space provided below and returning it to the undersigned by facsimile or email as soon as possible, but in no event later than \_\_\_\_\_, 20\_\_ at 5:00 EST.

**PURCHASER:**

**SELLER:**

\_\_\_\_\_  
**Company Name**

\_\_\_\_\_  
**Company Name**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Printed Name**

\_\_\_\_\_  
**Printed name**

**Date:** \_\_\_\_\_

**Date:** \_\_\_\_\_

I look forward to your reply.  
 Sincerely

Robert W. Gibson  
 MI Builder License: 2101166667 EXP: 5/31/2023



# Gibson Custom Homes, Inc.

*the art of fine homebuilding*

## **Professional Bio**

### **Robert W. Gibson Jr.**

**Gibson Custom Homes, Inc./ KLS Properties LLC/ KARO Investments LLC**

Robert has a Bachelor of Science degree from Eastern Michigan University. Robert worked for several civil engineering firms and a custom residential design-build firm before starting Gibson Custom Homes, Inc. in 2003. Gibson Custom Homes, Inc. specializes in high end residential and light commercial construction in West Michigan. For the past 17 years Gibson Custom Homes, Inc. has achieved high accolades as a premier builder and industry leader in our area.

True to his entrepreneurial spirit, Robert created KLS Properties LLC in 2011. KLS owns and operates 25 residential/commercial rental units in the Ludington area. KLS is the holding company, as well as the management company. Duties include but are not limited to: acquisition, rehab, leasing, evictions, income and expense management, and maintenance.

In 2017 Robert formed KARO Investments LLC and purchase a 67,000 SF blighted, multi-tenant commercial facility in Pere Marquette Township. Robert invested +/- \$300,000.00 in capital improvements. He also executed long term leases, reduced the vacancy rate, increased the NOI, and fully stabilized the investment. The Mid Towne Plaza is now an active, thriving asset to the community and no longer blighted.

Robert brings over 20 years of project management and real estate investment experience to the project. Robert also has an excellent working relationship with all our local trades, suppliers, and municipalities.

### **Erika Burgess**

**Gibson Custom Homes, Inc./ KLS Properties LLC/ KARO Investments LLC**

Erika received her Bachelor of Architecture degree from Illinois Institute of Technology, graduating with High Honors in May 2005. Upon returning to her hometown of Ludington, she began working for Robert at Gibson Custom Homes, Inc. on May 1, 2006.

Over the past 14 years Erika has grown in her role at Gibson Custom Homes, Inc. Starting as a draftsman and office assistant, Erika now heads the company's design department as well as managing building projects and company finances. She has also taken on responsibilities for KLS Properties LLC and KARO Investments LLC including but not limited to leasing and financial management.

Outside the office Erika volunteers on the Run Ludington Race Committee, helping organize local running events to benefit the Downtown Development Authority. She is also a member of The Spectrum Health Ludington Hospital Patient and Family Advisory Council, providing constructive feedback to improve patient experience in all areas of hospital operations.





# Gibson Custom Homes, Inc.

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## PROJECT OVERVIEW

Gibson Custom Homes, Inc. intends to purchase Lakeview Elementary School located at 502 W. Haight St. in Ludington Michigan. GCH, Inc. will demolish the existing building and construct twelve new mid, to mid-high end, duplexes to be sold as condominiums. Bringing a total of 24 new individually owned residential units to our community.

We feel this is the best and most efficient use of the property. We feel it checks many of the community needs boxes, as well as, ensuring maximum perpetual future tax revenue as a return on investment for Ludington Area Schools.

We address the very important need for housing in our area. A recent study found that if we were to build 500 units a year, we would still fall short of our projected housing needs across the economic spectrum. Yes 500! The housing shortage reflects the need for everything from low income, to work-force level, to mid and mid-high end. There are simply not enough housing units to meet demand in our City. We feel by supplying 24 newly constructed, beautifully designed, energy efficient units that we will fulfill a community need.

We will address supporting our local economy. As the Gibson Family built our companies from scratch in Ludington we remained committed to keeping as many funds in our community as possible. This project and GCH, Inc.'s commitment to this directive will create local jobs, using local contractors and suppliers, and ensure that local dollars invested in this project remain mostly within our local economy.

We will address blight elimination. The City of Ludington and a handful of local developers and investors have made blight elimination in our City more of a priority in recent years. Robert Gibson has been very involved and vocal as a pioneer in ways to eliminate blight, create housing, and involve municipal grant funding, private investment, and charitable donations to improve access to housing for all. This project intends to take a soon to be vacant building and the corresponding vacant lots and greatly improve the neighborhood aesthetic. We have also witnessed firsthand, time and time again, how a project like this spreads quickly to surrounding properties as current owners see their neighborhood improving they feel a sense of pride and new motivation to improve their properties.

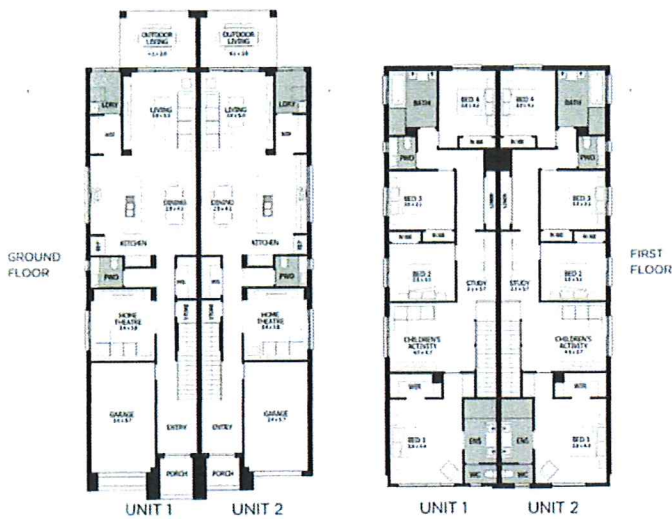
The overall concept and the individual design will blend seamlessly with the existing neighborhood. The size and scale will blend nicely with the other homes in close proximity. GCH, Inc. experience and meticulous attention to design will ensure that each building has its own unique Craftsman/Lakeshore Style design. A design theme that has proven to be in high demand and timeless.



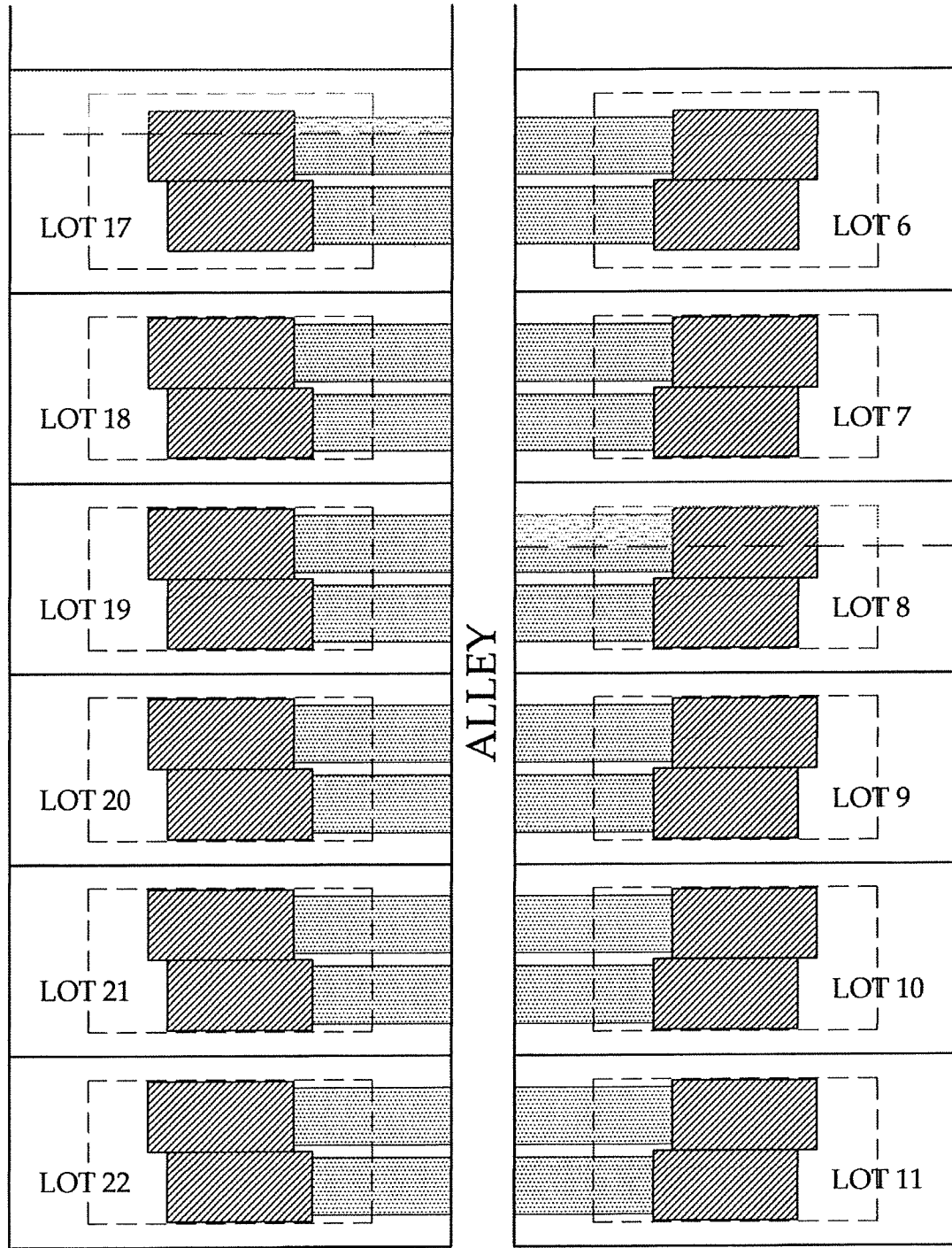
# Gibson Custom Homes, Inc.

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**Conceptual images only-final design may vary**



GAYLORD AVE.



ALLEY

LEWIS ST.






HAIGHT ST.



# SITE PLAN

SCALE: 1:50

### LEGEND:

-  DUPLEX
-  DRIVEWAY
-  PROPERTY SETBACKS
-  PROPERTY LINES
-  EXISTING ALLEY

500 W. HAIGHT ST.

# Gibson Custom Homes, Inc.

*the art of fine homebuilding*

ROBERT W. GIBSON

231-690-9308

231-845-8222

2-6-2014

#2239

1 OF 1



Ludington Area School District  
Property Bid: Lakeview Elementary School  
Address: 502 W. Haight St. Ludington, MI 49431



Bidder: Schultz Excavating.  
Purchase Price: \$196,000



5565 6<sup>th</sup> Street  
Ludington, MI 49431

April 9, 2021

Ludington Area School District  
Attn: Jason J. Kennedy, Superintendent  
809 E. Tinkham Ave.  
Ludington, MI 49431

RE: Lakeview School Property

Dear Jason:

We have received the documents you provided and are prepared to offer \$196,000.00 for the property located at 509 W. Haight Street, Ludington, MI, formerly the Lakeview School. This price includes the costs of the land, improvements, and the demolition of the building therein.

Schultz Excavating & Asphalt is a local construction/excavation company. We have the capabilities to properly and efficiently demolish and dispose of the existing buildings and structures.

Upon demolition, the property will be surveyed and laid out for (8) residential lots. The plan calls for building four (4) prime family homes on Gaylord Street and four (4) smaller square footage homes on Lewis Street, keeping the same standard of quality for both sets of houses. Our goal is not to alter, but to enhance the essential character of the properties. All the homes would be professionally landscaped, with paved drives and walkways.

If you should have any questions regarding this proposal, please give me a call on my cell at (231) 425-8930.

Sincerely,

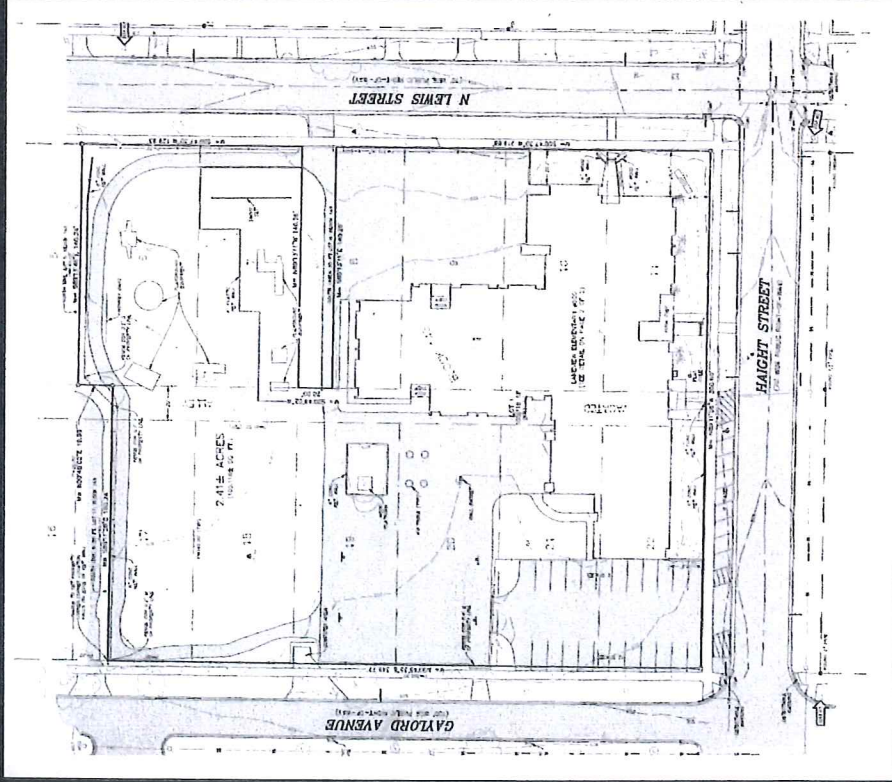
A handwritten signature in black ink that reads "B. Schultz". The signature is stylized and cursive.

Brian E. Schultz

Ludington Area School District  
Property Bid: Lakeview Elementary School  
Address: 502 W. Haight St. Ludington, MI 49431



Bidder: JWhite Properties  
Purchase Price: \$195,000



# THE LAKEVIEW PROPERTY SITE


PRESENTATION SUBMITTED BY JWHITE PROPERTIES

# The Plan

- JWhite Properties (JWP) to pay \$195,000 cash for the Lakeview property site per the proposed Purchase Agreement
- JWP to absorb all expenses relating to demolition and safe removal of hazardous materials on Lakeview property site
- After demolition JWP will immediately develop, prepare, and maintain the site divided into 12 individual lots for the construction of private homes
- JWP will work with the city to provide best solutions for infrastructure (water and sewer)
- JWP owners have a personal vested interest in one of the twelve sites for the development of their own home



# The Plan: Pre-Sale Considerations

- JWP willing to close the real estate transaction immediately after bid acceptance in order to market and sell the properties in 2021
  - A mutually agreeable *Post Closing Agreement* will be executed allowing LAS the opportunity to occupy Lakeview school up to January 31, 2022 for no additional costs
  - JWP will post no marketing signs on the property until LAS moves out of property
  - JWP intends to begin demolition of property as soon as the facility becomes unoccupied
- 

# The Vision: Site Development

JWP will have a personal vested interest in the neighborhood. It is important to us that The Lakeview Property homes fit into the surrounding housing styles and standards. Craftsman home-styles like this example fit well with inviting porches and open floor plan needs to meet today's market. These elements will be strongly suggested or required per the properties purchase deed requirements.

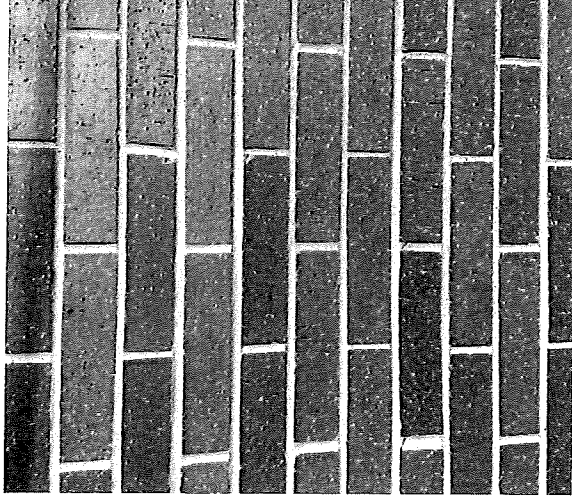
Other key elements will include:

- Sites developed to fit zoning and building code standards
- Sites are specific to single family homes not seeking special land use
- Sites are meant for private ownership



# The Vision: The Legacy


To honor the legacy of Lakeview Elementary School, each home build will be expected to incorporate a dozen bricks from Lakeview Elementary school into a cornerstone of their home.







# The Benefits

- Pre-sales reservations in 2021 will result in construction of homes beginning in the summer of 2022
  - LAS and City of Ludington can begin receiving tax benefits of the developed site as early as 2022
  - The Lakeview property site will begin to take shape as a vibrant neighborhood of homes by Spring of 2023
  - The new and fully developed property of 12 homes will substantially increase the city's tax base
- 

# JWhite Properties - Experience

Development of The Lake House - an example of an aggressive timeline

From a vacant lot housing boat trailers



To The Lake House Venue in 10 short months






# The Team

JWhite Properties is managed and owned by Jeff and Jean White. Jeff grew up in Ludington and returned in 2018 to build The Lake House venue with Jean. The Whites are now full time residents with an extensive business background including management, marketing, sales, and property management. Jeff and Jean are committed to the betterment of the city donating to local community organizations. Jeff also serves on the Ludington City Planning Commission.

The sales of the Lakeview lots will be executed exclusively by Renee Malburg of Five Star Realty. Renee has over 10 years of real estate development experience in Ludington in both sales and design consultation aspects. A few of the projects in which Renee assisted developers are: One Ludington Place Condominiums; Loomis Street Cottages (400 block W Loomis St); and most recently, Hamlin Woods Subdivision. She is also actively involved with the Ludington Downtown Development Board.

All parties are actively involved with the Ludington area and look forward to further enhancing our city with the development of the Lakeview Property Site.



# Contact Information

Jeff White

[jeff@lakehousevenue.com](mailto:jeff@lakehousevenue.com)

317-997-5942



Ludington Area School District  
Property Bid: Lakeview Elementary School  
Address: 502 W. Haight St. Ludington, MI 49431



Bidder: John Reed and Dan Hunter  
Purchase Price: \$190,000

March 23, 2021

RE: Lakeview School Property

Advantages of selling us the property:

- A. 35 years of building and design services in Mason County. With many happy clients and references.
- B. We are local taxpayers of the Ludington School District
- C. Our goal is to use local subcontractors. In the past, we have heard complaints at the lumber yards that local taxpayers fund a lot of out-of-town contractors to build schools, jails etc.

This will be an advantage with us as we have in place these local subs:

- a. Excavator
- b. Plumber
- c. Framers
- d. Electrician
- e. HVAC
- f. Lumber Yard

Next, we want to not only be excellent stewards of the land once you choose us, but we also want to be “Green” during the demolition phase. Listed below are initiatives we will undertake during the demo phase:

- a. Remove windows and doors before demo as they are in decent shape and can be re-used to avoid filling the landfill. The cost for removal will be approximately \$12,000 but it will assist in our “Green” initiative and support a local business (Ludington Paint and Glass).
- b. Bricks will be taken to Towns Construction to be crushed and recycled.
- c. Asphalt that is removed may be crushed and used as a base for the alley.
- d. The chain link fence will be used as a safety barrier during the construction phase. After construction, the fence can be sold or donated.
- e. Playground equipment will be donated or repurposed depending on the needs of the community.

It is our desire to partner with the school administration and school board to make this process as smooth and simple as possible.

Respectfully Submitted

John Reed

Dan Hunter

March 23, 2021

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It is our desire to partner with the school administration and school board to make this process as smooth and simple as possible.

Respectfully Submitted

John Reed

Dan Hunter



1 PROPOSED GAYLORD STREET  
NOT SCALE



2 PROPOSED LEWIS STREET  
NOT SCALE

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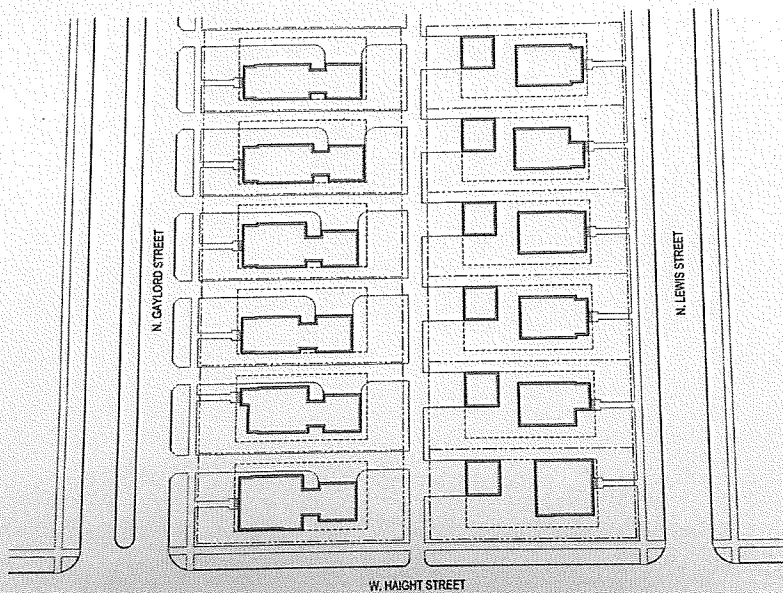
**LIMITS OF RESPONSIBILITY**  
 WE PROVIDE DESIGN SERVICES AS AN INDEPENDENT CONTRACTOR. OUR LIABILITY IS LIMITED TO THE DESIGN SERVICES WE PROVIDE. WE DO NOT PROVIDE ARCHITECTURAL, ENGINEERING, OR OTHER PROFESSIONAL SERVICES. WE ARE NOT RESPONSIBLE FOR ANY CONSTRUCTION DEFECTS OR OTHER ISSUES THAT MAY ARISE DURING OR AFTER CONSTRUCTION.

SCHEMATIC ELEVATION RENDERINGS  
FOR  
LAKEVIEW DEVELOPMENT

Revisions	
1	2024
2	2024
3	2024
4	2024
5	2024
6	2024
7	2024
8	2024
9	2024
10	2024

**heritage design workshop**  
 400.500.1000 or 800.500.1000  
 1000 Lakeside Blvd, Suite 100  
 North Andover, MA 01857

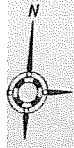




W. HAIGHT STREET

1 PROPOSED SITE PLAN  
1/1/2017

SCALE: 1" = 30'-0"



Design team responsible for all drawings  
Heritage Design Group, Inc. is not responsible for  
liability for any work shown or omitted to appear  
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APPROVED BY ARCHITECT/ENGINEER  
DATE: 1/1/2017  
PROJECT NO: 17-001  
SHEET NO: 1 OF 1  
SHEET TITLE: PROPOSED SITE PLAN  
DRAWN BY: J. BROWN  
CHECKED BY: J. BROWN  
DATE: 1/1/2017

### SCHMATIC SITE PLAN FOR LAKEVIEW DEVELOPMENT

NO.	DATE	DESCRIPTION
1	1/1/2017	PROPOSED SITE PLAN

heritage  
design  
workshop  
1000 10th St. N.  
Lakeview, MN 55127  
612-223-1111

Ludington Area School District  
Property Bid: Lakeview Elementary School  
Address: 502 W. Haight St. Ludington, MI 49431



Bidder: Todd and Nicole Stowe  
Purchase Price: \$170,000

## Lakeview School bid

1 message

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**Todd stowe** <stoweoil@hotmail.com>  
To: Jason Kennedy <jkennedy@lasd.net>

Fri, Apr 9, 2021 at 1:55 PM

Jason,

Per our conversation earlier today, please accept this email as a bid of 170,000 for Lakeview School.

Please reply confirming receipt of this bid.

Thank you!

Todd and Nicole Stowe

Sent from my iPhone

Ludington Area School District  
Property Bid: Lakeview Elementary School  
Address: 502 W. Haight St. Ludington, MI 49431



Bidder: TAF Properties, LLC.  
Purchase Price: \$50,000

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# TAF Properties LLC

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3-15-21

5061 W. US-10  
Ludington, MI 49431

Dear Ludington School Board:

TAF Properties LLC would like to submit and offer to buy the Lakeview school building and associated property, the details of the offer are below.

**Purchase price:** \$50,000.

**Contingencies:** The building is to remain in working order until possession is taken. All fixtures, furniture, and equipment are to remain. All books, papers, and general trash to be removed from the building.

**Terms:** \$25,000 down and the remaining \$25,000 will be paid once possession of the building has been taken. The building must be vacated by 12-31-2021. I will be willing to extend the deadline based on the timeline of the completion of the new school building.

**Future use:** If my offer is accepted, I would plan to demo the building and develop the land into sellable lots and or single-family type homes. The projected timeline for building demolition and development would be approximately 1-2 years.

**Prior experience:** I am a lifelong Ludington resident that has developed numerous businesses and buildings in the Ludington area. I have listed some of the most recent projects below.

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**Vacation Station RV Resort:** The second expansion consists of 12 acres of land is currently being leveled for an additional 80 RV sites. This is a full hook up resort with concrete pads swimming pools, internet, etc. This property is located between Grand rental Station and the new Culvers in Ludington.

**Baymont to Holiday Inn Express conversion:** Converted the 116 room Baymont to a new Holiday Inn Express. The project consisted of demoing the interior and exterior of the building to the framing of the building and replacing everything with new. This included installing sprinkler systems, fire alarm system, and elevator, windows, etc. All work had to meet IHG corporate specifications. The convention center was also renovated, and the parking lot was replaced and expanded. This project is located on the corner of US-10 and Brye road in Ludington.

I look forward to the Ludington School Boards decision on the purchase. Please note that the final details of this agreement need to be approved by my attorney. Please let me know if you have any questions.

Sincerely,

*Tim Ferwerda II*

Tim Ferwerda II