

Mayor

ORDINANCE

WHEREAS, The City of Chicago (the "City") is a home rule unit of government pursuant to Article VII, Section 6(a) of the 1970 State of Illinois Constitution and may exercise any power related to its local governmental affairs; and

WHEREAS, The City Council of the City (the "City Council"), by ordinance first adopted on November 8, 2017 ("Program Ordinance") and published in the Journal of Proceedings of the City Council (the "Journal") for such date at pages 59287 through 59295, established the City Lots for Working Families Program ("City Lots Program"), to assist with the construction of high-quality, owner-occupied single-family housing affordable to working families; and

WHEREAS, The Program Ordinance authorizes the Department of Housing ("DOH") to (a) sell City Lots (this capitalized term and all others not otherwise defined herein are defined in the Redevelopment Agreement attached hereto as Exhibit B) with an appraised value of \$175,000 or less (the "Eligibility Cap") for \$1 per City Lot to approved developers of projects that meet certain development parameters; (b) exempt such projects from MBE/WBE Requirements and City Residency Hiring Requirements if all City Lots within such project have an appraised value of \$125,000 or less (the "Exemption Cap"), and (c) waive certain City fees for such projects; and

WHEREAS, The City Lots Program further authorizes DOH to permit the sale of up to twenty-five percent (25%) of the homes in a project at market rates (the "Market Rate Option"), and to adapt program requirements, including modifying or eliminating the homebuyer mortgage set forth in the Program Ordinance; and

WHEREAS, pursuant to ordinances adopted on May 17, 2000, as amended on May 9, 2012 and December 9, 2015, the City Council: (i) approved a certain redevelopment plan and project (the "Redevelopment Plan") for the Midwest Redevelopment Project Area (the "Redevelopment Area"), pursuant to the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1 et seq.) (the "TIF Act"); (ii) designated the Redevelopment Area as a redevelopment project area pursuant to the TIF Act; and (iii) adopted tax increment financing pursuant to the TIF Act as a means of financing certain Redevelopment Area project costs incurred pursuant to the Redevelopment Plan; and

WHEREAS, The City owns those certain City Lots commonly known as 1220, 1217, 1225, 1227, 1235, 1237, 1239, 1245, 1247, and 1249 South Troy Street, Chicago, Illinois, 60623, which are located in the Redevelopment Area and legally described on Exhibit A attached hereto (the "Property"); and

WHEREAS, GMP Development, LLC, an Illinois limited liability company (together with any single purpose entity owned and controlled by it, the "Developer"), has offered to purchase the Property from the City for Eleven Dollars (\$11.00) and to build eleven (11) affordable (as further described in Section 6 herein) two-unit homes on the Property (the "Project"); and

WHEREAS, The DOH has ordered an appraisal of the Property to confirm the appraisal provided by the Developer, which values the Property at Seventy Thousand and No/100 Dollars (\$70,000) as specifically set forth on Exhibit A to the Redevelopment Agreement; and

WHEREAS, It is anticipated that the City and the Developer will enter into a redevelopment agreement in substantially the form attached hereto as Exhibit B encumbering such Property; and

WHEREAS, The Property is located in the Redevelopment Area, and the Project is consistent with the goals and objectives of the Redevelopment Plan; and

WHEREAS, The City has established the Community Development Commission ("CDC") to, among other things, designate redevelopment areas and recommend the sale of parcels located in redevelopment areas, subject to the approval of the City Council; and

WHEREAS, By Resolution No. 21-CDC-13 adopted on May 11, 2021, by the CDC, the CDC authorized DOH to advertise its intention to enter into a sale with the Developer for the redevelopment of the Property, approved DOH's request to advertise for alternative proposals, and approved the sale of the Property to the Developer if no alternative proposals were received; and

WHEREAS, Public notices advertising DOH's intent to convey the Property to the Developer and requesting alternative proposals appeared in the Chicago Sun-Times on May 14, May 21; and May 28, 2021; and

WHEREAS, No alternative proposals were received by the deadline indicated in the aforesaid notices; and

WHEREAS, Pursuant to Resolution No. 21-016-21 adopted on May 20, 2021, by the Plan Commission of the City (the "Commission"), the Commission recommended the sale of the Property; now, therefore,

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

SECTION 1. The recitals set forth above are incorporated herein by reference and made a part hereof.

SECTION 2. For purposes of this ordinance, capitalized terms that are not defined herein shall have the meanings set forth in the Redevelopment Agreement.

SECTION 3. The Developer is hereby designated as the developer for the Project pursuant to the TIF Act.

SECTION 4. The sale of the Property to the Developer for \$11.00 (or \$1.00 per buildable City Lot) is hereby approved. This approval is expressly conditioned upon the City entering into the

Redevelopment Agreement with the Developer in substantially the form attached as Exhibit B to this ordinance. The commissioner of DOH ("Commissioner"), or a designee of the Commissioner, is each hereby authorized, with the approval of the City's Corporation Counsel, to negotiate, execute and deliver the Redevelopment Agreement and such other documents as may be necessary or appropriate to carry out and comply with the provisions of this ordinance and the Redevelopment Agreement. Such documents may contain terms and provisions that the Commissioner, or a designee of the Commissioner, deems appropriate, including indemnification, releases, affidavits and other documents by the City as may be necessary to remove exceptions from title with respect to the Property or otherwise reasonably necessary or appropriate to consummate the transactions contemplated hereby. If the Developer fails to execute the Redevelopment Agreement by March 15, 2022 then this ordinance will be rendered null and void and of no further effect.

SECTION 5. The Mayor or her proxy is each hereby authorized to execute, and the City Clerk or the Deputy City Clerk is each hereby authorized to attest, a quitclaim deed or deeds conveying the Property to the Developer, or to a land trust of which the Developer is the sole beneficiary, or to a business entity of which the Developer is the sole controlling party or is comprised of the same principal parties, subject to those covenants, conditions and restrictions set forth in the Redevelopment Agreement.

SECTION 6. The waiver of those certain fees described on Exhibit C to the Redevelopment Agreement attached hereto are hereby authorized. The City shall deem the Project to qualify as "Affordable Housing" for purposes of Section 16-18 of the Municipal Code of the City ("Municipal Code"). Given the applicable restrictions with respect to maximum purchase price and maximum income for the residents of the Project, Section 2-44-080 of the Municipal Code shall not apply to the Project.

SECTION 7. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the other provisions of this ordinance.

SECTION 8. This ordinance shall take effect upon its passage and approval.

Attachments: Exhibit A Legal Description of Property
 Exhibit B Form of Redevelopment Agreement

3
EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

(Subject to Final Survey and Title Commitment)

LOTS 48, 51, 52, 55, 56, 57, 59,60, 61 AND 62 IN THE SUBDIVISION OF BLOCKS 1,2, 3 AND 4 IN BALESTIER'S DOUGLAS PARK ADDITION TO CHICAGO, IN THE NORTHWEST 1/4 OF SECTION 24, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

1217 SOUTH TROY, CHICAGO

16-24-101-011-0000

16-24-101-014-0000 16-24-101-015-0000 16-24-101-018-0000 16-24-101-019-0000 16-24-101-020-0000 16-24-101-022-0000 16-24-101-023-0000 16-24-101-024-0000

AND

LOT 113 IN THE SUBDIVISION OF BLOCKS 1 TO 4 INCLUSIVE, IN BALESTIER'S DOUGLAS PARK ADDITION TO CHICAGO IN THE NORTHWEST 1/4 OF SECTION 24, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

1220 SOUTH TROY, CHICAGO

16-24-100-030-0000

A-1

EXHIBIT B

FORM OF REDEVELOPMENT AGREEMENT

This instrument prepared by and after recording return to:

Department of Law City of
Chicago
121 N. LaSalle Street, Room 600

Chicago, Illinois 60602
(312)-744-

**REDEVELOPMENT AGREEMENT CITY LOTS FOR WORKING
FAMILIES PROGRAM GMP DEVELOPMENT, LLC TROY
PROJECT**

This Agreement ("Agreement"), dated as of _____, 2021 ("Effective Date") is made by and between the City of Chicago, an Illinois municipal corporation ("City"), acting by and through its Department of Housing (together with any successor department thereto, "DOH") and GMP Development, LLC, an Illinois limited liability company, having its principal office at _____, Suite _____, Chicago, Illinois _____ ("Developer"). Capitalized terms not otherwise defined herein shall have the meanings given in the Definitions section.

RECITALS

A. The City, as a home rule unit under the 1970 Constitution of the State of Illinois, has the authority to promote the health, safety and welfare of its inhabitants, to prevent the spread of blight and to encourage private development in order to enhance the local tax base and create employment, and to enter into contractual agreements with third parties for the purpose of achieving the aforesaid purposes.

B. The City Council of the City ("City Council"), by ordinance adopted November 8, 2017, and published in the Journal of Proceedings of the City Council ("Journal") for such date at pages 59287 through 59296, has established the City Lots for Working Families Program (the "City Lots Program") to assist with the construction of high-quality, owner-occupied, single-family housing affordable to working families.

C. Developer has previously submitted an application package to DOH describing its proposal for participation in the City Lots Program by constructing eleven (11) two-unit homes (each two-unit home, a "Home" and collectively, the "Homes") at the property commonly known as 1220, 1217, 1225, 1227, 1235, 1237, 1239, 1245, 1247, and 1249 South Troy Street, Chicago, Illinois, 60623 in the North Lawndale neighborhood (the "Property").

B-1

D. Based in part on the representations and proposals contained in Developer's application package, the City Council, by ordinance adopted _____, 2021 and published in the Journal for such date at pages _____ through _____ (the "Project Ordinance"), approved the selection of Developer for participation in the City Lots Program, the sale of the Property to Developer and related financial assistance as described in Section 4.5(b) to subsidize certain development costs associated with the Project (as hereafter defined) and the sale of the Homes to Qualified Households (as hereafter defined).

E. Developer, subject to the terms of the Agreement, shall construct eleven (11) Homes on that property presently owned by the City and listed on Exhibit A attached hereto ("City Lots"). The construction of the Homes by Developer pursuant to the terms of the Agreement shall be referred to as the "Project." The City Lots are presently ten (10) zoning lots but will be redivided as eleven (11) zoning lots (as defined in Section 17-17-02197 of the Municipal Code of Chicago) by Developer, at Developer's cost, prior to the sale of any Home to any homebuyer. As security for the Developer's completion of the Project and compliance with this Agreement, the Developer has agreed to execute a reconveyance deed for each City Lot in a form acceptable to

the City (each a "Reconveyance Deed" and collectively, the "Reconveyance Deeds").

F. The City Lots are located within the boundaries of the Midwest Redevelopment Project Area ("Area"), which was established by ordinances adopted by the City Council on May 17, 2000, and amended on May 9, 2012 and December 9, 2015. The development of such City Lots shall be in accordance with all laws, rules and regulations concerning tax increment financing, including, without limitation, the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11 -74.4-1 et seq., as amended from time to time. The City Lots are legally described on Exhibit B attached hereto.

G. City Lots with an Appraised Value (as hereafter defined) of Fifty Thousand Dollars (\$50,000) or less may be conveyed by the City to Developer for the sum of One Dollar (\$1.00) per City Lot. City Lots with an Appraised Value in excess of Fifty Thousand Dollars (\$50,000) may be conveyed by the City to Developer in accordance with the procedures described in Section 4.5(b)(1) below. Furthermore, Developer shall also receive waivers of certain City fees and deposits relating to new construction of the Homes as described on Exhibit C attached hereto.

H. Developer and the City acknowledge that the implementation of the policies and provisions described in the Agreement will be of mutual benefit to the Developer and the City.

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

DEFINITIONS

The following terms shall have the meaning set forth below:

B-2

2014 City Hiring Plan: Shall have the meaning given in Section 10.20(A).

[Additional Land Value Lien Amount: Shall have the meaning given in Section 4.5(b)(1).]

Affiliate: Shall have the meaning given in Section 10.15.

Affordable Price: Shall mean an amount less than or equal to the price at which monthly homeownership costs (including principal and interest on a 30-year fixed rate residential mortgage in the amount of ninety-seven percent (97%) of the purchase price, taxes, insurance and, as applicable, private mortgage insurance and homeowners' association payments) for the Home would total not more than thirty percent (33%) of household income with a family size equal to the product of 1.5 multiplied by the number of bedrooms in the Home whose income is equal to one hundred twenty percent (120%) AMI. For purposes of this definition, interest shall be calculated as the 10-year average of interest rates, as calculated by the City based on data provided annually by the Federal National Mortgage Association or any successor organization thereto.

Agreement: Shall have the meaning given in the preamble.

AMI: Shall mean the median household income for the Chicago Primary Metropolitan Statistical Area as calculated and adjusted for household size from time to time by the U.S. Department of Housing and Urban Development or any successor organization thereto.

Appraised Value: Shall mean the value of a City Lot as determined by an independent appraisal ordered by the City no later than one (1) year prior to the date of introduction to City Council of the Project Ordinance.

Area: Shall have the meaning given in Recital F.

Budget: Shall have the meaning given in Section 4.5(a).

Bundle: Shall have the meaning given in Section 10.14(e)(2)(a).

Certificate: Shall have the meaning given in Section 4.8.

City: Shall have the meaning given in the preamble.

City Council: Shall have the meaning given in Recital B.

[City Junior Mortgage: Shall have the meaning given in Section 4.5(b)(1).]

City Lots: Shall have the meaning given in Recital E.

City Lots Program: Shall have the meaning given in Recital B.

B-3

City Residency Hiring Requirements: Shall mean the requirements set forth in Section 2-92-330 of the Municipal Code, as such requirements are customarily modified for land sales by DOH.

Commissioner: Shall mean the Commissioner of DOH, or his or her authorized designee.

Commitment: Shall have the meaning given in 4.5(a).

Conditional Certificate: Shall have the meaning given in Section 4.5(d)(ii).

Construction and Compliance: Shall mean DOH's Construction and Compliance Division or any successor division thereto.

Construction Lender: Shall have the meaning given in Section 4.5(a).

Construction Loan: Shall have the meaning given in Section 4.5(a).

Contractors: Shall have the meaning given in Section 10.14(a).

Contribution: Shall have the meaning given in Section 10.14(e)(2)(c).

Corporation Counsel: Shall mean the City's Department of Law.

Cure Period: Shall have the meaning given in Section 6.3.

DAIS: Shall have the meaning given in Section 3.4.

Deed: Shall have the meaning given in Section 3.2.

Developer: Shall have the meaning given in the preamble, and shall also include the Developer's successors and assigns, as permitted under this Agreement.

Developer Parties: Shall have the meaning given in Section 8.2.

DOH: Shall have the meaning given in the preamble.

Domestic Partners: Shall have the meaning given in Section 10.14(e)(2)(d).

Employer(s): Shall have the meaning given in Section 7.1.

Environmental Documents: Shall mean all reports, surveys, field data, correspondence and analytical results prepared by or for the Developer (or otherwise obtained by the Developer) regarding the condition of the City Lots or any portion thereof including, without limitation, the SRP Documents.

B-4

Environmental Laws: Shall mean any and all Laws relating to the regulation and protection of human health, safety, the environment and natural resources now or hereafter in effect, as amended or supplemented from time to time, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq., the Hazardous Materials Transportation Act, 49 U.S.C. § 5101 et seq., the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq., the Clean Air Act, 42 U.S.C. § 7401 et seq., the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq., the Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. § 136 et seq., the Occupational Safety and Health Act, 29 U.S.C. § 651 et seq., any and all regulations promulgated under such Laws, and all analogous state and local counterparts or equivalents of such Laws, including, without limitation, the Illinois Environmental Protection Act, 415 ILCS 5/1 et seq., and the common law, including, without limitation, trespass and nuisance.

Environmental Remediation Work: Shall mean all investigation, sampling, monitoring, testing, reporting, removal (including excavation, transportation and disposal), response, storage, remediation, treatment and other activities necessary for the performance of the Project, all in accordance with all requirements of the IEPA, and all applicable Laws, including, without limitation, all applicable Environmental Laws.

Event of Default: Shall have the meaning given in Section 6.2.

Final Certificate: Shall have the meaning given in Section 4.5(d).

Final NFR Letter: Shall mean a final comprehensive residential "No Further Remediation" letter issued by the IEPA approving the use of the City Lot for the construction, development and operation of the Project in accordance with the site plan approved by the City and the terms and conditions of the SRP Documents, as amended or supplemented from time to time. The Final NFR Letter shall state that the City Lots(s) meet TACO

Tier 1 residential criteria, but may be reasonably conditioned upon use and maintenance of engineered barriers and other institutional or engineering controls acceptable to the IEPA.

Financing: Shall have the meaning given in Section 4.5(a).

First Mortgage: Shall have the meaning given in Section 4.5(a).

First Mortgage Note: Shall have the meaning given in Section 4.5(a).

Hazardous Substance(s): Shall mean any toxic substance, hazardous substance, hazardous material, hazardous chemical or hazardous, toxic or dangerous waste defined or qualifying as such in (or for the purposes of) any Environmental Laws, or any pollutant, toxic vapor, or contaminant, and shall include, but not be limited to, petroleum (including crude oil or any fraction thereof), any radioactive material or by-product material, polychlorinated biphenyls and asbestos in any form or condition.

Human Rights Ordinance: Shall have the meaning given in Section 7.1(A).

B-5

Home(s): Shall have the meaning given in Recital C.

Identified Parties: Shall have the meaning given in Section 10.14(a).

IEPA: Shall mean the Illinois Environmental Protection Agency.

IGO Hiring Oversight: Shall have the meaning given in Section 10.20(D).

Indemnites: Shall mean the City, and its elected and appointed officials, employees, agents and affiliates.

Inspector: Shall have the meaning given in Section 4.5(c).

Journal: Shall have the meaning given in Recital B.

[Land Value Lien: Shall have the meaning given in Section 4.5(b)(1).

Land Value Lien Amount: Shall have the meaning given in Section 4.5(b)(1).]

Laws: Shall have the meaning given in Section 4.2.

Losses: Shall mean any and all claims, demands, actions, suits, causes of action, legal or administrative proceedings, losses, damages, obligations, liabilities, executions, judgments, fines, penalties, assessments, liens, debts, costs, expenses and disbursements of any kind or nature whatsoever (including, without limitation, investigation, cleanup, monitoring, remedial, removal and restoration costs, natural resource damages, property damages, and the reasonable fees and disbursements of counsel for Indemnites in connection with any investigative, administrative or judicial proceeding commenced or threatened, whether or not such Indemnities shall be designated a party thereto).

Market Rate Home: Shall mean a Home that does not have to be sold at an Affordable Price to a Qualified Household (i.e., a Home that is sold for "Market Rate").

MBE/WBE Requirements: Shall mean the requirements of the Minority-Owned and Women-Owned Business Enterprise Procurement Program as set forth in Section 2-92-420 et seq. of the Municipal Code, as such requirements are customarily modified for lands sales by DOH, subject to the approval of the Corporation Counsel, and the Minority-and-Women-Owned Business Enterprise Construction Program as set forth in Section 2-92-650 et seq. of the Municipal Code, as such requirements are customarily modified for land sales by DOH.

Municipal Code: Shall mean the Municipal Code of Chicago.

Other Contract: Shall have the meaning given in Section 10.14(e)(2)(b).

Owners: Shall have the meaning given in Section 10.14(a).

B-6

Phase I: Shall mean a Phase I environmental site assessment of the City Lot in accordance with ASTM E-1527-13, which must include a reliance letter naming the City as an authorized user.

Political fundraising committee: Shall have the meaning given in Section 10.14(e)(2)(e).

Principal Residence: Shall mean an owner's primary or principal residence that the owner actually occupies on a regular basis. A Principal Residence does not include any housing unit used as an investment property, as a recreational home or a home in which fifteen percent (15%) or more of its total area is used for a trade or business.

Project: Shall have the meaning given in Recital E.

Project Ordinance: Shall have the meaning given in Recital D.

Qualified Household: Shall mean a person or group of people whose household income does not exceed one hundred forty percent (140%) of AMI as calculated and adjusted for household size from time to time by the U.S. Department of Housing and Urban Development or any successor organization thereto.

RAP Approval Letter: Shall mean a remedial action plan approval letter issued by the IEPA.

Remediation Work: Shall mean any investigation, sampling, monitoring, testing, removal, response, disposal, storage, remediation, treatment and other activities necessary to obtain a Final NFR Letter for the Property in accordance with the terms and conditions of any RAP Approval Letter, SRP Documents, requirements of the IEPA and any applicable Laws, including, without limitation, any applicable Environmental Laws.

Recorder's Office: Shall mean the Office of the Cook County Clerk.

Released Claims: Shall have the meaning given in Section 8.2.

Schedule: Shall have the meaning given in Section 4.1.

Special Lots: Shall have the meaning given in Section 4.3.

SRP: Shall mean the IEPA's Site Remediation Program as set forth in Title XVII of the Illinois Environmental Protection Act, 415 ILCS 5/58 et seq., and the regulations promulgated thereunder.

SRP Documents: Shall mean all documents submitted to the IEPA under the SRP program, as amended or supplemented from time to time, including, without limitation, the

B-7

Comprehensive Site Investigation and Remediation Objectives Report, the Remedial Action Plan, and the Remedial Action Completion Report.

Subordination Agreement: Shall have the meaning given in Section 4.5(a).

Sub-Owners: Shall have the meaning given in Section 10.14(a).

TACO: Shall mean the Tiered Approach to Corrective Action Objectives codified at 35 III. Adm. Code Part 742 et seq.

Title Company: Shall mean Greater Illinois Title Company.

Waste Sections: Shall have the meaning given in Section 10.17.

Working Drawings and Specifications: Shall mean the final working drawings and specifications prepared for Developer with regard to the construction of the Homes, a list of which is attached hereto as Exhibit D.

SECTION I INCORPORATION OF RECITALS AND DEFINITIONS

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

SECTION II CITY OBLIGATIONS TO EXECUTE AGREEMENT, COVENANTS, REPRESENTATIONS AND WARRANTIES

2.1 Conditions to the City's Obligation to Execute Agreement. Before the City shall execute the Agreement, DOH shall have reviewed and approved the following deliveries, unless waived or extended in writing by DOH in its sole discretion:

a) A certificate of good standing for the Developer from the State of Illinois, certified articles of incorporation or organization, including all amendments thereto, of the Developer, as furnished and certified by the Secretary of State of the State of Illinois, a certificate of incumbency identifying Developer's current

officers and including specimen signatures, copy of the Developer's bylaws or operating agreement, resolutions authorizing the Developer's performance of its obligations under this Agreement and any other documents required to complete the, transaction contemplated by this Agreement and to perform its obligations under this Agreement; and such other organizational documents as the City may reasonably request;

b) The following due diligence searches in Developer's name and names of its parent companies, if applicable, showing no unacceptable liens, litigation, judgments or filings, as reasonably determined by the Corporation Counsel:

B-8

(i) (ii)

(iii)

(iv)

(v)

(vi)

(vii)

(viii)

(ix)

Bankruptcy Search, U. S. Bankruptcy Court for the N.D. Illinois; Pending Suits and Judgments, U. S. District Court for the N.D. Illinois;

Federal Tax Lien Search, Illinois Secretary of State;

UCC Search, Illinois Secretary of State;

UCC Search, Cook County Recorder;

Federal Tax Lien Search, Cook County Recorder;

State Tax Lien Search, Cook County Recorder;

Memoranda of Judgments Search, Cook County; and

Pending Suits and Judgments, Circuit Court of Cook County.

Litigation searches must be provided with the Developer named (and its parent companies, if applicable) as plaintiff and defendant. In addition, the Developer and its parent companies, if applicable, have provided to the Corporation Counsel a written description of all pending or threatened litigation or administrative proceedings, specifying, in each case, the amount of each claim, an estimate of probable liability, the amount of any reserves taken in connection therewith and whether (and to what extent) such potential liability is covered by insurance;

c) A legal opinion stating, in part, that the Developer has been duly organized and that the Developer is duly authorized to enter into this Agreement. Such opinion shall be in form and substance reasonably acceptable to the City's Corporation Counsel; and

d) Economic disclosure statements in the City's then current form, dated as of the Effective Date.

2.2 Covenants. Representations and Warranties of Developer. To induce the City to execute the Agreement and perform the obligations of the City hereunder, Developer hereby covenants, represents and warrants to the City as follows:

a) Developer is a duly organized and existing limited liability company in good standing under the laws of the State of Illinois with full power and authority to acquire, own and redevelop the City Lots, and the person signing this Agreement on behalf of the Developer has authority to do so.

b) All certifications and statements contained in the economic disclosure statement last submitted to the City by the Developer (and any entity holding an interest in the Developer) are true, accurate and complete.

c) To the best of the Developer's knowledge, no action, litigation, investigation or proceeding of any kind is pending or threatened against the Developer, or any party affiliated with Developer, which could: (i) adversely affect the ability of Developer to perform its obligations pursuant to and as contemplated by the terms and provisions of the Agreement; or (ii) adversely materially affect the operation or financial condition of Developer.

B-9

d) The execution, delivery and performance by Developer of the Agreement and all instruments and agreements contemplated hereby will not, upon the giving of notice or lapse of time, or both, result in a breach or violation of, or constitute a default under, any other agreement to which Developer, or any party affiliated with Developer, is a party or by which the Developer may be bound or affected, or a violation of any law, regulation or court order which currently affects the Project, any part thereof, any interest therein or the use thereof.

e) To the best of the Developer's knowledge, the construction of the Homes and the development of the Project pursuant to the terms of this Agreement will not violate: (i) 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 (ii) any building permit, restriction of record or any agreement affecting any City Lot or any part thereof.

f) Except as otherwise provided in the Agreement, Developer shall not, without the prior written consent of DOH, which DOH may withhold in its sole discretion: (i) grant, suffer or permit any lien, claim or encumbrance upon any City Lot or any portion thereof (unless Developer has taken such appropriate action to cause the Title Company to insure over any title encumbrances caused by such liens or claims); (ii) permit or suffer any levy, attachment, claim or restraint to be made affecting any City Lot or any portion thereof; or (iii) enter into any transaction not in the ordinary course of business of Developer which materially or adversely affects Developer's ability to perform its obligations under the terms of the Agreement.

g) Developer has and shall maintain all government permits, certificates and consents (including, without limitation, appropriate environmental approvals) necessary to conduct its business and to construct and complete the Homes.

h) The financial statements of Developer are, and when hereafter required to be submitted will be, complete in all material respects and accurately present the assets, liabilities, results of operations and financial condition of Developer, and there has been no material adverse change in the assets, liabilities, results of operations or financial condition of Developer since the date of Developer's financial statements.

(i) Developer has agreed to comply with the terms of those certain covenants described in Section 5 below.

(j) Developer shall at all times prior to the issuance of a Final Certificate carry and maintain the

insurance coverages and amounts described on Exhibit E.

2.3 Representations and Warranties of the City. To induce Developer to execute the Agreement and perform its obligations hereunder, the City hereby represents and warrants to Developer that the City has authority under its home rule powers granted in the Constitution of the State of Illinois and the Project Ordinance to enter into, execute and deliver the Agreement and perform the terms and obligations contained herein.

B-10

2.4 Survival of Covenants, Representations and Warranties. Developer agrees that all of its covenants, representations and warranties, and the City agrees that all of its representations and warranties, set forth in this Section 2 or elsewhere in the Agreement are true as of the execution date of the Agreement and will be true in all material respects at all times hereafter, except with respect to matters which from time to time are or have been disclosed in writing to and approved by the other party.

SECTION III CONVEYANCE OF THE CITY **LOTS**

1 Intentionally Omitted.

2 Form of Deed. The City shall convey to Developer fee simple title to the City Lots by quitclaim deed substantially in the form attached hereto as Exhibit F ("Deed"). The conveyance and title of the City Lots, in addition to the provisions of the Agreement, shall, without limiting the quitclaim nature of the Deed, be subject to the following ("Permitted Exceptions"):

1. covenants and restrictions set forth in the Deed;
2. schedule B exceptions in the title policy described in Section 3.6;
3. general real estate taxes and any special assessments or other taxes;
4. all easements, encroachments, covenants, and restrictions of record and not shown of record;
5. such other title defects that may exist; and
6. any and all exceptions cause by the acts of the Developer or its agents.

3.3 "AS IS" CONVEYANCE. THE CITY MAKES NO COVENANT, REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, OF ANY KIND, AS TO THE STRUCTURAL, PHYSICAL OR ENVIRONMENTAL CONDITION OF THE CITY LOTS OR THE SUITABILITY OF THE CITY LOTS FOR ANY PURPOSE WHATSOEVER. THE DEVELOPER ACKNOWLEDGES THAT IT HAS HAD ADEQUATE OPPORTUNITY TO INSPECT AND EVALUATE THE STRUCTURAL, PHYSICAL AND ENVIRONMENTAL CONDITION AND RISKS OF THE CITY LOTS AND ACCEPTS THE RISK THAT ANY INSPECTION MAY NOT DISCLOSE ALL MATERIAL MATTERS AFFECTING THE CITY LOTS. THE DEVELOPER AGREES TO ACCEPT THE CITY LOTS IN ITS "AS IS," "WHERE IS" AND "WITH ALL FAULTS" CONDITION AT THE CONVEYANCE OF EACH CITY LOT BY CITY TO DEVELOPER WITHOUT ANY COVENANT, REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, OF ANY

KIND, AS TO THE STRUCTURAL, PHYSICAL OR ENVIRONMENTAL CONDITION OF THE CITY LOTS OR THE SUITABILITY OF THE CITY LOTS FOR ANY PURPOSE WHATSOEVER. THE DEVELOPER ACKNOWLEDGES THAT IT IS RELYING SOLELY UPON ITS OWN INSPECTION AND OTHER DUE DILIGENCE ACTIVITIES AND NOT UPON ANY INFORMATION (INCLUDING, WITHOUT LIMITATION, ENVIRONMENTAL STUDIES OR REPORTS OF ANY KIND) PROVIDED BY OR ON BEHALF OF THE CITY OR ITS AGENTS OR EMPLOYEES WITH RESPECT THERETO. THE DEVELOPER AGREES THAT IT IS ITS SOLE RESPONSIBILITY AND OBLIGATION TO PERFORM AT

B-11

ITS EXPENSE ANY ENVIRONMENTAL REMEDIATION WORK AND TAKE SUCH OTHER ACTION AS IS NECESSARY TO PUT THE CITY LOTS IN A CONDITION WHICH IS SUITABLE FOR ITS INTENDED USE.

4 Environmental Due Diligence. It shall be the sole responsibility of Developer, at its sole cost and expense, to perform such studies and investigations, conduct such tests and surveys, and engage such specialists as Developer deems appropriate to evaluate the soil and environmental condition of the City Lots. Such investigation shall, at a minimum, consist of a Phase I and any other environmental studies sufficient to conclude that a Home may be constructed, completed and operated in accordance with all Environmental Laws and this Agreement on such City Lot. The City's Department of Assets, Information and Services ("DAIS") shall have the right to review and approve the sufficiency of the Phase I and any other environmental studies. Upon DAIS's request, the Developer shall perform additional studies and tests for the purpose of determining whether any environmental or health risks would be associated with the development of the Home on such City Lot, including, without limitation, updating or expanding the Phase I and performing initial or additional Phase II environmental site assessment testing.

5 Conditions to the City's Obligation to Close. Before the City shall deliver the Deed to Developer, and before any construction may commence on any City Lot, DOH shall have reviewed and approved the following closing deliveries (fully executed and acknowledged, where applicable), each of which, unless waived in writing by DOH, shall be a condition precedent to the City's obligation to deliver the Deed:

- a) the Agreement;
- b) the Reconveyance Deeds;
- c) the Working Drawings and Specifications for each model of Home to be constructed (as described in Section 4.2 below);
- d) the Developer's Budget (as described in Section 4.5(a) below);
- e) the Construction Loan documents and evidence of Developer's Financing acceptable to DOH (as described in Section 4.5(a) below);
- f) the building permits and other final governmental approvals necessary to construct the Homes on the City Lots;
- g) a certified copy of the contract between Developer and its general contractor, and all

executed contracts covering the completion of the Project from the major subcontractors, if available;

- h) a title insurance commitment for the City Lots;

B-12

- (i) a final plat of survey for the City Lots certified by a licensed surveyor showing all easements, encroachments and containing legal descriptions of the City Lots;
- (j) a certificate of good standing for the Developer from the State of Illinois, a certificate of incumbency identifying Developer's current officers and including specimen signatures, copy of the Developer's bylaws and resolutions authorizing the Developer's performance of its obligations under this Agreement;
- (k) due diligence searches as set forth in Section 2.1 above;
 - (I) Internal Revenue Service taxpayer identification numbers;
- (m) such transfer tax declarations, ALTA statements and similar customary transaction documents as may be necessary to consummate the conveyance;
- (n) all Environmental Documents generated by Section 3.4 above;
- (o) evidence of insurance required under Exhibit E;
- (p) economic disclosure statements in the City's then current form, dated as of the conveyance date; and
- (q) the Subordination Agreement.

Subject to the Developer's satisfaction of the conditions precedent described above in Sections 3.5(a) through (q) above, the City shall deliver to the Deed to Developer.

If the conditions described in this Section 3.5(a) through (q) are not achieved by Developer within three (3) months of the execution date of this Agreement (except as provided in Section 10.25 below), then the Agreement, at the option of the City, shall become null and void and the City shall be under no further obligation to Developer.

3.6 Title Insurance. Not less than thirty (30) days before the anticipated conveyance of the City Lots (the "Closing"), the Developer shall obtain a commitment for an owner's policy of title insurance for the City Lots issued by the Title Company. The Developer shall be solely responsible for and shall pay all costs associated with updating the title commitment (including all search, continuation and later date fees). Upon the conveyance of the City Lots, the Developer shall obtain at Developer's sole expense a title insurance policy and such endorsements as it deems necessary or that the Corporation Counsel shall request, including, but not limited to, an owner's comprehensive endorsement and satisfactory endorsements regarding contiguity, location, access, and survey. The City agrees to provide the Title Company with a completed ALTA owner's

statement, and other transfer documents typically required by the Title Company and typically provided by the City (but expressly excluding "gap" undertakings, title indemnities and similar liabilities) at or prior to the Closing. At the Closing, the Developer shall deliver to

B-13

the City a copy of the owner's policy of title insurance that it obtains with respect to the City Lots.

3.7 Correction of Title. The City shall have no obligation to cure title defects; provided, however, if there are exceptions for general real estate taxes due or unpaid prior to the conveyance of the Deed or liens for such unpaid property taxes, the City shall ask Cook County to void the unpaid taxes as provided in Section 21-100 of the Property Tax Code, 35 ILCS 200/21-100, or file an application for a Certificate of Error with the Cook County Assessor, or tax injunction suit or petition to vacate a tax sale in the Circuit Court of Cook County. If, after taking the foregoing actions, the City is unable to obtain the waiver or release of any such tax liens or is unable to cause the Title Company to insure over such tax liens, or if a City Lot is encumbered with any other exceptions that would adversely affect the use and insurability of the City Lot for the development of the Project, the Developer shall have the option to: (a) elect to close and accept conveyance of the City Lot subject to such exceptions; or (b) decline the City Lot. Developer shall be responsible for payment of all real estate taxes payable after conveyance of said City Lot.

8 No Substitution of City Lots. If the City cannot clear tax liens or other exceptions to title in a manner suitable for purposes of the Agreement, or Developer's investigation of the soil and environmental condition leads Developer to refuse the conveyance of a City Lot then the City shall have no duty to provide substitute lots for development under this Agreement. Moreover, under no circumstances, shall the City be compelled by Developer, with regard to any City Lot, to remedy any tax lien, title exception, or soil or environmental condition described in this Section 3.

9 Recordation Costs. The Developer shall pay to record this Agreement, the Deed, and any other documents incident to the conveyance of the City Lots to Developer. This Agreement shall be recorded prior to any Deed and prior to the First Mortgage.

SECTION IV THE CONSTRUCTION OF THE PROJECT

4.1 Schedule of Construction Progress. Subject to Force Majeure, Developer shall construct the Homes on the City Lots in accordance with that certain construction timetable schedule dated as of ("Schedule"), prepared by Developer, approved by DOH, and attached hereto as Exhibit G. The Schedule represents an estimate of the number of Homes to be completed by Developer by the expiration of certain time periods within the -month time frame for commencement and completion of the Project as described further in Section 4.7 below. If Developer's construction of Homes falls short of its completion obligations under the Schedule, DOH, in its sole and absolute discretion, may record the Reconveyance Deeds so that such City Lots revert back to the City for alternative redevelopment plans.

Developer covenants that the Homes shall be constructed in accordance with the Working Drawings and Specifications. Upon completion of the construction of each Home, the City shall issue to Developer the Certificate pursuant to Section 4.8.

B-14

2 Working Drawings and Specifications. The preliminary Working Drawings and Specifications dated _____, 202_, containing the preliminary plans and drawings with regard to the construction of each Home, are approved by DOH and listed on Exhibit D attached hereto. Within thirty (30) days of the execution date of the Agreement, Developer shall submit to DOH for its approval Developer's proposed final Working Drawings and Specifications with regard to each Home. DOH shall have thirty (30) days within which to approve or reject said drawings and specifications. If DOH rejects the Working Drawings and Specifications, Developer shall have sixty (60) days in order to correct such documents and resubmit them to DOH for its approval. DOH shall thereafter have thirty (30) days within which to approve or reject the corrected documents. Upon the approval of DOH, said Working Drawings and Specifications shall constitute the final Working Drawings and Specifications.

If, after executing this Agreement, the Developer desires to construct a different type of Home than that reflected in the Working Drawings and Specifications listed on Exhibit D attached hereto, Developer shall submit to DOH Working Drawings and Specifications for said Home. DOH shall have thirty (30) days within which to approve or reject said Working Drawings and Specifications. If DOH rejects the Working Drawings and Specifications, Developer shall have sixty (60) days in order to correct such documents and resubmit them to DOH for approval. Upon the approval of DOH, said Working Drawings and Specifications shall constitute final Working Drawings and Specifications.

The Working Drawings and Specifications shall conform to the terms of the Agreement, the City Lots Program, and all applicable federal, state and local laws, ordinances and regulations, including, without limitation, the Zoning Ordinance of the City of Chicago, Title 17, Municipal Code of Chicago, the current edition of the Model Energy Code published by the Council of American Building Officials, and the housing quality standards contained in 24 C.F.R. Section 882.109 (collectively, "Laws").

Any material amendment to the Working Drawings and Specifications must be submitted to DOH for its approval, which approval shall not be unreasonably withheld or delayed.

The Developer acknowledges that DOH will require a design review following the completed construction of the first accessible Home that is built at grade with a no-step entry (if any) to confirm that such design is satisfactory. If DOH determines that such design is not satisfactory, no additional accessible Homes are to be built until DOH approves an alternative acceptable design.

3 Preparation of the City Lots; General Requirements. Developer and the City acknowledge that some of the City Lots may have "atypical" conditions (sunken lot and other site elevation problems, ingress and egress problems, parking problems, and/or issues concerning the location of the Homes vis-a-vis existing buildings located on the parcels adjacent to the City Lots) which dictate that special consideration should be given to the construction of Homes on such City Lots. These "atypical" conditions do not include matters which are routinely considered by the City's Department of Buildings with regard to the issuance of building permits. Accordingly, prior to the commencement of construction of the Project, a representative of Developer and a representative of Construction and Compliance shall conduct a site visit of each

B-15

of the City Lots listed on Exhibit A to determine if any special, "atypical" conditions exist. Those lots shall be deemed as "Special Lots" for purposes of the Agreement.

Prior to the commencement of construction by Developer on any Special Lot, DOH must approve a site-specific, final plat of survey (including grading elevations) identifying the proposed location of the model type, showing the resolution of any elevation, ingress/egress, parking and location issues.

In addition, prior to the commencement of construction on any of the City Lots, if federal funds are involved in the Project, the environmental effect of the development and construction of the Project must be assessed in accordance with the provisions of the National Environmental Policy Act of 1969 and implementing regulations contained in 24 C.F.R. Parts 50 and 58. In such regard, the City may grant to Developer a right of entry to the City Lots for the purpose of allowing Developer's architects and engineers to inspect each City Lot and to investigate the soil and environmental condition existing in each City Lot.

Construction and development of any of the Homes shall be in accordance with the Lead-Based Paint Poisoning Prevention Act, 42 U.S.C. 4821 et seq, and the corresponding regulations contained in 24 C.F.R. Part 35. In addition, Developer shall comply with the Flood Disaster Protection Act of 1973, 42 U.S.C. 4001-4128).

4 Limited Applicability of DOH's Approval. Any approvals of the Working Drawings and Specifications made by DOH are for the purposes of the Agreement only and do not affect or constitute approvals required by the City's Department of Buildings, any other City Bureau (such as, but not limited to, the Department of Planning and Development's Bureau of Zoning), or any other City Department; nor does any approval by DOH pursuant to the Agreement constitute approval of the quality, structural soundness or the safety of the Homes. The approval given by DOH shall be only for the benefit of Developer and the Construction Lender authorized by this Agreement.

5 Financing and Constructing the Project.

(a) Budget. Concurrent with the execution of the Agreement by Developer and its delivery to the City, Developer shall deliver to DOH for its approval a written budget ("Budget") for the construction of the Homes. Developer shall also submit to DOH a description of Developer's financing ("Financing"), which shall include the amount of Developer's equity in the Project and evidence of: (i) a commitment for adequate financing ("Commitment") obtained from a financial institution or lender, specifying the source and the amount of the loan, length of the term and the applicable interest rate, or (ii) evidence of a line of credit or other funding source necessary to fund the construction of the Homes. Within fourteen (14) business days of receipt, DOH shall review and approve or reject the Financing, and the Commitment. The Financing shall be subject and subordinate to the terms and conditions of the Agreement.

Provided that the Commitment is approved by the City, Developer shall obtain financing from the lender identified in the Commitment ("Construction Lender") to permit the construction of the Project ("Construction Loan"). The closing of the Construction Loan shall occur

B-16

concurrently with the Closing. The Construction Lender shall be permitted to secure and evidence its loan by reasonable, customary loan documents, such as a mortgage ("First Mortgage") and mortgage note ("First Mortgage Note") encumbering the City Lots. The First Mortgage shall be recorded after the Agreement, and the Construction Lender shall execute a subordination agreement in a form reasonably acceptable to the Corporation Counsel in which the Construction Lender agrees to subordinate the lien of its First Mortgage the covenants running with the land set forth in Section 9 below ("Subordination Agreement"). The Subordination Agreement shall be recorded prior to the First Mortgage.

(b) City's Incentives.

(1) Sales Price. Subject to all of the terms, covenants and conditions of this Agreement, the City shall convey the City Lots for the consideration of One Dollar (\$1.00) per buildable lot if the Appraised Value of the City Lot is Fifty Thousand Dollars (\$50,000) or less. [The following to apply, at DOH's discretion, if permitted by Developer construction financing: For purposes of this Agreement, the Appraised Value for each City Lot is listed on Exhibit A attached hereto. Developer acknowledges that upon the recording of this Agreement, the City shall have a lien against each City Lot conveyed pursuant hereto in the amount of the Appraised Value of such City Lot, as set forth on Exhibit A (the "Land Value Lien"). The Appraised Value of a particular City Lot, up to the first \$50,000 in value is the "Land Value Lien Amount. The excess amount by which the Appraised Value of a City Lot exceeds \$50,000 (if any) is the "Additional Land Value Lien Amount". When Developer conveys a City Lot to a homebuyer, the Land Value Lien Amount and any Additional Land Value Lien Amount shall be secured by the City Junior Mortgage (as defined below).

Except for the market rate home buyers, the Developer shall advise each initial homebuyer that such homebuyer shall be required to: (a) be a Qualified Household; and (b) execute and record at the time of the homebuyer's purchase of the Home (and the Developer shall attach as an exhibit to the homebuyer's sales contract) a mortgage, security and recapture agreement in favor of the City (the "City Junior Mortgage"), in the form of Exhibit H to this Agreement, which shall also include the homebuyer's covenant to use the Home as the homebuyer's Principal Residence, and shall secure all amounts described in this Agreement as being subject to recapture or repayment. The Land Value Lien Amount shall thereafter reduce in five equal installments on each anniversary date of such conveyance, and after the fifth anniversary date shall be zero. The Additional Land Value Lien Amount shall not amortize, but shall be an amount potentially due and owing the City calculated as the Additional Land Value Lien Amount, plus interest thereon at an annual rate of three percent (3%), from the date of such conveyance. The principal amount of and any accrued interest on the Additional Land Value Lien Amount shall become due upon the sale or refinancing (except a refinancing in an amount equal to or less than the homebuyer's purchase price for the Home) of said Home during the thirty (30) year period commencing on the date of such conveyance; provided, however, that if the subsequent homebuyer is a Qualified Household, such subsequent homebuyer may assume the obligations of the City Junior Mortgage as to such Additional Land Value Lien Amount for the balance of such thirty (30) year term. The Land Value Lien, evidenced by the City Junior Mortgage, shall be junior to any First Mortgage, and any subsequent purchase money mortgage obtained by any homebuyer of a Home (if such homebuyer is a Qualified Household), and any

B-17

refinancing of such purchase money mortgage, provided such refinancing is in an amount equal to or less than the homebuyer's purchase price for the Home.]

(2) Waiver of City Fees. In conjunction with the construction by Developer of the Homes the City shall waive those certain fees and deposits as described in Exhibit C attached hereto.

c) Review of Construction Progress. During the construction of the Project, Developer shall submit to the City for its review any documentation relating to the construction work, including, without limitation, all documents described in Section 4(d) below, all additional building permits issued, an owner's sworn statement and the general contractor's sworn statement ("Contract Documents").

During the construction of the Project by Developer, the Construction Lender shall employ, at the sole expense of Developer, a licensed inspecting architect ("Inspector") (other than the architect who prepared the Working Drawings and Specifications) acceptable to DOH, to review for the parties all activities undertaken

with regard to the construction of the Home. If no Construction Lender exists (or if the Construction Lender does not wish to hire the Inspector), then DOH, at the sole expense of Developer, shall utilize an Inspector which has been previously approved by DOH.

The scope of the Inspector's work shall be contained in the terms of the contract between the Inspector and the Construction Lender, or the Inspector and DOH, as the case may be, and shall include inter alia, providing a certification for the benefit of the Construction Lender and DOH on the form attached hereto as Exhibit I that the construction of said Home complies with the Working Drawings and Specifications. The Inspector shall notify DOH and the Construction Lender of any discrepancies between the Working Drawings and Specifications and the actual construction of any Home, and shall provide DOH with a copy of each and every Inspector's certification. A representative of DOH shall have the right, but not the obligation, to accompany the Inspector during his inspection of the progress of the construction of the Homes.

d) Homebuyer Closings. As long as Developer is not in material default in the due, prompt and complete performance or observance of any of its covenants or obligations contained in the Agreement, the conveyances of Homes may proceed to closing provided the following conditions precedent are satisfied:

- [(i) Developer and the homebuyer shall have complied with the applicable provisions described in Section 4.5(b)(1), including, the execution of the City Junior Mortgage;]
- (ii) The Inspector shall have delivered to the City its conditional certificate for said Home in the form of Exhibit I, conditioned and subject only to the completion of punch list items or such other items agreed to by the City, the Inspector and Developer ("Conditional Certificate"):
- (iii) The City shall have issued its Certificate in accordance with Section 4.8 below;
B-18
- iv) Developer, in the form of an owner's sworn statement and the general contractor's sworn statement, shall have submitted to DOH and the Inspector affirmative proof that there are no materialmen's liens or claims exist affecting the Home, or that Developer has taken such appropriate action to cause the Title Company to insure over any title encumbrances caused by such liens or claims; provided, however, that the Title Company shall have received from Developer acceptable waivers or releases of lien covering at least seventy five percent (75%) of the hard construction costs associated with the construction of the Home;
- v) Developer shall have submitted to the City a copy of the owner's sworn statement and the general contractor's sworn statement describing all construction costs for the Home;
- vi) Developer shall have furnished to the City one (1) copy of an "as-built" survey showing the location of all completed improvements, including all walks, drives and other on-site appurtenances and improvements, showing site elevations, and showing no encroachments by any such improvements across the boundary lines of the City Lot; and
- vii) DOH shall have issued a letter to Developer that the homebuyer is a Qualified Household.
- viii) If applicable, Developer shall have submitted to the City proof of any subdivision that occurred post-Closing.

Developer shall be obligated to complete those items listed on the Conditional Certificate (including the punch list items) in a timely and expeditious manner subsequent to the closing. The City reserves the right to request that Developer deposit or reserve with an escrowee ("Escrowee") funds in an amount to pay for the cost of such incomplete work, including, without limitation, any landscaping or other work that was not completed prior to closing because of weather-related conditions. Once such work has been completed, the Inspector shall conduct an on-site inspection in order to facilitate the issuance of a final certificate indicating that construction of the Home is complete ("Final Certificate"). Any funds retained by the Escrowee pursuant to this paragraph shall not be released until a copy of the Final Certificate is delivered to the Escrowee and DOH.

Developer does also certify and agree that it shall not take its fee until the closing for the sale of a Home to a Qualified Household.

4.6 Relocation of Utilities. To the extent necessary to complete the Project, the Developer shall be solely responsible for and shall pay all costs in regard to: (a) the relocation, installation or construction of public or private utilities, curb cuts and driveways; (b) the repair or reconstruction of any curbs, vaults, sidewalks or parkways required in connection with or damaged as a result of the Developer's construction of the Project; (c) the removal of existing pipes, utility equipment or building foundations; and (d) the termination of existing water or

B-19

other services. The City shall have the right to approve any streetscaping provided by the Developer as part of the Project, including, without limitation, any paving of sidewalks, landscaping and lighting.

7 Commencement and Completion of the Project. In accordance with Section 4.1, Developer shall commence with the construction of the Project within three (3) months of the Effective Date of the Agreement. Developer shall complete the Project within twenty-four (24) months from said Effective Date. Developer, its successors and assigns, shall promptly begin and diligently complete the Project within such time periods. The Commissioner of DOH, in the Commissioner's sole discretion, may extend the completion upon the Developer's written request, by executing a written extension letter.

8 Certificate of Compliance. As each Home is substantially completed in accordance with the Working Drawings and Specifications (as evidenced by the issuance of the Inspector's Conditional Certificate or Final Certificate, as the case may be) and Developer has performed all of its other obligations under this Agreement, including without limitation, the closing conditions precedent specified in Section 4.5(d) above, DOH, upon written request by Developer, shall furnish Developer with an appropriate compliance certificate ("Certificate"). The Certificate shall be signed either by: (1) the deputy commissioner of Construction and Compliance; or (2) another designee of the managing deputy commissioner of DOH.

The Certificate shall be evidence the Developer's compliance with respect to its obligation to construct such Home in accordance with the terms of this Agreement. The Certificate, however, shall not constitute evidence that Developer has complied with any applicable provisions of federal, state and local laws, ordinances and regulations with regard to the completion of the Home and furthermore, shall not serve as any "guaranty" as to the quality of the construction of said structure.

The Certificate shall be in recordable form and shall be delivered by DOH to the Developer at the closing conveying the Home from Developer to the homebuyer. At such closing, the Developer shall provide the homebuyer with an owner's policy of title insurance issued by the Title Company, dated as of the closing date in the amount of the purchase price. Once the Certificate is recorded with the Recorder's Office, the

Agreement shall no longer encumber the City Lot.

9 Prohibition Against Unpermitted Encumbrances; Limits on Developer Actions.

(a) Prior to the City's issuance of the Certificate for a Home on a particular City Lot, neither Developer nor any successor in interest to the City Lot shall engage in any financing or other transaction the effect of which creates an encumbrance or lien upon said City Lot; provided, however, that Developer, after receiving the prior written consent of the City, may mortgage the City Lot for the purpose of obtaining the Construction Loan or other financing source as described in Section 4.5(a) above to the extent necessary to construct the Home. Notwithstanding the above, no mortgage may be recorded against a City Lot until such City Lot is conveyed to Developer. n

B-20

b) Prior to the issuance of the last Certificate for the Project, the Developer may not, without the prior written consent of DOH, which consent shall be in DOH's sole and absolute discretion: (a) be a party to any merger, liquidation or consolidation; (b) sell, transfer, convey, lease or otherwise dispose of all or substantially all of its assets; (c) enter into any transaction outside the ordinary course of Developer's business that would materially adversely affect the ability of the Developer to complete the Project; (d) assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity; or (e) enter into any transaction that would cause a material and detrimental change to Developer's financial condition.

c) Prior to the issuance of the last Certificate for the Project, the Developer may not, without the prior written consent of DOH, which consent shall be in DOH's sole and absolute discretion: (a) directly or indirectly sell, transfer, convey, lease or otherwise dispose of the City Lots or the Project or any part thereof or any interest therein or the Developer's controlling interests therein (including without limitation, a transfer by assignment of any beneficial interest under a land trust); or (b) directly or indirectly assign this Agreement. If the Developer is a business entity, no principal party of the Developer (e.g., a general partner, member, manager or shareholder) may sell, transfer or assign any of its interest in the entity prior to the issuance of the final Certificate for the Project to anyone other than another principal party, without the prior written consent of DOH, which consent shall be in DOH's sole discretion. The Developer must disclose the identity of all limited partners to the City at the time such limited partners obtain an interest in the Developer. The provisions of this Section 4.9(c) shall not prohibit the Developer from contracting to sell or from selling individual Homes provided that the Developer complies with the provisions of Sections 4.5(b)(1) and 4.5(d) above and Section 5 below. The Developer acknowledges and agrees that DOH may withhold its consent under (a) or (b) above if, among other reasons, the proposed purchaser, transferee or assignee (or such entity's principal officers, members or directors) is in violation of any Laws, or if the Developer fails to submit sufficient evidence of the financial responsibility, business background and reputation of the proposed purchaser, transferee or assignee. In the event of a proposed sale, transfer, conveyance, lease or other disposition of all or any portion of the City Lot, the Developer shall deliver to the City copies of any and all sales contracts, legal descriptions, descriptions of intended use, certifications from the proposed purchaser, transferee or assignee, as applicable, regarding this Agreement and such other information as the City may reasonably request. The proposed purchaser, transferee or assignee must be qualified to do business with the City (including but not limited to the City's anti-scofflaw requirement).

4.10 Mortgagees Not Obligated to Construct. Notwithstanding any of the provisions of the Agreement, no holder of a mortgage authorized by the Agreement (including any holder who obtains title to a City Lot as a

result of foreclosure proceedings, or action in lieu thereof), shall be obligated to construct or complete the construction of any Home on any City Lot, or to guarantee such construction or completion. However, any such holder shall take its lien or hold such title subject to this Agreement and must devote the City Lot to those uses or improvements provided for or permitted in the City Lots Program and this Agreement, i.e., it may only complete the Homes on said City Lots and convey such homes to homebuyers, as originally contemplated. If the Construction Lender, due to a default by Developer obtains possession or title to any of the City Lots by foreclosure or deed in lieu of foreclosure, the Construction Lender

B-21

may request that the City make the incentives described in Section 4.5(b) available in order to construct or to complete the Homes on said City Lots and convey such homes to homebuyers, as originally contemplated. The City shall not unreasonably withhold its consent to such a request, so long as the Construction Lender complies with the terms and conditions of this Agreement. In such event, the Construction Lender shall be required to execute such economic disclosure documents as the City deems appropriate.

Whenever the City shall deliver a notice or demand pursuant to Section 6.2, the City shall at the same time forward a copy of such notice or demand to any Construction Lender identified in Section 10.7. After the expiration of any applicable cure period, each such Construction Lender shall have the right, at its option, to remedy such default within an additional thirty (30) day cure period.

Whenever the Construction Lender shall deliver a default notice or demand to Developer under the Construction Loan documents, it shall at the same time forward a copy of such notice or demand to the City at the addresses listed in Section 10.7 below. After the expiration of any applicable cure period, the City shall have the right, at the City's option, to remedy such default within an additional thirty (30) day cure period.

SECTION V
DEVELOPER'S COVENANTS FOR PARTICIPATION IN THE
CITY LOTS PROGRAM

The Developer, for itself and its successors and assigns, agrees as follows:

1 Sales Price. Developer acknowledges and affirms the objectives of the City with regard to the creation of the City Lots Program as a means of achieving the construction of high quality, owner-occupied, single-family housing affordable to working families within the corporate boundaries of the City. Developer affirmatively covenants that it shall sell and convey 8 of the 11 Homes to a Qualified Household for an Affordable Price for its Principal Residence.

2 Compliance with Fair Housing and Non-Discrimination Laws. Developer shall not discriminate based upon race, color, religion, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military status, parental status or source of income in the design, marketing and sale of any Home constructed by Developer pursuant to the terms of the Agreement, and shall comply with any and all federal, state and local laws, statutes, ordinances or regulations with regard to non-discrimination in the sale and marketing of housing, including, without limitation, the Fair Housing Act, 42 U.S.C. sec. 3601-20 et seq. (1988) and implementing regulations at 24 C.F.R. Part 100; Executive Order 11063, as amended by Executive Order 12259 (3 C.F.R., 1958-1963 Comp., p. 652 and 3 C.F.R., 1980 Comp., p. 307)(Equal Opportunity in Housing) and implementing regulations at 24 C.F.R. Part 107; and Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) (Nondiscrimination in Federally Assisted Programs) and implementing regulations issued at 24 C.F.R. Part 1; 42 U.S.C. sec. 1982 (1988), and sections 17-19 of Article I of the Constitution of the State of Illinois; the Age

Discrimination Act of 1975, 42 U.S.C. sect. 6101-07, and implementing regulations at 24 C.F.R.

B-22

Part 146, Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. 794 and implementing regulations at 24 C.F.R. Part 8.

3 Warranty of Habitability. At the closing for the conveyance of a Home from Developer to an initial homebuyer, Developer shall deliver to said homebuyer a warranty of habitability in the form of Exhibit J attached hereto. Said warranty of habitability shall have a duration of one year and shall be deemed to run with the land.

4 Project. The Developer shall construct the Project in accordance with the Working Drawings and Specifications, this Agreement and all applicable Laws.

5 TIF. The Developer shall devote the City Lots to a use consistent with the redevelopment plan for the Area.

6 **Environmental. [TBD after environmental testing; the following is an example]**
The Developer shall comply with all land use restrictions, institutional controls and other terms and conditions contained in the Final NFR Letter for the City Lots (or portions thereof).

7 Marketing. Developer shall comply with the affirmative marketing requirements described in Section 5.2 above. Developer shall give preference in selling accessible dwelling units, as that term is defined in Section 17-17-0202 of the Municipal Code, to people with disabilities pursuant to DOH policy. In addition, Developer shall comply with the marketing plan which has been approved by DOH and is attached hereto as Exhibit K, and to utilize solely those marketing materials which have been approved by DOH prior to the Effective Date of the Agreement with regard to the marketing of the Homes to prospective homebuyers. Developer also agrees to place on at least one of the City Lots a sign stating that the Home was (or shall be) constructed by Developer pursuant to the City Lots Program.

8 Income Eligibility Standards. Every potential homebuyer in conjunction with the homebuyer's execution of a purchase contract for the purchase of a Home shall be approved in writing by DOH as a Qualified Household. Developer shall provide DOH with any and all information required by DOH to confirm such homebuyer as a Qualified Household. DOH shall have fourteen (14) business days from the date of receipt of a "complete information package" (which shall include, by means of illustration and not limitation, the W-2 forms from the initial homebuyer's employer(s), US. 1040 income tax returns for the previous two years, an affidavit or verification from the homebuyer with regard to household size, and the employer verification form utilized by the Federal National Mortgage Association within which to qualify potential homebuyers.

9 Pre-Purchase Qualification. Developer shall refer each prospective homebuyer for pre-purchase counseling, which shall be offered either by DOH, a qualified community organization or lending institution. Each homebuyer must participate in pre-purchase counseling, and provide DOH with a certificate or other evidence of participation.

B-23

The Developer, for itself and its successors and assigns, acknowledges and agrees that the development and use restrictions set forth in this Section 5 constitute material, bargained-for consideration for the City.

SECTION VI
PERFORMANCE

1 Time of the Essence. Time is of the essence of the Agreement.

2 Event of Default. The occurrence of any one or more of the following shall constitute an "Event of Default" under this Agreement:

a) the failure of the Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Developer under this Agreement or any other agreement entered into with the City with respect to this Project; or

b) the making or furnishing by the Developer of any warranty, representation, statement or certification to the City (whether in this Agreement, an economic disclosure statement, or another document) which is untrue or misleading in any material respect; or

c) except as otherwise permitted hereunder, the creation (whether voluntary or involuntary) of, or any attempt to create, any lien or other encumbrance upon any City Lot, or the making or any attempt to make any levy, seizure or attachment thereof; or

d) the entry of any judgment or order against the Developer which is related to any City Lot and remains unsatisfied or undischarged and in effect for sixty (60) days after such entry without a stay of enforcement or execution; or

e) the commencement of any proceedings in bankruptcy by or against the Developer for the liquidation or reorganization of the Developer, or alleging that the Developer is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of the Developer's debts, whether under the United States Bankruptcy Code or under any other state or federal law, now or hereafter existing, for the relief of debtors, or the commencement of any analogous statutory or non-statutory proceedings involving the Developer; provided, however, that if such commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such proceedings are not dismissed within sixty (60) days after the commencement of such proceedings; or

f) the appointment of a receiver or trustee for the Developer, for any substantial part of the Developer's assets or the institution of any proceedings for the dissolution, or the full or partial liquidation, or the merger or consolidation, of the Developer; provided, however, that if such appointment or commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless

B-24

such appointment is not revoked or such proceedings are not dismissed within sixty (60) days after the commencement thereof; or

g) the occurrence of an event of default under any mortgage lien affecting the any City Lot,

which default is not cured within any applicable cure period; or

- h) the dissolution of the Developer;
- (i) a change in the Developer's financial condition or operations that would materially and adversely affect the Developer's ability to complete the Project;

(j) if the Developer conveys any Home to a homebuyer in excess of the consideration described in 5.1 above, or conveys any Home to a non-Qualified Household; and

(k) Developer fails to comply with the non-discrimination covenants in Section 5.2 above with regard to the marketing and sale of the Homes.

6.3 Cure. Except as provided in Section 10.25 (Force Majeure), if the Developer defaults in the performance of its obligations under this Agreement, the Developer shall have forty-five (45) days after written notice of default from the City to cure the default, or such longer period as shall be reasonably necessary to cure such default provided the Developer promptly commences such cure and thereafter diligently pursues such cure to completion (so long as continuation of the default does not create material risk to the Project or to persons using the City Lots) (the "Cure Period"). If the Developer does not cure such default within the Cure Period, then the City shall have available all remedies set forth in this Agreement.

Notwithstanding the foregoing or any other provision of this Agreement to the contrary:

There shall be no notice requirement and no Cure Period with respect to Events of Default described in Section 4.7 (Commencement and Completion of Project), Section 4.9 (Prohibition Against Unpermitted Encumbrances; Limits on Developer Action), Section 5.1 (Sales Price), Section 5.8 (Income Eligibility Standards), and Section 10.14 (Prohibition on Certain Contributions Pursuant to Mayoral Executive Order No. 2011-4).

6.4 Prior to Commencement of Construction. If prior to the commencement of construction of any Home and subject to the Cure Period if applicable, an Event of Default occurs, the City may immediately terminate this Agreement, record the Reconveyance Deeds and institute any action or proceeding at law or in equity against Developer. In such event, Developer shall have no further right or interest regarding the City Lots. However, the Developer shall be responsible for all real estate taxes and assessments which accrued during the period the Property was owned by the Developer, and shall cause the release of all liens or encumbrances placed on the Property during the period of time the Property was owned by the Developer. The Developer will cooperate with the City to ensure the recording of the Reconveyance Deed is effective for purposes of transferring title to the Property to the City, subject only to those title exceptions that

B-25

were on title as of the date and time that the City conveyed the Property to the Developer and except for any mortgage authorized by this Agreement.

5 After Commencement of Construction Until Issuance of Certificate. If after commencement of construction by Developer of a Home on any City Lot but before the City issues its Certificate for such Home and subject to the Cure Period if applicable, an Event of Default occurs, the City may immediately terminate the Agreement, record the Reconveyance Deeds and institute any action or proceeding at law or in equity against Developer. In such event, Developer shall have no further right or interest regarding the City Lots. However, the Developer shall be responsible for all real estate taxes and assessments which accrued during the period the Property was owned by the Developer, and shall cause the release of all liens or encumbrances placed on the Property during the period of time the Property was owned by the Developer. The Developer will cooperate with the City to ensure the recording of the Reconveyance Deed is effective for purposes of transferring title to the Property to the City, subject only to those title exceptions that were on title as of the date and time that the City conveyed the Property to the Developer and except for any mortgage authorized by this Agreement.

Notwithstanding the City's right to re-enter and take possession of each City Lot previously conveyed, to terminate the Developer's title to such City Lots and all other rights and interests of Developer to said City Lots and any improvements constructed thereon, and revert title in the City without any compensation whatsoever to Developer, such condition subsequent and reversion of title in the City shall always be limited by, and shall not defeat, render invalid, or limit in any way, the lien of the First Mortgage.

Upon such reversion of title to the City Lots in the City, DOH may complete the construction of any Homes on the City Lots, including, if necessary, the hiring of an alternative contractor to complete the construction. Upon completion of construction, DOH shall employ its best efforts to convey the Home (subject to the First Mortgage liens described above, if any) to a homebuyer under the City Lots Program, and in accordance with all applicable federal, state and local laws, ordinances and regulations. In the event a First Mortgage encumbers the City Lot on which the Home is built, then at the closing of the conveyance of such Home, the net sales proceeds from the sale of the Home shall be applied to repay an allocable share of the unpaid principal of the First Mortgage attributable to said City Lot and the interest accrued thereon due and payable as of the date of conveyance. When the City sells all of the Homes in accordance with the provisions described in this paragraph, then upon repayment of all amounts under the First Mortgage any remaining proceeds shall be distributed pursuant to Section 6.6 below. In the alternative, the City may allow the Construction Lender to enter into possession of such City Lots and cause the completion of construction of the Homes so long as the Construction Lender complies with the terms and provisions of the Agreement.

6 Distribution of Sale Proceeds. Upon the sale of all of the Homes by the City pursuant to Section 6.5 above, the proceeds from said conveyance(s) shall be utilized first to reimburse the City for:

B-26

- a) costs and expenses incurred by the City with regard to the reconveyance of the City Lots, management of the City Lots, and the subsequent conveyance of the City Lots to the homebuyers;
- b) all taxes, assessments, and water and sewer charges paid with respect to the City Lots;
- c) any payments made or necessary to be made (including attorneys' fees) to discharge or prevent from attaching or being made any subsequent encumbrances or liens against the City Lots;

- d) any expenditures made or obligations incurred with respect to the construction and maintenance of any Homes constructed on the City Lots;
- e) any other amounts owed to the City by Developer, its successors or transferees under this Agreement[^] the City Junior Mortgage] or otherwise; and
- f) any remaining sums shall be delivered to Developer.

7 After Conveyance. If an Event of Default occurs under Section 6.2(j) or Section 6.2(k), then the City shall have the right to institute a suit for injunctive relief against Developer, or alternatively, at the option of the City solely with regard to an Event of Default under Section 6.2(j), Developer, within twenty (20) days after the receipt of written notice of default from the City, shall deliver the sum of one and one-half times the amount by which the sales price exceeds the permitted consideration described in Section 5.1, per violation to the City, said sum representing an amount of liquidated damages and not a penalty.

8 Waiver and Estoppel. Any delay by the City 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 the City of or limit such rights in any way. No waiver made by the City with respect to any specific default by Developer shall be construed, considered or treated as a waiver of the rights of the City with respect to any other defaults of Developer.

9 Indemnity. Developer hereby agrees to indemnify, defend and hold the City harmless from and against all Losses suffered or incurred by the City arising from or in connection with: (a) an Event of Default under this Agreement; (b) the failure of the Developer or its agents or affiliates to pay contractors, subcontractors or material suppliers in connection with the construction of the Project; (c) any misrepresentation or omission made by the Developer or its agents or affiliates relating to this Agreement; and (d) any activity undertaken by the Developer or its agents or affiliates on the City Lots or relating to this Agreement prior to or after the conveyance of the City Lots, including but not limited to, conducting environmental tests; provided, however, the Developer shall have no obligation to indemnify the City for Losses to the extent such Losses are caused by the City or its agents. This indemnification shall survive the conveyance of the City Lots or any termination of this Agreement (regardless of the reason for such termination).

B-27

10 Access to the City Lots. Any duly authorized representative of the City shall, at all reasonable times, have access to any City Lot, or part thereof, from the Effective Date of the Agreement until the City issues its Certificate with regard to the completion of the Home on the City Lot, for the purpose of confirming Developer's compliance with this Agreement.

11 City's Right to Inspect Records. Until the date that is three years after the date on which the City issues its Certificate with regard to the completion of the final Home, the City shall have the right and authority to review and audit, from time to time, Developer's books and records relating to the Project, including, without limitation, Developer's loan statements, the construction manager's sworn statements, general contracts, subcontracts, purchase orders, waivers of lien, paid receipts and invoices. All such books, records and other documents shall be available at the offices of Developer for inspection, copying, audit and examination by any duly authorized representative of the City; provided, however, that the City shall provide Developer with at

least five (5) business days' written notice of any proposed inspection of Developer's books and records.

SECTION VII

DEVELOPER'S EMPLOYMENT OBLIGATIONS

7.1 Employment Opportunity. Developer agrees for itself and its successors and assigns, and shall contractually obligate its or their various contractors, subcontractors or any affiliate of Developer operating on the Project (collectively, with Developer, the "Employers" and individually an "Employer") to agree, that for the term of this Agreement with respect to Developer and during the period of any other party's provision of services in connection with the construction of the Project and the occupation of the City Lots with regard thereto:

- A. No Employer shall discriminate against any employee or applicant for employment based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income as defined in the City of Chicago Human Rights Ordinance, Chapter 2-160, Section 2-160-010 et seq., Municipal Code of Chicago, except as otherwise provided by said ordinance and as amended from time to time (the "Human Rights Ordinance"). Each Employer shall take affirmative action to ensure that applicants are hired and employed without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income and are treated in a non-discriminatory manner with regard to all job-related matters, including without limitation: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Each Employer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this nondiscrimination clause. In addition, the Employers, in all solicitations or advertisements for employees, shall state that all qualified applicants shall receive consideration for employment without discrimination based upon race, religion,

B-28

color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income.

- B. Each Employer shall comply with all federal, state and local equal employment and affirmative action statutes, rules and regulations, including, but not limited to, the Human Rights Ordinance, and the Illinois Human Rights Act, 775 ILCS 5/1-101 et seq. (1993), and any subsequent amendments and regulations promulgated thereto.

C. To the greatest extent feasible, each Employer shall present opportunities for training and employment of low and moderate income residents of the City, and provide that contracts for work in connection with the construction of the Project be awarded to business concerns which are located in or owned in substantial part by persons residing in, the City.

- D. Developer, in order to demonstrate compliance with the terms of this Section, shall cooperate with and promptly and accurately respond to inquiries by the City, which has the responsibility to observe and report compliance with equal employment opportunity regulations of federal,

state and municipal agencies.

- E. Developer and each Employer shall include the foregoing provisions of subparagraphs A through C in every contract entered into in connection with the Project, and shall require inclusion of these provisions in every subcontract entered into by any subcontractors, and every agreement with any Affiliate operating on the Property, so that each such provision shall be binding upon each contractor, subcontractor or affiliate, as the case may be.
- F. Failure to comply with the employment obligations described in this Section 7.1 shall be a basis for the City to pursue remedies under the provisions of Section 6 above.

2 [INTENTIONALLY OMITTED]

3 [INTENTIONALLY OMITTED]

4 **Pre-Construction and Post-Closing Compliance Requirements.** [INTENTIONALLY OMITTED]

SECTION VIII ENVIRONMENTAL REMEDATION

8.1 Environmental Remediation. [TBD after Property Screening/Phase I of City Lots in Consultation with DAIS. Below is a sample]

B-29

a) The Developer acknowledges and agrees that the environmental assessment of the City Lots disclosed the presence of contaminants exceeding residential remediation objectives on some or all of the City Lots. Prior to conveyance of a City Lot, the Developer shall enroll said City Lot (or the applicable portions thereof) in the IEPA's SRP and take all necessary and proper steps to obtain a RAP Approval Letter for such property. The Developer acknowledges and agrees that it may not close and commence construction on said City Lot until the IEPA issues, and DAIS approves, a RAP Approval Letter for said City Lot.

b) After DAIS approves the RAP Approval Letter for said City Lot, the Developer covenants and agrees to complete the Remediation Work and diligently pursue the Final NFR Letter for the City Lot using all reasonable means. The City shall have the right to review in advance and approve all SRP Documents and any changes thereto, and the Developer's estimate of the cost to perform the Remediation Work. The Developer 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 Developer shall bear sole responsibility for all aspects of the Remediation Work. The Developer shall promptly transmit to the City copies of all Environmental Documents prepared or received with respect to the Remediation Work, including, without limitation, any written communications delivered to or received from the IEPA or other regulatory agencies. The Developer acknowledges and agrees that the City will not issue a Certificate for any Home until the IEPA has issued, and the City has approved, a Final NFR Letter for the City Lot, which approval shall not be unreasonably withheld.

8.2 Release and Indemnification. The Developer, on behalf of itself and its officers, directors,

employees, successors, assigns and anyone claiming by, through or under them (collectively, the "Developer Parties"), hereby releases, relinquishes and forever discharges the Indemnitees from and against any and all Losses which the Developer or any of the Developer Parties 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 conveyance of the City Lots by City to Developer, based upon, arising out of or in any way connected with, directly or indirectly (a) any environmental contamination, pollution or hazards associated with the City Lots 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 Substances, or threatened release, emission or discharge of Hazardous Substances, or threatened release, emission or discharge of Hazardous Substances; (b) the structural, physical or environmental condition of the City Lots, including, without limitation, the presence or suspected presence of Hazardous Substances in, on, under or about the City Lots or the migration of Hazardous Substances from or to other property; (c) 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 the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 6901 et seq.; and (d) 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 City Lots or any improvements, facilities or operations located or formerly located thereon (collectively, "Released Claims"). Furthermore, the Developer shall indemnify, defend (through an attorney

B-30

reasonably acceptable to the City) and hold the Indemnitees harmless from and against any and all Losses which may be made or asserted by any third parties (including, without limitation, any of the Developer Parties) arising out of or in any way connected with, directly or indirectly, any of the Released Claims.

3 Release Runs with the City Lots. The covenant of release in Section 8.2 above shall run with the City Lots, and shall be binding upon all successors and assigns of the Developer with respect to the City Lots, including, without limitation, each and every person, firm, corporation, limited liability company, trust or other entity owning, leasing, occupying, using or possessing any portion of the City Lots under or through the Developer following the date of the Deed. The Developer acknowledges and agrees that the foregoing covenant of release constitutes a material inducement to the City to enter into this Agreement, and that, but for such release, the City would not have agreed to convey the City Lots to the Developer. It is expressly agreed and understood by and between the Developer and the City that, should any future obligation of the Developer arise or be alleged to arise in connection with any environmental, soil or other condition of the City Lots, the Developer shall not assert that those obligations must be satisfied in whole or in part by the City, because Section 8.2 contains a full, complete and final release of all such claims.

4 Survival. This Section 8 shall survive the conveyance of the City Lots or any termination of this Agreement (regardless of the reason for such termination).

SECTION IX COVENANTS RUNNING WITH THE LAND

The Developer agrees, and each Deed shall so expressly provide, that the covenants, agreements, releases and other terms and provisions contained in Section 4.7 (Commencement and Completion of Project), Section 4.9 (Prohibition Against Unpermitted Encumbrances; Limits on Developer Action), Section 5 (Developer's Covenants for Participation in the City Lots Program), and Section 8.2 (Release for

Environmental Conditions) touch and concern and shall be appurtenant to and shall run with the City Lots. Such covenants, agreements, releases and other terms and provisions shall be binding on the Developer and its successors and assigns (subject to the limitation set forth in Section 4.10 above as to any permitted mortgagee) to the fullest extent permitted by law and equity for the benefit and in favor of the City, and shall be enforceable by the City. Such covenants, agreements, releases and other terms and provisions shall terminate as follows:

Section	Covenant	Termination
§4.7	Commencement and Completion of the Project	Upon issuance of the final Certificate for the Project
§4.9	Prohibition Against Unpermitted Encumbrances; Limits on Developer Action	Upon issuance of the final Certificate for the Project
B-31		
§5.1	Sales Price	Upon issuance of the final Certificate for the Project
§5.2	Compliance with Fair Housing and Non-Discrimination Laws	No limitation as to time
§5.3	Warranty of Habitability	Upon the one (1) year anniversary of Developer conveying the Home to a homebuyer
§5.4	Project Compliance	Upon issuance of the final Certificate for the Project
§5.5	TIF Compliance	Upon expiration of the redevelopment plan for the Area, as such expiration may be amended from time to time in accordance with and pursuant to applicable law
§5.6	Environmental Compliance	In accordance with the terms of the NFR Letter
§5.7	Marketing Compliance	Upon issuance of the final Certificate for the Project
§5.8	Income Eligibility Standards	Upon issuance of the final Certificate for the Project
§5.9	Pre-Purchase Qualification	Upon issuance of the final Certificate for the Project
§8.2	Environmental Release	No limitation as to time

SECTION X MISCELLANEOUS PROVISIONS

The following general provisions govern this Agreement:

1 Entire Agreement; Modification. This Agreement contains the entire agreement of the parties with respect to the Project and supersedes all prior agreements, negotiations and discussions with respect thereto. It shall not be modified, amended or changed in any manner whatsoever without the prior written consent of the parties hereto. No term of this Agreement may be waived or discharged orally or by any course of dealing, but only by an instrument in writing signed by the party benefitted by the term.

2 Conflict of Interest - City's Representatives Not Individually Liable. Prior to the issuance of the Certificate by the City with regard to the completion of the final Home, no member of any City board, commission or agency, or official or employee of the City shall have any personal interest, direct or indirect, in Developer, the Agreement, or the Project; nor shall any such member, official or employee participate in any decision relating to the Agreement which affects his or her personal interest or the interests of any corporation,

partnership or association in which he or she is directly or indirectly interested. This prohibition shall include those public officials who have exercised any functions or responsibilities with respect to this Project or the City Lots Program or who are in a position to participate in a decision making process or gain inside information with regard to the Project or the City Lots Program or may obtain a financial interest or benefit from this Project, or have an interest in any contract, subcontract, or agreement with respect thereto, or the proceeds therefore, either for themselves or

B-32

those with whom the officials have family or business ties, during the tenure or employment of said public officials and for a period of one year thereafter. The foregoing shall not be deemed to exclude employees of the City who meet the requirements of the City Lots Program from purchasing Homes for their primary residences, and who are able to do so pursuant to an ordinance passed by the City Council. No member, official or employee of the City shall be personally liable to Developer, or any successor in interest, to perform any commitment or obligation of the City under the Agreement nor shall any such person be personally liable in the event of any default or breach by the City.

3 Survival. All representations and warranties contained in the Agreement shall survive execution date of the Agreement and the execution, delivery and acceptance hereof by the parties shall not constitute a waiver of rights arising by reasons of any misrepresentation.

4 Mutual Assistance. The parties agree to perform their respective obligations, including the execution and delivery of any documents, instruments, petitions and certifications, as may be necessary or appropriate, consistent with the terms and provisions of the Agreement.

5 Cumulative Remedies. The remedies of the City hereunder are cumulative and the exercise of any one or more of the remedies provided by the Agreement shall not be construed as a waiver of any of the other remedies of the City unless specifically so provided herein.

6 Disclaimer. No provision of the Agreement, nor any act of the City, shall be deemed or construed by any of the parties, or by third persons, to create any relationship of third-party beneficiary, or of principal or agent, or of limited or general partnership, or of joint venture, or of any association or relationship involving the City.

7 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, provided that there is written confirmation of such communication; (c) overnight courier; or (d) registered or certified first class mail, postage prepaid, return receipt requested:

If to the City:

City of Chicago
Department of Housing 121 North LaSalle
Street Room 1000-City Hall Chicago,
Illinois 60602 Attn: Commissioner

With a copy to:

City of Chicago
Department of Law 121 North LaSalle
Street Room 600 - City Hall Chicago,
Illinois 60602 Attn: Real Estate Division

B-33

If to the Developer:

Attn:

With a copy to:

Lorium Law
180 North LaSalle Street, Suite 3700 Chicago,
Illinois 60601 Attn: Adnan Shams

Any notice, demand or communication given pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon confirmed transmission by facsimile, respectively, provided that such facsimile transmission is confirmed as having occurred prior to 5:00 p.m. on a business day. If such transmission 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 business day immediately following deposit with the overnight courier. Any notice, demand or communication sent pursuant to clause (d) shall be deemed received three (3) 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. The refusal to accept delivery by any party or the inability to deliver any communication because of a changed address of which no notice has been given in accordance with this Section shall constitute delivery.

8 Headings. The headings of the various sections and subsections of the 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 hereof.

9 Governing Law. The Agreement shall be governed by and construed in accordance with the laws of the State of Illinois and, where applicable, the laws of the United States of America.

10 References to Statutes. All references herein to statutes, regulations, rules, executive orders, ordinances, resolutions, rulings, notices or circulars issued by any governmental body shall be deemed to include any and all amendments, supplements and restatements from time to time to or of such statutes, regulations, rules, executive orders, ordinances, resolutions, rulings, notices or circulars.

11 No Third Party Beneficiary. The approvals given by the City pursuant to the Agreement and the Certificate when issued by the City shall be only for the benefit of Developer, the First Mortgagee, and their successors in interest in the Project and no other person or party may assert against the City or claim the benefit of such approval or certificate.

12 Successors and Assigns. Except as otherwise provided in this Agreement, the terms of the Agreement shall apply to and bind the successors and assigns of the parties.

B-34

13 Severability. If any provision of the Agreement, or any paragraph, sentence, clause, phrase, or

word, or the application thereof, in any circumstance, is held invalid, the remainder of the Agreement shall be construed as if such invalid part were never included herein and the Agreement shall be and remain valid and enforceable to the fullest extent permitted by law.

14 **Prohibition on Certain Contributions pursuant to Mayoral Executive order No. 2011-4.**

(a) The Developer agrees that the Developer, any person or entity who directly or indirectly has an ownership or beneficial interest in the Developer of more than 7.5 percent ("Owners"), spouses and domestic partners of such Owners, the Developer's contractors (i.e., any person or entity in direct contractual privity with the Developer 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 (such Owners and all other preceding classes of persons and entities, collectively the "Identified Parties"), shall not make a contribution of any amount to the Mayor of the City or to his political fundraising committee (a) after execution of this Agreement by the Developer, (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.

(b) The Developer represents and warrants that from the later of (a) May 16, 2011, or (b) the date the City approached the Developer, or the date the Developer 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.

c) The Developer agrees 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.

d) The Developer agrees 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. 05-1.

(e) Notwithstanding anything to the contrary contained herein, the Developer agrees that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this Section 10.15 or violation of Mayoral

B-35

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.

1. If the Developer intentionally violates this provision or Mayoral Executive Order No. 2011-4 prior to the execution of the Agreement, the City may elect to decline to execute the Agreement.

2. 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 the Developer 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.

B-36

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.

(e) "Political fundraising committee" means a "political fundraising committee" as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

15 Patriot Act Certification. The Developer represents and warrants that neither the Developer nor any Affiliate thereof (as defined in the next paragraph) 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 law, rule, regulation, order or judgment: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

As used in the above paragraph, an "Affiliate" shall be deemed to be a person or entity related to the Developer that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with Developer, 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.

16 Business Relationships. The Developer 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 defined 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

B-37

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 Developer 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.

10.17 Waste Ordinance Provisions. In accordance with Section 11-4-1600(e) of the Municipal Code of Chicago, Developer warrants and represents that it, and to the best of its knowledge, its contractors and subcontractors, have not violated and are not in violation of any provisions of Section 7-28 or Section 11-4 of the Municipal Code of Chicago (the "Waste Sections"). During the period while this Agreement is executory, Developer's, any general contractor's or any subcontractor's violation of the Waste Sections, whether or not relating to the performance of this Agreement, constitutes a breach of and an event of default under this Agreement, for which the opportunity to cure, if curable, will be granted only at the sole designation of the Chief Procurement Officer. Such breach and default entitles the City to all

remedies under the Agreement, at law or in equity. This section does not limit the Developer's, general contractor's and its subcontractors' duty to comply with all applicable federal, state, county and municipal laws, statutes, ordinances and executive orders, in effect now or later, and whether or not they appear in this Agreement. Non-compliance with these terms and conditions may be used by the City as grounds for the termination of this Agreement, and may further affect the Developer's eligibility for future contract awards.

18 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 Office of Inspector General in any investigation or hearing undertaken pursuant to Chapter 2-56 of the Municipal Code of Chicago. The Developer understands and will abide by all provisions of Chapter 2-56 of the Municipal Code of Chicago.

19 Failure To Maintain Eligibility To Do Business With City. Failure by the Developer or any controlling person (as defined in Section 1-23-010 of the Municipal Code of Chicago) thereof to maintain eligibility to do business with the City as required by Section 1-23-030 of the Municipal Code of Chicago shall be grounds for termination of this Agreement and the transactions contemplated hereby. The Developer shall at all times comply with Section 2-154-020 of the Municipal Code of Chicago.

20 **City Hiring Plan.**

A. The City is subject to the June 16, 2014 "City of Chicago Hiring Plan" (as amended, the "2014 City Hiring Plan") entered in *Shakman v. Democratic Organization of Cook County*, Case No 69 C 2145 (United States District Court for the Northern District of Illinois). Among other things, the 2014 City Hiring Plan prohibits the City from hiring persons as governmental employees in non-exempt positions on the basis of political reasons or factors.

B-38

B. The Developer is aware that City policy prohibits City employees from directing any individual to apply for a position with the Developer, either as an employee or as a subcontractor, and from directing the Developer to hire an individual as an employee or as a subcontractor. Accordingly, the Developer must follow its own hiring and contracting procedures, without being influenced by City employees. Any and all personnel provided by the Developer under this Agreement are employees or subcontractors of the Developer, not employees of the City. This Agreement is not intended to and does not constitute, create, give rise to, or otherwise recognize an employer-employee relationship of any kind between the City and any personnel provided by the Developer.

C. The Developer will not condition, base, or knowingly prejudice or affect any term or aspect to the employment of any personnel provided under this Agreement, or offer employment to any individual to provide services under this Agreement, based upon or because of any political reason or factor, including, without limitation, any individual's political affiliation, membership in a political organization or party, political support or activity, political financial contributions, promises of such political support, activity or financial contributions, or such individual's political sponsorship or recommendation. For purposes of this Agreement, a political organization or party is an identifiable group or entity that has as its primary purpose the support of or opposition to candidates for elected public office. Individual political activities are the activities of individual persons in support of or in opposition to political organizations or parties or candidates for elected public office.

D. In the event of any communication to the Developer by a City employee or City official in violation of Section 10.20(B) above, or advocating a violation of subparagraph Section 10.20(C) above, Developer will, as soon as is reasonably practicable, report such communication to the Hiring Oversight Section of the City's Office of the Inspector General ("IGO Hiring Oversight"), and also to the head of the relevant City Department utilizing services provided under this Agreement. The Developer will also cooperate with any inquiries by IGO Hiring Oversight.

21 Venue and Consent to Jurisdiction. If there is a lawsuit under this Agreement, each Party agrees to submit to the jurisdiction of the courts of Cook County, the State of Illinois and the United States District Court for the Northern District of Illinois.

22 No Merger. The terms of this Agreement shall not be merged with the Deed, and the delivery of the Deed shall not be deemed to affect or impair the terms of this Agreement.

23 No Waiver. No waiver by the City with respect to any specific default by the Developer shall be deemed to be a waiver of the rights of the City with respect to any other defaults of the Developer, nor shall any forbearance by the City to seek a remedy for any breach or default be deemed a waiver of its rights and remedies with respect to such breach or default, nor shall the City be deemed to have waived any of its rights and remedies unless such waiver is in writing.

B-39

24 Form of Documents. All documents required by this Agreement to be submitted, delivered or furnished to the City shall be in form and content satisfactory to the City.

25 Force Majeure. Neither the City nor the Developer nor any successor in interest to either of them shall be considered in breach of or in default of its obligations under this Agreement in the event of a delay due to unforeseeable events or conditions beyond the reasonable control of the party affected which in fact interferes with the ability of such party to discharge its obligations hereunder, including, without limitation, pandemics, epidemics, insurrections, riots, supply chain disruptions, fires, floods, strikes, shortages of material and unusually severe weather or delays of contractors due to such causes. The time for the performance of the obligations shall be extended only for the period of the delay and only if the party relying on this section requests an extension in writing within twenty (20) days after the beginning of any such delay.

26 Exhibits. All exhibits referred to herein and attached hereto shall be deemed part of this Agreement.

27 Date for Performance. If the final date of any time period set forth herein falls on a Saturday, Sunday or legal holiday under the laws of Chicago, Illinois or the United States of America, then such time period shall be automatically extended to the next business day.

28 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute a single, integrated instrument.

[Signatures Appear On Next Pages]

B-40

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

CITY OF CHICAGO, an Illinois municipal corporation

By-
Marisa C. Novara Commissioner
Department of Housing

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Marisa C. Novara, Commissioner of the Department of Housing of the City of Chicago, an Illinois municipal corporation, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and being first duly sworn by me acknowledged that as said Commissioner, she signed and delivered the instrument pursuant to authority given by the City of Chicago, as her free and voluntary act and as the free and voluntary act and deed of the City, for the uses and purposes therein set forth.

B-42

LIST OF EXHIBITS

- A List of City Lots & Appraised Value of the City Lots
- B Legal Description of City Lots
- C List of Waiver of City Fees
- D List of Working Drawings and Specifications
- E Insurance Requirements
- F Form of Deed
- G Schedule of Construction Progress
- [H City Junior Mortgage]
- I Inspector's Certificate
- J Warranty of Habitability
- K Marketing Plan

B-43

EXHIBIT A

List of City Lots & their Appraised Values

Affordable Homes

Address Ward

Market-rate Homes

Address Ward

B-44

EXHIBIT B

Legal Description

(Subject to Final Survey and Title Commitment)

LOTS 48, 51, 52, 55, 56, 57, 59, 60, 61 AND 62 IN THE SUBDIVISION OF BLOCKS 1, 2, 3 AND 4 IN BALESTIER'S DOUGLAS PARK ADDITION TO CHICAGO, IN THE NORTHWEST 1/4 OF SECTION 24, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

1217 SOUTH TROY, CHICAGO

16-24-101-011-0000

16-24-101-014-0000 16-24-101-015-0000 16-24-101-018-0000 16-24-101-019-0000 16-24-101-020-0000 16-24-101-022-0000 16-24-101-023-0000 16-24-101-024-0000

AND

LOT 113 IN THE SUBDIVISION OF BLOCKS 1 TO 4 INCLUSIVE, IN BALESTIER'S DOUGLAS PARK ADDITION TO CHICAGO IN THE NORTHWEST 1/4 OF SECTION 24, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

1220 SOUTH TROY, CHICAGO

16-24-100-030-0000

B-45

EXHIBIT C

Fee Waivers

Department of Buildings

Plan review fees, permit fees and field inspection fees are to be paid in full for the first Home. The fees paid for each successive Home would be reduced by fifty percent (50%). This fee reduction is not applicable to electrical permits.

Department of Planning and Development.

Open Space Impact fees are not waived. For the City Lots for Working Families Program, an Open Space Impact fee of One Hundred Dollars (\$100) per Home shall be assessed to the Developer to be paid to the City as a condition of issuance of a building permit.

Zoning approval is required as part of the building permit process and is covered under the building permit fee schedule. However, any private legal work, such as giving notice to nearby property owners if a zoning change is requested, is not waived.

Department of Water Management.

Connection fees are waived. Inspection fees are waived. Tap fees are waived. Demolition fees for existing water tap are waived. Water liens against City Lots are waived. (B-boxes, meters and remote readouts are not waived and need to be purchased.)

B-46

EXHIBIT D

List of Working Drawings and Specifications [TO COME]

B-47

EXHIBIT E

Insurance Coverages and Amounts

The Developer shall procure and maintain, at all times, or shall cause to be procured and maintained, all of the types and coverages of insurance specified below, with insurance companies authorized to do business in the State of Illinois, covering all operations under this Agreement, whether performed by the Developer or any of its contractors.

A. INSURANCE TO BE PROVIDED:

1) Workers Compensation and Employers Liability

Workers' Compensation and Occupational Disease Insurance, in statutory amounts, covering all employees who are to provide Work under this Agreement. Employers' liability coverage with limits of not less than \$1,000,000 each accident, illness or disease.

2) Commercial General Liability (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than \$2,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages must include the following: All premises and operations, products/completed operations independent contractors, 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.

Contractors performing work for Developer must maintain limits of not less than \$2,000,000 with the same terms herein.

3) Automobile Liability (Primary and Umbrella)

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Contractor must provide Automobile Liability Insurance with limits of not less than \$2,000,000 per occurrence for bodily injury and property damage. The City of Chicago is to be named as an additional insured on a primary, non-contributory basis.

Contractors performing work for Developer must maintain limits of not less than \$2,000,000 with the same terms herein.

4) Builders Risk

B-48

When Developer undertakes any construction, including improvements, betterments, and/or repairs, the Developer must provide or cause to be provided, All Risk Builders Risk Insurance at replacement cost for materials, supplies, equipment, machinery and fixtures that are or will be part of the permanent facility/project. The City of Chicago is to be named as an additional insured and loss payee/mortgagee if applicable.

B. ADDITIONAL REQUIREMENT:

The Developer must furnish the City of Chicago, Department of Planning and Development, 121 North LaSalle Street, 10th Floor, Chicago, 60602, original Certificates of Insurance, or such similar evidence, to be in force on the date of this Agreement, 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 Developer must submit evidence of insurance prior to closing. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the 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 from Developer is not a waiver by the City of any requirements for the Developer to obtain and maintain the specified coverages. The Developer shall advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance does not relieve Developer of the obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to stop work and/or terminate Agreement until proper evidence of insurance is provided.

The insurance must provide for 60 days prior written notice to be given to the City in the event coverage is substantially changed, canceled, or non-renewed.

Any deductibles or self-insured retentions on referenced insurance coverages must be borne by Developer and its contractors.

The Developer hereby waives and agrees to require their insurers to waive their rights of subrogation against the City of Chicago, its employees, elected officials, agents, or representatives.

The coverages and limits furnished by Developer in no way limit the Developer's liabilities and responsibilities specified within the Agreement or by law.

Any insurance or self-insurance programs maintained by the City of Chicago do not contribute with insurance provided by the Developer under the Agreement.

The required insurance to be carried is not limited by any limitations expressed in the indemnification language in this Agreement or any limitation placed on the indemnity in this Agreement given as a matter of law.

B-49

If Developer is a joint venture or limited liability company, the insurance policies must name the joint venture or limited liability company as a named insured.

The Developer must require its contractors and subcontractors to provide the insurance required herein, or Developer may provide the coverages for its contractors and subcontractors. All contractors and subcontractors are subject to the same insurance requirements of Developer unless otherwise specified in this Agreement.

If Developer, any contractor or subcontractor desires additional coverages, the party desiring the additional coverages is responsible for the acquisition and cost.

The City of Chicago Risk Management Department maintains the right to modify, delete, alter or change these requirements.

B-50

EXHIBIT F

Form of Deed [TO COME]

B-51

EXHIBIT G

Schedule of Construction Progress [TO COME]

B-52

EXHIBIT H

Form of City Junior Mortgage

[IF APPLICABLE] [NOT ATTACHED FOR RECORDING PURPOSES]

B-53

EXHIBIT I

Inspector's Certificate

In accordance with the Working Drawings and Specifications and the Contract Documents (as such terms (and all other terms herein not otherwise defined) are defined in that certain Redevelopment Agreement, dated _____, 201____ by and between The City of Chicago and GMP Development, LLC) and based on-site observations, the undersigned inspecting architect certifies to the City of Chicago that to the best of the architect's knowledge, information and belief, the construction has progressed as indicated and that the quality of the construction is in accordance with the

Working Drawings and Specifications and the Contract Documents. The Inspector hereby notifies DOH and the Construction Lender of any discrepancies between the Working Drawings and Specifications and the Contract Documents and the actual construction:

ARCHITECT:

Printed Name:

B-54

EXHIBIT J

Warranty of Habitability [TO COME]

B-55

EXHIBIT K

Marketing Plan [TO COME]

B-56

**CITY OF CHICAGO ECONOMIC DISCLOSURE
STATEMENT AND AFFIDAVIT**

SECTION I - GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable: GMP
Development, LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. the Applicant
OR

2. a legal entity currently holding, or anticipated to hold within six months after City action on

- 2. the contract, transaction or other undertaking to which this EDS pertains (referred to below as the "Matter"), a direct or indirect interest in excess of 7.5% in the Applicant. State the Applicant's legal name:

OR

3. a legal entity with a direct or indirect right of control of the Applicant (see Section 11(B)(1)) State the legal name of the entity in which the Disclosing Party holds a right of control:

B. Business address of the Disclosing Party: 111 N Wabash Ave., Suite 2117
Chicago, IL 60602

C. Telephone: (312) 384-1000 Fax: (312) 384-1010 Email: steves@gmpdev.com
<mailto:steves@gmpdev.com>

D. Name of contact person: Stephen A Searies

E. Federal Employer Identification No. (if you have one):

F. Brief description of the Matter to which this EDS pertains. (Include project number and location of property, if applicable): 1220, 1217, 1225, 1227, 1235, 1237, 1239, 1245, 1247, and 1249 S Troy Street, Chicago, Illinois rJfy-City Lots for Working Families
<mpUegaon, North Lawndale Parade of Homes

Chicago Department of Housing

G. Which City agency or department is requesting this EDS? Chicago Dept of Planning and Development

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # and Contract #

Ver.2017-t Page I of 14

SECTION II - DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

- Person
- Publicly registered business corporation
- Privately held business corporation
- Sole proprietorship
- General partnership
- Limited partnership
- Trust
- Limited liability company
- Limited liability partnership
- Joint venture
- Not-for-profit corporation
- (Is the not-for-profit corporation also a 501 (c)(3))?
- Yes No
- Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable: Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

Yes No Organized in Illinois

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles, if applicable, of: (i) all executive officers and all directors of the entity; (ii) for not-for-profit corporations, all members, if any, which are legal entities (if there are no such members, write "no members which are legal entities"); (iii) for trusts, estates or other similar entities, the trustee, executor, administrator, or similarly situated party; (iv) for general or limited partnerships, limited liability companies, limited liability partnerships or joint ventures, each general partner, managing member, manager or any other person or legal entity that directly or indirectly controls the day-to-day management of the Applicant.

NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name Title

Stephen A Searles	Managing Member/Owner
Charlotte Searles	Managing Member

2. Please provide the following information concerning each person or legal entity having a direct or indirect, current or prospective (i.e. within 6 months after City action) beneficial interest (including ownership) in excess of 7.5% of the Applicant. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture, interest of a member or manager in a

Page 2 of 14

limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None."

NOTE: Each legal entity listed below maybe required to submit an EDS on its own behalf.

Name	Business Address	Percentage Interest in the Applicant
Stephen A Searles	111 N Wabash Ave., Chicago, IL	

SECTION III - INCOME OR COMPENSATION TO, OR OWNERSHIP BY, CITY ELECTED OFFICIALS

Has the Disclosing Party provided any income or compensation to any City elected official during the

12-month period preceding the date of this EDS? Yes No

Does the Disclosing Party reasonably expect to provide any income or compensation to any City elected official during the 12-month period following the date of this EDS? Yes No

If "yes" to either of the above, please identify below the name(s) of such City elected official(s) and describe such income or compensation:

Does any City elected official or, to the best of the Disclosing Party's knowledge after reasonable inquiry, any City elected official's spouse or domestic partner, have a financial interest (as defined in Chapter 2-156 of the Municipal Code of Chicago ("MCC")) in the Disclosing Party?

Yes No

If "yes," please identify below the name(s) of such City elected official(s) and/or spouse(s)/domestic partner(s) and describe the financial interest(s).

SECTION IV- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist (as defined in MCC Chapter 2-156), accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll. If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Page 3 of 14

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.
---	-------------------------	---	--

SEE ATTACHED

(Add sheets if necessary)

Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V - CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under MCC Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

Yes No No person directly owns 10% or more of the Disclosing Party

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement? Yes No

B. FURTHER CERTIFICATIONS

1. [This paragraph 1 applies only if the Matter is a contract being handled by the City's Department of Procurement Services.] In the 5-year period preceding the date of this EDS, neither the Disclosing Party nor any Affiliated Entity [see definition in (5) below] has engaged, in connection with the performance of any public contract, the services of an integrity monitor, independent private sector inspector general, or integrity compliance consultant (i.e., an individual or entity with legal, auditing, investigative, or other similar skills, designated by a public agency to help the agency monitor the activity of specified agency vendors as well as help the vendors reform their business practices so they can be considered for agency contracts in the future, or continue with a contract in progress).

2. The Disclosing Party and its Affiliated Entities are not delinquent in the payment of any fine, fee, tax or other source of indebtedness owed to the City of Chicago, including, but not limited to, water and sewer charges, license fees, parking tickets, property taxes and sales taxes, nor is the Disclosing Party delinquent in the payment of any tax administered by the Illinois Department of Revenue.

SECTION IV - DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

Name	Business Address	Relationship to Disclosing Party	Fees
Jordan Wankel	3437 W. Parker Chicago, IL 60647	Architect	TBD Estimated: \$90,000
Andmw Bluhm ✓ \	900 ILMicpgan Ave.,M»1900 Ch (c^b/W0611	Lender	TBD
Ad nan Shams	150 N. Michigan Ave, 8th Floor Chicago, IL 60601	Attorney	TBD Estimated: \$15,000 fj**

111 W. Jackson Chicago, IL 60604

Estimated:

\$150,000 interest & fees

3, The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section 11(B)(1) of this EDS:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
- b. have not, during the 5 years before the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;
- c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in subparagraph (b) above;
- d. have not, during the 5 years before the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
- e. have not, during the 5 years before the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

4. The Disclosing Party understands and shall comply with the applicable requirements of MCC Chapters 2-56 (Inspector General) and 2-156 (Governmental Ethics).

5. Certifications (5), (6) and (7) concern:

- the Disclosing Party;
- any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
- any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity). Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity. With respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
- any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor, nor any Agents have, during the 5 years before the date of this EDS, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the 5 years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

- a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
- b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
- c. made an admission of such conduct described in subparagraph (a) or (b) above that is a matter of record, but have not been prosecuted for such conduct; or
- d. violated the provisions referenced in MCC Subsection 2-92-320(a)(4)(Contracts Requiring a Base Wage); (a)(5)(Debarment Regulations); or (a)(6)(Minimum Wage Ordinance).

6. Neither the Disclosing Party, nor any Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33 E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

7. Neither the Disclosing Party nor any Affiliated Entity is listed on a Sanctions List maintained by the United States Department of Commerce, State, or Treasury, or any successor federal agency.

8. [FOR APPLICANT ONLY] (i) Neither the Applicant nor any "controlling person" [see MCC Chapter 1-23, Article I for applicability and defined terms] of the Applicant is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any "sister agency"; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If MCC Chapter 1-23, Article I applies to the Applicant, that Article's permanent compliance timeframe supersedes 5-year compliance timeframes in this Section V.

9. [FOR APPLICANT ONLY] The Applicant and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed as having an active exclusion by the U.S. EPA on the federal System for Award Management ("SAM").

10. [FOR APPLICANT ONLY] The Applicant will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in Certifications (2) and (9) above and will not, without the prior written consent of the City, use any such

contractor/subcontractor that does not provide such certifications or that the Applicant has reason to believe has not provided or cannot provide truthful certifications.

11. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

12. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

RTa^

13. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$25 per recipient, or (iii) a political contribution otherwise duly reported as required by law (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

is is not

a "financial institution" as defined in MCC Section 2-32-455(b).

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in MCC Chapter 2-32. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in MCC

Chapter 2-32. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

Page 7 of 14

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in MCC Section 2-32-455(b)) is a predatory lender within the meaning of MCC Chapter 2-32, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING FINANCIAL INTEREST IN CITY BUSINESS

Any words or terms defined in MCC Chapter 2-156 have the same meanings if used in this Part D.

1. In accordance with MCC Section 2-156-110: To the best of the Disclosing Party's knowledge after reasonable inquiry, does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

Yes No

NOTE: If you checked "Yes" to Item D(1), proceed to Items D(2) and D(3). If you checked "No" to Item D(1), skip Items D(2) and D(3) and proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

Yes No

3. If you checked "Yes" to Item D(1), provide the names and business addresses of the City officials or employees having such financial interest and identify the nature of the financial interest:

Name	Business Address	Nature of Financial Interest
-------------	-------------------------	-------------------------------------

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

Page 8 of 14

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either (1) or (2) below. If the Disclosing Party checks (2), the Disclosing Party must disclose below or in an attachment to this EDS all information required by (2). Failure to comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

2. The Disclosing Party verifies that, as a result of conducting the search in step (1) above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI - CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995, as amended, who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the

Lobbying Disclosure Act of 1995, as amended, have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in paragraph A(1) above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee

Ver.2017-1

Page 9 of 14

of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A(1) and A(2) above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities," as that term is defined in the Lobbying Disclosure Act of 1995, as amended.

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A(1) through A(4) above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

Yes No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

Yes No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

Yes No Reports not required

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

Yes

No

If you checked "No" to question (1) or (2) above, please provide an explanation:

Page 10 of 14

SECTION VII - FURTHER ACKNOWLEDGMENTS AND CERTIFICATION

The Disclosing Party understands and agrees that:

- A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.
- B. The City's Governmental Ethics Ordinance, MCC Chapter 2-156, imposes certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of this ordinance and a training program is available on line at www.cityofchicago.org/Ethics <<http://www.cityofchicago.org/Ethics>>. and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with this ordinance.
- C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other City transactions. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.
- D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided in, and appended to, this EDS may be made publicly available on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.
- E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. NOTE: With respect to Matters subject to MCC Chapter 1-23, Article I (imposing PERMANENT INELIGIBILITY for certain specified offenses), the information provided herein regarding

eligibility must be kept current for a longer period, as required by MCC Chapter 1-23 and Section 2-154-020.

Page 11 of 4

CERTIFICATION

^ Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS, and Appendices A and B (if applicable), on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS, and Appendices A and B (if applicable), are true, accurate and complete as of the date furnished to the City.

GMP Development, LLC

Stephen A Searles
(Print or type name of person signing)

Managing Member/Owner (Print or type title
of person signing)

Signed and sworn to before me on (date) c?c=t. ^-t, a-cH^g, at
Ooo tel. County, Xuc»Jots (state).

**CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND
AFFIDAVIT
APPENDIX A**

**FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND
DEPARTMENT HEADS**

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5%. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under MCC Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B. 1 .a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5% ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

Yes No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

**CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND
AFFIDAVIT
APPENDIX B**

BUILDING CODE SCOFFLAW/PROBLEM LANDLORD CERTIFICATION

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5% (an "Owner"). It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

1. Pursuant to MCC Section 2-154-010, is the Applicant or any Owner identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

Yes No

2. If the Applicant is a legal entity publicly traded on any exchange, is any officer or director of the Applicant identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

Yes No The Applicant is not publicly traded on any exchange.

3. If yes to (1) or (2) above, please identify below the name of each person or legal entity identified as a building code scofflaw or problem landlord and the address of each building or buildings to which the pertinent code violations apply.

**CITY OF CHICAGO ECONOMIC DISCLOSURE
STATEMENT AND AFFIDAVIT
APPENDIX C**

PROHIBITION ON WAGE & SALARY HISTORY SCREENING - CERTIFICATION

This Appendix is to be completed only by an Applicant that is completing this EDS as a "contractor" as defined in MCC Section 2-92-385. That section, which should be consulted (www.amlegal.com <<http://www.amlegal.com>>). generally covers a party to any agreement pursuant to which they: (i) receive City of Chicago funds in consideration for services, work or goods provided (including for legal or other professional services), or (ii) pay the City money for a license, grant or concession allowing them to conduct a business on City premises.

On behalf of an Applicant that is a contractor pursuant to MCC Section 2-92-385, I hereby certify that the Applicant is in compliance with MCC Section 2-92-385(b)(1) and (2), which prohibit: (i) screening job applicants based on their wage or salary history, or (ii) seeking job applicants' wage or salary history from current or former employers. I also certify that the Applicant has adopted a policy that includes those prohibitions.

Yes

No

N/A - I am not an Applicant that is a "contractor" as defined in MCC Section 2-92-385.

This certification shall serve as the affidavit required by MCC Section 2-92-385(c)(1). If you checked "no" to the above, please explain.

Page 15 of 15

(DO NOT SUBMIT THIS PAGE WITH YOUR EDS. The purpose of this page is for you to recertify your EDS prior to submission to City Council or on the date of closing. If unable to recertify truthfully, the Disclosing Party must complete a new EDS with correct or corrected information)

RECERTIFICATION

Generally, for use with City Council matters. Not for City procurements unless requested.

This recertification is being submitted in connection with C^TVE- ^>^L
[identify the Matter]. Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS recertification on behalf of the Disclosing Party, (2) warrants that all certifications and statements contained in the Disclosing Party's original EDS are true, accurate and complete as of the date furnished to the City and continue to be true, accurate and complete as of the date of this recertification, and (3) reaffirms its acknowledgments.

GMP Development, LLC
(Print or type legal name of Disclosing Party)

Date: 04/26/2021

teP^

Print or type name of signatory:

Stephen A Searles

Title of signatory:

Managing Memhar/Owner

Signed and sworn to before me on [date] April 26, 2021 , by

Claribel Perez , at Cook County, Illinois [state].

Notary Public.

Commission expires: 11/06/2024 .

Ver. U-01-05