



City of Chicago



O2018-3195

Office of the City Clerk

Document Tracking Sheet

Meeting Date:	4/18/2018
Sponsor(s):	Emanuel (Mayor)
Type:	Ordinance
Title:	Intergovernmental agreement with Chicago Park District for transfer of property and reimbursement of tax increment financing (TIF) funded improvements for Edgewater Park project
Committee(s) Assignment:	Committee on Housing and Real Estate

HSG-



OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

April 18, 2018

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Planning and Development, I transmit herewith ordinances authorizing the conveyance of property to the Chicago Park District.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

A handwritten signature in cursive script that reads "Rahm Emanuel".

Mayor

ORDINANCE

WHEREAS, the City of Chicago (the "City"), is a home rule unit of government under Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois, and as such may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the Chicago Park District (the "Park District"), is an Illinois municipal corporation and a unit of local government under Article VII, Section 1 of the 1970 Constitution, of the State of Illinois, and as such is authorized to exercise control over and supervise the operation of all parks within the corporate limits of the City; and

WHEREAS, on February 10, 2016 the City Council, by an ordinance adopted on October 10, 2003 and published in the Journal for such date at pages 18491 through 18494, authorized the acquisition of six land parcels commonly known as 1628 and 1630 West Hollywood Avenue, and 1619, 1621, 1623 and 1625 West Edgewater Avenue on the site of the former Edgewater Hospital (the "Project Property") which is identified on Exhibit A attached hereto and made a part hereof, from MCZ Edgewater LLC and MCZ Edgewater Exchange LLC to the City; and

WHEREAS, the City has executed a real estate sales agreement regarding the Acquisition Property; and

WHEREAS, after the City acquires the Project Property, the City intends to convey it to the Park District for the development of a new public park (the "Project"); and

WHEREAS, the Project Property lies completely within the boundaries of the Edgewater Ashland Redevelopment Area (as hereinafter defined); and

WHEREAS, the City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 *et seq.*, as amended from time to time (the "Act"), to finance projects that eradicate blight conditions and conservation factors that could lead to blight through the use of tax increment allocation financing for redevelopment projects; and

WHEREAS, in accordance with the provisions of the Act, and pursuant to ordinances adopted on October 1, 2003, the City Council: (i) approved and adopted a Tax Increment Redevelopment Project and Plan (the "Plan") for a portion of the City known as the "Edgewater Ashland Redevelopment Project Area" (the "Edgewater Ashland Redevelopment Area"); (ii) designated the Edgewater Ashland Redevelopment Area as a "redevelopment project area" and a Tax Increment Financing District; and (iii) adopted tax increment allocation financing for the Edgewater Ashland Redevelopment Area; and

WHEREAS, under 65 ILCS 5/11-74.4-3(q)(7), such incremental ad valorem taxes which pursuant to the Act have been collected and are allocated to pay redevelopment project costs and obligations incurred in the payment thereof ("Increment") may be used to pay all or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs (Increment collected from the Edgewater Ashland District Redevelopment Area shall be known as the "City Increment"); and

WHEREAS, the City wishes to make available to the Park District a portion of the City

Increment in an amount not to exceed \$960,000 for the purpose of funding the Project costs (the "TIF-Funded Improvements") to the extent and in the manner provided in the Agreement (as hereinafter defined); and

WHEREAS, the Plan contemplates that tax increment financing assistance would be provided for public improvements, such as the Project, within, or adjacent to, the boundaries of the Edgewater Ashland Redevelopment Area; and

WHEREAS, the Park District is a taxing district under the Act; and

WHEREAS, in accordance with the Act, the TIF-Funded Improvements shall include such of the Park District's capital costs necessarily incurred or to be incurred in furtherance of the objectives of the Plan, and the City has found that the TIF-Funded Improvements consist of the cost of the Park District's capital improvements that are necessary and directly result from the redevelopment project constituting the Project and, therefore, constitute "taxing districts' capital costs" as defined in Section 5/11-74.4-3(u) of the Act; and

WHEREAS, the City and the Park District wish to enter into an intergovernmental agreement in substantially the form attached as Exhibit B (the "Agreement") whereby the City shall convey the Project Property to the Park District and pay for or reimburse the Park District for a portion of the TIF-Funded Improvements; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. The above recitals are expressly incorporated in and made a part of this ordinance as though fully set forth herein.

SECTION 2. The City hereby finds that the TIF-Funded Improvements, among other eligible redevelopment project costs under the Act approved by the City, consist of the cost of the Park District's capital improvements that are necessary and directly result from the redevelopment project constituting the Project and, therefore, constitute "taxing districts' capital costs" as defined in Section 5/11-74.4-3(u) of the Act.

SECTION 3. The City hereby approves the conveyance of the Project Property to the Park District for the price of One and No/100 Dollar (\$1.00) per parcel.

SECTION 4. The Mayor or his proxy is authorized to execute, and the City Clerk or Deputy City Clerk is authorized to attest, a quitclaim deed (or quitclaim deeds) conveying the Project Property to the Park District. The quitclaim deed(s) shall include the following covenant running with the land, or language substantially similar and acceptable to the Corporation Counsel:

"Park District shall allow the Project Property to be used only as a recreational park. The City, acting through the Commissioner of the Department of Planning and Development of the City of Chicago, or any successor department thereto, shall have authority to release this covenant upon the request of the Park District. If Park District allows the Project Property to be used for any purpose other than open space without first obtaining a release of this covenant, the City may re-enter and take possession of the Project Property, terminate the estate conveyed to Park District, and re-vest title to the Project Property in the City. Furthermore, Park District shall allow the Project Property to be

used only for a use consistent with the City's Edgewater Ashland Redevelopment Plan until such plan expires."

SECTION 5. The Commissioner of the Department of Planning and Development (the "Commissioner") and a designee of the Commissioner are each hereby authorized, subject to the approval of the Corporation Counsel, as to final form and legality, to negotiate, execute and deliver, or receive on behalf of the City, such other supporting documents as may be necessary or appropriate to convey such City Property to the Park District.

SECTION 6. Subject to the approval of the Corporation Counsel of the City of Chicago as to form and legality, and to the approval of the City Comptroller, the Commissioner is authorized to execute and deliver the Agreement, and such other documents as are necessary, between the City of Chicago and the Park District, which Agreement may contain such other terms as are deemed necessary or appropriate by the parties executing the same on the part of the City.

SECTION 7. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code of Chicago, or part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall control. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any other provisions of this ordinance.

SECTION 8. This ordinance shall be in full force and effect from and after the date of its passage and approval.

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EXHIBIT A

**Project Property
Legal Description**

PARCEL 1:

LOTS 10 THROUGH 15, BOTH INCLUSIVE AND LOT 16 (EXCEPT THE WEST 18 FEET THEREOF) IN BLOCK 4 IN ASHLAND AVENUE AND CLARK STREET ADDITION TO EDGEWATER BEING A SUBDIVISION IN PARTS OF SECTIONS 5 AND 6, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

CONTAINING 17,046 SQUARE FEET OR 0.39 ACRES MORE OR LESS.

PINs:

14-06-409-060-0000 (Part of)
14-06-409-048-0000

Commonly known as: 1628 W. Hollywood Avenue
 1630 W. Hollywood Avenue,
 Chicago, Illinois 60660

PARCEL 2:

LOTS 2, 3 AND 4 IN EDGEWATER ONE SUBDIVISION BEING A RESUBDIVISION OF PART OF BLOCK 4 IN ASHLAND AVENUE AND CLARK STREET ADDITION TO EDGEWATER BEING A SUBDIVISION IN PARTS OF SECTIONS 5 AND 6, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

CONTAINING 10,507 SQUARE FEET OR 0.24 ACRES MORE OR LESS.

PINs:

14-06-409-066-0000
14-06-409-067-0000
14-06-409-068-0000

Commonly known as: 1619 W. Edgewater Avenue
 1621 W. Edgewater Avenue
 1623 W. Edgewater Avenue

Chicago, Illinois 60660

Parcel 3:

LOT 5 EXCEPT THAT PART THEREOF LYING WEST OF THE NORTHERLY EXTENSION OF THE WEST LINE OF LOT 16 IN BLOCK 4 IN ASHLAND AVENUE AND CLARK STREET ADDITION TO EDGEWATER, BEING A SUBDIVISION IN PARTS OF SECTIONS 5 AND 6, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

CONTAINING 8,492 SQUARE FEET OR 0.19 ACRES MORE OR LESS.

PIN: 14-06-409-069-0000 (Part of)

Commonly known as: 1625 W. Edgewater Avenue, Chicago, Illinois 60660

EXHIBIT B

Intergovernmental Agreement

[See attached]

INTERGOVERNMENTAL AGREEMENT
BETWEEN
THE CITY OF CHICAGO
AND THE CHICAGO PARK DISTRICT

EDGEWATER AND ASHLAND AVENUE PARK

This Intergovernmental Agreement (this "Agreement") is made this _____ day of _____, 2018 (the "Closing Date"), under authority granted by Article VII, Section 10 of the 1970 Constitution of the State of Illinois, by and between the City of Chicago (the "City", an Illinois municipal corporation, by and through its Department of Planning Development ("DPD"); and the Chicago Park District (the "Park District"), an Illinois municipal corporation. The Park District and the City are sometimes referred to herein as the "Parties."

RECITALS

A. The City is a home rule unit of government under Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois, and as such may exercise any power and perform any function pertaining to its government and affairs.

B. The Park District is a unit of local government under Article VII, Section 1 of the 1970 Constitution of the State of Illinois, and as such, has the authority to exercise control over and supervise the operation of all parks within the corporate limits of the City.

C. The Park District desires to build, develop, and operate a new park at 1625 West Edgewater Avenue in Chicago, Illinois and legally described in Exhibit A (the "Property"), such improvement being hereinafter referred to as the "Project."

D. The City desires to assist the Park District with the Project by (1) conveying the Property and (2) providing tax increment financing;

E. The City intends to convey the Property to the Park District which lies wholly within the boundaries of the Edgewater/Ashland Redevelopment Area (as hereinafter defined).

F. The City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 *et seq.*, as amended from time to time (the "Act"), to finance projects that eradicate blight conditions and conservation factors that could lead to blight through the use of tax increment allocation financing for redevelopment projects.

G. In accordance with the provisions of the Act, and pursuant to ordinances adopted on October 1, 2003, and published in the Journal (the "Journal") of the Proceedings of the City Council for said date at pages 8260 through 8333, the City Council: (i) approved and adopted a Tax Increment Redevelopment Project and Plan (the "Plan") for a portion of the City known as the Edgewater/Ashland Redevelopment Area (the "Edgewater/Ashland Redevelopment Area"); (ii) designated the Edgewater/Ashland Redevelopment Area as a "redevelopment project area" and a Tax Increment Financing District; and (iii) adopted tax increment allocation financing for the Edgewater/Ashland Redevelopment Area.

H. Under 65 ILCS 5/11-74.4-3(q)(7), such incremental ad valorem taxes which pursuant to the Act have been collected and are allocated to pay redevelopment project costs and obligations incurred in the payment thereof ("Increment") may be used to pay all or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs (Increment collected from the Edgewater/Ashland Redevelopment Area shall be known as the "Edgewater/Ashland Increment").

I. The Park District is a taxing district under the Act.

J. The Plan contemplates that tax increment financing assistance would be provided for public improvements, such as the Project, within, or adjacent to, the boundaries of the Edgewater/Ashland Redevelopment Area.

K. DPD desires to make available to the Park District a portion of the Edgewater/Ashland Increment in an amount not to exceed \$960,000 (the "Project Assistance") for the purpose of funding the Project costs (the "TIF-Funded Improvements") to the extent and in the manner provided in this Agreement.

L. In accordance with the Act, the TIF-Funded Improvements shall include such of the Park District's capital costs necessarily incurred or to be incurred in furtherance of the objectives of the Plan, and the City has found that the TIF-Funded Improvements consist of the cost of the Park District's capital improvements that are necessary and directly result from the redevelopment project constituting the Project and, therefore, constitute "taxing districts' capital costs" as defined in Section 5/11-74.4-3(u) of the Act.

M. The City and the Park District desire to enter into this Agreement whereby the Park District will undertake the Project and the City shall convey the Property to the Park District and shall reimburse the Park District for the TIF-Funded Improvements made pursuant to the Project in an amount not to exceed \$960,000.

N. On _____, 2018, the City Council adopted an ordinance published in the Journal of Proceedings for said date at pages _____ to _____ (the "Authorizing Ordinance"), among other things, (i) approving the TIF Funded Improvements, (ii) authorizing the conveyance of the Property from the City to the Park District; and (iii) authorizing the execution of this Agreement.

O. On February 14, 2018, the Park District's Board of Commissioners passed an ordinance to accept the conveyance of the Property from the City for a new park in the Edgewater community area.

P. On January 10, 2018, the Park District's Board of Commissioners passed an ordinance expressing its desire to accept Project Assistance from the City for the development of the Project and authorizing the execution of this Agreement (the "Park District Ordinance").

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the above recitals which are made a contractual part of this Agreement, and

other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

TERMS AND CONDITIONS

SECTION 1. THE PROJECT.

1.1. Pursuant to that certain Real Estate Sales Agreement ("PSA") entered into among the City, MCZ Edgewater Exchange, LLC, and MCZ Edgewater LLC (MCZ Edgewater Exchange, LLC, and MCZ Edgewater, LLC, collectively, the "Seller"), a copy of which is attached hereto as Exhibit E, the City intends to purchase the Property. The PSA requires the Seller to abate and demolish the buildings on the Property, as well as perform certain remediation work. The City will transfer the Property to the Park District following the later of (i) the City's issuance of a temporary certificate of occupancy for Seller's residential development which is to be constructed on land to the east of the Property and commonly known as 5700 N. Ashland Avenue, Chicago, Illinois, (ii) the City's receipt of a final comprehensive residential no further remediation letter, if required by the City pursuant to Section 3.1.x.(e) of the PSA; (iii) the Seller's completion of the Punch List Work (as defined in Section 3.1. of the PSA); and the City's resolution of any title imperfections not otherwise listed in section 3.3, herein, subject to the Park District's final satisfaction and approval.

1.2. The Park District will purchase the Property in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, all as may be in effect from time to time, pertaining to or affecting the Project or the Park District as related thereto, including but not limited to 70 ILCS 1505/0.01 et seq. Upon the City's request, the Park District shall provide evidence satisfactory to the City of such compliance.

1.3. No later than 36 months after the Closing Date, or later as the Commissioner (the "Commissioner") may agree in writing, the Park District shall let one or more contracts for the construction and/or development of the Project in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, all as may be in effect from time to time, pertaining to or affecting the Project or the Park District as related thereto.

1.4. The Project shall at a minimum meet or shall have met the general requirements set forth in the Project Description in Exhibit B hereof and comply with plans and specifications to be provided to and approved by DPD prior to the commencement of the Project ("Plans and Specifications") in order for the Park District to qualify for the disbursement of Edgewater/Ashland Increment funds. No material deviation from the Plans and Specifications may be made without the prior written approval of the City. The Park District shall comply with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, all as may be in effect from time to time, pertaining to or affecting the Project or the Park District as related thereto.

1.5. The Park District shall provide the City with copies, if any shall apply, of all governmental licenses and permits required to construct the Project and to use, occupy and operate the Property as a public park from all appropriate governmental authorities, including evidence that the Property is appropriately zoned to be used, occupied and operated as a public park.

1.6. The Park District shall include a certification of compliance with the requirements of Sections 1.1, 1.2, 1.3, 1.4 and 1.5 hereof with each request for Edgewater/Ashland Increment funds hereunder and at the time the Project is completed. The City shall be entitled to rely on this certification without further inquiry. Upon the City's request, the Park District shall provide evidence satisfactory to the City of such compliance.

SECTION 2. FUNDING

2.1. The City shall, subject to the Park District's satisfaction of the conditions precedent for disbursement described in this **Section 2** and such other conditions contained in this Agreement, disburse the TIF Assistance to the Park District.

2.2. The City shall establish a special account within the Edgewater/Ashland Redevelopment Project Area Special Tax Allocation Fund; such special account is or shall be known as the "**Edgewater Park Account.**" Disbursement of TIF Assistance funds will be subject to the availability of Edgewater/Ashland Increment in the Edgewater Park Account, subject to all restrictions on and obligations of the City contained in all Edgewater/Ashland Ordinances, or relating to the Edgewater/Ashland Increment and all agreements and other documents entered into by the City pursuant thereto.

2.3. Within 15 days after the Closing Date or such longer period of time as may be agreed to by the Commissioner, but in no event later than 90 days after the execution of this Agreement (the "**Satisfaction Period**"), the Park District must satisfy to the reasonable satisfaction of the Commissioner, the following conditions precedent for City's disbursement of the TIF Assistance to the Park District:

2.3.1. the Park District has satisfactory title to the Property, which may be evidenced by a valid lease agreement or an acceptable title insurance policy, subject only to those title exceptions acceptable to the City and the Park District;

2.3.2. [Intentionally Omitted – relating to title imperfections]; and

2.3.3. the Park District has satisfied the conditions stated in this **Section 2.3** within the Satisfaction Period. If the Park District is unable to satisfy said conditions, either Party may terminate this Agreement by providing written notice to the other Party.

2.4. The Park District may request that a certificate(s) of expenditure in the form of Exhibit C hereto ("Certificates of Expenditure") be processed and executed periodically. The City shall not execute Certificates of Expenditure in the aggregate in excess of the actual costs of the Project that are TIF-Funded Improvements. Prior to each execution of a Certificate of Expenditure by the City, the Park District shall submit documentation regarding the applicable expenditures to DPD. Delivery by the Park District to DPD of any request for execution by the City of a Certificate of Expenditure hereunder shall, in addition to the items therein expressly set forth, constitute a certification to the City, as of the date of such request for execution of a Certificate of Expenditure, that:

- (a) the total amount of the request for the Certificate of Expenditure represents the actual amount payable to (or paid to) the general contractor, subcontractors, and

other parties who have performed work on or otherwise provided goods or services in connection with the Project, and/or their payees;

- (b) all amounts shown as previous payments on the current request for a Certificate of Expenditure have been paid to the parties entitled to such payment;
- (c) the Park District has approved all work and materials for the current request for a Certificate of Expenditure, and such work and materials conform to the Plans and Specifications previously approved by DPD; and
- (d) the Park District is in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, all as may be in effect from time to time, pertaining to or affecting the Project or the Park District as related thereto.

2.5. The City shall have the right, in its discretion, to require the Park District to submit further documentation as the City may require in order to verify that the matters certified to in Section 2.4 are true and correct, and any execution of a Certificate of Expenditure by the City shall be subject to the City's review and approval of such documentation and its satisfaction that such certifications are true and correct; provided, however, that nothing in this sentence shall be deemed to prevent the City from relying on such certifications by the Park District.

2.6. The current estimated cost of the entire Project is \$960,000. The Park District has delivered to the Commissioner a budget for the Project attached as Exhibit D. The Park District certifies that it has identified sources of funds, including the TIF Assistance, sufficient to complete its budgeted portion of the Project. The Park District agrees that the City will reimburse the Park District with the TIF Assistance for the costs of the Project and that all costs of completing the Project over the TIF Assistance shall be the sole responsibility of the Park District. If the Park District at any point learns upon reasonable duty of inquiry that it does not have sufficient funds to complete the Project, the Park District shall so notify the City immediately in writing and cease all work on the Project until the City and the Park District agree on how to proceed; the Park District may narrow the scope of the Project (the "**Revised Project**") as agreed to by the City prior to the restart of any work in order to complete the Revised Project with the TIF Assistance. The City has the right, at its election, to withhold and refuse all reimbursement in the event that the Park District fails to so notify the City and/or the Park District and the City fail to reach agreement on a Revised Project as described above.

2.7. Exhibit D contains a preliminary list of capital improvements and other costs, if any, recognized by the City as being eligible redevelopment project costs under the Act with respect to the Project, to be paid for out of the Project Assistance. To the extent the TIF-Funded Improvements are included as taxing district capital costs under the Act, the Park District acknowledges that the TIF-Funded Improvements are costs for capital improvements and the City acknowledges it has determined that these TIF-Funded Improvements are necessary and directly result from the Plan. Prior to the expenditure of Project Assistance on the Project, the Commissioner, based upon the project budget, may make such modifications to Exhibit D as he or she wishes in his or her discretion to account for all of the Project Assistance to be expended under this Agreement; provided, however, that all TIF-Funded Improvements shall (i) qualify as redevelopment project costs under the Act, (ii) qualify as eligible costs under the Plan; and (iii) be improvements that the Commissioner has agreed to pay for out of Project Assistance, subject to the terms of this Agreement.

2.8. The Park District hereby acknowledges and agrees that the City's obligations hereunder with respect to the Project Assistance are subject on every respect to the availability of funds as described in and limited by this Section 2.8 and Section 2.2. If no funds or insufficient funds are appropriated and budgeted in any fiscal period of the City for disbursements of the Project Assistance, then the City will notify the Park District in writing of that occurrence, and the City may terminate this Agreement on the earlier of the last day of the fiscal period for which sufficient appropriation was made or whenever the funds appropriated for disbursement under this Agreement are exhausted.

2.9. If the aggregate cost of the Project is less than the amount of the Project Assistance contemplated by this Agreement, the Park District shall have no claim to the difference between the amount of the Project Assistance contemplated by this Agreement and the amount of the Project Assistance actually paid by the City to the Park District and expended by the Park District on the Project.

SECTION 3. TERM, CONVEYANCE AND RIGHTS OF ENTRY

3.1 The term of this Agreement shall commence on the Closing Date and shall expire on the date on which the Edgewater Ashland Redevelopment Area is no longer in effect, or on the date of termination of this Agreement according to its terms, whichever occurs first.

3.2 The Park District shall complete the construction and development of the Project within one (1) year following the Closing Date. Upon the later of the completion of the construction and development of the Project and the issuance of a Final No Further Remediation Letter relating to the Property from the Illinois Environmental Protection Agency, the City shall convey the Property to the Park District by quitclaim deed for the sum of One Dollar (\$1.00) per parcel. The City shall prepare all necessary transfer documents and cause the conveyance of the parcels agreed to be transferred to the Park District. The Property closing shall take place on such date and at such place as the parties may mutually agree to in writing, but in no event earlier than the Closing Date.

3.3 Without limiting the generality of the quitclaim nature of the City's deed, all such conveyances and title shall, in addition to the provisions of this Agreement, be subject to:

1. The Redevelopment Project and Plan for the Edgewater/Ashland Redevelopment Project Area;
2. The standard exceptions in an ALTA title insurance policy;
3. General real estate taxes for tax years after 2018;
4. Any and all exceptions caused by the acts of the Park District or its agents.

3.4 Subject to the terms and conditions set forth herein, the City hereby grants to the Park District a right of entry to the Property for the sole purpose of allowing the Park District to commence, manage, perform, and, after completion, but before conveyance of the Property from the City to the Park District, maintain the Project pursuant to this Agreement. The right of entry granted hereunder extends to, and the Park District shall be responsible for, its agents, employees, contractors, subcontractors and consultants. This right of entry is non-assignable. The Park District agrees to notify the City at least five (5) days prior to commencing the Project. The Park District further agrees to notify the City promptly upon completing the Project. The Park District shall require its contractor to provide the City evidence of the types and amounts of insurance as shall be determined by the City and to indemnify the City against all liabilities

resulting from the commencement, management, performance, and, after completion, but before conveyance of the Property from the City to the Park District, maintenance of the Project.

3.5 The City shall use reasonable efforts to obtain the waiver or release of any delinquent real estate taxes or tax liens on the Property prior to the Closing Date, to the extent such taxes or tax liens can be waived or released through submission of an abatement letter to the Cook County Treasurer, a motion to vacate a tax sale or a petition for exemption, but shall have no further duties with respect to any such taxes. Furthermore, the Park District shall be responsible for all taxes accruing on the Property after the Closing Date.

SECTION 4. ENVIRONMENTAL MATTERS.

4.1. The Chicago Park District shall, in its sole discretion, determine if any environmental remediation is necessary, and any such work that the Park District determines is necessary shall be performed using the Project Assistance funding provided herein or any applicable funding provided by the Park District. The City's financial obligation shall be limited to an amount not to exceed \$960,000 with respect to the matters contained in this Agreement, including this Section 4. The City makes no covenant, representation or warranty as to the environmental condition of the Property or the suitability of the Property as a park or for any use whatsoever.

4.2. The Park District agrees to carefully inspect the Property prior to commencement of any remediation or development on the Property to ensure that such activity shall not damage surrounding property, structures, utility lines or any subsurface lines or cables. The Park District shall be solely responsible for the safety and protection of the public. The City reserves the right to inspect the work being done on the Property. The Park District agrees to keep the Property free from all liens and encumbrances arising out of any work performed, materials supplied or obligations incurred by or for the Park District.

4.3. The Park District or its contractor must obtain all necessary permits, and applicable insurance as described in Section 5 hereof.

4.4 In addition, the Property shall be conveyed to the Park District in its "as is, where is" condition, with no warranty, express or implied, by the City as to the condition of the soil, its geology, or the presence of known or unknown faults. It shall be the sole responsibility of the Park District to investigate and determine the soil and environmental condition of the Property. If the soil conditions are not in all respects entirely suitable for the use or uses to which the Property is intended to be utilized for under this Agreement, then it shall be the sole responsibility and obligation of the Park District to take such action as may be necessary to place the soil and environmental condition of the Property in a condition entirely suitable for the intended uses under this Agreement. After the City's conveyance of the Property to the Park District, the Park District shall have no recourse whatsoever against the City under any Environmental Laws or any other laws, rules or regulations for the environmental, soil or other condition of the Property. For purposes of the foregoing, "Environmental Laws" shall mean shall mean any and all federal, state or local statutes, laws, regulations, ordinances, codes, rules, orders, licenses, judgments, decrees or requirements relating to public health and safety and the environment now or hereafter in force, as amended and hereafter amended, including but not limited to (i) the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601 et seq.); (ii) any so-called "Superfund" or "Superlien" law; (iii) the Hazardous Materials Transportation Act (49 U.S.C. Section 1802 et seq.); (iv) the Resource Conservation and Recovery Act (42 U.S.C. Section 6902 et seq.); (v) the Clean Air Act (42

U.S.C. Section 7401 et seq.); (vi) the Clean Water Act (33 U.S.C. Section 1251 et seq.); (vii) the Toxic Substances Control Act (15 U.S.C. Section 2601 et seq.); (viii) the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. Section 136 et seq.); (ix) the Illinois Environmental Protection Act (415 ILCS 5/1 et seq.); and (x) the Municipal Code, including but not limited to Sections 7-28-390, 7-28-440, 11-4-1410, 11-4-1420, 11-4-1450, 11-4-1500, 11-4-1530, 11-4-1550, or 11-4-1560 thereof, whether or not in the performance of this Agreement.

SECTION 5. INSURANCE.

5.1. The Park District shall provide and maintain at the Park District's own expense, or cause to be provided during the term of this Agreement, the insurance coverages and requirements specified below, insuring all operations related to this Agreement.

- (a) Workers Compensation and Employers Liability. Workers Compensation as prescribed by applicable law covering all employees who are to provide a service under this Agreement and Employers Liability coverage with limits of not less than \$100,000 each accident or illness.
- (b) Commercial General Liability (Primary and Umbrella). Commercial General Liability Insurance or equivalent with limits of not less than \$1,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages shall include the following: All premises and operations, products/completed operations, explosion, collapse, underground, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.
- (c) Automobile Liability (Primary and Umbrella). When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, The Park District shall provide or cause to be provided, Automobile Liability Insurance with limits of not less than \$1,000,000 per occurrence for bodily injury and property damage.
- (d) Professional Liability. When any architects, engineers or professional consultants perform work in connection with this Agreement, The Park District shall cause to be provided, Professional Liability Insurance covering acts, errors, or omissions shall be maintained with limits of not less than \$1,000,000.
- (e) Self Insurance. To the extent permitted by applicable law, the Park District may self insure for the insurance requirements specified above, it being expressly understood and agreed that, if the Park District does self insure for any such insurance requirements, the Park District must bear all risk of loss for any loss which would otherwise be covered by insurance policies, and the self insurance program must comply with at least such insurance requirements as stipulated above.

5.2. The Park District will furnish the City at the address stated in Section 8.13, original Certificates of Insurance evidencing the required coverage to be in force on the Closing Date, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. The Park District shall submit evidence of insurance on the City's Insurance Certificate Form or equivalent prior to the Closing Date. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in this Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. The failure of the City to obtain certificates or other insurance evidence shall not be deemed to be a waiver by the City.

5.3. The Park District shall advise all insurers of the provisions of this Agreement regarding insurance. Non-conforming insurance shall not relieve the Park District of the obligation to provide insurance as specified herein. Non-fulfillment of the insurance conditions may constitute a violation of this Agreement, and the City retains the right to stop work until proper evidence of insurance is provided, or this Agreement may be terminated.

5.4. The required insurance shall provide for sixty (60) days prior written notice to be given to the City in the event coverage is substantially changed, canceled, or non-renewed.

5.5. Any and all deductibles or self insured retentions on referenced insurance coverages shall be borne by the Park District and its contractors.

5.6. The Park District agrees that insurers shall waive their rights of subrogation against the City, its employees, elected officials, agents, or representatives.

5.7. The Park District expressly understands and agrees that any coverage and limits furnished by the Park District shall in no way limit the Park District's liabilities and responsibilities specified by this Agreement or by law.

5.8. The Park District expressly understands and agrees that any insurance or self insurance programs maintained by the City shall not contribute with insurance provided by the Park District under this Agreement.

5.9. The required insurance shall not be limited by any limitations expressed in the indemnification language herein or any limitation placed on the indemnity therein given as a matter of law.

5.10. The Park District shall require all subcontractors to provide the insurance required herein and insurance customarily required by the Park District or the Park District may provide the required coverages for subcontractors. All subcontractors shall be subject to the same insurance requirements of the Park District unless otherwise specified herein. In all contracts relating to the Project, the Park District agrees to require the contractor to name the City as an additional insured on insurance coverages and to require the contractor to indemnify the City from all claims, damages, demands, losses, suits, actions, judgments and expenses including but not limited to attorney's fees arising out of or resulting from work on the Project by the contractor or contractor's suppliers, employees, or agents.

5.11. The City's Risk Management Department maintains the right to modify, delete, alter or change these requirements.

SECTION 6. INDEMNITY / NO PERSONAL LIABILITY.

6.1. To the extent of liability of a municipal corporation, as such is precluded by the Local and Governmental Tort Immunity Act or the common law of the state of Illinois, the Park District agrees to indemnify and hold the City, its officers and employees, harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses, including, without limitation, reasonable attorney's fees and court costs suffered or incurred by the City arising from or in connection with (i) the Park District's failure to comply with any of the terms, covenants and conditions contained in this Agreement; or (ii) the Park District's or any contractor's failure to pay general contractors, subcontractors or materialmen in connection with the Project. The defense and indemnification obligations in this Section 6.1 shall survive any termination or expiration of this Agreement.

6.2. No elected or appointed official or member or employee or agent of the City or the Park District shall be individually or personally liable in connection with this Agreement.

SECTION 7. DEFAULT.

7.1. If the Park District, without the City's written consent fails to complete the Project within 36 months after the date of execution of this Agreement, then the City may terminate this Agreement by providing written notice to the Park District.

7.2. In the event the Park District fails to perform, keep or observe any of its covenants, conditions, promises, agreements or obligations under this Agreement not identified in Section 7.1 and such default is not cured as described in Section 7.3 hereof, the City may terminate this Agreement.

7.3. Prior to termination, the City shall give its 30-day prior notice of intent to terminate at the address specified in Section 8.13 hereof, and shall state the nature of the default. In the event Park District does not cure such default within the 30-day notice period, such termination shall become effective at the end of such period; provided, however, with respect to those defaults which are not capable of being cured within such 30-day period, the Park District shall not be deemed to have committed such default and no termination shall occur if the Park District has commenced to cure the alleged default within such 30-day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

7.4. The City may, in any court of competent jurisdiction, by any proceeding at law or in equity, secure the specific performance of the agreements contained herein, or may be awarded damages for failure of performance, or both.

SECTION 8. GENERAL PROVISIONS.

8.1. Authority. Execution of this Agreement by the City is authorized by the Authorizing Ordinance. Execution of this Agreement by the Park District is authorized by the Park District Resolution. The Parties represent and warrant to each other that they have the authority to enter into this Agreement and perform their obligations hereunder.

8.2. Assignment. This Agreement, or any portion thereof, shall not be assigned by either Party without the prior written consent of the other.

8.3. Compliance with Laws. The Parties agree to comply with all federal, state and local laws, status, ordinances, rules, regulations, codes and executive orders relating to this Agreement.

8.4. Consents. Whenever the consent or approval of one or both Parties to this Agreement is required hereunder, such consent or approval will not be unreasonably withheld.

8.5. Construction of Words. As used in this Agreement, the singular of any word shall include the plural, and vice versa. Masculine, feminine and neuter pronouns shall be fully interchangeable, where the context so requires.

8.6. Counterparts. This Agreement may be executed in several counterparts and by a different Party in separate counterparts, with the same effect as if all Parties had signed the same document. All such counterparts shall be deemed an original, shall be construed together and shall constitute one and the same instrument.

8.7. Further Assurance. The Parties shall perform such acts, execute and deliver such instruments and documents, and do all such other things as may be reasonably necessary to accomplish the transactions contemplated in this Agreement.

8.8. Governing Law and Venue. This Agreement will be governed by and construed in accordance with the internal laws of the State of Illinois, without regard to the principles of conflicts of law thereof. If there is a lawsuit under this Agreement, each Party hereto agrees to submit to the jurisdiction of the courts of Cook County, the State of Illinois.

8.9. Integration. This Agreement constitutes the entire agreement between the Parties, merges all discussions between them and supersedes and replaces any and every other prior or contemporaneous agreement, negotiation, understanding, commitments and writing with respect to such subject matter hereof.

8.10. Parties' Interest/No Third Party Beneficiaries. This Agreement shall be binding upon the Parties, and their respective successors and permitted assigns (as provided herein) and shall inure to the benefit of the Parties, and their respective successors and permitted assigns (as provided herein). This Agreement shall not run to the benefit of, or be enforceable by, any person or entity other than a Party and its successors and permitted assigns. This Agreement should not be deemed to confer upon third parties any remedy, claim, right of reimbursement or other right. Nothing contained in this Agreement, nor any act of the Parties shall be deemed or construed by any of the Parties hereto or by third parties, to create any

relationship of third party beneficiary, principal, agent, limited or general partnership, joint venture, or any association or relationship involving any of the Parties.

8.11. Modification or Amendment. This Agreement may not be altered, modified or amended except by a written instrument signed by both Parties.

8.12. No Implied Waivers. No waiver by either Party of any breach of any provision of this Agreement will be a waiver of any continuing or succeeding breach of the breached provision, a waiver of the breached provision itself, or a waiver of any right, power or remedy under this Agreement. No notice to, or demand on, either Party in any case will, of itself, entitle that Party to any further notice or demand in similar or other circumstances.

8.13. Notices. Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth below, by any of the following means: (a) personal service; (b) electronic communications, whether by telex, telegram, facsimile (fax); (c) overnight courier or (d) registered or certified first class mail, return receipt requested.

- To the City: City of Chicago
Department of Planning
and Development
Attention: Commissioner
City Hall, Room 1000
121 N. LaSalle Street
Chicago, Illinois 60602
(312) 744-4190
(312) 744-2271(Fax)
- With copies to: City of Chicago
Department of Law
Attention: Finance and
Economic Development Division
City Hall, Room 600
121 N. LaSalle Street
Chicago, Illinois 60602
(312) 744-0200
(312) 744-8538 (Fax)
- To the Park District: Chicago Park District
Attention: General Superintendent
541 North Fairbanks
Chicago, Illinois 60611
(312) 742-4200
(312) 742-5276 (Fax)
- With a copy to: Chicago Park District
General Counsel
541 North Fairbanks, Room 300
Chicago, Illinois 60611

(312) 742-4602
(312) 742-5316 (Fax)

Such addresses may be changed by notice to the other Party given in the same manner provided above. Any notice, demand or request sent pursuant to either clause (a) or (b) above shall be deemed received upon such personal service or dispatch. Any notice, demand or request sent pursuant to clause (c) above shall be deemed received on the day immediately following deposit with the overnight courier and any notices, demands or requests sent pursuant to clause (d) above shall be deemed received two business days following deposit in the mail.

8.14. Remedies Cumulative. The remedies of a Party hereunder are cumulative and the exercise of any one or more of the remedies provided for herein shall not be construed as a waiver of any other remedies of such Party unless specifically so provided herein.

8.15. Representatives. Immediately upon execution of this Agreement, the following individuals will represent the Parties as a primary contact in all matters under this Agreement.

For the City: Nelson Chueng
City of Chicago
Department of Planning and Development
City Hall, Room 905
121 N. LaSalle Street
Chicago, Illinois 60602
(312) 744-5756
(312) 744-7996 (Fax)

For the Park District: Heather Gleason
Chicago Park District
Director of Planning and Construction
541 North Fairbanks
Chicago, Illinois 60611
(312) 742-4650
(312) 742-5347 (Fax)

Each Party agrees to promptly notify the other Party of any change in its designated representative, which notice shall include the name, address, telephone number and fax number of the representative for such Party for the purpose hereof.

8.16. Severability. If any provision of this Agreement, or the application thereof, to any person, place or circumstance, shall be held by a court of competent jurisdiction to be invalid, unenforceable or void, the remainder of this Agreement and such provisions as applied to other persons, places and circumstances shall remain in full force and effect only if, after excluding the portion deemed to be unenforceable, the remaining terms shall provide for the consummation of the transactions contemplated hereby in substantially the same manner as originally set forth herein.

8.17. Survival of Agreements. Except as otherwise contemplated by this Agreement, all covenants and agreements of the Parties contained in this Agreement will survive the consummation of the transactions contemplated hereby.

8.18. Titles and Headings. Titles and headings to paragraphs contained in this Agreement are for convenience only and are not intended to limit, vary, define or expand the content of this Agreement.

8.19. Time. Time is of the essence in the performance of this Agreement.

[The remainder of this page is intentionally blank.
Signatures appear on the following page.]

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed and delivered as of the date first above written.

CITY OF CHICAGO, a municipal corporation,
by and through its Department of Planning and
Development

By: _____
David L. Reifman
Commissioner

CHICAGO PARK DISTRICT, a body politic and
Corporate of the State of Illinois

By: _____
Michael P. Kelly
General Superintendent and CEO

Attest:

Kantrice Ogletree
Secretary

EXHIBIT A

Legal Description

PARCEL 1:

LOTS 10 THROUGH 15, BOTH INCLUSIVE AND LOT 16 (EXCEPT THE WEST 18 FEET THEREOF) IN BLOCK 4 IN ASHLAND AVENUE AND CLARK STREET ADDITION TO EDGEWATER BEING A SUBDIVISION IN PARTS OF SECTIONS 5 AND 6, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

CONTAINING 17,046 SQUARE FEET OR 0.39 ACRES MORE OR LESS.

PINs:

14-06-409-060-0000 (Part of)

14-06-409-048-0000

Commonly known as: 1628 W. Hollywood Avenue
 1630 W. Hollywood Avenue,
 Chicago, Illinois 60660

PARCEL 2:

LOTS 2, 3 AND 4 IN EDGEWATER ONE SUBDIVISION BEING A RESUBDIVISION OF PART OF BLOCK 4 IN ASHLAND AVENUE AND CLARK STREET ADDITION TO EDGEWATER BEING A SUBDIVISION IN PARTS OF SECTIONS 5 AND 6, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

CONTAINING 10,507 SQUARE FEET OR 0.24 ACRES MORE OR LESS.

PINs:

14-06-409-066-0000

14-06-409-067-0000

14-06-409-068-0000

Commonly known as: 1619 W. Edgewater Avenue
 1621 W. Edgewater Avenue
 1623 W. Edgewater Avenue

Chicago, Illinois 60660

Parcel 3:

LOT 5 EXCEPT THAT PART THEREOF LYING WEST OF THE NORTHERLY EXTENSION OF THE WEST LINE OF LOT 16 IN BLOCK 4 IN ASHLAND AVENUE AND CLARK STREET ADDITION TO EDGEWATER, BEING A SUBDIVISION IN PARTS OF SECTIONS 5 AND 6, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

CONTAINING 8,492 SQUARE FEET OR 0.19 ACRES MORE OR LESS.

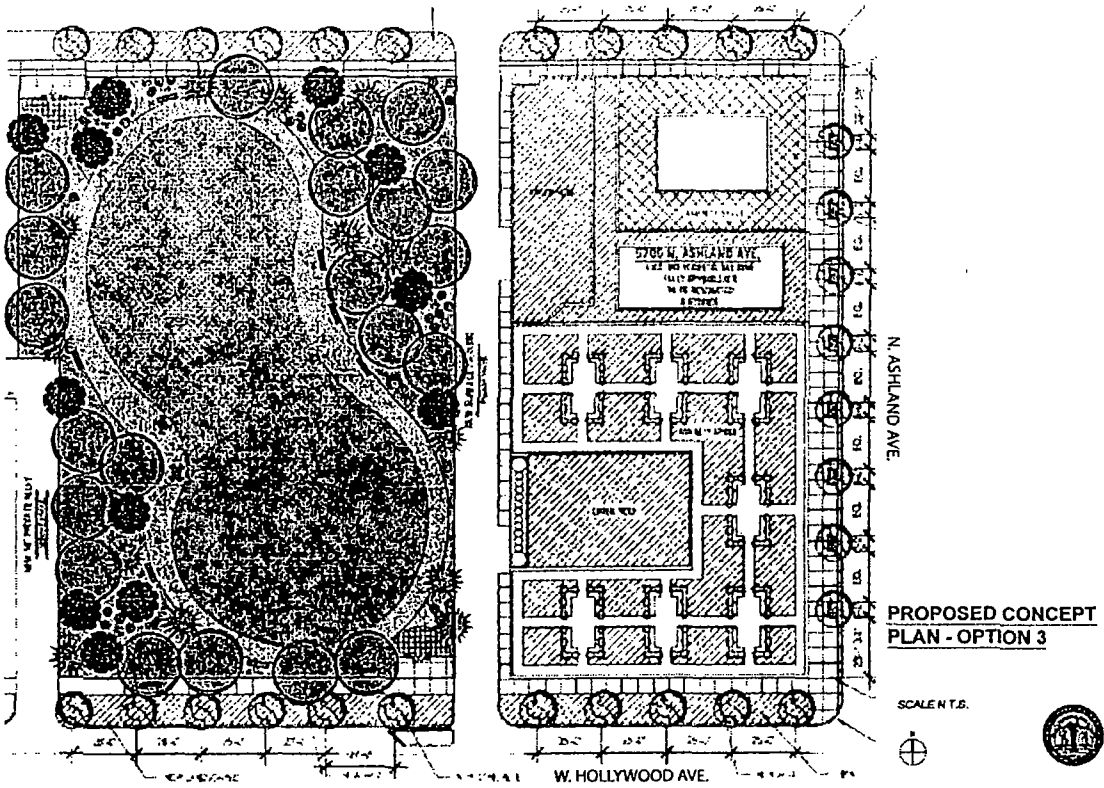
PIN: 14-06-409-069-0000 (Part of)

Commonly known as: 1625 W. Edgewater Avenue, Chicago, Illinois 60660

EXHIBIT B

Project Description

The development of a new park on a portion of the former Edgewater Hospital site



All capitalized terms which are not defined herein have the meanings given such terms in the Agreement.

Chicago Park District

By: _____
Name

Title: _____

Subscribed and sworn before me this ____ day of _____, _____.

My commission expires: _____

Agreed and accepted:

Name
Title: _____
City of Chicago
Department of Planning and Development

EXHIBIT D

Project Budget TIF-Funded Improvements

The total cost of the project is \$960,000. In no event, however, shall funding from the Edgewater/Ashland TIF Fund exceed \$960,000.

	<u>Edgewater Park</u>
<u>Sources Budget:</u>	
City of Chicago (Edgewater/Ashland TIF)	\$960,000
Chicago Park District	\$0
Total Project Cost	\$960,000

<u>Uses Budget:</u>	
Design	\$ 67,500
General Conditions	\$ 85,000
Construction	\$675,000
Contingency	\$132,500
Total:	\$960,000

The Commissioner may approve changes to this preliminary budget.

EXHIBIT E

Real Estate Sales Agreement

REAL ESTATE SALES AGREEMENT

This REAL ESTATE SALES AGREEMENT (“**Agreement**”) is made on or as of this 10th day of January, 2018 (“**Effective Date**”), by and among **MCZ EDGEWATER, LLC**, an Illinois limited liability company (“**MCZ LLC**”), having its principal offices at 806 N. Peoria, 5th Floor, Chicago, Illinois 60642, and **MCZ EDGEWATER EXCHANGE, LLC**, an Illinois limited liability company (“**MCZ Exchange**”), having its principal offices at 806 N. Peoria, 5th Floor, Chicago, Illinois 60642 (MCZ LLC and MCZ Exchange, collectively, the “**Seller**”), and the **CITY OF CHICAGO**, an Illinois municipal corporation and home rule unit of government (the “**City**”), acting by and through its Department of Planning and Development (“**DPD**”), having its principal offices at City Hall, 121 North LaSalle Street, Chicago, Illinois 60602.

RECITALS

WHEREAS, MCZ LLC and MCZ Exchange each own an undivided fifty percent (50%) interest in that certain parcel of real estate which is commonly known as 1628 and 1630 West Hollywood Avenue, and 1619, 1621, 1623 and 1625 West Edgewater Avenue, Chicago, Illinois, and which is more accurately legally described on Exhibit A attached hereto (“**Property**”, which is comprised of “**Parcel 1**”, “**Parcel 2**” and “**Parcel 3**”); and

WHEREAS, the Property is improved with one or more structures (collectively, the “**Buildings**”) that comprise a portion of the former Edgewater Medical Center; and

WHEREAS, the City desires to purchase the Property from the Seller and the Seller desires to sell the Property to the City upon the terms and conditions described in this Agreement; and

WHEREAS, the Seller has filed with the City’s Department of Transportation (“**CDOT**”) an application for a commercial alley vacation, relating to the east-west alley in the block bounded by W. Edgewater Avenue, W. Hollywood Ave., N. Ashland Ave. and N. Hermitage Ave., and legally described and shown in the plat of alley vacation attached hereto as Exhibit B (the “**To-Be-Vacated Alley**”); and

WHEREAS, the Seller also has filed with the CDOT an application for an alley dedication, relating to the (proposed) north-south alley in the block bounded by W. Edgewater Avenue, W. Hollywood Ave., N. Ashland Ave. and N. Hermitage Ave., and legally described and shown in the plat of alley dedication attached hereto as Exhibit C (the “**To-Be-Dedicated Alley**,” together with the Property, the 2 ft. strip of land immediately adjacent to and west of the To-Be-Dedicated Alley, and the To-Be-Vacated Alley, collectively, the “**Site**”); and

WHEREAS, the Seller’s application for the vacation of the To-Be-Vacated Alley and the dedication of the To-Be-Dedicated Alley have been approved by the City Council of the City (the “**City Council**”) pursuant to an alley vacation and dedication ordinance approved by the City Council on June 28, 2017, and published in the Journal of the Proceedings of the City Council for such date, at pages 51894 through 57907 (such ordinance, which includes the legal

descriptions and plats for the To-Be-Vacated Alley and the To-Be-Dedicated Alley that have been approved by the CDOT Superintendent of Maps, the “**Vacation/Dedication Ordinance**”); and

WHEREAS, the City intends to transfer all or a portion of the Site to the Chicago Park District (“**CPD**”) in a separate transaction that is anticipated to include a financial grant to the CPD of not less than Nine Hundred Sixty Thousand and 00/100 Dollars (\$960,000.00) for the purpose of creating public parkland; and the final dollar amount and transfer will be subject to an Intergovernmental Agreement “**IGA**” between the City of Chicago and the Chicago Park District.

WHEREAS, an ordinance adopted by the City Council on February 10, 2016, and published at pages 18491 through 18494 in the Journal of Proceedings of the City Council of such date (the “**Authorizing Ordinance**”) authorizes the City’s acquisition of the Property.

NOW, THEREFORE, in consideration of the promises and the mutual obligations of the parties hereto, each of them hereby covenant and agree with the other as follows:

SECTION 1. REPRESENTATIONS AND WARRANTIES.

A. Representations and Warranties of the Seller. To induce the City to execute this Agreement and perform the obligations of the City hereunder, MCZ LLC and MCZ Exchange each hereby represents and warrants to the City on the Effective Date, which representations and warranties shall be deemed to be remade as of the Closing Date (as defined in Section 3.B.), as follows:

- i. To the best of Seller’s knowledge, no litigation or proceedings are pending or threatened against the Property or against MCZ LLC or MCZ Exchange or any party controlling or controlled by MCZ LLC or MCZ Exchange which could affect the City’s ownership of the Property or the ability of MCZ LLC and MCZ Exchange to perform their obligations in accordance with the terms of this Agreement.
- ii. The execution, delivery, and performance by the Seller of this Agreement have not constituted or will not, upon the giving of notice or lapse of time, or both, constitute a breach or default under any other agreement which may affect the Property to which MCZ LLC or MCZ Exchange, or any party controlling or controlled by MCZ LLC or MCZ Exchange, is a party or may be bound or affected, or a violation of any law or court order which may affect the Property, any part thereof, any interest therein, or the use thereof, or prohibit the sale of the Property to the City.
- iii. MCZ LLC and MCZ Exchange each have full power and authority to execute and deliver this Agreement, convey the Property, and perform their obligations as set forth herein.

- iv. As of the Effective Date, MCZ LLC and MCZ Exchange have not received any written notice, that the current use or condition of the Property violates: (a) any statute, law, regulation, rule, ordinance, or executive or judicial order of any kind (including, without limitation, zoning and building laws, ordinances, codes, or approvals and environmental protection laws or regulations); or (b) any building permit, restriction of record, or any agreement affecting the Property or any part thereof. If MCZ LLC or MCZ Exchange receives such a notice, it shall promptly notify the City.
- v. Except for mortgages and other liens, if any, which can and shall be satisfied by the payment of money on or before the Closing Date (as hereinafter defined) and except for real estate taxes and assessments not due and payable, neither MCZ LLC nor MCZ Exchange has: (a) granted, suffered or permitted any lien, claim or encumbrance upon the Property or any portion thereof; (b) permitted or suffered any levy, attachment, claim, or restraint to be made affecting the Property; or (c) executed any leases, licenses, easements, service or other use agreements for the Property which will not be terminated at or before the Closing Date.
- vi. On or before the Closing Date, the Seller, at its expense, shall lawfully disconnect any utilities, lawfully demolish any existing improvements in accordance with the Department of Buildings demolition requirements and this Agreement, lawfully backfill with fill material compliant with the Illinois Environmental Protection Act and all other applicable laws and this Agreement, and lawfully dispose of such demolition materials (such actions, collectively, a “**Lawful Demolition**”).
- vii. As of the Closing Date, no person, entity or governmental body, other than MCZ LLC and MCZ Exchange, will have any ownership or use rights with respect to the Property.
- viii. This Agreement constitutes a legally valid and binding obligation of MCZ LLC and MCZ Exchange and is enforceable in accordance with its terms.

B. Representations and Warranties of the City. To induce the Seller to execute this Agreement and perform the obligations of the Seller hereunder, the City hereby represents and warrants to the Seller as follows:

- i. The execution of this Agreement by the City and the performance of its obligations hereunder have been authorized by the Authorizing Ordinance.
- ii. To the best of the City’s knowledge, the performance by the City of its obligations hereunder will not violate any other agreement to which the City is a party or any court order or decree by which the City is bound.

- iii. To the best of the City's knowledge, there is no litigation pending against the City that could prevent the City from performing its obligations in accordance with the terms of this Agreement.

C. Survival of Representations and Warranties. For purposes hereof, 'to the best of Seller's knowledge' shall mean to the best of the knowledge of the following of Seller's representatives and principals, with no independent investigation: Michael Lerner, Michael Golden, and Thaddeus Wong. The parties agree that all their respective representations and warranties set forth in this Section 1 or elsewhere in this Agreement are true as of the Effective Date and will be true at all times hereafter until the Closing Date, except with respect to matters which have been disclosed in writing to and approved in writing by the other parties prior to the Closing Date. The continued accuracy of the representations and warranties shall be a condition precedent to the obligation of the parties to close the transaction contemplated by this Agreement. The representations and warranties of the Seller shall survive the Closing Date until the Illinois Environmental Protection Agency's ("IEPA") issuance of a final Comprehensive Residential No Further Remediation Letter for the Site (the "Final NFR"). In the event that any Municipal, State, or Federal agency rules, regulations or policies cause the Site to be ineligible for the IEPA's Site Remediation Program ("SRP"), a regulatory agreement document from a State or Federal agency stating that the remediation that was conducted is adequately protective of human health and the environment for the proposed use of the Site may be substituted for a Final NFR.

SECTION 2. SALE AND PURCHASE PRICE.

Subject to the terms, covenants and conditions of this Agreement, the City agrees to purchase the Property from the Seller, and the Seller agrees to sell the Property to the City for an amount equal to the sum of Payment Number 1, plus Payment Number 2 plus Payment Number 3, subject to the prorations, credits and adjustments provided for herein ("**Purchase Price**"), which will be paid as follows:

A. Eight Hundred Thousand and 00/100 Dollars (\$800,000.00) ("**Payment Number 1**"), which will be paid as follows:

- i. Two Hundred Sixty-Six Thousand and 00/100 Dollars (\$266,000.00), promptly following the completion of the abatement of the Buildings located on Parcel 3, as evidenced by written certification from the Seller's environmental consultant that the Abatement Scope of Work (as defined in Section 3.I.x.(a)) has been completed with respect to Parcel 3. The City shall have the right to verify that the Abatement Scope of Work has been completed before payment;

- ii. Two Hundred Sixty-Seven Thousand and 00/100 Dollars (\$267,000.00), promptly following the completion of the abatement of the Buildings located on Parcel 2, as evidenced by written certification from the Seller's environmental consultant that the Abatement Scope of Work has been completed with respect to Parcel 2. The City shall have the right to verify that the Abatement Scope of Work has been completed before payment; and,

iii. Two Hundred Sixty-Seven Thousand and 00/100 Dollars (\$267,000.00), promptly following the completion of the abatement of the Buildings located on Parcel 1, as evidenced by written certification from the Seller's environmental consultant that the Abatement Scope of Work has been completed with respect to Parcel 1. The City shall have the right to verify that the Abatement Scope of Work has been completed before payment.

B. One Million Four Hundred Thousand and 00/100 Dollars (\$1,400,000.00) ("Payment Number 2"), which will be paid as follows:

i. Seven Hundred Thousand and 00/100 Dollars (\$700,000.00), promptly following the completion of the demolition of all Buildings located on Parcel 2 and on Parcel 3. The Seller must confirm in writing that the requirements of Sections 3.I.x. (c), (g), (j), (k), and (l) (collectively, the "**Demolition Requirements**") have been fulfilled with respect to Parcel 2 and Parcel 3. In addition, the City shall have the right to verify that the Demolition Requirements have been fulfilled with respect to Parcel 2 and Parcel 3 before payment.

ii. Seven Hundred Thousand and 00/100 Dollars (\$700,000.00), on the Closing Date, provided the Seller has fulfilled all requirements of Section 3.I.x. (other than obtaining the Final NFR), including the demolition of all Buildings located on Parcel 1, the demolition of To-Be-Vacated Alley, and (if warranted) Seller's receipt of a Draft Comprehensive Residential No Further Remediation Letter (or equivalent approval of a Remedial Action Plan) from the IEPA and the Seller's submittal to the IEPA of a Remedial Action Completion Report ("**RACR**") that has been reviewed and approved for submittal to the IEPA by the City, acting through its Department of Fleet and Facility Management ("**DFFM**"). DFFM shall have a maximum of ten (10) business days to review the RACR. The Seller must confirm in writing that the Demolition Requirements have been fulfilled with respect to Parcel 1 and the To-Be-Vacated Alley. In addition, the City shall have the right to verify that the Demolition Requirements have been fulfilled with respect to Parcel 1 and the To-Be-Vacated Alley before payment.

C. For purposes of this Section 2.C., "Payment Number 3" equals:

(i) One Million Nine Hundred Sixteen Thousand Two Hundred Forty-Four and 85/100 Dollars (\$1,916,244.85);

minus

(ii) the dollar amount (if any) by which the Seller's actual costs (without any mark-up by the Seller) for performing, or causing to be performed, the work and services set forth in Section 3.I.x. below, but solely to the extent such costs relate to the Property and are supported by contracts and paid invoices, are less than One Million Nine Hundred Ninety-Six Thousand Seven Hundred Thirty-Seven and 18/100 Dollars (\$1,996,737.18). No credit shall be given to the Seller if its costs for performing the work and services set forth in Section 3.I.x. exceed One Million Nine Hundred Ninety-Six Thousand Seven Hundred Thirty-Seven and 18/100 Dollars (\$1,996,737.18);

minus

(iii) any costs incurred by the City in performing, or causing to be performed, work for the purpose of obtaining the Final NFR, if required by the City pursuant to Section 3.I.x.(e), and if the City incurred such costs because the Seller failed to perform and complete such work within six (6) months following notice from the IEPA that such work must be completed in order for the IEPA to issue the Final NFR;

minus

(iv) Twelve Thousand Dollars (\$12,000).

The City shall pay Payment Number 3 to the Seller promptly following the later of (i) the City's issuance of a temporary certificate of occupancy for the residential development which is to be constructed on land to the east of the Property and commonly known as 5700 N. Ashland Avenue, Chicago, Illinois, and legally described in Exhibit D attached hereto (the "**Development Parcel**"), (ii) the City's receipt of the Final NFR, if required by the City pursuant to Section 3.I.x.(e); and (iii) the Seller's completion of the Punch List Work (as defined in Section 3.I.).

SECTION 3. CONVEYANCE OF PROPERTY.

A. Form of Deed. The Seller shall convey to the City fee simple title to the Property by Special Warranty Deed ("**Deed**") free and clear of all unpermitted title exceptions, which shall include (a) leases, licenses, or service or other use or occupancy agreements, the term of which would survive the Closing Date, (b) easements or encroachments that would, in the City's reasonable judgment, materially interfere with or make materially more expensive the use of the Property for park and open space purposes; (c) liens, encumbrances, and costs which, pursuant to Section 3.I.vi. below, the Seller is required to pay and obtain recordable releases for in order to remove such matters from title (collectively "**Unpermitted Exceptions**"). Notwithstanding anything to the contrary contained herein, the matters disclosed on Exhibit E attached hereto shall be deemed to be "**Permitted Exceptions.**"

On the Effective Date, the Seller shall deposit the Deed, duly executed and acknowledged by the Seller and in proper form for recording, into a sole order escrow account with the Title Company (as defined below), with the City (after the Seller's breach and the passage of any cure period pursuant to Section 7.B. hereof) having sole power of direction with respect to such escrow account. The Seller shall pay all costs associated with such escrow account. The City may direct the Title Company to record the Deed upon the City's payment to the Seller of the entire Payment Number 2 (i.e., sub-payments i. and ii. of Payment 2). The escrow agreement shall be substantially in the form attached hereto as Exhibit H.

B. The Closing.

(i) The closing of the conveyance of the Property from the Seller to the City ("**Closing**") shall take place at the downtown Chicago offices of Proper Title LLC ("**Title Company**") at the earlier of: (i) December 15, 2018 or (ii) thirty (30) days following the date on which all conditions precedent to closing set forth in Section 3.I. (other than the obtaining of the

Final NFR) or otherwise in this Agreement are satisfied. The date upon which the conveyance of the Property from the Seller to the City is to close is hereinafter called the “Closing Date.” The Seller shall pay all closing costs and fees, and the cost to record the Deed.

(ii) For purposes of this Section 3.B., the following terms shall have the following meanings:

“Actual Costs Incurred” means the City’s actual costs (to extent not previously completed by Seller) (w) to complete demolition of all the Buildings located on Parcels 1, 2 and 3, (x) to complete demolition of the To-Be-Vacated Alley, (y) to prepare, submit and obtain (including applicable filing fees and remediation work) a Final NFR, and (z) for City personnel costs associated with the completion of the work and services associated with the foregoing (w) through (y).

“City Budget Cap” means an amount equal to Four Million One Hundred Thousand Dollars (\$4,100,000).

“City’s Cost Estimate” means the City’s estimated (through soliciting bids or otherwise) for its costs (to extent not previously completed by Seller) (w) to complete demolition of all the Buildings located on Parcels 1, 2 and 3, (x) to complete demolition of the To-Be-Vacated Alley, (y) to prepare, submit and obtain (including applicable filing fees and remediation work) a Final NFR, and (z) for City personnel costs associated with the completion of the work and services associated with the foregoing (w) through (y).

“Section 2.A. Work” means all the abatement work described in Section 2.A. for Parcels 1, 2 and 3, including a written certification from Seller’s environmental consultant that such abatement work was completed in accordance with the Abatement Scope of Work, and verification by the City of such work.

“Section 2.B.i. Work” means all demolition work described in Section 2.B.i. for Parcel 2 and Parcel 3, including written confirmation from Seller that such work was performed in accordance with the Demolition Requirements, and verification by the City of such work.

“Section 2.B.ii. Work” means all demolition work described in Section 2.B.ii. for Parcel 1 and the To-Be-Vacated Alley, including written confirmation from Seller that such work was performed in accordance with the Demolition Requirements, and verification by the City of such work, and, if warranted, Seller’s receipt of a Draft Comprehensive Residential No Further Remediation Letter (or equivalent approval of a Remedial Action Plan) from the IEPA and the Seller’s submittal to the IEPA of a RACR that has been reviewed and approved for submittal to the IEPA by DFFM.

(iii) If (a) Seller does not satisfy all the conditions set forth in Section 3.I. (other than obtaining the Final NFR, if required by the City pursuant to Section 3.I.x.(e)), as reasonably

determined by the City, by November 1, 2018, subject to Force Majeure or as such date may be extended in writing by DPD in its sole discretion; or (b) the Closing does not occur by December 15, 2018, subject to Force Majeure or as such date may be extended in writing by DPD in its sole discretion, then the City shall have the right to enter the Property for the purpose of conducting a Phase I Environmental Study Assessment and a Phase II Environmental Study Assessment, and, in its sole discretion, may direct the Title Company to record the Deed or terminate this Agreement. In the event the City terminates this Agreement, Seller shall have no further obligations in favor of the City and the City shall have no rights to the Property). If the City directs the Title Company to record the Deed pursuant to this Section 2.B.(iii), then:

(A) If Seller has not completed the Section 2.A. Work, then the City shall not owe any compensation to Seller (other than for partial payments of Payment Number 1 for abatement work that has been completed, certified and verified, in accordance with Section 2.A.i, Section 2.A.ii, or Section 2.A.iii, and for which the City has not previously paid Seller), and Seller acknowledges that the personnel and other expenses the City has incurred and will incur in connection with the Property constitute sufficient consideration for all work performed by Seller and for Seller's conveyance of the Property to the City.

(B) If Seller has completed the Section 2.A. Work, but not the Section 2.B.i. Work, then the City shall calculate the City's Cost Estimate, and:

I. If the sum of the City's payments to Seller plus the City's Cost Estimate equals or exceeds the City's Budget Cap, then the City shall not owe any compensation to Seller, and Seller acknowledges that the City's payment to Seller of Payment Number 1 is sufficient consideration for all work performed by Seller and for Seller's conveyance of the Property to the City; or

II. If the sum of the City's payments to Seller plus the City's Cost Estimate is less than the City's Budget Cap, then the City shall use best efforts to complete demolition of all the Buildings located on Parcels 1, 2 and 3, to complete demolition of the To-Be-Vacated Alley, and to perform all work and to submit all documents necessary to obtain a Final NFR, and, within thirty (30) days following the later of (a) the City's issuance of a temporary certificate of occupancy for the residential development constructed on the Development Parcel, (b) the City's receipt of a Final NFR, if the City has determined that a Final NFR is necessary, and (c) the City's completion of the work described in this Section 3.B.(ii)(B)(II), the City shall pay Seller an amount equal to:

Purchase Price
Minus Payment Number 1
Minus 125% of the Actual Costs Incurred.

If the result of the immediately foregoing calculation is negative, then the City shall not owe any compensation to Seller, other than Payment Number 1, to the extent the City has not already paid Payment Number 1 to Seller.

(C) If the Seller has completed the Section 2.A. Work and the Section 2.B.i. Work, but not the Section 2.B.ii. Work, then the City shall calculate the City's Cost Estimate, and:

I. If the sum of the City's payments to Seller plus the City's Cost Estimate equals or exceeds the City's Budget Cap, then the City shall not owe any compensation to Seller, and Seller acknowledges that the City's payment to Seller of Payment Number 1 is sufficient consideration for all work performed by Seller and for Seller's conveyance of the Property to the City; or

II. If the sum of the City's payments to Seller plus the City's Cost Estimate is less than the City's Budget Cap, then the City shall use best efforts to complete demolition of all the Buildings located on Parcels 1 to complete demolition of the To-Be-Vacated Alley, and to perform all work and to submit all documents necessary to obtain a Final NFR, and, within thirty (30) days following the later of (a) the City's issuance of a temporary certificate of occupancy for the residential development constructed on the Development Parcel, (b) the City's receipt of a Final NFR, if the City has determined that a Final NFR is necessary, and (c) the City's completion of the work described in this Section 3.B.(ii)(C)(II), the City shall pay Seller an amount equal to:

Purchase Price
Minus the sum of Payment Number 1 plus sub-payment i. of Payment Number 2
Minus 115% of the Actual Costs Incurred.

If the result of the foregoing calculation is negative, then the City shall not owe any compensation to Seller, other than Payment Number 1 and sub-payment i. of Payment Number 2, to the extent the City has not already paid Payment Number 1 and sub-payment i. of Payment Number 2 to Seller.

(D) If the Section 2.A. Work, the Section 2.B.i. Work and the Section 2.B.ii. Work have been completed, then, within thirty (30) days following the later of (x) the City's issuance of a temporary certificate of occupancy for the residential development constructed on the Development Parcel, and the City's receipt of a Final NFR, if the City determines that a Final NFR is necessary, the City shall pay Seller an amount equal to:

Purchase Price
Minus the sum of Payment Number 1 and Payment Number 2
Minus 110% of the Actual Costs Incurred.

If the result of the foregoing calculation is negative, then the City shall not owe any compensation to Seller other than Payment Number 1 and Payment Number 2, to the extent the City has not already paid such amounts to Seller.

EACH OF THE PAYMENT AMOUNTS AS DETERMINED IN ACCORDANCE WITH SECTION 3.B.(ii)(B), (C) AND (D) ARE MUTUALLY EXCLUSIVE AND ARE NOT

CUMULATIVE. ONLY ONE OF THOSE SUBSECTIONS SHALL APPLY IN THE EVENT THE CITY DIRECTS THE TITLE COMPANY TO RECORD THE DEED.

C. **Title.** The Seller shall delivery title to the Property subject only to the Permitted Exceptions by the Closing Date, and those other exceptions to which the City and the CPD might agree in writing shall be a condition precedent to closing. The Seller shall bear the cost of obtaining any water certification. In the event the Seller is unable to deliver title subject only to the Permitted Exceptions (i.e., without any Unpermitted Exceptions), the City, at its sole discretion, may: (a) grant an extension of time to the Seller for such period of time that the parties deem necessary for the Seller to remove the Unpermitted Exceptions; (b) accept title subject to any Unpermitted Exceptions; or (c) terminate this Agreement by written notice to the Seller.

D. **Due Diligence.** Prior to the Closing Date, the employees, agents, contractors, and subcontractors of the City and the CPD (provided that the CPD agrees in writing to indemnify the Seller from any injuries which occur on the Property) shall have the right to reasonably enter (in a manner to not interrupt the subject work and upon notice to the Seller) the Property to inspect, perform surveying work, conduct environmental assessments, and perform such related due diligence activities as may be necessary or appropriate, as further described in Section 5 below.

E. **Utilities; Tax Prorations.**

i. At the Closing, the Seller shall deliver evidence from the local governmental authority and other appropriate utility companies disclosing that all water and other utility bills have been paid in full.

ii. The Seller shall be responsible for the payment of all real estate taxes and any special assessments for the Property that accrue and are payable through the date of the Closing. Seller represents that, pursuant to Doc 1312 in Bankruptcy Court Case: BK02-07378, all real estate taxes which accrued to the Property through February 16, 2016 are to be deemed paid in full (and marked as such by the Cook County Treasurer) and thus the Seller need not make any payment regarding such taxes. The Seller shall ensure that the Title Policy provides coverage over these prior to February 16, 2016 taxes.

With respect to taxes which have accrued as of the Closing but are not yet due and payable Seller shall provide the City with a credit in the amounts set forth in this Agreement. With respect to the 2016 taxes payable in 2017, the parties acknowledge and agree that the tax figures (by PIN) available as of the date of this Agreement are as follows (such figures hereinafter the "Tax Estimates"): (i) 14-06-409-048-0000 are \$23,874.44; (ii) 14-06-409-060-0000 are \$104,389.52; (iii) 14-06-409-066-0000 are \$32,714.84; (iv) 14-06-409-067-0000 are \$2,894.48; (v) 14-06-409-068-0000 are \$7,413.73; and (vi) 14-06-409-069-0000 are \$28,702.69. At Closing, Seller shall provide a credit based upon the foregoing tax figures (unless such tax amounts have been reduced or the 2018 assessment has been reduced (and then in such cases the reduced tax amount shall be used or the reduced assessment times the applicable tax rate and equalizer shall be used)). With respect to any tax parcel which is not completely included in the

Property, the credit provided shall be prorated based upon the relative portion included in the Property (as compared to the relative portion of said tax parcel not included in the Property).

If at the Closing, the actual taxes for the 2016 taxes payable in 2017 were determined to be an amount greater than the Tax Estimates (such tax amounts determined as of the Closing shall hereinafter be referred to as the “**Actual Tax Amounts**”), (i) the Seller shall have the right to continue to protest any such Actual Tax Amounts and (ii) the City shall have the right to withhold (until such time as the Seller exhausts its protest rights) a portion of Payment 3 equal to the difference between the Actual Tax Amounts and the Tax Estimates.

The City represents to Seller that the conveyance of the Property from Seller to the City is exempt from transfer taxes.

F. Brokers. The parties represent and warrant to each other that no person or entity has been engaged or utilized who would be entitled to a broker’s commission or finder’s fee in connection with the sale of the Property. In the event that any claim is asserted for such commission or fee, the party deemed to be responsible for such claim shall indemnify, defend, and hold the non-responsible party harmless from and against any such claim.

G. Compliance with Applicable Laws. The parties shall comply with all applicable federal, state, and local laws and regulations governing the sale of the Property.

H. Date of Possession. The Seller shall deliver possession of the Property to the City at the Closing free and clear of all tenancies, licenses, uses, and occupancy agreements, rights, or claims.

I. Conditions to Closing.

The obligation of the City to close on the purchase of the Property from the Seller is subject to the following conditions, any of which may be waived in writing by the City on or before the Closing Date, provided, however, that any such waiver by the City with respect to the conditions set forth in Section 3.I.x. is subject to CPD approval: The Chicago Park District shall have the right prior to closing to an inspection of property and to provide the Seller (with a copy to the City) a written statement indicating in adequate detail how the Seller has failed to complete some or all of the work required by Section 3.I.x.(f) through 3.I.x.(l), and what measures or acts are necessary, in the CPD’s reasonable opinion, for the Seller to take or perform in order to be in compliance with Section 3.I.x.(f) through 3.I.x.(l) (such necessary measures or acts, the “Punch List Work”).

- i. [intentionally omitted]
- ii. There shall be no private litigation, administrative action, municipal litigation or other governmental proceedings of any kind pending against the Seller or the Property, which prohibits the ability of the Seller to perform its obligations under the agreement.

- iii. No material adverse change shall have occurred to any aspect of the Property unless the change is contemplated by this Agreement.
- iv. This Agreement shall not have been terminated by either party in accordance with the terms hereof.
- v. The Seller shall have performed all the obligations and covenants undertaken by the Seller to be performed prior to the Closing.
- vi. The Seller shall bear the responsibility for and the costs associated with: (i) paying any due and payable private utility bills; (ii) paying any outstanding City water bills; (iii) paying any due and payable real estate taxes; and (iv) paying off and obtaining the release of any monetary liens of a definite and/or ascertainable amount.
- vii. The Seller shall, at its expense, cause the Title Company to provide the City with a current ALTA form owner's policy of title insurance in the amount of the Purchase Price, insuring title in the City subject only to the Permitted Exceptions, including extended coverage over the standard preprinted exceptions. The Seller shall provide the Title Company a "gap undertaking" in a form reasonably acceptable to the Seller. In addition, the Seller shall have applied with the Office of the Cook County Assessor for a PIN division with respect to PINs 14-06-409-060 and -069, to account for the fact that only a portion of each such PIN is being conveyed to the City.
- viii. The Seller shall, at its expense, have provided the City with a copy of a current ALTA survey of the Property, certified to the City and the Chicago Park District, and otherwise sufficient to cause the Title Company to issue its owner's policy with extended coverage over the standard preprinted exceptions.
- ix. At Closing, the Seller must deliver updated Economic Disclosure Statements and Affidavits, executed and notarized on the Closing Date.
- x. The Seller shall have complied with the following environmental and development requirements with respect to the Site, *provided however, that the Seller shall not perform any work in, on or under the To-Be-Vacated Alley until the Seller has recorded the Vacation/Dedication Ordinance together with the full-sized corresponding plat as approved by the CDOT's Superintendent of Maps:*
 - (a) The Seller must supply the City and the CPD an up-to-date Phase I ESA and a "Hazardous Material Survey" of the Site, with the City and the CPD named in a reliance letter prior to demolition of any improvements on the Site. The Hazardous Material Survey must include (but is not

limited to) visually inspecting the Site to determine the presence and location of polychlorinated-biphenyl (PCB)-containing equipment and materials (such as lighting ballasts, switchgears, transformers, and hydraulic fluids), mercury-containing equipment and materials (mercury lamps, thermostats, switches, thermometers, regulators, and gauges), radioactive material-containing equipment and/or waste, medical wastes (such as biological or infectious wastes, hazardous chemicals, and/or wastes), refrigerants such as chlorofluorocarbons (CFCs), large appliances or equipment, or any other materials that may require special handling or disposal during or after demolition. In addition, the Hazardous Material Survey must address any "Hazardous Materials" as defined in Section 4.A.i. The Hazardous Material Survey must also verify whether the Site or any equipment within the Site have been subject to licensing requirements concerning radiological equipment with any State or Federal regulatory agencies, and if so, whether those licenses have been properly closed. Prior to performing any abatement, the Seller must submit to the City and the CPD, for review and approval, a scope of work that describes how any Hazardous Materials will be remediated and/or removed from the Buildings to ensure that Hazardous Materials are not used as fill material on the Site (the scope of work, as approved by the City and the CPD, the "Abatement Scope of Work").

(b) If underground storage tanks ("USTs") are discovered on the Site during demolition, the Seller must remove the USTs and close any leaking UST incidents in accordance with the requirements of the Office of the State Fire Marshall and the IEPA, with the exception of the Final NFR.

(c) During the demolition of any improvements on the Site, the Seller must utilize the results of the Hazardous Materials Survey and the Abatement Scope of Work and use reasonable precautions to prevent Hazardous Materials, such as asbestos, lead-based paint, and other contaminants, from being used as fill material on the Site. Following the demolition, the Seller must provide a written notice from the Seller's environmental consultant to the City and the CPD certifying that all the Buildings' Hazardous Materials have been removed in accordance with the Abatement Scope of Work, and a certificate of lawful demolition in the form attached hereto as Exhibit F. The Seller must perform a walk-over radiological survey of the Site to demonstrate that no radiological materials remain on the Site. The City shall have the right to approve the scope of work for the radiological survey before it is conducted and review the results afterwards.

(d) After demolition, the Seller must conduct a CSI for the Site in accordance with the requirements of Section 740.420 of Title 35 of the Illinois Administrative Code ("IAC") to ascertain the presence of any environmental impacts at the Site that may affect the development of the

Property as a park, open space, or urban garden, or residential use, including but not limited to any Recognized Environmental Conditions that were identified in the Phase I. Regardless of the findings of the Phase I, the CSI must include sampling for, at a minimum, all compounds on the Target Compound List of Section 740 APPENDIX A, 35 IAC. The CSI shall include sampling the soil and groundwater in areas containing demolition debris. The City and CPD shall have the right to review, modify, and approve the scope of work for the CSI before it is conducted. The City and the CPD have the right to review the subsurface investigation work plan prior to completion of the CSI. The Seller will supply the City and the CPD with the *Site Investigation Report – Comprehensive Site Investigation* in accordance with the requirements of Section 740.425, 35 IAC, and both the City and the CPD must be named in a reliance letter for the report. The City and the CPD will have the right to require the Seller to conduct additional soil and groundwater sampling, depending on the CSI results.

(e) If contaminants are identified in exceedance of the IEPA's Tiered Approach to Corrective Action Objectives (TACO) Tier 1 residential criteria, the City and the CPD will evaluate the sampling results and may require the Seller to enter the Site into the SRP and receive a Final NFR. In the event that any Municipal, State, or Federal agency rules, regulations or policies cause the Site to be ineligible for the IEPA's Site Remediation Program ("SRP"), a regulatory agreement document from a State or Federal agency stating that the remediation that was conducted is adequately protective of human health and the environment for the proposed use of the Site may be substituted for a Final NFR. The City shall have the right to review in advance and approve all documents submitted to the IEPA under the SRP, as amended or supplemented from time to time, including, without limitation, the Comprehensive Site Investigation and Remediation Objectives Report, the Remedial Action Plan, and the RACR (collectively, the "**SRP Documents**") and any changes thereto. The Seller shall cooperate and consult with the City at all relevant times (and in all cases upon the City's request) with respect to environmental matters. The Seller shall bear sole responsibility for all aspects of the remediation work and any other investigative and cleanup costs associated with the Site. The Seller shall promptly transmit to the City copies of all reports, surveys, field data, correspondence and analytical results prepared by or for the Seller (or otherwise obtained by the Seller) regarding the condition of the Site or any portion thereof, including, without limitation, the SRP Documents and any written communications delivered to or received from the IEPA or other regulatory agencies with respect to remediation work performed or to be performed at the Site (collectively, the "**Environmental Documents**").

(f) The Seller shall cause the Site to satisfy the following: "Grade 'A'

Earth Fill” (as defined below) to a depth necessary to fill the depth of the excavation. Prior to import, the Grade “A” Earth Fill must be tested at a rate of no less than one (1) sample for every 1,000 cubic yards for constituents specified in 35 Ill. Admin. Code, Part 740, Appendix A. The sample results must meet the IEPA residential standards. The Seller shall state, in a letter submitted to the City and the CPD’s project engineer for approval prior to delivery, the locality from which the Grade “A” Earth Fill is to be obtained. Grade “A” Earth Fill shall be installed in lifts of 12 inches maximum depth; each lift to be compacted as required prior to the installation of the next lift; and installed up to a depth of two (2) feet below “curb level,” as defined in Section 17-17-0242 of the Municipal Code of Chicago.

For purposes of this Agreement, “Grade ‘A’ Earth Fill” (i) shall consist of sand, soil and yellow clay and may be mixed, (ii) shall be material as excavated without blue clay and may be mixed with non-limestone gravel or stone not exceeding four (4) inches in diameter, (iii) shall be entirely free from slag, cinders, rubble, bottles, glass, cans, metal, combustible rubbish, asphalt or oily wastes, wood or organic materials subject to decay and, (iv) shall be free of materials soluble in water. Grade A Earth Fill is non-organic, and is used in fill situations where the breakdown of organics is undesirable.

(g) Any site construction and demolition debris that is used on-site as fill material must meet the requirements of Municipal Code of Chicago Section 11-4-1935, 415 ILCS 5/3.160, and any applicable requirements of the SRP if the Site is enrolled in that program.

(h) The existing site soil and construction and demolition debris shall be compacted to approximately 90% maximum density using the standard Proctor method, prior to placement of the clean imported clay fills. The clean imported clay fill shall be compacted to 85% maximum density using the standard Proctor method.

(i) The Seller shall provide the City and the CPD a geotechnical report that includes the infiltration rate of the material (to satisfy City Storm Water Requirements) and structural load capacity (psi).

(j) The Seller is required to submit to the City’s Department of Transportation, Office of Underground, a request for an “OUC Information Retrieval” on the Site. The OUC Information Retrieval will identify whether other agencies have infrastructure within and/or adjacent to the Site. The responses to the OUC Information Retrieval shall be supplied to the CPD and City.

(k) If utilities exist within the Site limits that will need to be

abandoned, those utilities cannot be capped in place. The Seller must remove those utilities and cap the utilities at each provider's main.

(l) Demolition and removal of any existing building foundations, underground tunnels, urban fill, building and/or other materials such as concrete/asphalt/brick/pipe to a minimum depth of five (5) feet. Any horizontal concrete layers (e.g., basement floor) must be broken up to prevent future ponding of water and all underground tunnels must be broken up and collapsed.

- xi. The Seller shall have recorded the Vacation/Dedication Ordinance together with the full-sized corresponding plat as approved by the CDOT's Superintendent of Maps. CDOT shall in no way unreasonably delay the introduction of the necessary Vacation/Dedication Ordinance.
- xii. As of August 9, 2017, there exist certain partially demolished buildings (the "**Partial Buildings**") on the Site. The portions of the Partial Buildings that were torn down ("**Existing Rubble**") will be sorted on site, sorted managed and disposed of in accordance with that certain Potential PCB/Mercury-Contaminated Demolition Debris Removal Oversight Sampling Plan, dated December 14, 2017, prepared by EPS Environmental Services, Inc. Following the disposal of the Existing Rubble, the Seller must provide a written report from the Seller's environmental consultant to the City and the CPD certifying that all the Existing Rubble has been removed in accordance with these plans and must include all documentation, including but not limited to disposal manifests and testing results, necessary for verification. No changes may be made to these plans, the contractors, or the disposal facilities without the City's prior review and written approval.

SECTION 4. ENVIRONMENTAL REPRESENTATIONS, WARRANTIES AND INDEMNIFICATION.

A. Representations and Warranties. The City advised the Seller that it intends to develop all or a portion of the Site as a public park. The Seller hereby represents and warrants to the City and CPD as follows:

- i. Based solely on the Environmental Documents (as defined in Section 3.I.x.(e)), as of the Closing Date, the Site shall be in compliance with all Environmental Laws (as defined below), as evidenced by the SRP Documents. The Seller further represents and warrants that no Hazardous Materials (as defined herein) shall be stored at or deposited upon or below the surface of the Site. As used herein, the term "**Hazardous Materials**" means friable asbestos or asbestos-containing materials, lead-paint contaminated fill materials, polychlorinated biphenyls (PCBs), petroleum or crude oil or any fraction thereof, natural gas, source material, special

nuclear material, and byproduct materials regulated under the Atomic Energy Act (42 U.S.C. § 2011 *et seq.*), pesticides regulated under the Federal Insecticide Fungicide and Rodenticide Act (7 U.S.C. § 136 *et seq.*), and any hazardous waste, biological or medical waste, toxic, or dangerous substance or related material, including any material defined or treated as a hazardous material, hazardous waste, toxic substance, or contaminant (or comparable term) under any federal, state, or local environmental laws. As used herein, the term “**Environmental Laws**” means all laws relating to environmental matters including, without limitation, those relating to fines, orders, injunctions, penalties, damages, contribution, cost recovery compensation, losses, or injuries resulting from the release or threatened release of Hazardous Materials and to the generation, use, storage, transportation, or disposal of Hazardous Materials, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. § 9601 *et seq.*), the Hazardous Material Transportation Act (49 U.S.C. § 1801 *et seq.*), the Resource Conservation and Recovery Act of 1976 (42 U.S.C. § 6901 *et seq.*), the Clean Water Act (33 U.S.C. § 1251 *et seq.*), the Clean Air Act (42 U.S.C. § 7401 *et seq.*), the Toxic Substances Control Act of 1976 (15 U.S.C. § 2601 *et seq.*), the Safe Drinking Water Act (42 U.S.C. § 300f to § 300j-11 *et seq.*), the Occupational Safety and Health Act of 1970 (29 U.S.C. § 651 *et seq.*), the Emergency Planning and Community Right-to-Know Act (42 U.S.C. § 11001 *et seq.*), the Illinois Environmental Protection Act (415 ILCS 5/1 *et seq.*), and the Municipal Code of Chicago, each as heretofore and hereafter amended or supplemented, and any analogous future or present local, state, or federal statutes, rules, and regulations promulgated thereunder or pursuant thereto, and any other present or future law, ordinance, rule, regulation, permit or permit condition, order, or directive regulating, relating to or imposing liability standards of conduct concerning any Hazardous Material or special wastes or by the federal government, any state or any political subdivision thereof, or any agency, court, or body of the federal government, any state, or any political subdivision thereof, exercising executive, legislative, judicial, regulatory, or administrative functions.

- ii. To the best of the Seller’s actual knowledge, during the Seller’s period of ownership of the Site, or any portion thereof, no water has drained from the Site onto adjoining property in such a way as to pond, collect, stream over, drain or leak into or otherwise infiltrate buildings, or otherwise materially affect such property or any improvements constructed thereon. The Seller has not received any notices or information regarding such drainage from the Site.

B. Survival of Representations and Warranties. The Seller agrees that the representations and warranties set forth in this Section 4 or elsewhere in this Agreement are true as of the Closing Date and will be true at all times hereafter, except with respect to matters which

have been disclosed in writing to and approved by the City. The Seller maintains the right to update any and all of its representations and warranties; provided, however, that if the updated representations and warranties disclose information to the City which the City reasonably determines materially and adversely affects the City's or the CPD's ability to use the Site as a park or open space so that the City no longer wishes to accept title to the Property from the Seller, the City may terminate this Agreement by delivering written notice of such decision to the Seller, and shall thereafter be under no further obligation to the Seller.

C. Environmental Reports. Not less than thirty (30) days prior to the Closing Date, the Seller agrees to deliver to the City and the CPD copies of all existing soil, environmental, engineering, or other reports or studies relating to the Site in the Seller's possession.

D. Environmental Indemnification. The Seller, on behalf of itself and its officers, directors, employees, successors, assigns and anyone claiming by, through or under them (collectively, the "Seller Parties"), hereby releases, relinquishes and forever discharges the City and Park District, their officers, agents and employees, from and against any and all losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses (including, without limitation, reasonable attorneys' fees and court costs) (collectively "Losses") which the Seller ever had, now have, or hereafter may have, whether grounded in tort or contract or otherwise, in any and all courts or other forums, of whatever kind or nature, whether known or unknown, foreseen or unforeseen, now existing or occurring after the Closing Date, based upon, arising out of or in any way connected with, directly or indirectly (i) any environmental contamination, pollution or hazards associated with the Property or any improvements, facilities or operations located or formerly located thereon, including, without limitation, any release, emission, discharge, generation, transportation, treatment, storage or disposal of Hazardous Materials, or threatened release, emission or discharge of Hazardous Materials; (ii) the structural, physical or environmental condition of the Property, including, without limitation, the presence or suspected presence of Hazardous Materials in, on, under or about the Property or the migration of Hazardous Materials from or to other Property; (iii) any violation of, compliance with, enforcement of or liability under any Environmental Laws, including, without limitation, any governmental or regulatory body response costs, natural resource damages or Losses arising under CERCLA; and (iv) any investigation, cleanup, monitoring, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision or other third party in connection or associated with the Property or any improvements, facilities or operations located or formerly located thereon (collectively, "Released Claims"); provided, however, the foregoing release shall not apply to: (i) the extent such Losses are proximately caused by the gross negligence or willful misconduct of the City or the Park District or (ii) any claims or losses which relate to environmental contamination that was not present on the Property on or before the Closing Date. Furthermore, the Seller shall indemnify, defend (through an attorney reasonably acceptable to the City or the Park District, as accordingly applicable) and hold the City and the Park District, and their officers, agents and employees harmless from and against any and all Losses which may be made or asserted by any third parties (including, without limitation, any of the Seller Parties) arising out of or in any way connected with, directly or indirectly, the actions or inactions of the Seller Parties, except as (i) arising from the City's or the Park District's gross negligence or willful misconduct or (ii) matters which are included in the issuance of a Final NFR (assuming the Final NFR is provided

to the City). This Section 4.D shall survive the Closing, the Title Company's recording the deed (other than pursuant to the Closing) or any termination of this Agreement (regardless of the reason for such termination other than terminated as a result of the City's default).

SECTION 5. CITY'S AND CPD'S RIGHT TO ENTER THE SITE.

A. City. Prior to the Closing Date, the Seller shall (upon 24-hours' notice from the City) permit the City or its authorized representatives, agents, and contractors to enter onto the Site from time to time during reasonable business hours for the purpose of performing tests, environmental audits, engineering surveys, marketing surveys, and other inspections, studies, and tests on the Site as the City shall reasonably deem necessary. The City shall promptly repair and restore the Site to the same condition as existed immediately prior to such entry if such entry resulted in any damage thereto. The City hereby indemnifies and holds the Seller harmless from any and all damage to the Property and injury to persons, to the extent caused by the City's negligence and subject to appropriation and any necessary legislative approvals. The City is not precluded from raising any defense or immunity, with respect to third party claims, under the Local Governmental and Governmental Employees Tort Immunity Act (745 ILCS 10/1-101 et seq.); provided, however, that the City's obligation to indemnify the Seller under this Agreement shall not be diminished or impaired by such defenses or immunity.

B. CPD. Prior to the Closing Date, the Seller shall (upon 24-hours' notice from the CPD) permit the CPD and its authorized representatives, agents, and contractors to enter onto the Site from time to time during reasonable business hours for the purpose of performing tests, environmental audits, engineering surveys, marketing surveys, and other inspections, studies, and tests on the Site as the CPD shall reasonably deem necessary. Prior to any such entry, the CPD must, in writing: (i) indemnify and hold Seller harmless from any and all damages to the Property and injury to persons caused by the CPD or its agents; and (ii) agree to promptly repair and restore the Site to the same condition as existed immediately prior to such entry if such entry resulted in any damage thereto.

SECTION 6. *intentionally omitted.*

SECTION 7. REMEDIES.

A. Time Is of the Essence. The parties agree that time is of the essence in the performance of their obligations under this Agreement and every provision hereof in which time is an element. No extension of time for the performance of any obligation or act shall be deemed an extension of time for performance of any other obligation or act. If any date for performance falls on a Saturday, Sunday, or legal holiday, then the time of such performance shall be extended to the next business day thereafter.

B. Breach. In the event of a default by a party in the performance of its obligations under this Agreement, such party, upon written notice from the other(s), shall immediately proceed to cure or remedy such default. In the event of a default by the Seller that has not been cured within a reasonable time, the City may terminate this Agreement by giving written notice thereof to the Seller or may institute such proceedings at law or in equity as may be desirable in

its sole discretion to remedy the default, including but not limited to proceedings to compel specific performance. In the event of a default by the City that has not been cured within a reasonable time, the Seller may terminate this Agreement by giving written notice thereof to the City or may institute such proceedings at law or in equity as may be desirable in its sole discretion to remedy the default, including but not limited to proceedings to compel specific performance.

C. **Waiver and Estoppel.** Any delay by any party in instituting or prosecuting any actions or proceedings or otherwise asserting its rights shall not operate as a waiver of such rights or operate to deprive said party of or limit such rights in any way. No waiver made by either party with respect to any specific default by the another party shall be construed, considered, or treated as a waiver of the rights of said party with respect to any other defaults of the other party.

SECTION 8. CONFLICT OF INTEREST; CITY'S REPRESENTATIVES NOT INDIVIDUALLY LIABLE.

No agent, official or employee of the City shall have any personal interest, direct or indirect, in this Agreement; nor shall any such agent, official, or employee participate in any decision relating to this Agreement which affects his/her personal interest or the interest of any corporation, partnership or association in which he/she is directly or indirectly interested. No agent, official, or employee of the City shall be personally liable to the Seller or any successor in interest in the event of any default or breach by the City or for any amount which may become due to the Seller or any successor or with respect to any commitment or obligation of the City under the terms of this Agreement.

SECTION 9. PROVISIONS NOT MERGED WITH DEED.

The provisions of this Agreement shall not be merged with the Deed, and the Deed shall not be deemed to affect or impair the provisions of this Agreement.

SECTION 10. HEADINGS.

The headings of the various sections of this Agreement have been inserted for convenient reference only and shall not in any manner be construed as modifying, amending, or affecting in any way the express terms and provisions thereof.

SECTION 11. GOVERNING LAW.

This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois, without regard to its choice of law principles. In the event of any conflict between the terms of this Agreement and the Authorizing Ordinance, the terms of the Authorizing Ordinance shall control.

SECTION 12. ENTIRE AGREEMENT.

This Agreement constitutes the entire agreement between the parties and supersedes and replaces any prior agreements between the parties with respect to the subject matter hereof. This Agreement shall not be modified or amended in any manner other than by supplemental written agreement executed by the parties.

SECTION 13. SEVERABILITY.

If any provision of this Agreement, or any paragraph, sentence, clause, phrase, or word, or the application thereof, is held invalid, the remainder of this Agreement shall be construed as if such invalid part were never included herein and this Agreement shall be and remain valid and enforceable to the fullest extent permitted by law.

SECTION 14. NOTICES.

Any notice, demand or communication required or permitted to be given hereunder shall be given in writing at the addresses set forth below by any of the following means: (a) personal service; (b) facsimile transmission, provided that there is written confirmation of such communications; (c) overnight courier; or (d) registered or certified first class mail, postage prepaid, return receipt requested:

If to the Seller: MCZ Edgewater, LLC
806 N. Peoria, 5th Floor
Chicago, IL 60642
Facsimile: 773-888-9201

and

MCZ Edgewater Exchange, LLC
805 N. Peoria, 5th Floor
Chicago, IL 60642
Facsimile: 773-888-9201

With a copy to: Brotschul Potts LLC
30 N. LaSalle Street, Suite 1402
Chicago, Illinois 60602
Facsimile: 312-277-3278

If to the City: City of Chicago
Department of Planning and Development
City Hall Room 1000
121 North LaSalle Street
Chicago, IL 60602
Attention: Commissioner
Facsimile: 312-744-2271

with a copy to: City of Chicago
Department of Law
121 North LaSalle Street
Room 600
Chicago, IL 60602
Attn: Deputy Corporation Counsel, Real Estate Division
Facsimile: 312-742-0277

AND

Chicago Park District
Attention: General Superintendent
541 North Fairbanks
Chicago, Illinois 60611
(312) 742-4200
(312) 742-5276 (Fax)

AND

Chicago Park District
General Counsel
541 North Fairbanks, Room 300
Chicago, Illinois 60611
(312) 742-4602
(312) 742-5316 (Fax)

Any notice, demand or communication given pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon dispatch by electronic means, respectively, provided that such electronic dispatch is confirmed as having occurred prior to 5:00 p.m. on a business day. If such dispatch occurred after 5:00 p.m. on a business day or on a non-business day, it shall be deemed to have been given on the next business day. Any notice, demand or communication given pursuant to clause (c) shall be deemed received on the day immediately following deposit with the overnight courier. Any notice, demand or communication sent pursuant to clause (d) shall be deemed received three business days after mailing. The parties, by notice given hereunder, may designate any further or different addresses to which subsequent notices, demands or communications shall be given.

SECTION 15. COUNTERPARTS.

This Agreement may be executed in counterparts, each of which shall constitute an original instrument.

SECTION 16. AMENDMENTS.

This Agreement may only be amended by the parties in writing. Such amendment shall become effective upon its execution by the parties.

SECTION 17. SUCCESSORS AND ASSIGNS.

The terms of this Agreement shall be binding upon the City, MCZ LLC and MCZ Exchange, and each of their respective legal representatives, successors, and assigns. Notwithstanding the foregoing, prior to the Closing, no party may assign its rights hereunder without the prior written consent of the other parties.

SECTION 18. OTHER ACTS.

The parties agree to perform such other acts, and to execute, acknowledge, and deliver such other instruments, documents, and materials as may be reasonable to consummate the transaction contemplated in this Agreement.

SECTION 19. BUSINESS RELATIONSHIPS.

The Seller acknowledges (a) receipt of a copy of Section 2-156-030(b) of the Municipal Code of Chicago, (b) that it has read such provision and understands that pursuant to such Section 2-156-030(b) it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a “**Business Relationship**” (as described in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (c) notwithstanding anything to the contrary contained in this Agreement, that a violation of Section 2-156-030(b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Agreement shall be grounds for termination of this Agreement and the transactions contemplated hereby. The Seller hereby represents and warrants that no violation of Section 2-145-030(b) has occurred with respect to this Agreement or the transactions contemplated hereby.

SECTION 20. PATRIOT ACT CERTIFICATION.

The Seller represents and warrants that neither the Seller nor any Affiliate (as hereafter defined) thereof is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce, or their successors, or on any other list of persons or entities with which the City may not do business under any applicable Laws: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List, and the Debarred List. As used in this Section 20, an “**Affiliate**” shall be deemed to be a person or entity related to the Seller that, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with the Seller, and a person or entity shall be deemed to be controlled by another person or entity if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or

entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract, or otherwise.

SECTION 21. PROHIBITION ON CERTAIN CONTRIBUTIONS — MAYORAL EXECUTIVE ORDER NO. 2011-4.

MCZ LLC and MCZ Exchange each agree that MCZ LLC, MCZ Exchange, any person or entity who directly or indirectly has an ownership or beneficial interest in MCZ LLC or MCZ Exchange of more than 7.5 percent (“Owners”), spouses and domestic partners of such Owners, MCZ LLC's or MCZ Exchange's contractors (i.e., any person or entity in direct contractual privity with MCZ LLC or MCZ Exchange regarding the subject matter of this Agreement) (“Contractors”), any person or entity who directly or indirectly has an ownership or beneficial interest in any Contractor of more than 7.5 percent (“Sub-owners”) and spouses and domestic partners of such Sub-owners (MCZ LLC, MCZ Exchange and all the other preceding classes of persons and entities are together the “Identified Parties”), shall not make a contribution of any amount to the Mayor of the City of Chicago (the “Mayor”) or to his political fundraising committee (a) after execution of this Agreement by MCZ LLC or MCZ Exchange, (b) while this Agreement or any Other Contract (as hereinafter defined) is executory, (c) during the term of this Agreement or any Other Contract, or (d) during any period while an extension of this Agreement or any Other Contract is being sought or negotiated. This provision shall not apply to contributions made prior to May 16, 2011, the effective date of Executive Order 2011-4.

MCZ LLC and MCZ Exchange each represent and warrant that from the later of (a) May 16, 2011, or (b) the date the City approached MCZ LLC or MCZ Exchange, or the date MCZ LLC or MCZ Exchange approached the City, as applicable, regarding the formulation of this Agreement, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

MCZ LLC and MCZ Exchange each agree that it shall not: (a) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fundraising committee; (b) reimburse its employees for a contribution of any amount made to the Mayor or to the Mayor's political fundraising committee; or (c) bundle or solicit others to bundle contributions to the Mayor or to his political fundraising committee.

MCZ LLC and MCZ Exchange each agree that the Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 2011-4 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 2011-4.

Notwithstanding anything to the contrary contained herein, MCZ LLC and MCZ Exchange each agree that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this Section 21 or violation of Mayoral Executive Order No. 2011-4 constitutes a breach and default under this Agreement, and under any Other Contract for which no opportunity to cure will be granted, unless the City, in its sole discretion, elects to grant such an opportunity to cure. Such breach and default entitles the City to all remedies (including, without limitation, termination for default) under this Agreement, and under

any Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

If MCZ LLC or MCZ Exchange intentionally violates this provision or Mayoral Executive Order No. 2011-4 prior to the Closing, the City may elect to decline to close the transaction contemplated by this Agreement.

For purposes of this provision:

(a) “Bundle” means to collect contributions from more than one source, which contributions are then delivered by one person to the Mayor or to his political fundraising committee.

(b) “Other Contract” means any other agreement with the City to which MCZ LLC or MCZ Exchange is a party that is (i) formed under the authority of Chapter 2-92 of the Municipal Code of Chicago; (ii) entered into for the purchase or lease of real or personal property; or (iii) for materials, supplies, equipment or services which are approved or authorized by the City Council.

(c) “Contribution” means a “political contribution” as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

(d) Individuals are “domestic partners” if they satisfy the following criteria:

- (i) they are each other's sole domestic partner, responsible for each other's common welfare; and
- (ii) neither party is married; and
- (iii) the partners are not related by blood closer than would bar marriage in the State of Illinois; and
- (iv) each partner is at least 18 years of age, and the partners are the same sex, and the partners reside at the same residence; and
- (v) two of the following four conditions exist for the partners:
 - (1) The partners have been residing together for at least 12 months.
 - (2) The partners have common or joint ownership of a residence.
 - (3) The partners have at least two of the following arrangements:
 - (A) joint ownership of a motor vehicle;
 - (B) joint credit account;
 - (C) a joint checking account;

(D) a lease for a residence identifying both domestic partners as tenants.

(4) Each partner identifies the other partner as a primary beneficiary in a will.

“Political fundraising committee” means a “political fundraising committee” as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

SECTION 22. FAILURE TO MAINTAIN ELIGIBILITY TO DO BUSINESS WITH THE CITY.

Failure by MCZ LLC or MCZ Exchange or any controlling person (as defined in Section 1-23-010 of the Municipal Code of Chicago) of MCZ LLC or MCZ Exchange to maintain eligibility to do business with the City of Chicago as required by Section 1-23-030 of the Municipal Code of Chicago shall be grounds for termination of the Agreement and the transactions contemplated thereby. MCZ LLC and MCZ Exchange shall at all times comply with Section 2-154-020 of the Municipal Code of Chicago.

SECTION 23. LEGISLATIVE INSPECTOR GENERAL AND INSPECTOR GENERAL.

It is the duty of every officer, employee, department, agency, contractor, subcontractor, developer, and licensee of the City, and every applicant for certification of eligibility for a City contract or program, to cooperate with the City’s Legislative Inspector General and with the City’s Inspector General in any investigation or hearing undertaken pursuant to Chapters 2-55 and 2-56, respectively, of the Municipal Code of Chicago. The Seller understands and will abide by all provisions of Chapters 2-55 and 2-56 of the Municipal Code of Chicago.

SECTION 24. JOINT AND SEVERAL LIABILITY.

Each and without limitation every obligation or undertaking in this Agreement to be fulfilled or performed by the Seller is the joint and several obligation or undertaking of MCZ LLC and MCZ Exchange.

SECTION 25. LIMITED APPLICABILITY.

The approval of any work by DPD’s Bureau of Economic Development is for the purpose of this Agreement only and does not constitute the approval required by the City’s Department of Buildings, any other DPD Bureau, or any other City department; nor does such approval by DPD pursuant to this Agreement constitute an approval of the quality, structural soundness or the safety of any improvements located or to be located on the Property. The approval given by the DPD shall be only for the benefit of the Seller.

SECTION 26. JOINDER OF AGREEMENT.

The parties hereto agree to execute a "Joinder of Agreement" in substantially the form attached hereto as Exhibit G, for the purpose of providing the CPD the right to enforce the Seller's obligations and the CPD's rights as set forth in Sections 3.C., 3.D., 3.I., 4 and 5 hereof.

SECTION 27. FORCE MAJEURE.

Seller's obligations hereunder are subject to and may be delayed (without causing a default hereunder) by the following unforeseeable causes, but only to the extent that the same are beyond Seller's reasonable control, are not caused by Seller or its consultants, contractors or subcontractors, could not have been either foreseen or avoided by the exercise of due diligence and which has an adverse effect on Seller's ability to perform its obligations hereunder: (i) Acts of God; (ii) acts of the public enemy; (iii) fires, flood and severe weather and similar acts of nature; (iv) epidemics and quarantine restrictions; (v) strikes (but only to the extent not targeted at Seller or any of its contractors, consultants or subcontractors); and (vi) embargoes.

(SIGNATURES APPEAR ON FOLLOWING PAGE)

IN WITNESS WHEREOF, the parties hereto have executed or caused this Agreement to be executed as of the date first above written.

CITY OF CHICAGO,
an Illinois municipal corporation and home rule unit of
government

BY: _____
David L. Reifman,
Commissioner
Department of Planning and Development

SELLER:

MCZ EDGEWATER, LLC,
an Illinois limited liability company

BY: _____
NAME: _____
ITS: _____

MCZ EDGEWATER EXCHANGE, LLC,
an Illinois limited liability company

BY: _____
NAME: _____
ITS: _____

IN WITNESS WHEREOF, the parties hereto have executed or caused this Agreement to be executed as of the date first above written.

CITY OF CHICAGO,
an Illinois municipal corporation and home rule unit of
government

BY: _____
David L. Reifman,
Commissioner
Department of Planning and Development

SELLER:

MCZ EDGEWATER, LLC,
an Illinois limited liability company

BY: _____
NAME: Mike Lowen
ITS: Arthur and Gary

MCZ EDGEWATER EXCHANGE, LLC,
an Illinois limited liability company

BY: _____
NAME: Mike Lowen
ITS: Arthur and Gary

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

PARCEL 1:

LOTS 10 THROUGH 15, BOTH INCLUSIVE AND LOT 16 (EXCEPT THE WEST 18 FEET THEREOF) IN BLOCK 4 IN ASHLAND AVENUE AND CLARK STREET ADDITION TO EDGEWATER BEING A SUBDIVISION IN PARTS OF SECTIONS 5 AND 6, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

CONTAINING 17,046 SQUARE FEET OR 0.39 ACRES MORE OR LESS.

PINs:

14-06-409-060-0000 (Part of)

14-06-409-048-0000

Commonly known as: 1628 W. Hollywood Avenue
 1630 W. Hollywood Avenue,
 Chicago, Illinois 60660

PARCEL 2:

LOTS 2, 3 AND 4 IN EDGEWATER ONE SUBDIVISION BEING A RESUBDIVISION OF PART OF BLOCK 4 IN ASHLAND AVENUE AND CLARK STREET ADDITION TO EDGEWATER BEING A SUBDIVISION IN PARTS OF SECTIONS 5 AND 6, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

CONTAINING 10,507 SQUARE FEET OR 0.24 ACRES MORE OR LESS.

PINs:

14-06-409-066-0000

14-06-409-067-0000

14-06-409-068-0000

Commonly known as: 1619 W. Edgewater Avenue
 1621 W. Edgewater Avenue
 1623 W. Edgewater Avenue

Chicago, Illinois 60660

Parcel 3:

LOT 5 EXCEPT THAT PART THEREOF LYING WEST OF THE NORTHERLY EXTENSION OF THE WEST LINE OF LOT 16 IN BLOCK 4 IN ASHLAND AVENUE AND CLARK STREET ADDITION TO EDGEWATER, BEING A SUBDIVISION IN PARTS OF SECTIONS 5 AND 6, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

CONTAINING 8,492 SQUARE FEET OR 0.19 ACRES MORE OR LESS.

PIN: 14-06-409-069-0000 (Part of)

Commonly known as: 1625 W. Edgewater Avenue, Chicago, Illinois 60660

EXHIBIT B

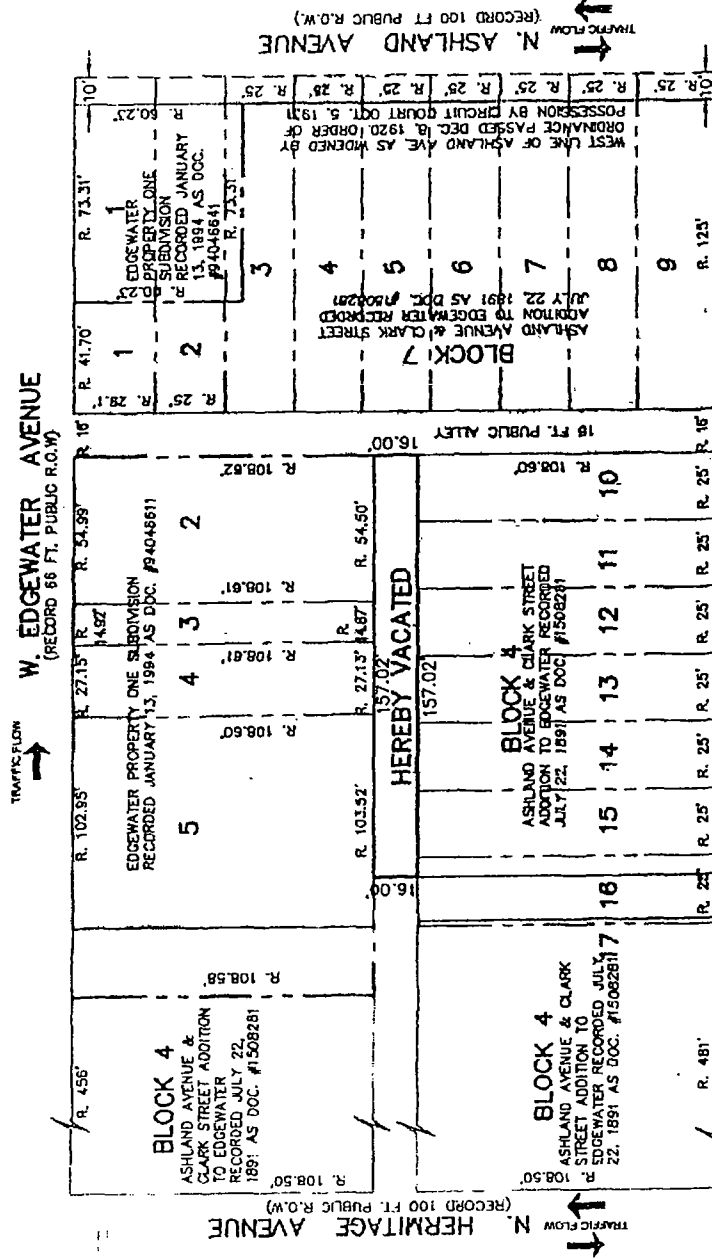
Plat (including legal description) of To-Be-Vacated Alley

[Attached]

Exhibit "B".

Plat Of Vacation.
(Page 2 of 4)

EXHIBIT "B"
PLAT OF VACATION



REVISED 5/12/17 P.L.N.S. (RL)
REVISED 5/17/17 ZONING (BB)

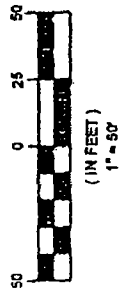
ORDERED BY: KCL USM&LLC
ADDRESS: 614 E ASHLAND AVENUE (EDGEMOUNT HOSPITAL)
CITY: EDGEMOUNT, PA 15035

PREPARED BY: GREMLEY & BIEDERMANN
DATE: APRIL 18, 2017

1404 North Harris Avenue, Dallas, TX 75230
Telephone: (972) 967-5077 Fax: (972) 967-5066 Email: info@grebley.com

2017-23843-002
SCALE: 1 inch = 31 feet
SHEET: 2 of 4

GRAPHIC SCALE



CDOT# 06-40-16-3766

EXHIBIT "B"

PLAT OF VACATION

THAT PART OF THE 16 FOOT EAST-WEST PUBLIC ALLEY IN BLOCK 4 IN ASHLAND AVENUE AND CLARK STREET ADDITION TO EDGEWATER IN THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 6, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, RECORDED JULY 22, 1891 AS DOCUMENT NUMBER 1508281, LYING NORTH OF THE NORTH LINE OF LOTS 10 TO 15, INCLUSIVE, IN SAID BLOCK 4; LYING SOUTH OF THE SOUTH LINE OF LOTS 2 TO 5, INCLUSIVE, IN EDGEWATER PROPERTY ONE SUBDIVISION, A RESUBDIVISION OF PART OF SAID BLOCK 4, RECORDED JANUARY 13, 1994 AS DOCUMENT NUMBER 94046611; LYING EAST THE NORTHERLY EXTENSION OF THE EAST LINE OF THE WEST 18.00 FEET OF LOT 16 IN SAID BLOCK 4; AND LYING WEST OF A LINE DRAWN FROM THE NORTHEAST CORNER OF LOT 10 IN SAID BLOCK 4 TO THE SOUTHEAST CORNER OF LOT 2 IN EDGEWATER PROPERTY ONE SUBDIVISION, AFORESAID, IN COOK COUNTY, ILLINOIS.

CONTAINING 2.512 SQUARE FEET OR 0.06 ACRES, MORE OR LESS.

LEGEND

- R. Record Measurement
- M. Measured Measurement
- HEREBY DEDICATED
- PENDING VACATION
- UNDERLYING LOTS
- LINE BETWEEN SUBDIVISIONS

CDOT# 06-40-16-3766

SURVEY NOTES:

ZONING: RPD 1312

Distances are marked in feet and decimal parts thereof. Compare all points BEFORE building by same and at once report any differences BEFORE damage is done.

For easements, building lines and other restrictions not shown on survey plat refer to your abstract, deed, contract, title policy and local building line regulations.

NO dimensions shall be assumed by scale measurement upon this plat.

Unless otherwise noted hereon as the Bearing Basis, Elevation Datum and Coordinate Datum it used is ASSUMED.

COPYRIGHT GREMLEY & BIEDERMANN, INC. 2017. All Rights Reserved

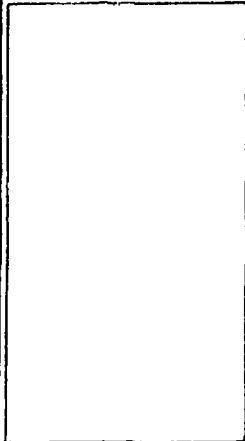
Exhibit "B".
Plat Of Vacalion.
(Page 3 of 4)

REVISED 6/12/17 P.L.N.S. (RL)
REVISED 6/8/17 ZONING (RB)
ADDRESS: 3128 N. ASHLAND AVENUE, CHICAGO, ILLINOIS 60641
OWNER: GREMLEY & BIEDERMANN
PLCK Corporation
Professional Land Surveyors
1583 North Elston Avenue, Des Plaines, IL 60018
Telephone: (773) 483-4107 Fax: (773) 714-4108 Email: INFO@PLCK-SURV.COM

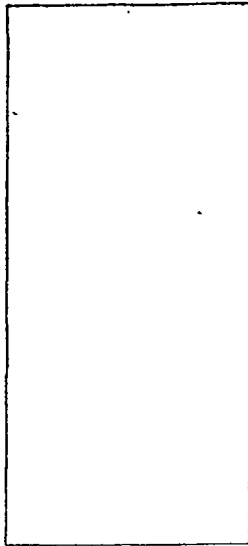
DATE: APRIL 24, 2017
SCALE: 1 INCH = 20 FEET
PAGE NO: 3 OF 4
CDOT# 06-40-16-3766

EXHIBIT "B"

PLAT OF VACATION



CITY - DEPT. OF FINANCE



COOK CO.

P.I.N.S.
 14-06-409-066-0000
 14-06-409-067-0000
 14-06-409-068-0000
 14-06-409-069-0000
 14-06-409-050-0000
 14-06-409-048-0000

State of Illinois
County of Cook

We, GREMLEY & BIEDERMANN, INC. hereby certify that we have surveyed the above described property and that the plat hereon drawn is a correct representation of said survey conducted by the use of instruments of 62" Fahrenheit.

Field measurements completed on May 3, 2017.

Signed on May 12, 2017.

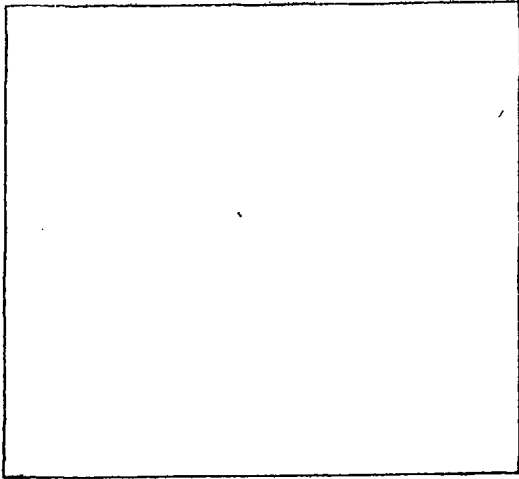
By: *[Signature]*

Professional Illinois Land Surveyor No. 2477

My license expires November 30, 2018

This professional service conforms to the current Illinois minimum standards for a boundary survey.

CDOT# 06-40-16-3766



C.P.O.T.

SURVEY PREPARED FOR / MAIL TO:

MCZ URBAN, LLC
1656 NORTH BOSWORTH
CHICAGO, IL 60642

REVISED 5/12/17 P.I.N.S. (PL)
REVISED 5/8/17 ZONING (BB)

RECORDED BY: MCLURBAN, LLC
ADDRESS: 2748 S. JASLAK AVENUE EVERGREEN HIGHLANDS, IL 60422

PREPARED BY: GREMLEY & BIEDERMANN

P.L.C. CORPORATION
LARRY W. GREMLEY
1400 NORTH STATE STREET, SUITE 100
CHICAGO, ILLINOIS 60610
TEL: (773) 462-2800 FAX: (773) 462-1000 EMAIL: MCGREMLY@GCSURV.COM

ORDER NO. 2017-23843-002
DATE: APR. 14, 2017
PAGE NO. 4 OF 4

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EXHIBIT C

Plat (including legal description) of To-Be-Dedicated Alley

[Attached]

Exhibit "c".

Plat Of Dedication.
(Page 1 of 4)

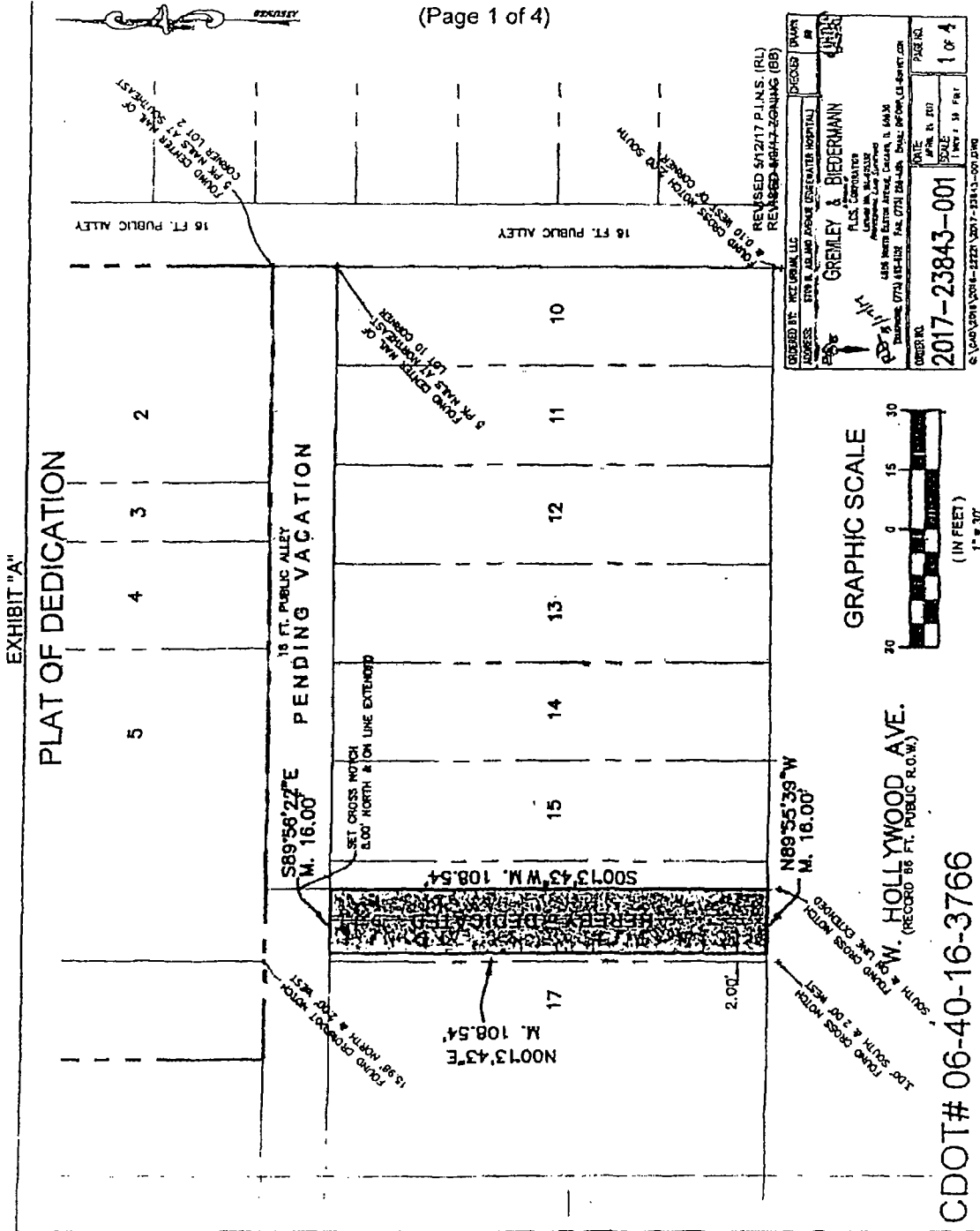
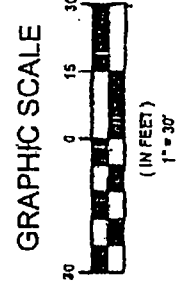


EXHIBIT "A"

PLAT OF DEDICATION



CDOT# 06-40-16-3766

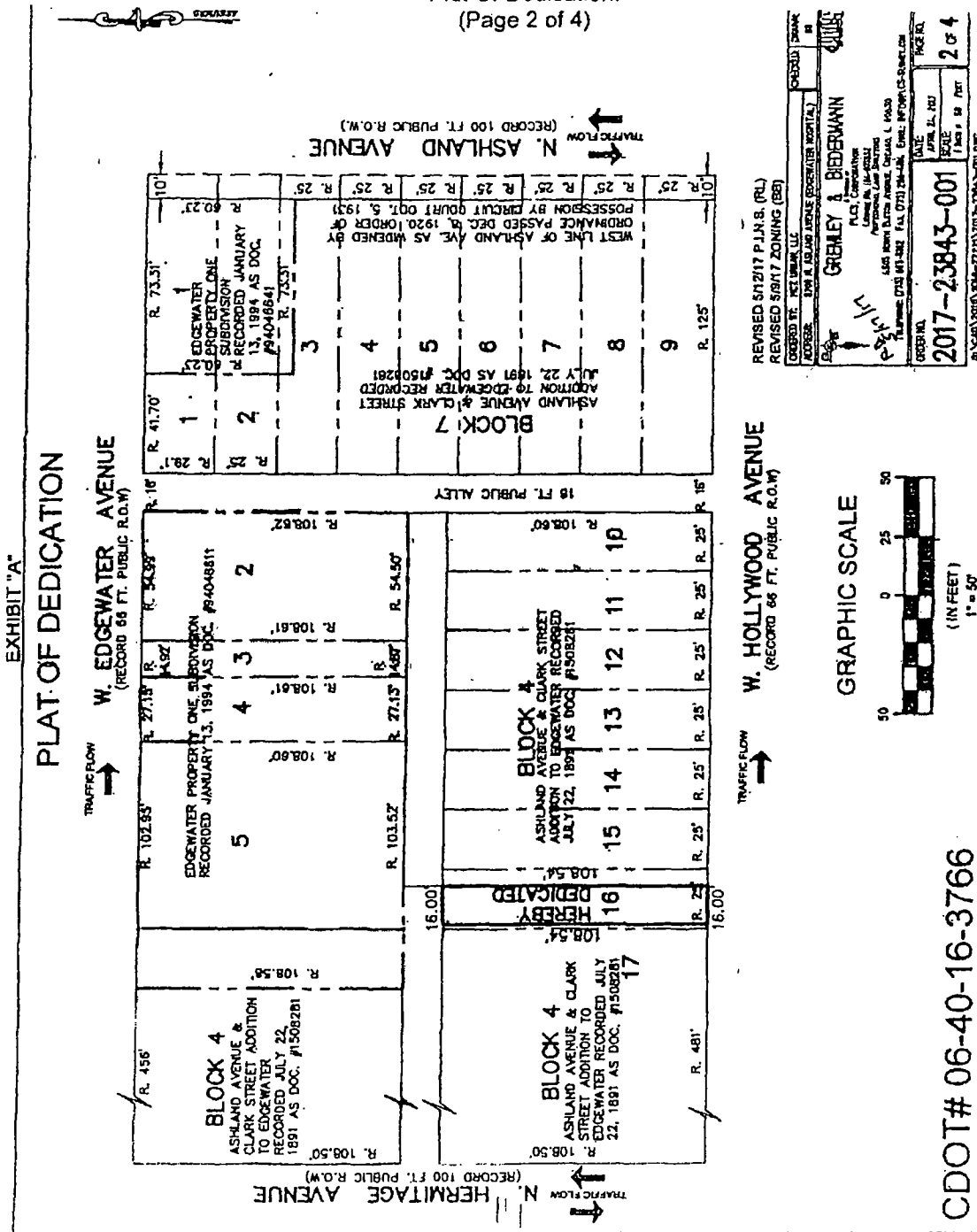
ORDERED BY: RECORDER LLC
 ADDRESS: 5700 N. JULIUS AVENUE (BEAVER WATER HOSPITAL)
 GREMLEY A. BIEDERMANN
 P.L.S. CORPORATION
 1428 NORTH STATE AVENUE, SUITE 100, DENVER, CO 80202
 TELEPHONE: (773) 452-1151 FAX: (773) 284-1158 EMAIL: GAB@GAC.COM
 ORDER NO. 2017-23843-001
 SCALE: 1" = 30'
 PAGE NO. 1 OF 4

HOLLYWOOD AVE.
 (RECORD 55 FT. PUBLIC R.O.W.)
 FOUND CROSS MOTCH
 130° 30' 0" N & 2' 00" WEST

REVISED 5/21/17 P.L.N.S. (RL)
 REVISIONS: 4/18/17-ZONING (BB)

Exhibit "C".

Plat Of Dedication.
(Page 2 of 4)



REVISED 5/17/17 P.J.N.S. (RL)
REVISED 5/17/17 ZONING (BE)

ORDERED BY: NCL/UMK/LLC
ADDRESS: 1000 N. ASHLAND AVENUE (EDgewater DISTRICT)

PREPARED BY: **GREMLEY A. BIEDERMANN**
P.L.C. Consultant
1400 NORTH DUTCH AVENUE, DECATUR, GA 30030
Telephone: (770) 411-5881 Fax: (770) 284-4444 Email: gfb@nclcs.com

DATE: APRIL 24, 2017
SCALE: 1" = 50' FT
PAGE NO.: 2 OF 4

CDOT# 06-40-16-3766

EXHIBIT "A"

PLAT OF DEDICATION

THE EAST 16.00 FEET OF THE WEST 16.00 FEET OF LOT 16 IN BLOCK 4 IN ASHLAND AVENUE AND CLARK STREET ADDITION TO EDGEWATER IN THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 6, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, RECORDED JULY 22, 1891, AS DOCUMENT NUMBER 1508281, IN COOK COUNTY, ILLINOIS.

CONTAINING 1.737 SQUARE FEET OR 0.04 ACRES, MORE OR LESS.

State of Illinois))
County of Cook) ss

_____ does hereby certify that he is the owner of the property described hereon and that it has caused the said property to be surveyed and dedicated as shown hereon.

Dated: _____ A.D. 2017.

By: _____

State of Illinois))
County of Cook) ss

_____, a Notary Public in and for the County and State aforesaid, do hereby certify that _____ personally known to me, to be the same person who appeared before me this day in person and acknowledged that he (she) is the owner of the property described on the plat hereon drawn and that as such owner he (she) signed, sealed and delivered the said instrument for the uses and purposes therein set forth. Given under my hand and seal this _____ day of _____ A.D. 2017.

LEGEND

R. Record Measurement
M. Measured Measurement



HEREBY DEDICATED



PENDING VACATION

_____ UNDERLYING LOTS

_____ LINE BETWEEN SUBDIVISIONS

CDOT# 06-40-16-3766

Notary Public

SURVEY NOTES:

ZONING: RPD1312

Distances are marked in feet and decimal parts thereof. Compare all points BEFORE building by same and at once report any differences BEFORE damage is done.

For easements, building lines and other restrictions not shown on survey plat refer to your abstract, deed, contract, title policy and local building line regulations.

NO dimensions shall be assumed by scale measurement upon this plat.

Unless otherwise noted hereon the Bearing, Distance, Elevation Datum and Coordinate Datum if used is ASSUMED.

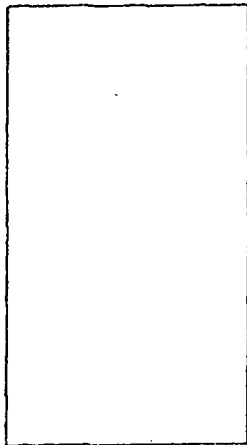
COPYRIGHT GREIMLEY & BIEDERMANN, INC. 2017 "All Rights Reserved"

Exhibit "C".
Plat Of Dedication.
(Page 3 of 4)

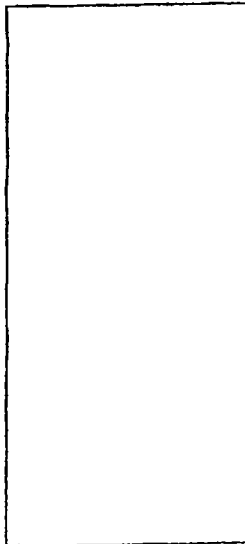
REVISED 5/12/17 P.L.N.S. (BL)	DECODED	DRINK
REVISED 5/12/17 ZONING (BB)	IN	
ADDRESS: 1729 N. ASHLAND AVENUE (EDGEWATER HOSPITAL)	4/11/17	
GREIMLEY & BIEDERMANN		
PLS. CONSULTATION		
LOCAL NO. 18-40131		
ADDRESS: 1525 NORTH ELSTON AVENUE, CHICAGO, IL 60610		
PHONE: (773) 462-2000 FAX: (773) 462-2001		
DATE: APRIL 11, 2017		
2017-23843-001		
3 OF 4		

EXHIBIT "A"

PLAT OF DEDICATION



CITY - DEPT. OF FINANCE



COOK CO.

P.I.N.S
14-06-409-050-0000

C.D.O.T.

\$ SURVEY PREPARED FOR / MAIL TO:

MCZ URBAN, LLC
1656 NORTH BOSWORTH
CHICAGO, IL 60642

State of Illinois
County of Cook

We, GREINLEY & BIEDERMANN, INC, hereby certify that we have surveyed the above described property and that the plat hereon drawn is a correct representation of said survey corrected to a temperature of 62° Fahrenheit.

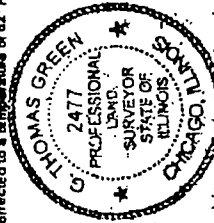
Field measurements completed on MAY 3, 2017.

Signed on May 12, 2017

By: *Thomas Green*

Professional Illinois Land Surveyor No. 2477
My license expires November 30, 2018

This professional service conforms to the current Illinois minimum standards for a boundary survey.



GDOT# 06-40-16-3766

Exhibit "C"
Plat Of Dedication.
(Page 4 of 4)

REVISED 5/12/17 P.I.N.S. (PL)
REVISED 5/9/17 ZONING (BB)

GREINLEY & BIEDERMANN
P.L.L.C. Corporation
Professional Land Surveyors
1645 NORTH BOSTON AVENUE, CHICAGO, IL 60610
TELEPHONE (773) 461-4002 FAX (773) 291-4101 EMAIL: INFO@G&B.COM

DATE: APRIL 24, 2017
SCALE: 1 inch = 20 feet
PAGE NO. 4 of 4

2017-23843-001

6-14-0011\2016-2221\2017-23843-001.Dwg

EXHIBIT D

LEGAL DESCRIPTION OF DEVELOPMENT PARCEL

PARCEL 1:

LOTS 1 AND 2 (EXCEPT THE EAST 73.31 FEET), LOT 3 (EXCEPT THE NORTH 6.13 FEET OF THE EAST 73.31 FEET) AND ALL OF LOTS 4 TO 9 IN BLOCK 4 IN ASHLAND AVENUE AND CLARK STREET ADDITION TO EDGEWATER IN THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 6, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

LOT 1 IN EDGEWATER PROPERTY ONE SUBDIVISION, A RESUBDIVISION OF LOTS 1, 2 AND 54 THROUGH 61 AND PART OF LOT 3 IN BLOCK 4 IN ASHLAND AVENUE AND CLARK STREET ADDITION TO EDGEWATER IN THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 6, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCELS 1 AND 2 CONTAINING 26,817 SQUARE FEET OR 0.615 ACRES MORE OR LESS.

PINs:

14-06-409-065-0000

14-06-409-089-0000

14-06-409-070-0000

Commonly known as: 5700 N. Ashland Avenue, Chicago, Illinois 60660

EXHIBIT E

Disclosure of Existing Permitted Title Exceptions

General real estate taxes not yet due and payable.

Environmental Disclosure Document for Transfer of Real Property, recorded with the Office of the Recorder of Deeds of Cook County, Illinois, on September 21, 1994, as document number 94882600.

Terms and conditions of Agreed Order of Dismissal and Permanent Injunction under Cook County Case No. 14M1402378, entered on February 9, 2016, and recorded with the Office of the Recorder of Deeds of Cook County, Illinois, on March 2, 2016, as document no. 1606245055.

EXHIBIT F

Certificate of Lawful Demolition

[Attached]

MCZ EDGEWATER, LLC, an Illinois limited liability company ("MCZ LLC"), having its principal offices at 806 N. Peoria, 5th Floor, Chicago, Illinois 60642, and MCZ EDGEWATER EXCHANGE, LLC, an Illinois limited liability company ("MCZ Exchange"), having its principal offices at 806 N. Peoria, 5th Floor, Chicago, Illinois 60642 (MCZ LLC and MCZ Exchange, collectively, the "Seller"), have conducted an onsite visual observation of the Property. This certificate constitutes evidence that the Seller, or its contractor(s), has complied with all applicable federal, state and local laws, ordinances and regulations with respect to the completion of the demolition of the improvements previously located on that certain parcel of real estate which is commonly known as 1628 and 1630 West Hollywood Avenue, and 1619, 1621, 1623 and 1625 West Edgewater Avenue, Chicago, Illinois (the "Property").

With respect to the improvements previously located on the Property, and in accordance with that certain agreement between the Seller and the City of Chicago dated _____, 2018 (the "Agreement") the undersigned hereby certify to the City of Chicago and the Chicago Park District:

1. Any utilities serving such improvements have been disconnected in accordance with all applicable federal, state and local laws, ordinances and regulations.
2. Demolition of any existing improvements has been completed in accordance with all applicable federal, state and local laws, ordinances and regulations, and the Agreement.
3. All below-grade walls, foundations and other structural improvements have been removed in accordance with all applicable federal, state and local laws, ordinances and regulations.
4. The Property has been back-filled with fill material compliance with all applicable federal, state and local laws, ordinances and regulations, including the Illinois Environmental Protection Act, and the Agreement.
5. All demolition materials have been disposed of in accordance with all applicable federal, state and local laws, ordinances and regulations.

MCZ EDGEWATER, LLC

MCZ EDGEWATER EXCHANGE, LLC

By: _____

By: _____

Name: _____

Name: _____

Its: _____

Its: _____

EXHIBIT G

Form of Joinder of Agreement

[Attached]

JOINDER OF AGREEMENT

This Joinder of Agreement ("Joinder of Agreement") is made on or as of this ____ day of _____, 20__, by and among: **MCZ EDGEWATER, LLC**, an Illinois limited liability company ("**MCZ LLC**"), having its principal offices at 806 N. Peoria, 5th Floor, Chicago, Illinois 60642; **MCZ EDGEWATER EXCHANGE, LLC**, an Illinois limited liability company ("**MCZ Exchange**"), having its principal offices at 806 N. Peoria, 5th Floor, Chicago, Illinois 60642 (MCZ LLC and MCZ Exchange, collectively, the "**Seller**"); **CITY OF CHICAGO**, an Illinois municipal corporation and home rule unit of government (the "**City**"), acting by and through its Department of Planning and Development, having its principal offices at City Hall, 121 North LaSalle Street, Chicago, Illinois 60602; and **CHICAGO PARK DISTRICT**, an Illinois municipal corporation and unit of local government (the "**CPD**"), having its principal offices at 541 North Fairbanks, Chicago IL, 60611.

RECITALS

WHEREAS, the City and the Seller have executed that certain Real Estate Sales Agreement (the "**Sales Agreement**"), with an effective date of _____, 20__, relating to the property commonly known as 1628 and 1630 West Hollywood Avenue, and 1619, 1621, 1623 and 1625 West Edgewater Avenue, Chicago, Illinois ("**Property**"); and

WHEREAS, the City intends to acquire the Property and thereafter convey it to the CPD for use as a public park; and

WHEREAS, the City and the Seller desire to grant the CPD the right to enforce (which right is in addition to, and not in lieu of, any rights the City may have) the Seller's obligations and the CPD's rights as set forth in Sections 3.C., 3.D., 3.I., 4 and 5 of the Sales Agreement (collectively, the "**Joinder Sections**"); and

WHEREAS, the CPD agrees to be bound by those contractual obligations contained in the Joinder Sections;

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the parties agree as follows:

1. The recitals set forth above constitute an integral part of this Joinder of Agreement and are incorporated herein by this reference with the same force and effect as if set forth herein as agreements of the parties.

2. The parties agree that the CPD shall have the rights and obligations provided to the CPD in the Joinder Sections. In accordance with Section 5.D. of the Sales Agreement, the CPD hereby indemnifies and holds the Seller harmless from any and all damages to the Property and injury to persons caused by the CPD, or its authorized representatives, agents and contractors (collectively, "**CPD Parties**") and arising from entry onto the Site by the CPD Parties. The CPD shall promptly repair and restore the Site to the same condition as existed immediately prior to such entry if such entry resulted in any damage thereto. Furthermore, the CPD acknowledges and agrees that it shall be subject to the remedies set forth in the Sales Agreement for any of

CPD's breaches.

3. This Joinder of Agreement shall be construed in accordance with the laws of the State of Illinois.

4. This Joinder of Agreement may be executed in counterparts, each of which shall constitute an original instrument.

[signature page follows]

IN WITNESS WHEREOF, the parties have executed or caused the Joinder of Agreement to be executed, all as of the date first above written.

CITY OF CHICAGO,
an Illinois municipal corporation and home rule unit of government

BY: _____
David L. Reifman,
Commissioner
Department of Planning and Development

SELLER:

MCZ EDGEWATER, LLC,
an Illinois limited liability company

BY: _____
NAME: _____
ITS: _____

MCZ EDGEWATER EXCHANGE, LLC,
an Illinois limited liability company

BY: _____
NAME: _____
ITS: _____

CHICAGO PARK DISTRICT,
an Illinois municipal corporation and unit of local government

BY: _____
NAME: _____
ITS: _____

EXHIBIT H

Form of Sole Order Escrow Agreement

[Attached]

Proper Title LLC

Chicago, IL _____

Attn: _____

p: _____ | f: _____

Order No.: PT17-43301

DATE: _____, 2018

SOLE ORDER ESCROW

MCZ Edgewater, LLC and MCZ Edgewater Exchange, LLC, each having its principal offices at 806 N. Peoria, 5th Floor, Chicago, Illinois 60642 (collectively, the "Seller"), are jointly depositing with Proper Title LLC, as Escrowee, the following document documents (collectively, the "Deposits"): (i) Special Warranty Deed (the "Deed"), in recordable form, conveying to the City of Chicago (the "City"), an Illinois municipal corporation and home rule unit of local government, having its principal offices at 121 N. LaSalle Street, Room 1000, Chicago, Illinois 60602, fee simple title in and to the property commonly known as 1628-1630 W. Hollywood Avenue, 1619-23 W. Edgewater Avenue, and 1625 W. Edgewater Avenue, Chicago, Illinois 60660 (P.I.N.s: 14-06-409-060-0000 (Part of), 14-06-409-048-0000, 14-06-409-066-0000, 14-06-409-067-0000, 14-06-409-068-0000, and 14-06-409-069-0000 (Part of), and (ii) fully-executed Grantor/Grantee statement.

Upon (i) the City's notifying Escrowee of a breach by Seller pursuant to that certain Real Estate Sales Agreement, by and between Seller and the City and (ii) the receipt of written direction of the City (with a copy of such direction to be delivered contemporaneously to Seller), acting through the Commissioner of its Department of Planning and Development, or any successor department thereto (the "Commissioner"), which written direction shall be provided only pursuant to and in accordance with that certain Real Estate Sales Agreement between Seller and the City, Escrowee shall: (i) notify the Seller that Escrowee will proceed to record the Deed and will charge the Seller the costs and fees described herein; (ii) apply for a full payment water certificate and obtain such certificate, subject to Seller's paying Escrowee any amounts owed in connection with obtaining such certificate (including application fee and any outstanding water account balance); (iii) with the cooperation and assistance of the Seller if requested by Escrowee, apply for and obtain applicable real estate transfer tax stamps; (iv) record the Deed, subject to Seller's paying Escrowee all applicable recording fees; (v) deliver the original, recorded Deed to the City; and (vi) deliver a copy of the recorded Deed to Seller. The City's written direction shall include City of Chicago, County of Cook and State of Illinois Real Estate Transfer Declarations, as applicable and in the then-current form for those documents. Except as set forth in the Escrow Termination Date section below, any amendment of this Escrow Agreement shall require the written consent of the City, Seller and Escrowee.

Proper Title LLC as Escrowee is hereby expressly authorized to disregard in its sole discretion any and all notices or warnings given by any of the parties hereto, or by any other person or corporation, but the said Escrowee is hereby expressly authorized to regard and comply with and

obey any and all orders, judgments or decrees entered or issued by any court with or without jurisdiction, and in case the said Escrowee obeys or complies with any such order, judgment or decree of any court it shall not be liable to any of the parties hereto or any other person, firm or corporation by reason of such compliance, notwithstanding any such order, judgment or decree be entered without jurisdiction or be subsequently reversed, modified, annulled, set aside or vacated, in case of any suit or proceeding, regarding this escrow, to which said Escrowee is or may be at any time a party, and Escrowee shall have a lien on the contents hereof for any and all costs, attorney's and solicitor's fees whether such attorneys or solicitors shall be regularly retained or specially employed and other expenses which it may have incurred or become liable for on account thereof, and it shall be entitled to reimburse itself therefore out of said deposit.

In no case shall the above Deposits be surrendered except on an order signed by the City, its representatives or assigns in accordance with the terms hereof, or in obedience to the process or order of a court as aforesaid.

Escrow fee in the amount of \$ _____ is due upon acceptance.

Annual maintenance fee: \$ _____/yr. commencing in 2018

The parties agree that if the Seller does not pay the escrow fee, escrow maintenance fee, or any of the costs and fees set forth in the second paragraph of this Sole Order Escrow within fifteen (15) days after the date on which Escrowee mails the Seller an invoice for such costs and/or fees, then the Escrowee shall return the Deposits to the City (with contemporaneous notice to Seller of said return of Deposits). In no event shall the Escrowee seek payment for any costs, fees, charges or expenses from the City.

MCZ EDGEWATER, LLC

MCZ EDGEWATER EXCHANGE, LLC

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: _____

CITY OF CHICAGO,
Acting by and through its
Department of Planning and Development

By: _____
Name: _____
Its: _____

Accepted: Proper Title LLC, as escrowee

By: _____