Legislation Details (With Text)

File #:	O2021-5879		
Type:	Ordinance	**Status:**	Passed
File created:	12/15/2021	**In control:**	City Council
		Final action:	1/26/2022
Title:	Sale of City-owned lots under Working Families Program to Prodigy LLC with associated redevelopment agreement for property at 1916 and 1927 S Troy St, and 1905, 1914, 1915,1919 and 1926 S Albany Ave		
Sponsors:	Lightfoot, Lori E.		
Indexes:	Sale		
Attachments:	1. O2021-5879.pdf		

Date	Ver.	Action By	Action	Result
1/26/2022	1	City Council	Passed	Pass
1/18/2022	1	Committee on Housing and Real Estate	Recommended to Pass	
12/15/2021	1	City Council	Referred	

OFFICE OF THE MAYOR

CITY OF CHICAGO

LORI E. LIGHTFOOT

MAYOR

December 15. 2021

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

Ladies and Gentlemen:

At the request of the Commissioner of Housing, I transmit herewith an ordinance authorizing the sale of seven City-owned parcels to Prodigy, LLC.

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Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

ORDINANCE

WHEREAS, The City of Chicago (the "City") is a home rule unit of government pursuant to Article VII, Section 6(a) ofthe 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 or 2-unit 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, the "Redevelopment Agreement") with an appraised value of $175,000 or less 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, 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, 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 (i) April 9, 2008, with respect to the Ogden/Pulaski Redevelopment Project Area, and (ii) May 17, 2000, as amended on April 14, 2010, May 9, 2012 and December 9, 2015, with respect to the Midwest Redevelopment Project Area (each, a "Redevelopment Area" and collectively, the "Redevelopment Areas"), the City Council: (x) approved redevelopment plans and projects (each, a "Redevelopment Plan" and collectively, the "Redevelopment Plans"), pursuant to the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1 et seq.) (the "TIF Act"); (y) designated the Redevelopment Areas as redevelopment project areas pursuant to the TIF Act; and (z) adopted tax increment financing pursuant to the TIF Act as a means of financing certain Redevelopment Area project costs incurred pursuant to the Redevelopment Plans; and

WHEREAS, The City owns those certain City Lots commonly known as 1905 South Albany Avenue, 1915 South Albany Avenue, and 1919 South Albany Avenue, Chicago, Illinois, in the Midwest Redevelopment Project Area and 1916 South Troy Street, 1927 South Troy Street, 1914 South Albany Avenue, and 1926 South Albany Avenue, Chicago, Illinois, in the Ogden/Pulaski Redevelopment Project Area, which are each legally described on Exhibit A attached hereto (the "Property"); and

WHEREAS, Prodigy 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

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from the City for Eight Dollars ($8.00) and to build at least six (6) 2-unit Affordable Homes and up to two (2) 2 -unit Market Rate I Iomes on the Property (the "Project"); and

WHEREAS, The DOH has obtained an appraisal of the Property, which values the . Property at Sixty Two Thousand and No/100 Dollars ($62,000) as specifically set forth on Exhibit A attached hereto; and

WHEREAS, It is, anticipated that the City and the Developer will enter into the Redevelopment Agreement, in substantially the form attached hereto as Exhibit B; and

WHEREAS, The Property is located in the Redevelopment Areas, and the Project is consistent with the goals and objectives ofthe Redevelopment Plans; 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-34 adopted on November 9, 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 ofthe 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 Tribune on November 12, November 19, and November 26, 2021; and

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

WHEREAS, Pursuant to Resolution No. 21-033-21 adopted on November 18, 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 ofthe Property to the Developer for $8.00 (or $1.00 per buildable City Lot) is hereby approved. This approval is expressly conditioned upon the City entering into the

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Redevelopment Agreement with the Developer in substantially the form attached as Exhibit B to this ordinance. The commissioner of DOH ("Commissioner"), or a designee ofthe 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 December 15, 2022 then this ordinance will be rendered null and void and of no further effect, unless waived or extended.in writing by DOH in its sole discretion.

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. Given the applicable restrictions with respect to maximum purchase price and maximum income for at least 75% of the residents of the Project, Section 2-44-080 of the Municipal Code of the City 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 Exhibit B Legal Description and Appraised Value of Property Form of Redevelopment Agreement

EXHIBIT A

LEGAL DESCRIPTION AND APPRAISED VALUE OF PROPERTY

(Subject to Final Survey and Title Commitment)

LOT 32 IN BLOCK 16 IN RESUBDIVISION OF BLOCKS 6, 7, 16 AND 17, IN DOUGLAS PARK ADDITION TO CHICAGO IN THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

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Property Commonly Known as 1916 South Troy Street, Chicago, Illinois
PIN: 16-24-303-027-0000
Appraised Value of this City Lot: $7,500

LOT 24 IN BLOCK 17, IN THE RESUBDIVISION OF BLOCKS 6, 7, 16 AND 17 IN DOUGLAS PARK ADDITION TO CHICAGO, IN THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTYJLLINOIS.
Property Commonly Known as 1927 South Troy Street, Chicago, Illinois
PIN: 16-24-304-012-0000
Appraised Value of this City Lot: $7,500

LOT 7 IN BLOCK 16, IN THE RESUBDIVISION OF BLOCKS 6, 7,16 AND 17 IN DOUGLAS PARK ADDITION TO CHICAGO, IN THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTYJLLINOIS.
Property Commonly Known as 1914 South Albany Avenue, Chicago, Illinois
PIN: 16-24-304-024-0000
Appraised Value of this City Lot: $7,500

LOT 12 IN BLOCK 16, IN THE RESUBDIVISION OF BLOCKS 6, 7, 16 AND 17 IN DOUGLAS PARK ADDITION TO CHICAGO, IN THE SOUTHWEST 1/4 OF SECT ION 24, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE Tl IIRD PRINCIPAL MERIDIAN, IN COOK COUNTYJLLINOIS.
Property Commonly Known as 1926 South Albany Avenue, Chicago, Illinois

PIN: 16-24-304-028-0000
Appraised Value of this City Lot: $7,500

LOTS 25 AND 26 IN DOUGLAS PARK SECOND ADDITION TO CHICAGO, BEING A SUBDIVISION OF THAT PART OF LOT 6 OF THE CIRCUIT COURT PARTITION OF THE WEST 1/2 OF THE WEST 1/2 OF SECTION 24, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOUTH OF THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTH 1/2 OF SAID SECTION AND NORTH OF THE NORTH LINE OF THE CHICAGO, BURLINGTON AND QUINCY RAILROAD CO'S RIGHT OF WAY, IN COOK COUNTY, ILLINOIS.
Property Commonly Known as 1905 South Albany Avenue, Chicago, Illinois (a double lot)
PIN: 16-24-305-001-0000
Appraised Value of this City Lot: $18,000

LOT 27 AND THE NORTH 6 FEET THEREOF OF LOT 28 IN DOUGLAS PARK SECOND ADDITION TO CHICAGO, BEING A SUBDIVISION OF THAT PART OF LOT 6 OF THE CIRCUIT COURT PARTITION OF THE WEST 1/2 OF THE WEST 1/2 OF SECTION 24, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOUTH OF THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTH 1/2 OF SAID SECTION AND NORTH OF THE NORTH LINE OF THE CHICAGO, BURLINGTON AND QUINCY RAILROAD CO'S RIGHT OF WAY, IN COOK COUNTY, ILLINOIS.
Property Commonly Known as 1915 South Albany Avenue, Chicago, Illinois PIN: 16-24-305-018-0000
Appraised Value of this City Lot: $7,500

LOT 28 EXCEPT THE NORTH 6 FEET THEREOF, AND THE NORTH 12 FEET OF LOT 29 IN DOUGLAS PARK SECOND ADDITION TO CHICAGO, BEING A SUBDIVISION OF THAT PART OF LOT 6 OF THE CIRCUIT COURT PARTITION OF THE WEST 1/2 OF THE WEST 1/2 OF SECTION 24, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOU TH OF THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTH 1/2 OF SAID SECTION AND NORTH OF THE NORTH LINE OF THE CHICAGO, BURLINGTON AND QUINCY RAILROAD CO'S RIGHT OF WAY, IN COOK COUNTY, ILLINOIS.
Property Commonly Known as 1919 South Albany Avenue. Chicago, Illinois
PIN: 16-24-305-019-0000
Appraised Value of this City Lot: $7,500

EXHIBITS

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

REDEVELOPMENT AGREEMENT CITY LOTS FOR WORKING FAMILIES PROGRAM PRODIGY DREAM HOMES PROJECT

This Agreement ("Agreement"), dated as of , 202 ("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 , a(n) , having its principal office at ("Developer"). Capitalized terms not otherwise defined herein shall have the meaning given in the Definitions Section below.

RECITALS

A. The City, as a home rule unit under the 1970 Constitution ofthe 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 ofthe City ("City Council"), by Ordinance adopted November 8, 2017, and published in the Journal of Proceedings ofthe 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 or 2-unit homes 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 eight (8) 2-unit homes (each a "Home" and collectively, the "Homes") at the property commonly known as 1905 South Albany Avenue, 1915 South Albany Avenue, and 1919 South Albany Avenue, Chicago, Illinois, in the Midwest Redevelopment Project Area and 1916 South Troy Street, 1927 South Troy Street, 1914 South Albany Avenue, and 1926 South Albany Avenue, Chicago, Illinois, in the Ogden/Pulaski Redevelopment Project Area (collectively, the "Property") in the Lawndale neighborhoods.

D. Based in part on the representations and proposals contained in Developer's application package, the City Council, by Ordinance adopted , 202 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 at least 75% of the Homes to Qualified Households (as hereafter defined).

E. Developer, subject to the terms of the Agreement, shall construct the Homes on the Property. The construction of the Homes by Developer pursuant to the terms of the Agreement may be referred to herein

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as the "Project." The "Homes" may include up to two (2) Market Rate Homes (as hereafter defined) if all Homes are constructed. The Homes shall be constructed on those zoning lots (as defined in Section 17-17-02197 ofthe Municipal Code of Chicago) presently owned by the City ("City Lots") and listed on Exhibit A attached hereto. The City Lots are located within the boundaries of (i) the Midwest Redevelopment Project Area, which was established by ordinances adopted by the City Council on May 17, 2000, as amended on April 14, 2010, May 9, 2012 and December 9, 2015 and (ii) the Ogden/Pulaski Redevelopment Project Area, which was established by an ordinance adopted by the City Council on April 9, 2008. 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. 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. 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 Homes as described on Exhibit C attached hereto.

G. Developer may sell the lesser of (i) 25%, or (ii) two (2) (if all eight (8) Homes are constructed) Homes as Market Rate Homes.

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 ofthe mutual covenants and agreements contained herein, the parties agree as follows:

SECTION I DEFINITIONS

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

The following terms shall have the meaning set forth below:

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

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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-three 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 higher of: (a) the current interest rate, as published in the Chicago Tribune or comparable newspaper and rounded up to the nearest quarter point; or (b) 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.

AIS: Shall mean the City's Department of Assets, Information and Services, together with any successor department thereto.

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 HUD.

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

Area: Shall have the meaning given in Recital E.

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

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

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.

City Residency Hiring Requirements: Shall mean the requirements of Section 2-92-330 ofthe Municipal Code.

Commissioner: The Commissioner of DOH, or his or her authorized designee.

Compliance Certificate: Shall have the meaning given in Section 4.8.

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

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Construction and Compliance: 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: The City's Department of Law.

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

Deed: Shall have the meaning given in Section 3.2.

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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 Mortgage: Shall have the meaning given in Section 4.5(b)(1).

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

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

DOH: Shall have the meaning given in the preamble.

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

Environmental Documents: Shall mean all reports, surveys, field data, correspondence and analytical results regarding the condition of the City Lots or any portion thereof, including, without limitation, the SRP Documents.

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

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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 to comply with the terms and conditions of a Remedial Action Plan approved by the IEPA, all in accordance with all requirements of the IEPA, and all applicable Laws, including, without limitation, all applicable Environmental Laws.

Escrow: Shall have the meaning given in Section 3.1.

Escrow Agreement: Shall have the meaning given in Section 3.1.

Escrowcc: Shall have the meaning given in Section 3.1.

Event of Default: Shall have the meaning given in Section 6.1.

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

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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.

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

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, poly chlorinated biphenyls and asbestos in any form or condition.

HUD: Shall mean the U.S. Department of Housing and Urban Development or any successor organization thereto.

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

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

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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).

Indemnitees: 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).

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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 Indemnitees 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.

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).

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.

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Phase II: Shall mean a Phase II environmental site assessment of the City Lot in accordance with ASTM E-1903-19, 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 (e.g., in the case of a Two-Flat, one ofthe units). 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 (1 5%) or more of its total area is used for a trade or business.

Procurement Program: Shall have the meaning given in Section 7.3(a).

Project: Shall have the meaning given in Recital H.

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 HUD.

RAP Approval Letter: Shall mean a remedial action plan approval letter issued by the IEPA for City Lot (s) enrolled in the SRP.

Recorder's Office: Shall mean the Office ofthe Cook County Clerk in Illinois.

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

Remediation Work: Shall mean all 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 the RAP Approval Letter for the Property issued by the IEPA, the SRP Documents, all requirements ofthe IEPA and all applicable Laws, including, without limitation, all applicable Environmental Laws.

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 ofthe 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 Comprehensive Site Investigation and Remediation Objectives Report, the Remedial Action Plan, and the Remedial Action Completion Report and any and all related correspondence, data and other information prepared by either party pursuant to Section 8.1.

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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 al 35 111. Adm. Code Part 742 et seq.

Title Company: Shall mean that certain downtown title company selected by Developer and the City pursuant to the terms ofthe Agreement.

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 ofthe Homes, a list of which is attached hereto as Exhibit D.

SECTION II
OBLIGATIONS, COVENANTS, REPRESENTATIONS AND WARRANTIES OF THE PARTIES

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) The following organizational documents:

i) A certificate of good standing for the Developer from the Secretary of State ofthe State of Illinois;

ii) 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;

iii) A copy of the Developer's bylaws or operating agreement;

iv) Resolutions authorizing the Developer's performance of its obligations under this Agreement; and

v) 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:

i) Bankruptcy Search, U. S. Bankruptcy Court for the N.D. Illinois;
ii) Pending Suits and Judgments, U. S. District Court for the N.D. Illinois;
iii) Federal Tax Lien Search, Illinois Secretary of State;

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iv) UCC Search, Illinois Secretary of State;
v) UCC Search, Cook County Clerk;
vi) Federal Tax Lien Search, Cook County Clerk:'
vii) State Tax Lien Search, Cook County Clerk;
viii) Memoranda of Judgments Search, Cook County: and
ix) Pending Suits and Judgments, Circuit Court of Cook County.

Litigation search results must be provided for the Developer named (and its parent companies, if applicable) as plaintiff and defendant. In addition, the Developer (and its parent companies, if applicable) has 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 that the Developer has been duly organized and that the Developer is duly authorized to enter into this Agreement. Such opinion shall be substantially in the form attached hereto as Exhibit E.

d) Economic disclosure statements or a certification of same, 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 ofthe City hereunder, Developer hereby covenants, represents and warrants to the City as follows:

a) Developer is a duly organized and existing corporation [or 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.

(d) The execution, delivery and performance by Developer ofthe 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

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(e) To the best ofthe Developer's knowledge, the construction ofthe Homes and the development ofthe Project pursuant to the terms of this Agreement will not violate: (i) any statute, law, regulation, rule, ordinance or executive or judicial order ofany 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.

({) 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

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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 ofthe 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 Compliance Certificate carry and maintain the insurance coverages and amounts described on Exhibit F.

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.

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 ofthe execution date ofthe 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

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3.1 Escrow. Prior to the conveyance of any City Lot by the City to the Developer, Developer and the City shall execute an escrow agreement ("Escrow Agreement") and open an escrow account ("Escrow") held by an institutional escrowee ("Escrowee") mutually acceptable to the parties. The Developer shall pay all escrow fees and costs. The Escrow shall be used to convey City Lots pursuant to the terms of this Agreement. The respective rights, liabilities and duties ofthe Escrowee are contained in the Escrow Agreement. If any conflict exists between the

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terms of this Agreement and the Escrow Agreement or any other instructions or other documents affecting the Escrow, the terms and provisions of this Agreement shall govern.

3.2 Form of Deed. The City shall convey to Developer fee simple title to each City Lot (upon the request of Developer pursuant to the terms ofthe Agreement) by quitclaim deed substantially in the form attached hereto as Exhibit G ("Deed"). The conveyance and title of each City Lot, in addition to the provisions of the Agreement, shall, without limiting the quitclaim nature of the Deed, be subject to the following ("Permitted Exceptions"):

a) Covenants and restrictions set forth in the Deed;
b) Schedule B exceptions in the title policy described in Section 3.6;
c) General real estate taxes and any special assessments or other taxes;
d) Recorded and unrecorded easements, encroachments, covenants, and restrictions;
e) Such other title defects that may exist; and
f) Any and all exceptions cause by the acts ofthe 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 PROPERTY 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

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AGREES THAT IT IS ITS SOLE RESPONSIBILITY AND OBLIGATION TO PERFORM AT 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.

3.4 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 each City Lot. 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. AIS shall have the right to review and approve the sufficiency of the Phase I and any other environmental studies. Upon AIS'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 ofthe Home on such City Lot, including, without limitation, updating or expanding the Phase I and performing an initial or additional Phase II.

3.5 Conditions to the City's Obligation to Close. Before the City shall deliver a Deed to Developer for any City Lot, 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 any Deed:

a) the Agreement;

b) the Reconveyance Deeds;

c) Developer's employment obligations compliance plan (as set forth in Section 7.4 below) [DELETE IF N/A];

d) Working Drawings and Specifications for each model of Home to be constructed (as described in Section 4.2 below);

e) Developer's Budget (as described in Section 4.5(a) below);

f) originals of the Construction Loan documents and evidence of Developer's Financing acceptable to DOH (as described in Section 4.5(a) below);

g) the building permit and other final governmental approvals necessary to construct the Home on the City Lot;

h) the Developer Mortgage;

(i) a certified copy of the contract between Developer and its general contractor, and all executed contracts covering the completion ofthe Project from the major subcontractors, if

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available; .

(j) a title insurance commitment for the City Lot:

(k) a final plat of survey for the City Lot certified by a licensed surveyor showing all easements, encroachments and containing a legal description ofthe City Lot:

(1) 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 ofthe Developer's bylaws [or articles of organization] and resolutions authorizing the Developer's performance of its obligations under this Agreement;

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(m) due diligence searches as set forth in Section 2.1 above;

(n) Internal Revenue Service taxpayer identification numbers;

(o) Developer's written request for the conveyance ofthe specified City Lot;

(p) such transfer tax declarations, ALTA statements and similar customary transaction documents as may be necessary to consummate the conveyance;

(q) the Escrow Agreement;

(r) all Environmental Documents generated by Section 3.4 above; (s) evidence of

insurance required under Exhibit F;

(t) economic disclosure statements in the City's then current form, dated as of the conveyance date; and

(u) the Subordination Agreement.

[Update following subsections as necessary]

Notwithstanding the foregoing, the closing deliverables set forth in Section 3.5(a), Section 3.5(c) and Section 3.5 (q) shall only be required for the City's conveyance of the initial City Lot to Developer. Further, in the event that the conveyance of a City Lot occurs within twenty-four (24) months of the Effective Date, the Developer shall not be obligated to deliver the closing deliverables set forth in Section 3.5(1) and Section 3.5(m) for such City Lot.

The Escrowee shall also have received the following documents submitted by the City (if required by the Escrowee): (a) one copy of this Agreement; and (b) a certified copy ofthe Project Ordinance. Subject to the Developer's satisfaction of the conditions precedent described above in Section 3.2(a) through (u) above, the City shall deliver to the Escrowee the Deed.

If the conditions described in this Section 3.5 (a) through (u) are not achieved by
Developer for the construction ofthe first Mome in the Project [by the date set forth in the

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ordinance] (except as provided in Section 10.25 below), then the Agreement, at the option ofthe City, shall become null and void and the City shall be under no further obligation to Developer. The City shall have no obligation to convey any further City Lots pursuant to this Agreement after the date that is months after the execution date of this Agreement.

3.6 Title Insurance. Not less than thirty (30) days before the anticipated conveyance of a City Lot, the Developer shall obtain a commitment for an owner's policy of title insurance for the City Lot 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 each City Lot, 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 the City a copy of the owner's policy of title insurance that it obtains with respect to the City Lot.

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 ofthe 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 the City Lot is encumbered with any other exceptions that would adversely affect the use and insurability ofthe 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 said City Lots 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 each Deed, this Agreement, and any other documents incident to the conveyance ofthe 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. Developer shall construct the Homes on the City Lots in accordance with that certain construction timetable schedule dated as of

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, 202 ("Schedule"), prepared by Developer, approved by DOH, and attached hereto as Exhibit H. The Schedule represents an estimate ofthe number of Homes to be completed by Developer by the expiration of certain time periods within the month time frame for commencement and completion ofthe 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 release the City Lots not yet

conveyed to the Developer from this Agreement so that such City Lots may be made available 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 Compliance Certificate pursuant to Section 4.8.

2 Working Drawings and Specifications. The Working Drawings and Specifications dated as of , 202 , containing the plans and drawings with regard to the construction of each model of Home, are approved by DOH and listed on Exhibit D attached hereto. If, after executing this Agreement, the Developer desires to construct a different type of model 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 model. 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 ofthe Agreement, the City Lots Program, and all applicable federal, state and local laws, ordinances and regulations, including, without limitation, the Zoning Ordinance ofthe 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 to confirm that such design is satisfactory. If DOH determines that such design is not satisfactory, it shall not convey any additional City Lots on which accessible Homes are to be built until DOH approves an alternative acceptable design. The Developer further acknowledges that corner lot homes must have on all sides that are street-facing a) full brick exterior walls, b) interesting and sufficient fenestration, and c) wrought iron fencing.

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 ofthe 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 ofthe

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Project, a representative of Developer and a representative of Construction and Compliance shall conduct a site visit of each

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ofthe City Lots listed on Exhibit A to determine if any special, "atypical" conditions exist. Those lots shall be deemed as "Special Lots" for purposes ofthe 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 ofany elevation, ingress/egress, parking and location issues.

In addition, prior to the commencement of construction on any ofthe City Lots, if federal funds are involved in the Project, the environmental effect ofthe development and construction ofthe Project must be assessed in accordance with the provisions ofthe 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 ofthe 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, or 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. Developer shall deliver to DOH for its approval a written budget ("Budget") for the construction ofthe Flomes. 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 ("Financial Commitment") obtained from a financial institution or lender, specifying the source and the amount of the loan, length ofthe term and the applicable interest rate, or (ii) evidence of a line of credit or other funding source necessary to fund the construction ofthe Homes. Within fourteen (14) business days of receipt, DOH shall review and approve or reject the Budget, Financing, and Financial Commitment. The Financing shall be subject and subordinate to the terms and conditions ofthe Agreement.

Provided that the Financial Commitment is approved by the City, Developer shall obtain financing from the lender identified in the Financial Commitment ("Construction Lender") to permit the construction ofthe Project ("Construction Loan"). The closing ofthe Construction Loan shall occur concurrently with the Closing. The Construction Lender shall be permitted to secure and evidence its loan by a mortgage ("First Mortgage") and mortgage note ("First Mortgage Note") encumbering the City Lots. The Construction Loan funds shall be disbursed

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pursuant to the Escrow described in Section 3.1 above. The First Mortgage shall be recorded after the Agreement, and the Construction Lender shall execute a subordination agreement in which the Construction Lender agrees to subordinate the lien of its First Mortgage to the covenants running with the land set forth in Section 9 below ("Subordination Agreement")- The Subordination Agreement be substantially in the form attached hereto as Exhibit 1 or otherwise in a form acceptable to the Corporation Counsel. 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 each City Lot for the consideration of One Dollar ($1.00) if the Appraised Value ofthe City Lot is Fifty Thousand Dollars ($50,000) or less. 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 (including City Lots on which Market Rate Homes are to be built) 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 (the "Land Value Lien Amount"), shall be secured by a mortgage, security and recapture agreement executed by the Developer (the "Developer Mortgage") substantially in the form of Exhibit J to this Agreement. The amount by which the Appraised Value of a City Lot exceeds $50,000 (if any) (such excess amount, the "Additional Land Value Lien Amount") shall also be secured by this Developer Mortgage and subject to the special repayment provisions described in the following paragraph.

After the recording of this Agreement, and prior to the conveyance of a City Lot to a homebuyer, the Land Value Lien Amount and any Additional Land Value Lien Amount shall not amortize and shall be immediately due and payable to the City if the City Lot is sold, except as expressly contemplated and permitted under this Agreement. When the Developer conveys a City Lot to a homebuyer, the lien of the Developer Mortgage securing such Land Value Lien Amount and any Additional Land Value Lien Amount shall be released and be replaced by the City Junior Mortgage (as defined below). The Developer Mortgage shall be junior to the lien of the First Mortgage. Notwithstanding the foregoing, no City Junior Mortgage shall be required for homebuyers of Market Rate Homes. Instead, when the Developer conveys a City Lot improved with a Market Rate Home to a homebuyer, the Developer Mortgage shall be released from such City Lot.

With the exception of those homebuyers purchasing Market Rate Homes, 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 ofthe homebuyer's purchase ofthe Home (and the Developer shall attach as an exhibit to the homebuyer's sales contract) a mortgage, security and recapture agreement in favor ofthe City (the "City Junior Mortgage"), substantially in the form of Exhibit K 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 amount of Land Value Lien Amount and any Additional Land Value Lien Amount shall be secured by the City Junior

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Mortgage. 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

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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 ofthe City Junior Mortgage as to such Additional Land Value Lien Amount for the balance of such thirty (30) year term. The Land Value Lien, as initially evidenced by the Developer Mortgage and then 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 Flome (if such homebuyer is a Qualified Household), and any 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 Flomes 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 ofthe Inspector's work shall be contained in the terms ofthe contract between the Inspector and the Construction Lender, or the Inspector and DOH, as the case may be, and shall include, inter alia, a certification for the benefit ofthe Construction Lender and DOH on the form attached hereto as Exhibit L 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 ofany Home, and shall provide DOFI 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 ofthe progress ofthe construction ofthe Homes.

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(d) Homebuyer Closings. As long as Developer is not in material default in the due, prompt and complete performance or observance ofany 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 ofthe City Junior Mortgage;

ii) The Inspector shall have delivered to the City its conditional certificate for said Home in the form of Exhibit L, conditioned and subject only to the completion of punch list items or such other items agreed to by the City,

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the Inspector and Developer ("Conditional Certificate");

iii) The City shall have issued its Compliance Certificate in accordance with Section 4.8 below;

iv) Developer, in the form of an owner's sworn statement and the general contractor's sworn statement, shall have submitted to DOH, the Escrowee 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 ofthe City Lot;

vii) DOH shall have issued a letter to Developer that the homebuyer is a Qualified Household; and

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 the 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

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paragraph shall not be released until a copy ofthe Final Certificate is delivered to the Escrowee and DOH. Notwithstanding the foregoing, Sections 4.5(d)(i) and 4.5(d)(vii) shall not apply to Market Rate Flomes.

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

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 ofthe Project; (c) the removal of existing pipes, utility equipment or building foundations; and (d) the termination of existing water or other services. The City shall have the right to approve any streetscaping provided by the Developer as part ofthe Project, including, without limitation, any paving of sidewalks, landscaping and lighting.

7 Commencement and Completion of the Project. Developer shall commence with the construction

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ofthe Project within three (3) months of the Effective Date ofthe Agreement.
Developer shall complete the Project within 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 Compliance Certificate. As each Home is substantially completed in accordance with the Working Drawings and Specifications (as evidenced by the issuance ofthe 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 ("Compliance Certificate"). The Compliance Certificate shall be signed either by: (1) the deputy commissioner of Construction and Compliance; or (2) another designee of the Commissioner.

The Compliance 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 Compliance 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 ofthe Home and furthermore, shall not serve as any "guaranty" as to the quality ofthe construction of said structure.

The Compliance Certificate shall be in recordable form and shall be delivered by DOF! to the Escrowee 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 ofthe closing date in the amount ofthe purchase price. Once the Compliance Certificate is recorded with the Recorder's Office, the Agreement shall no longer encumber the City Lot.

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4.9 Prohibition Against Unpermitted Encumbrances; Limits on Developer Actions.

a) Prior to the City's issuance of the Compliance 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 ofthe 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.

b) Prior to the issuance of the last Compliance 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 ofthe Developer to complete the Project; (d) assume, guarantee, endorse, or otherwise become liable in connection with the obligations ofany 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 Compliance 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)

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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 ofany beneficial interest under a land trust); or (b) directly or indirectly assign this Agreement. If the Developer is a business entity, no principal party ofthe 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 Compliance 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 ofany Laws, or if the Developer fails to submit sufficient evidence ofthe financial responsibility, business background and reputation ofthe proposed purchaser, transferee or assignee. In the event of a proposed sale, transfer, conveyance, lease or other disposition of all or any portion ofthe City Lot, the Developer shall deliver to the City copies ofany 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 ofthe 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 therefor), shall be obligated to construct or complete the construction ofany 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 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 ofany 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.

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

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

5.1 Sales Price. Developer acknowledges and affirms the objectives ofthe City with regard to the creation ofthe 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 ofthe City. Developer affirmatively covenants that it shall sell and convey each Home to a Qualified Household for an Affordable Price for its Principal Residence. [DELPTE IE NO MARKET RATE HOMES: Notwithstanding the foregoing, in accordance with the City Lots Program, up to twenty-live percent (25%) ofthe Homes may be sold as Market Rate Homes to households ofany income level.]

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 ofany Home constructed by Developer pursuant to the terms ofthe 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 ofthe 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 ofthe 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. 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 substantially in the form of Exhibit M 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. [Delete if not in 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 ofthe Municipal Code, to people with disabilities pursuant to DOH policy. In addition,

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Developer shall comply with the marketing plan which has been approved by DOH and is attached hereto as Exhibit N, and to utilize solely those marketing materials which have been approved by DOH prior to the Effective Date ofthe Agreement with regard to the marketing ofthe Plomes to prospective homebuyers. Developer also agrees to place on at least one ofthe City Lots a sign stating that the Flome was (or shall be) constructed by Developer pursuant to the City Lots Program.

8 Income Eligibility Standards. With the exception of homebuyers purchasing Market Rate Homes, 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), U.S. 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.

5.9 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.

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 ofthe 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

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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 ofany proceedings in bankruptcy by or against the Developer for the liquidation or reorganization ofthe 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

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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 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 ofthe Developer; or

(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; or

(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; or

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

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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 ofany Home, an Event of Default occurs, the City may immediately terminate this Agreement, record the Reconveyance Deed(s) 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 ofthe Reconveyance Deed(s) 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.

6.5 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, an Event of Default occurs, the City may immediately terminate the Agreement, record the Reconveyance Deed (s) 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(s) 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.

In addition, the City shall have the 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 revest title in the City without any compensation whatsoever to Developer; provided, however, that such condition subsequent and revesting 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 revesting 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 ofthe conveyance of such Home, the net sales proceeds from the sale ofthe Home shall be applied to repay an allocable share ofthe unpaid

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principal ofthe First Mortgage attributable to said City Lot and the interest accrued thereon clue and payable as of the date of conveyance. When the City sells all ofthe 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 ol'construction ofthe Homes so long as the Construction fender complies with the terms and provisions ofthe Agreement.

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6.6 Distribution of Sale Proceeds. Upon the sale of all ofthe Monies by the City and after repayment of the First Mortgage pursuant to Section 6.5 above, the proceeds from said conveyance(s) shall be utilized to reimburse the City for:

1) 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;

2) all taxes, assessments, and water and sewer charges paid with respect to the City Lots;

3) 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;

4) any expenditures made or obligations incurred with respect to the construction and maintenance of any Homes constructed on the City Lots;

5) any other amounts owed to the City by Developer, its successors or transferees under this Agreement, the Developer Mortgage, the City Junior Mortgage or otherwise; and

6) 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 ofthe rights ofthe 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 ofthe Developer or its agents or affiliates to pay contractors, subcontractors or material suppliers in connection with the construction ofthe Project; (c) any misrepresentation or omission made by the Developer or its agents or affiliates relating to this Agreement: and (d) any activity

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undertaken by the Developer or its agents or affiliates on the City Lots or relating to this Agreement prior to or after the conveyance ofthe City Lots, including but not limited to, conducting environmental tests:

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provided, however, the Developer shall have no obligation to indemnify the Cily 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 ofthe reason for such termination).

10 Access to the City Lots. Any duly authorized representative ofthe City shall, at all reasonable times, have access to any City Lot, or part thereof, from the Effective Date ofthe Agreement until the City issues its Compliance Certi ficate 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 Compliance Certificate, 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 ofthe City; provided, however, that the City shall provide Developer with at least five (5) business days' written notice ofany 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 ofany 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, pcirental 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

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for employment 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.

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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) Developer and each Employer shall include the foregoing provisions of , subparagraphs (a) and (b) 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.

d) 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 DELETED.]**

3 **[INTENTIONALLY DELETED.]**

4 **[INTENTIONALLY DELETED.]**

SECTION VIII ENVIRONMENTAL REMEDIATION

8.1 Environmental Remediation. The Developer has provided AIS with Phase Is for the Property. The Phase I for the City Lot commonly known as 1916 South Troy Street, Chicago, Illinois, ("1916 South Troy") dated , 202_, identified Recognized Environmental Conditions ("RECs") at 1916 South Troy.

a) In accordance with Section 3.4, the Developer shall (i) provide AIS with a Phase II for AIS to determine whether any environmental or health risks would be associated with the RECs identified at 1916 South Troy, (ii) upon AIS's request, perform additional studies and tests, and (iii) cooperate and consult with AIS with respect to all environmental matters. In accordance with Section 3.4, AIS shall have the right to review and approve the sufficiency of the Phase I and Phase lis. The City must be named in a reliance letter for all environmental assessment reports produced concerning the Property.

b) AIS shall have the right to review and approve the scope of work prior to the Phase II being conducted.

c) If contamination is noted above TACO Tier 1 residential criteria, then the Developer must enroll 1916 South Troy in the lEPA's SRP, unless the AIS determines that it is not necessary lo enroll 1916 South Troy in the SRP.

d) If the Developer enrolls (or is required to enroll) 1916 South Troy in the SRP, the Developer acknowledges and agrees that it may not commence construction on 1916 South Troy until the IEPA issues a RAP Approval Letter for 1916 South Troy.

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e) Upon receipt of the RAP Approval Letter for 1916 South Troy, the Developer covenants and agrees to complete all Remediation Work necessary to obtain a Final NFR Letter for 1916 South Troy. AIS shall have the right to review in advance and approve all documents submitted to the IEPA under the SRP, as amended or supplemented from time to time, including, without limitation, the SRP Documents and any changes thereto, and the Developer's estimate of the cost to perform the Remediation Work. The Developer shall bear sole responsibility for all costs of the Remediation Work necessary to obtain the Final NFR Letter, and the costs of any other investigative and cleanup costs associated with 1916 South Troy. The Developer shall promptly transmit to AIS 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 permit occupancy until the IEPA has issued, the Developer has recorded with the Recorder's Office, and the City has approved, which approval shall not be unreasonably withheld, a Final NFR Letter for 1916 South Troy. If the Developer fails to obtain the Final NFR Letter within six (6) months of the submission of the Remedial Action Completion Report to the IEPA, then the City shall have the right to record a notice of default of this Agreement against 1916 South Troy.

f) The Developer must abide by the terms and conditions of the Final NFR Letter.

g) If Developer reasonably determines that constructing an Affordable Home on 1916 South Troy is not feasible due to the cost of the Remediation Work, Developer may refuse the conveyance of said City^ Lot and request the City provide a substitute lot for development under this Agreement.

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 ofthe 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 properly: (c) any violation of,

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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 reasonably acceptable to the City) and hold the Indemnitees harmless from and against any and all Losses which may be made or

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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 ofthe 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 ofthe 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:

Termination

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SECTION X MISCELLANEOUS PROVISIONS

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 parties.

2 Conflict of Interest - City's Representatives Not Individually Liable. Prior to the issuance ofthe Compliance Certificate by the City with regard to the completion ofthe final Home, no member ofany City board, commission or agency, or official or employee ofthe 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 ofany 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 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 ofthe City who meet the requirements ofthe 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 ofthe 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 ofany default or breach by the City.

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

5 Cumulative Remedies. The remedies of the City hereunder are cumulative and the exercise of any one or more ofthe remedies provided by the Agreement shall not be construed as a waiver of any ofthe 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 ofthe 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 ofany 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 either of the following means: (a) personal service; or (b) overnight courier:

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
Chicago. Illinois 60602

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Attn: Real Estate Division

If to the Developer:

Attn:

With a copy to:

Attn:

If to Construction Lender:

Attn:

Any notice, demand or communication given pursuant to clause (a) hereof shall be deemed received upon such personal service. Any notice, demand or communication given pursuant to clause (b) shall be deemed received on the business day immediately following deposit with the overnight courier. The parties, by notice given hereunder, may designate any further or different addresses to which subsequent notices, demands

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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 ofthe State of Illinois and, where applicable, the laws ofthe 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 Compliance Certificate 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 Compliance Certificate.

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

13 Severability. If any provision ofthe 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 ofany 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.

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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 Identitied Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 201 1-4 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 ofany covenant or warranty under this Section 10.14 or violation, of Mayoral Executive Order No. 2011-4

constitutes a breach and default under this Agreement, and under any Other Contract for which no opportunity to cure will be granted, unless the City, in its sole discretion, elects to grant such an opportunity to cure. Such breach and default entitles the City to all remedies (including, without limitation, termination for default) under this Agreement, and under any Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

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:

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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 ofthe following four conditions exist for the partners:

(I) The partners have been residing together for at least 12 months.

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2) The partners have common or joint ownership of a residence.

3) The partners have at least two of the following arrangements:

1) joint ownership of a motor vehicle;
2) joint credit account;
3) a joint checking account; .
4) 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.

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16 Business Relationships. The Developer acknowledges (a) receipt of a copy of Section 2-156-()30(b) ofthe 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 ofthe 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 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 ofthe 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 ofthe 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.**

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1) The City is subject to the June 16, 2014 "City of Chicago Miring Plan" (as amended, the "2014 City Miring 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 Miring Plan prohibits the City from hiring persons as governmental employees in non-exempt positions on the basis of political reasons or factors.

2) "flie 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

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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 ofthe Developer, not employees ofthe City. This Agreement is not intended to and does not constitute, create, give rise to, or otherwise recognize an employer-employee relationship ofany kind between the City and any personnel provided by the Developer.

3) 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.

4) 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 1 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 Fliring 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 ofthe 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 lo have waived any of its rights and remedies unless such waiver is in writing.

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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.

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.10.25 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 ofthe party affected which in fact interferes with the ability of such parly to discharge its obligations hereunder, including, without limitation, fires, floods, strikes, shortages of material and unusually severe weather or delays of contractors due to such causes. The time for the performance ofthe obligations shall be extended only for the period ofthe 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 ofany time period set forth herein falls on a Saturday , Sunday or legal holiday under the laws of 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.

LIST OF EXHIBITS

A B C D E F G H

J
K L M N
List Of City Lots And Their Appraised Values
Legal Description Of City Lots
List Of Waiver Of City Fees
List of Working Drawings And Specifications
Form Of Legal Opinion
Insurance Coverages And Amounts
Form Of Deed
Schedule Of Construction Progress Form Of Subordination Agreement Form Of Developer Mortgage
Form Of City Junior Mortgage Form Of Inspector's Certificate Form of Warranty Of Habitability
Marketing Plan

[Signatures Appear On Next Pages]

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IN WITNESS WHEREOF, the parties hereto have executed or caused the Agreement to be executed, on or as ofthe Effective Date.

, a(n)

By:_ Name: Its:

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 . personally known to me to be the of , a(n) ("LLC"), 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 he/she signed and delivered the foregoing instrument pursuant to authority given by said LLC, as her/his free and voluntary act and as the free and voluntary act and deed of said LLC, for the uses and purposes therein set forth.

GIVEN under my notarial seal this day of , 20 .

NOTARY PUBLIC

IN WITNESS WHEREOF, the parties hereto have executed or caused the Agreement to he executed, on or as of the Effective Date.

CITY OF CHICAGO, an Illinois municipal corporation

By:
Marisa C. Novara
Commissioner ofthe Department of Housing

STATE OF ILLINOIS)
) SS.

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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 Flousing of the City of Chicago ("City"), 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, 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.

GIVEN under my notarial seal this day of , 20 .

NOTARY PUBLIC

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EXHIBIT A

LIST OF CI TY LOTS AND THEIR APPRAISED VALUES

P.I.N.	ADDRESS	APPRAISED VALUE

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EXHIBI T B LEGAL DESCRIPTION

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EXHIBIT C LIST OF WAIVER OF CI TY FEES

Department of Buildings

Plan review fees, permit fees and field inspection fees are to be paid in full for the first Flome of each Home type (i.e., Single-Family Home or Two-Flat). The fees paid for each successive Home type would be reduced by fifty percent (50%). This fee reduction is not applicable to electrical permits.

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Department of Housing

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 Flome 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.

EXHIBIT D

LIST OF WORKING DRAWINGS AND SPECIFICATIONS [DEVELOPER TO SEND]

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EXHIBIT E FORM OF LEGAL OPINION

LEGAL OPINION

City of Chicago
Department of Housing
121 North LaSalle Street, Room 1000
Chicago, Illinois 60602

Re: , LLC
and the property located at
, Chicago, Illinois 606

, Chicago, Illinois 606

Ladies and Gentlemen:

We have acted as legal counsel for , an Illinois (the "Developer"), in connection with the purchase of the real property located at , and , as legally described on Exhibit A attached hereto, pursuant to the terms of that certain Redevelopment Agreement, dated as of , 2021, by and between the City of Chicago (the "City") and the Developer (the "Redevelopment Agreement"). We are rendering this opinion at the request of the Developer and acknowledge that the City intends to rely upon this opinion letter.

As a basis for the opinions set forth herein, we have examined:

A. An executed original of the Redevelopment Agreement;

B. The articles of organization, including all amendments thereto, of the Developer, as furnished and certified by the Secretary of State ofthe State of Illinois;

C. The operating agreement of the Developer, as certified by the manager of the

C. Developer as of , 20 ;

D. The Certificate of Good Standing dated , 20 , issued by the Office ofthe Secretary of State ofthe State of Illinois, as to the good standing ofthe Developer;

E. Resolutions authorizing the Developer to enter into the Redevelopment Agreement and to consummate the transactions contemplated thereby; and

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F. The commitment for an owner's policy of title insurance. Order No. , dated , 20 , (the "Title Commitment"), issued by , regarding the Properly.

In our capacity as legal counsel, we have also examined such other documents or instruments as we have deemed relevant for the purposes of rendering the opinions hereinafter set forth.

Based upon the foregoing, it is our opinion that:

1. The Developer is a limited liability duly organized, validly existing and in good standing under the laws of the State of Illinois, has made all filings required by the laws of the State of Illinois regarding its formation and continuing existence, and has all requisite authority to carry on its business as described in the operating agreement and to

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execute and deliver, and to consummate the transactions contemplated by, the Redevelopment Agreement.

2. Under the operating agreement, the Managers of , LLC have requisite power and authority to execute and deliver the Redevelopment Agreement on behalf of the Developer and all other documents required to be executed by the Developer in connection with the Redevelopment Agreement and to perform its obligations thereunder.

3. The Redevelopment Agreement has been executed and delivered on behalf of the Developer by the Managers and constitutes a legal, valid and binding obligation of the Developer enforceable against the Developer in accordance with its terms, except to the extent that enforcement of any such terms may be limited by: (a) applicable bankruptcy, reorganization, debt arrangement, insolvency or other similar laws generally affecting creditors' rights; or (b) judicial and public policy limitations upon the enforcement of certain remedies including those which a court of equity may in its discretion decline to enforce.

4. There is no action, suit or proceeding at law or in equity pending nor to our knowledge threatened against or affecting the Developer or the Property before any court or before any governmental or administrative agency which if adversely determined could materially and adversely affect the Developer's ability to perform under the Redevelopment Agreement or its business or properties or financial or other conditions.

5. The execution and delivery of the Redevelopment Agreement and the consummation ofthe transactions contemplated thereby will not conflict with, constitute an event or default under or result in a violation or breach of:

(a) The provisions of the Developer's articles of organization, operating agreement, or any resolutions in effect;

b) The provisions of any agreement or other instrument to which the Developer is a party or by which the Developer or its properties or assets are bound; or

c) Any judgment, order, writ, injunction, decree or rule ofany court, or any determination or award of any arbitrator, or any law, statute, ordinance, rule or regulation binding on the Developer.

Very truly yours,

[LAW FIRM] [ATTY NAME]

LAW FIRM NAME

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(3.
E-mail:

EXHIBIT A LEGAL DESCRIPTION

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EXHIBI T F

INSURANCE COVERAGES AND AMOUNTS

The Developer must 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 work, services, or 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 (Primary and Umbrella)
Workers Compensation Insurance, as prescribed by applicable law covering all employees who are to provide a work, services or operations under this Agreement and Employers Liability coverage with limits of not less than $1,000,000 each accident, $1,000,000 disease-policy limit, and $1,000,000 disease-each employee, or the full per occurrence limits ofthe policy, whichever is greater.

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The Developer may use a combination of primary and excess/umbrella policy/policies to satisfy the limits of liability required herein. The excess/umbrella policy/policies must provide the same coverages/follow form as the underlying policy/policies.

2) Commercial General Liability (Primary and Umbrella)
Commercial General Liability Insurance or equivalent must be maintained with limits of not less than $2,000,000 per occurrence, or the full per occurrence limits of the policy, whichever is greater, for bodily injury, personal injury, and property damage liability. Coverages must include but not be limited to, the following: All premises and operations, products/completed operations (for a minimum of two (2) years following project completion) explosion, collapse, underground, separation of insureds, defense, contractual liability (not to include endorsement CG 21 39 or equivalent).

The City must be provided additional insured status with respect to liability arising out of the Developer's work, services or operations and same performed on behalf of the Developer. Such additional insured coverage must be provided on ISO form CG 2037 10 01 or on an endorsement form at least as broad for ongoing operations and completed operations. The City's additional insured status must apply to liability and defense of suits arising out ofthe Developer's acts or omissions, whether such liability is attributable to the City. The full policy limits and scope of protection also will apply to the City as additional insureds, even if they exceed the City's minimum limits required herein. The Developer's liability insurance must be primary without right of contribution by any other insurance or self-insurance maintained by or available to the City.

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The Developer may use a combination of primary and excess/umbrella policy/policies to satisfy the limits of liability required herein. The excess/umbrella policy/policies must provide the same coverages/follow form as the underlying policy/policies.

3) Automobile Liability (Primary and Umbrella)
Automobile Liability Insurance with limits of not less than $2,000,000 per occurrence, or the full per occurrence limits ofthe policy, whichever is greater, 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.

The Developer may use a combination of primary and excess/umbrella policy/policies to satisfy the limits of liability required herein. The excess/umbrella policy/policies must provide the same coverages/follow form as the underlying policy/policies.

4) Builders Risk
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 ofthe permanent facility/project. The City of Chicago is to be named as an additional insured and loss payee/mortgagee if applicable.

B. ADDITIONAL REQUIREMENTS:

Evidence of Insurance. The Developer must furnish the City of Chicago, Department of Housing, 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 ofany 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 must advise all insurers of the Agreement provisions regarding insurance. The City in no way warrants that the insurance required herein is sufficient to protect Developer for liabilities which may arise from or relate to the Agreement. The City reserves the right to obtain complete, certified copies of any required insurance policies at any time.

Failure to Maintain Insurance. Failure ofthe Developer to comply with required coverage and terms and conditions outlined herein will not limit Developer's liability or responsibility nor does it relieve Developer of its obligation to provide insurance as specified in this Agreement. Nonfulfillment ofthe insurance conditions may constitute a violation ofthe Agreement, and the City retains the right to stop work and/or to suspend

this Agreement until proper evidence of insurance is provided, or the Agreement may be terminated.

Notice of Material Change, Cancellation or Non-Renewal. The Developer 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 and ten (10) days prior written notice for non-payment of premium.

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

Waiver of Subrogation. The Developer hereby waives and agrees to require their insurers to waive their rights of subrogation against the City under all required insurance herein for any loss arising from or relating to this Agreement. The Developer agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City have received a waiver of subrogation endorsement for Developer's insurer(s).

Developer's Insurance Primary. All insurance required of Developer under this Agreement must be endorsed to state that Developer's insurance policy is primary and not contributory with any insurance carrier by the City.

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

No Contribution by City. Any insurance or self-insurance programs maintained by the City of Chicago do not contribute with insurance provided by the Developer under the Agreement.

Insurance Not Limited by Indemnification. The required insurance to be carried is not limited by any

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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.

Joint Venture or Limited Liability Company. 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.

Insurance Required of Subcontractors. T he Developer niust 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. The Developer is also responsible for ensuring that each subcontractor has complied with the required coverage and terms and conditions outlined herein. Failure ofthe subcontractors to comply with required coverage and terms and conditions outlined herein will not limit Developer's liability or responsibility.

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

City's Right to Modify. Notwithstanding any provisions in the Agreement to the contrary, the City, Department of Finance, Risk Management Office maintains the right to modify, delete, alter or change these requirements.

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EXHIBIT G FORM OF

DEED

THIS INSTRUMENT PREPARED BY, AND AFTER RECORDING, PLEASE RETURN TO:

Real Estate & Land Use Division City of Chicago
121 North LaSalle Street, Room 600 Chicago, Illinois 60602

QUITCLAIM DEED (City Lots For City Living Program)

Grantor, the CITY OF CHICAGO, an Illinois municipal corporation ("Grantor"), having its principal office at 121 North LaSalle Street, Chicago, Illinois 60602, for and in consideration of ONE and NO/100 DOLLAR ($1.00), conveys and quitclaims to a(n) ("Grantee"), having its principal office at all interest and title of Grantor in the real property legally described and identified on Exhibit A attached hereto ("Property"), pursuant to ordinance adopted by the City Council of the City of Chicago ("City Council") and published at pages ■ in the Journal of Proceedings ofthe City Council ("Journal") for such date.

Without limiting the quitclaim nature of this deed, such conveyance shall be subject to:

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1. ' Standard exceptions in an ALTA insurance policy;
2. General real estate taxes and any special assessments or other taxes;
3. Recorded and unrecorded easements, encroachments, covenants, restrictions;
4. Such other title defects as may exist; and
5. Any and all exceptions caused by acts ofthe Grantee or its agents.

This conveyance is also subject to the following conditions and covenants which are a part of the consideration for the Property and which are to be taken and construed as running with the land and binding on Grantee and Grantee's successors and assigns.

FIRST: Grantee shall devote the Property only to the uses authorized by Grantor and

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specified in the applicable provisions of: (i) the City Lots for Working Families program ordinance, adopted by the City Council on November 8, 2017, and published in the Journal for such date at pages 59287 through 59296 ("City Lots Program"), and (ii) that certain Redevelopment Agreement dated as of , by and between the Grantor . and Grantee, and recorded with the Cook County Clerk in Illinois, on , as document no. ("Agreement"). Capitalized terms not otherwise defined herein shall have the meaning given in the Agreement. [DELETE THE FOLLOWING FOR MARKET RATE HOMES: Specifically, in accordance with the terms of the Agreement, Grantee shall construct a Home on the Property to be sold to a Qualified Household at an Affordable Price for its Principal Residence all as further described in Section 4.5(b)(1), Section 4.5(d) and Section 5 of the Agreement. Grantee shall advise each initial homebuyer of the forgoing requirements and such homebuyer shall be required to execute and record at the time of the homebuyer's closing the City Junior Mortgage, j

SECOND: Grantee shall pay real estate taxes and assessments on the Property or any part thereof when due. Prior to the issuance by Grantor of a Compliance Certificate with regard to the Property, Grantee shall not encumber the Property, or portion thereof, except to secure financing solely to obtain the First Mortgage. Grantee shall not suffer or permit any levy or attachment to be made or any other encumbrance or lien to attach to the Property or portion thereof until Grantor issues a Compliance Certificate with respect to the completion ofthe Home on the Property (unless Grantee has taken such appropriate action to cause the Title Company to insure over any title encumbrances caused by such liens or claims).

THIRD: Grantee shall construct the Home on the Property in accordance with the terms ofthe Agreement. Grantee shall diligently proceed with the construction of such Home to completion, which construction shall commence within three (3) months from the date of conveyance ofthe Deed by Grantor to Grantee, and shall be completed by Grantee within the time frame described in the Agreement.

FOURTFI: Until Grantor issues the Compliance Certificate with regard to the Flome, Grantee shall have no right to convey any right, title or interest in the Property without the prior written approval of Grantor, except as provided for in Section 4.9 of the Agreement.

FIFTFI: Grantee agrees for itself and any successor in interest not to discriminate based upon race, religion, color, sex, national origin or ancestry, age, handicap, sexual orientation, military status, parental status

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or source of income in the sale ofthe Home improving the Property.

SIXTH: Grantee shall comply with those certain employment obligations described in Section 7 ofthe Agreement. [DELETE IF N/A]

SEVENTH: Grantee shall release, relinquish and forever discharge Grantor and its officers, employees and agents (the "City Parties"), and shall defend, indemnify and hold the City Parties harmless, from and against any and all Losses arising out of or in any way connected with, directly or indirectly, the environmental matters defined as Released Claims in Section 8.2 ofthe Agreement, in accordance with the terms and conditions of said 8.2.

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The covenants and agreements contained in the covenants numbered FIFTH and SEVENTH shall remain without any limitation as to time. The covenants and agreements contained in covenants numbered FIRST, SECOND, THIRD, FOURTII and SIXTH shall terminate on the date Grantor issues the Compliance Certificate with respect to the City Lot upon which the pertinent Home is constructed, except that the termination of the covenant numbered SECOND shall in no way be construed to release Grantee from its obligation to pay real estate taxes and assessments on the Property or any part thereof.

In the event that subsequent to the conveyance of the Property and prior to delivery of the Compliance Certificate by Grantor with regard to the completion of the Home on the Property, Grantee defaults in or breaches any of the terms or conditions described in Section 6.2 of the Agreement or covenants FIRST, SECOND or TFIIRD in the Deed which have not been cured or remedied within the period and in the manner provided for in the Agreement or Deed, as applicable, Grantor may re-enter and take possession ofthe Property or portion thereof, terminate the estate conveyed by the Deed to Grantee as well as Grantee's right of title and all other rights and interests in and to the Property conveyed by the Deed to Grantee, and revest title in said Property or portion thereof with the City; provided, however, that said revesting of title in the City shall always be limited by, and shall not defeat, render invalid, or limit in any way, the lien ofthe First Mortgage for the protection of the holders ofthe First Mortgage. The Property shall thereafter be developed in accordance with the terms ofthe City Lots Program and the Agreement, including but not limited to, Sections 6.5 and 6.6 ofthe Agreement.

Notwithstanding any of the provisions ofthe Deed or the Agreement, including but not limited to those which are intended to be covenants running with the land, the holder of the First Mortgage or a holder who obtains title to the Property as a result of foreclosure ofthe First Mortgage shall not be obligated by the provisions of the Deed or the Agreement to construct or complete the construction of the pertinent Home or guarantee such construction or completion, nor shall any covenant or any other provision in the Deed or the Agreement be construed to so obligate such holder. Nothing in this section or any section or provision of the Agreement or the Deed shall be construed to permit any such holder to devote the Property or any part thereof to a use or to construct improvements thereon other than those permitted in the City Lots Program.

In accordance with Section 4.8 ofthe Agreement, after the substantial completion of construction of the Home improving the Property (as evidenced by, and based solely on, the issuance ofthe Conditional Certificate or Final Certificate by the Inspector), and provided that Developer has performed all of its other contractual obligations pursuant to the provisions contained in the Agreement and the objectives ofthe City Lots Program, Grantor shall furnish Grantee with a Compliance Certificate in accordance with the terms ofthe Agreement. The Compliance Certificate shall be issued by the City as a conclusive determination of satisfaction and termination ofthe covenants contained in the Agreement and Deed with respect to the obligations of Developer and its

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successors and assigns to complete such Home and the dates for beginning and completion thereof. The Compliance Certificate shall not constitute evidence that Developer has complied with any applicable provisions of federal, state or local laws, ordinances and regulations with regard to the completion ofthe Home in question, and shall nol serve as any "guaranty" as to the quality ofthe construction of said structure.

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IN WITNESS WHEREOF, Grantor has caused this instrument to be duly executed in its name and behalf and its seal to be hereunto affixed, by its Mayor and City Clerk, on or as of the dayof , 202_.

ATTEST:

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

Andrea M. Valencia, City Clerk By;

Lori E. Lightfoot, Mayor, as executed by Celia Meza pursuant to proxy

Signature of Celia Meza

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STATE OF ILLINOIS COUNTY OF COOK

)
)SS.
)

I, the undersigned, a Notary Public in and for Cook County, in the State aforesaid, do hereby certify that Celia Meza, personally known to me to be the Corporation Counsel ofthe City of Chicago, an Illinois municipal corporation (the "City"), pursuant to proxy on behalf of Lori E. Lightfoot, Mayor, and Andrea M. Valencia, the City Clerk of the Cily, or her authorized designee, both personally known to me to be the same people whose names are subscribed to the foregoing instrument, appeared before me this day in person, and being first duly sworn by me, acknowledged that as said Corporation Counsel and City Clerk, respectively, each person signed and delivered the foregoing instrument and caused the corporate seal of the City to be affixed thereto, pursuant to authority given by the City, as each person's free and voluntary act, and as the free and voluntary act and deed of the City, for the uses and purposes therein set forth.

Given under my hand and notarial seal on , 202 .

Notary Public

THIS INSTRUMENT WAS PREPARED BY:

City of Chicago
Department of Law
Real Estate and Land Use Division
121 North LaSalle Street, Room 600
Chicago, Illinois 60602

MAIL DEED AND SUBSEQUENT TAX BILLS TO:

THIS TRANSFER IS EXEMPT UNDER THE PROVISIONS OF THE ILLINOIS REAL ESTATE TRANSFER TAX ACT, 35 ILCS 200/3I-45(b); COOK COUNTY ORDINANCE NO. 93-0-27(8); AND THE CHICAGO REAL PROPERTY TRANSFER TAX, MUNICIPAL CODE SECTION 3-33-060(8).

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EXHIBIT A LEGAL DESCRIPTION

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EXHIBIT H

SCHEDULE OF CONSTRUCTION PROGRESS

[DEVELOPER TO SEND]

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EXHIBIT I

FORM OF SUBORDINATION AGREEMENT

This instrument prepared by and after recording
should be returned to:

Assistant Corporation Counsel City of
Chicago
Department of Law, Real Estate Division 121 North
LaSalle Street, Room 600 Chicago, Illinois 60602

SUBORDINATION AGREEMENT

This Subordination Agreement ("Subordination Agreement") is executed and delivered as of , 202 , by , a ("Lender"), in favor of the City of Chicago, an Illinois municipal corporation (the "City").

WITNESSETH:

WHEREAS, , a(n) (the "Developer") and the City, acting by and through its Department of Housing, have entered into that certain Redevelopment Agreement, dated as of , 202 , and recorded with the Cook County Clerk in Illinois, on , 202 , as Document No. ("Redevelopment Agreement"), pursuant to which the City has agreed to sell and the Developer has agreed to purchase the real property legally described on Exhibit A attached hereto (the "Property"); and

WHEREAS, pursuant to the terms of the Redevelopment Agreement, the Developer has agreed to develop ( ) single family homes affordable to households earning up to 120% of the Area Media Income ("AMI") and available for purchase by households earning up to 140% AMI on the Property (the "Project"); and

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WHEREAS, the Developer and the Lender have entered into that certain Loan Agreement dated as of , 202 (the "Loan Agreement"), pursuant to which the Lender has agreed to provide a loan in the principal amount of up to Dollars ($) (the "Loan"), which Loan is evidenced by a Promissory Note dated as of , 202 (the "Note") in said amount to be executed and delivered by the Developer to the Lender, and the repayment of the Loan is secured by certain liens and encumbrances on the Property pursuant to the Loan

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Agreement including the construction mortgage, personal property security agreement, assignment of leases and rentals and financing statement dated as of , 202 ("Mortgage") executed by Developer for the.benefit of Lender (all such agreements being referred to herein collectively as the "Loan Documents"); and

WHEREAS, pursuant to the Redevelopment Agreement, the Developer has agreed to be bound by certain covenants expressly running with the Property, as set forth in Section 9 of the Redevelopment Agreement (the "City Encumbrances"); and

WHEREAS, the Redevelopment Agreement requires that the Lender agree to subordinate its liens under the Loan Documents to the City Encumbrances.

NOW, THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Lender hereby agrees as follows:

1. Subordination. The liens of the Lender in the Property pursuant to the Loan Documents are and shall be subject and subordinate to the City Encumbrances. Nothing herein, however, shall be deemed to limit any of the Lender's other rights or other priorities under the Loan Documents, including, without limitation, the Lender's rights to receive, and the Developer's obligation to make, payments and prepayments of principal and interest on the Note or to exercise the Lender's rights and remedies pursuant to the Loan Documents except as provided herein.

2. Notice of Default. The Lender shall use reasonable efforts to give to the City (a) copies of any notices of default that it may give to the Developer with respect to the Project pursuant to the Loan Documents, and (b) copies of waivers, if any, of the Developer's default in connection therewith. Neither the Developer nor any other third party is an intended beneficiary of this Section 2. Failure of the Lender to deliver such notices or waivers shall in no instance alter the rights or remedies of the Lender under the Loan Documents.

3. Waivers. No waiver shall be deemed to be made by the City of any of its rights hereunder unless the same shall be in writing, and each waiver, if any, shall be a waiver only with respect to the specific instance involved and shall in no way impair the rights of the City in any other respect at any other time.

4. Governing Law; Binding Effect. This Agreement shall be interpreted, and the rights and

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liabilities ofthe parties hereto determined, in accordance with the internal laws and decisions ofthe State of Illinois, without regard to its conflict of laws principles, and shall be binding upon and inure to the benefit ofthe respective successors and assigns ofthe City and the Lender.

5. Section Titles; Plurals. The section titles contained in this Agreement are and shall be without substantive meaning or content ofany kind whatsoever and are not a part ofthe

agreement between the parties hereto. The singular form ofany word used in this Agreement shall include the plural form.

6. Notices. Any notice required hereunder shall be in writing and addressed to the parties as set forth below by cither of the following means: (a) personal service; or (b) overnight courier:

If to the City: City of Chicago
Department of Housing
121 North LaSalle Street, Room 1000
Chicago, Illinois 60602
Attn: Commissioner

With a copy to: City of Chicago
Department of Law
121 North LaSalle Street, Room 600
Chicago, Illinois 60602
Attn: Real Estate and Land Use Division

If to the Lender:

Attn:

Any notice given pursuant to clause (a) hereof shall be deemed received upon such personal service. Any notice given pursuant to clause (b) shall be deemed received on the day immediately following deposit with the overnight courier. The parties, by notice given hereunder, may designate any further or different addresses to which subsequent notices, demands or communications shall be given.

[SIGNATURE PAGE FOLLOWS]

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IN WITNESS WHEREOF, Lender has executed this Subordination Agreement as of the date first written above.

a(n).

By:__ Name: Its:

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

, a Notary Public in and for said County, in the State aforesaid, do hereby certify that , the of , a(n) , 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 he/she signed and delivered the foregoing instrument pursuant to authority given by said company, as his/her free and voluntary act and as the free and voluntary act and deed of said company, for the uses and purposes therein set forth.

GIVEN under my notarial seal this day of , 202 .

Notary Public

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EXHIBIT A LEGAL DESCRIPTION

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EXHIBIT J FORM OF DEVELOPER MORTGAGE

Assistant Corporation Counsel Department of
Law City of Chicago
121 North LaSalle Street, Suite 600 Chicago,
Illinois 60602

MORTGAGE, SECURITY AND RECAPTURE AGREEMENT,
INCLUDING RESTRICTIVE COVENANTS

This MORTGAGE, SECURITY AND RECAPTURE AGREEMENT, INCLUDING RESTRICTIVE COVENANTS (this "Mortgage") is made as of this day of , 202_, from . a(n) ("Mortgagor"), to the City of Chicago, an Illinois municipal corporation, acting by and through its Department of Flousing (together with any successor department thereto, "DOH"), having its principal office at City Hall, 121 North LaSalle Street, Chicago, Illinois 60602 ("City" or "Mortgagee"). Capitalized terms not otherwise defined herein shall have the meaning given in the Redevelopment Agreement defined below.

RECITALS

WHEREAS, Mortgagor is on the date hereof purchasing from the City the real property located at , Chicago, Illinois 606 , as legally described on Exhibit A attached hereto (the "Property"), in accordance with the terms and conditions of that certain Redevelopment

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Agreement between Mortgagor and the City dated as of even date herewith, and recorded with the Cook County Clerk in Illinois, on , 202 , as Document No. (the "Redevelopment Agreement"); and

WHEREAS, pursuant to the Redevelopment Agreement, Mortgagor has agreed to construct (the "Project"): and

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WHEREAS, Mortgagor is purchasing the Property from the City for less than Appraised Value (as defined in Article 11 below) pursuant to the City Lots for Working Families Program, which was created by ordinance adopted by the City Council of the City ("City Council") on November 8, 2017 (the "City Lots Ordinance"), and which authorizes DOH to identify City-owned vacant lots for sale at a discount to assist with the construction of high-quality, owner-occupied, single-family housing affordable to working families, whether constructed as a detached single-family home or as a two-flat (each a "Home" and collectively, the "Homes"); and

WHEREAS, the Redevelopment Agreement requires any developer acquiring property for Homes under the City Lots for Working Families Program to execute a mortgage securing the difference between the Appraised Value (as defined in Article II below) of the land and the Purchase Price (as hereafter defined); and

WHEREAS, the City Council, by ordinance adopted on , and published at pages through in the Journal of Proceedings of the City Council for such date ("Project Ordinance"), approved the selection of the Developer for participation in the City Lots for Working Families Program and authorized the sale ofthe Property to the Developer for $_.00 (the "Purchase Price"); and

WFIEREAS, Mortgagor acknowledges and agrees that the Discount (as defined in Article II below) represents the difference between the Purchase Price and the Appraised Value of the Property; and

WHEREAS, in consideration of the Discount, Mortgagor has agreed to construct the Project in accordance with the terms and conditions ofthe Redevelopment Agreement, and, until the expiration of the Recapture Period, abide by the covenants running with and affecting the Property set forth in Section 4.1 of this Mortgage (collectively, the "Affordability Requirements"); and

WHEREAS, the failure of Mortgagor to comply with the Affordability Requirements or any of its other obligations under this Mortgage shall entitle the City to recover the Recapture Amount (as defined in Article II below) if such failure constitutes an Event of Default under $_1$ Section 5 below; and

WHEREAS, the parties intend that this Mortgage secure the Mortgagor's performance of the Affordability Requirements, its other obligations under this Mortgage and the repayment of the Recapture Amount in the event of an Event of Default;

NOW, THEREFORE, to secure the performance and observance by Mortgagor of all the terms, covenants and conditions described in this Mortgage, and in order to charge the properties, interests and rights hereinafter described with such consideration, Mortgagor has executed and delivered this Mortgage and does hereby grant, convey, assign, mortgage, grant a security interest in, and confirm unto Mortgagee

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and its successors and assigns forever, all ofthe following described property (which is hereinafter sometimes referred to as the "Mortgaged Property"):

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(A) The Property;

B) All structures and improvements of every nature whatsoever now or hereafter situated on the Property, including, without limitation, all fixtures of every kind and nature whatsoever which are or shall be attached to said buildings, structures or improvements, and now or hereafter owned by Mortgagor, including all extensions, additions, improvements, betterments, renewals and replacements of any ofthe foregoing ("Improvements");

C) All rents and issues of the Property (as applicable) and Improvements from time to time and all of the estate, right, title, interest, property, possession, claim and demand at law, as well as in equity of Mortgagor, in and to the same;

TO HAVE AND TO HOLD the Mortgaged Property and all parts thereof unto Mortgagee, its successors and assigns, to its own proper use, benefit and advantage forever, subject, however, to the terms, covenants and conditions herein;

WITHOUT limitation of the foregoing, Mortgagor hereby further grants unto Mortgagee, pursuant to the provisions ofthe Uniform Commercial Code of the State of Illinois, a security interest in all ofthe above-described property, which are or are to become fixtures.

THIS MORTGAGE IS GIVEN TO SECURE: (a) amounts which may become due and payable pursuant to this Mortgage, and (b) performance of each and every other covenant, condition and agreement contained in this Mortgage, and in any other agreement, document or instrument to which reference is expressly made in this Mortgage.

ARTICLE I INCORPORATION OF RECITALS

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

ARTICLE II
DEFINITIONS

"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-five percent (95%) ofthe purchase price, taxes, insurance and, as applicable, private mortgage insurance and homeowners' association payments) for the Home would total not more than thirty percent (30%) 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

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this definition, interest shall be

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calculated as the higher of: (a) the current interest rate, as published in the Chicago Tribune or comparable newspaper and rounded up to the nearest quarter point; or (b) 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.

"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 Mousing and Urban Development or any successor organization thereto.

"Appraised Value" shall mean the value of the Property as determined by an independent appraisal ordered by the City no older than one (I) year prior to the date of introduction to City Council ofthe Project Ordinance.

"City Junior Mortgage" shall mean a mortgage, security and recapture agreement signed by a Qualified Mousehold in favor ofthe City, in a form acceptable to DOH and the Corporation Counsel.

"Corporation Counsel" shall mean the City's Department of Law.

"Discount" shall mean and 00/100 Dollars ($_,000).

"Principal Residence" shall mean an owner's primary or principal residence that the owner actually occupies on a regular basis (e.g., in the case of a two-flat building, one of the units). 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.

"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.

"Recapture Amount" shall be an amount equal to the Discount.

"Recapture Period" shall mean the period of time commencing on the City's conveyance of the Property to Mortgagor and expiring a) for Flomes subject to the Affordability Requirements, on the date Mortgagor conveys the Home to a Qualified Household for an Affordable Price for its Principal Residence and said Qualified Household executes a City Junior Mortgage for the Property and b) for Market Rate Homes, the date Mortgagor conveys the Home to the initial homebuyer.

"Senior Lender" shall mean

"Senior Mortgage" shall mean that certain mortgage dated as of even date herewith, and recorded with the Cook County Clerk in Illinois, on , 202 , as

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Document No. , to secure the indebtedness incurred by Mortgagor in the original principal amount of $.

ARTICLE 111 TERM

Mortgagor, for itself and its successors and assigns, agrees to be bound by the terms and provisions of this Mortgage for the Recapture Period.

ARTICLE IV
COVENANTS, REPRESENTATIONS AND WARRANTIES

The Mortgagor ^covenants, represents and warrants to Mortgagee that at all times during the Recapture Period:

4.1 Affordability Requirements.

a) Mortgagor will devote the Property to the construction of a Home in accordance with: (a) the City Lots for Working Families Program; and (b) the Redevelopment Agreement.

b) Except for Market Rate Flomes, if any, Mortgagor will sell and convey the Homes to a Qualified Flousehold for an Affordable Prince for its Principal Residence.

c) Mortgagor will 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 Redevelopment 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 ofthe 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. 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.

d) Mortgagor will comply with the marketing plan attached to the Redevelopment Agreement as Exhibit and will utilize solely those marketing materials which have been approved by DOH. Mortgagor will place at least one sign on the Property stating that the Home was (or shall be) constructed by Mortgagor pursuant to the City Lots for Working Families Program.

e) At the closing for the conveyance of the Home from Mortgagor to an initial

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homebuyer, Mortgagor will deliver to said homebuyer a warranty of habitability in the form of Exhibit attached to the Redevelopment Agreement. Such warranty of habitability will have a duration of one year and will be deemed to run with the land.

(1) Except for Market Rate Homes, if any, every potential homebuyer in conjunction with the homebuyer's execution of a purchase contract for the purchase of the Home shall be approved in writing by DOH as a Qualified Household. Mortgagor will provide DOH with any and all information required by DOH to confirm such homebuyer as a Qualified Household.

(g) Except for Market Rate Homes, if any, Mortgagor will refer each prospective homebuyer for pre-purchase counseling, which will be offered 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.

2 Mortgagor will pay promptly when due any sums due under the Senior Mortgage, and shall perform promptly and fully any acts required under the Senior Mortgage. Mortgagor will not, without prior written consent of Mortgagee, modify, extend or amend the Senior Mortgage, increase the amount of the indebtedness secured thereby or change the repayment terms of such indebtedness. Mortgagor shall promptly give Mortgagee a copy of any notice received by Mortgagor from Senior Lender, or given by Mortgagor to Senior Lender, pursuant to the Senior Mortgage.

3 Taxes and Assessments.

a) Mortgagor will pay when due all general taxes and assessments, special assessments, water charges and all of the charges against the Mortgaged Property and shall, upon written request, furnish to Mortgagee receipts evidencing payment thereof, provided that Mortgagor, in good faith and with reasonable diligence, may contest the validity or amount of any such taxes, assessments or charges, provided that during any such contest the enforcement of the lien of such taxes, assessments or charges is stayed.

b) Mortgagor will not suffer (unless bonded or insured over) any mechanic's, laborer's, materialmen's, or statutory lien to remain outstanding upon any of the Mortgaged Property. Mortgagor may contest such lien, provided that Mortgagor shall first post a bond in the amount of the contested lien, or provide title insurance over such contested lien, and further provided that Mortgagor shall diligently prosecute the contested lien and cause the removal of the same.

4 Insurance. Mortgagor will keep the Mortgaged Property continuously insured in such amounts and against such risks as required of Mortgagor by the Senior Lender, paying the premiums for said insurance as they become due. Policies of insurance shall name Mortgagee as an additional insured. All policies of insurance shall provide that the same shall not be canceled, except upon prior written notice of at least thirty (30) days to Mortgagee.

5 Maintenance ofthe Property.

a) Mortgagor will preserve and maintain the Mortgaged Property in good condition and repair,will not commit or suffer any waste thereof, and will keep the same in a clean, orderly and attractive condition. Mortgagor will not do or suffer to be done anything which will increase the risk of lire or other hazard to the Mortgaged Property or any part thereof.

b) If the Mortgaged Property or any part thereof is damaged by fire or any other cause, Mortgagor will immediately give written notice ofthe same to Mortgagee.

c) Mortgagee or its representatives will have the right to inspect the Mortgaged Property to assure compliance with the terms of this Mortgage.

d) Mortgagor will promptly comply, and cause the Mortgaged Property to comply, with all present and future laws, ordinances, orders, rules and regulations and other requirements of any governmental authority affecting the Mortgaged Property or any part thereof and with all instruments and documents of record or otherwise affecting the Mortgaged Property or any part thereof.

e) If all or any part of the Mortgaged Property is damaged by fire or other casualty, Mortgagor, subject to the rights of co-insurer, will promptly restore the Mortgaged Property to the equivalent of its condition prior to the casualty, to the extent ofany insurance proceeds made available to Mortgagor for that purpose.

4.6 Sale of the Property During the Recapture Period. If Mortgagor sells,' transfers, assigns or otherwise conveys all or any portion of the Mortgaged Property during the Recapture Period, Mortgagor will pay the Recapture Amount to the City at the closing or conveyance ofthe Mortgaged Property, whereupon the City will execute and deliver a release of this Mortgage in recordable form. Mortgagor will give the City prior written notice of at least thirty (30) days of the proposed conveyance.

ARTICLE V DEFAULT

5.1 Events of Default. The term "Event of Default," wherever used in this Mortgage, shall mean any one or more of the following events:

a) a failure by Mortgagor to comply with any ofthe Affordability Requirements set forth under Section 4.1;

b) a failure by Mortgagor to duly observe or perform any other material term, covenant, condition or agreement in this Mortgage (other than the Affordability Requirements) after the expiration ofthe applicable cure periods provided in Section 5.2; or

c) a default continuing beyond all applicable cure periods under the Senior Mortgage and permitting foreclosure thereunder.

2 City Remedies. The City shall have the following remedies depending on the nature and timing ofthe Event of Default.

a) If an Event of Default occurs under Section 5.1(a), the City shall be entitled to specific enforcement ofthe Affordability Requirements and any other remedies available under this Mortgage. The City, in its sole discretion, and in lieu of specific enforcement of the Affordability Requirements, may elect to require payment of the Recapture Amount. If Mortgagor pays to the City the Recapture Amount, then the City shall have no other remedy with respect to such Event of Default and shall execute and deliver a release of this Mortgage in recordable form.

b) If an Event of Default occurs under Section 5.1(b) and such default involves a failure to make timely payment of any amount due and secured by this Mortgage or the Senior Mortgage and such failure is not cured within ten (10) days of the Mortgagee's delivery of written notice of such failure to Mortgagor (a "Monetary Event of Default"), then Mortgagee shall be entitled to immediately: (i) declare the Recapture Amount immediately due and payable; and (ii) exercise any other remedies available under this Mortgage, in either instance without further notice or demand.

c) If an Event of Default occurs under Section 5.1(b) and such default does not involve a Monetary Event of Default and such failure is not cured within sixty (60) days of the Mortgagee's delivery of written notice of such failure to Mortgagor, Mortgagee shall be entitled to immediately: (i) declare the Recapture Amount immediately due and payable; and (ii) exercise any other remedies available under this Mortgage, in either instance without further notice or demand. In the event such default cannot reasonably be cured within such sixty (60) day period, however, and if Mortgagor has commenced efforts to cure such default, then the time to cure shall be extended so long as said party diligently continues to cure such default.

d) If an event of default occurs under the Senior Lender's security documents (after the giving of any applicable notice and lapse of any applicable cure period, if any) and the Senior Lender commences efforts to foreclose its mortgage (or obtain a deed-in-lieu-of-foreclosure), obtain appointment of a receiver for the Mortgaged Property, or obtain possession of the Mortgaged Property, such event of default shall (notwithstanding anything in this Section 5.2 to the contrary) constitute an immediate Event of Default under this Mortgage and the Mortgagee shall be entitled to immediately: (i) declare the Recapture Amount immediately due and payable; and (ii) exercise any other remedies available under this Mortgage, in either instance without further notice or demand.

3 Other Remedies.

(a) If any amounts due under and secured by this Mortgage shall become due, whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien hereof for such indebtedness or part thereof. This Mortgage and the right of foreclosure hereunder shall not be impaired or exhausted by any foreclosure of the Senior Mortgage, and may be foreclosed successively and in parts, until all ofthe Mortgaged Property has been foreclosed against. In any such foreclosure, or upon the enforcement of any other remedy of Mortgagee, there shall be

allowed and included as additional indebtedness all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for reasonable attorneys' fees, appraisers' fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, and costs involved in title insurance and title examinations. All expenditures and expenses of the nature in this Section 5.3 mentioned, and such expenses and fees as may be incurred in the protection ofthe Mortgaged Property and the maintenance of the lien of this Mortgage, including the reasonable fees of any attorney employed by Mortgagee in any litigation or proceeding affecting this Mortgage, or the Mortgaged Property, including probate and bankruptcy proceedings, or in preparation for the commencement or defense of any proceeding or threatened suit or proceeding, shall be immediately due and payable by Mortgagor, with interest thereon at the lesser of the highest rate permitted by law or fifteen percent (15%) per annum, and shall be secured by this Mortgage. The proceeds of any foreclosure sale of the Mortgaged Property shall be distributed and applied in the following order of priority: (i) on account of all costs and expenses incidental to the foreclosure proceedings, including all such items as are mentioned in this section; (ii) repayment of the indebtedness owed to the Senior Lender, subject to the limitation in Section 6.6; (iii) repayment of any other amounts due under this Mortgage; and (iv) payment of any remaining amounts due to Mortgagor, its successors or assigns, as their rights may appear.

b) Mortgagor shall not and will not apply for or avail itself of any appraisement, valuation, stay, extension or exemption laws, or any so-called "Moratorium Laws," now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, but hereby waives the benefit of such laws. Mortgagor, for itself and all who may claim through or under it, waives any and all right to have the property and estates comprising the Mortgaged Property marshaled upon any foreclosure of the lien hereof, and agrees that any court having jurisdiction to foreclose such lien may order the Mortgaged Property sold as an entirety. To the extent permitted by law, Mortgagor hereby waives any and all rights of redemption from sale under any order or decree of foreclosure of this Mortgage on such Mortgagor's behalf and on behalf of each and every person, except decree or judgment creditors of Mortgagor, acquiring any interest in or title to the Mortgaged Property subsequent to the date of this Mortgage.

c) Upon any other entering upon or taking of possession of the Mortgaged Property after the occurrence of an Event of Default and the expiration of the applicable cure period and other than by means of a foreclosure, Mortgagee, subject to the rights ofthe Senior Lender, may hold, use, manage and control the Mortgaged Property and, from time to time (i) make all necessary and proper maintenance, repairs, renewals, replacements, additions, betterments and improvements thereto and thereon and purchase or otherwise acquire additional fixtures, personalty and other property required in connection therewith; (ii) insure or keep the Mortgaged Property insured; (iii) manage the Mortgaged Property and exercise all the rights and powers of Mortgagor to the same extent as Mortgagor could in its own name or otherwise with respect to the same; and (iv) enter into any and all agreements with respect to the exercise by others ofany of the powers herein granted to Mortgagee, all as Mortgagee from time to time may reasonably determine lo be to its best advantage. Mortgagee may collect and receive all the rents, issues, profits and revenues of the same, including those past clue as well as those accruing thereafter, and, after deducting to the extent reasonable: (aa) expenses of taking, holding and managing the

Mortgaged Property (including compensation for the services of all persons employed for such purposes); (bb) the. cost of all such maintenance, repairs, renewals, replacements, additions, betterments, improvements and purchases and acquisitions; (cc) the cost of such insurance; (dd) such taxes, assessments and other similar charges as Mortgagee may determine to pay; (ee) other proper charges upon the Mortgaged Property or any part thereof; and (ft) the reasonable compensation, expenses and disbursements of the attorneys and agents of Mortgagee, shall apply the remainder to the payment of amounts due under this Mortgage. The balance of such

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funds, if any, after payment in full of all of the aforesaid amounts shall be paid to Mortgagor.

(d) Mortgagee may also seek specific performance or injunctive relief in order to enforce the provisions of this Mortgage.

4 Receiver. Subject to the rights of the Senior Lender, if an Event of Default shall have occurred and be continuing after an applicable cure period has expired, Mortgagee, upon application to a court of competent jurisdiction, shall be entitled to the appointment of a receiver to take possession of and to operate the Mortgaged Property and to collect and apply the rents, issues, profits and revenues thereof. The receiver shall otherwise have all of the rights and powers to the fullest extent permitted by law.

5 Purchase by Mortgagee. Upon any foreclosure sale, Mortgagee may bid for and purchase the Mortgaged Property and shall be entitled to apply all or any part of the Recapture Amount and other amounts due under and secured by this Mortgage as a credit to the Mortgagee's bid amount.

6 Remedies Cumulative. No right, power or remedy conferred upon or reserved to Mortgagee by this Mortgage is intended to be exclusive of any other right, power or remedy, but each and every right, power and remedy shall be cumulative and concurrent and shall be in addition to any other right, power and remedy given hereunder or now or hereafter existing at law, in equity or by statute.

7 Waiver. No delay or omission of Mortgagee to exercise any right, power or remedy accruing upon any Event of Default shall exhaust or. impair any such right, power or remedy or shall be construed to be a waiver of any such Event of Default or acquiescence therein; and every right, power and remedy given by this Mortgage to Mortgagee may be exercised from time to time as often as may be deemed expedient by Mortgagee. No consent or waiver, expressed or implied, by Mortgagee to or of any breach or Event of Default by Mortgagor in the performance of its obligations hereunder shall be deemed or construed to be a consent or waiver to or ofany other breach or Event of Default in the performance ofthe same or any other obligations of Mortgagor hereunder. Failure on the part of Mortgagee to complain of any act or failure to act or to declare an Event of Default, irrespective of how long such failure continues, shall not constitute a waiver by Mortgagee of its rights hereunder or impair any rights, powers or remedies on account ofany breach or default by Mortgagor.

ARTICLE VI M1 SC E L LAN EO U S PRO
V1SI ON S

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1 Successors and Assigns. This Mortgage shall inure to the benefit of and be binding upon Mortgagor and Mortgagee and their respective legal representatives, successors and assigns. Whenever a reference is made in this Mortgage to Mortgagor or to Mortgagee, such reference shall be deemed to include a reference to legal representatives, successors and assigns of Mortgagor or Mortgagee, as applicable.

2 Notices. Unless otherwise specified, 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 ofthe following means: (a) personal service; or (b) overnight courier:

If to the City: City of Chicago
Department of Housing 121 N. LaSalle,
10th Floor Chicago, Illinois 60602 Attn:
Commissioner

With a copy to: City of Chicago
Department of Law
121 N. LaSalle, Suite 600
Chicago, Illinois 60602
Attn: Real Estate and Land Use Division

If to Mortgagor:

With a copy to:

Any notice, demand or communication given pursuant to clause (a) hereof shall be deemed received upon such personal service. Any notice, demand or communication given pursuant to clause (b) shall be deemed received on the day immediately following deposit with the overnight courier. The parties, by notice given hereunder, may designate any further or different addresses to which subsequent notices, demands or communications shall be given.

6.3 Terminology. All personal pronouns used in this.Mortgage, whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural, and vice versa. Pities and sections are for convenience only and neither limit nor amplify the provisions of this Mortgage, and all references herein to articles, sections or paragraphs shall refer to the corresponding articles, sections or paragraphs of this Mortgage unless specific reference is made to such articles, sections or paragraphs of another document or instrument.

4 Severability. If any provision of this Mortgage or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Mortgage and the application of such provision to other persons or circumstances shall not be affected thereby and shall be enforced to the extent permitted by law.

5 Security Agreement. This Mortgage shall be construed as a "Security Agreement" within the meaning of and shall create a security interest under the Uniform Commercial Code as adopted by the State of Illinois with respect to any part of the Mortgaged Property which constitutes fixtures. Mortgagee shall have all the rights with respect to such fixtures afforded to it by said Uniform Commercial Code in addition to, but not in

limitation of, the other rights afforded Mortgagee by this Mortgage or any other agreement.

6 Subordination. This Mortgage shall be subject and subordinate in all respects to the Senior Mortgage; provided, however, that the maximum amount of indebtedness (including indebtedness attributable to protective advances made by the Senior Lender or other amounts secured under the terms of the Senior Mortgage) that shall be superior to the lien of this Mortgage shall in no instance and at no time exceed $. Any refinancing of the Senior Mortgage permitted under this Section 6.6, however, will also be deemed a Senior Mortgage for purposes ofthe subordination set forth in this Section 6.6.

7 Modification. No change, amendment, modification, cancellation or discharge hereof, or of any part hereof, shall be valid unless in writing and signed by the parties hereto or their respective successors and assigns. Mortgagor shall have no right to convey the Mortgaged Property into a land trust without obtaining the prior written consent ofthe City.

8 No Merger. It being the desire and intention ofthe parties that this Mortgage and the lien hereof do not merge in fee simple title to the Mortgaged Property, it is hereby understood and agreed that should Mortgagee acquire any additional or other interests in or to said property or the ownership thereof, then, unless a contrary interest is manifested by Mortgagee as evidenced by an appropriate document duly recorded, this Mortgage and the lien hereof shall not merge in the fee simple title, toward the end that this Mortgage may be foreclosed as if owned by a stranger to the fee simple title.

9 Applicable Law. This Mortgage shall be interpreted, construed and enforced under the laws of the State of Illinois, without regard to its conflict of laws principles.

[Signature Page Follows]

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IN WITNESS WHEREOF, the undersigned has caused this Mortgage to be executed as ofthe day and year first above written.

MORTGAGOR:

a(n)

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By: ;

Its:

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 , personally known to me to be the of , a(n) limited liability company, 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 he/she signed and delivered the foregoing instrument pursuant to authority given by said limited liability company, as his/her free and voluntary act and as the free and voluntary act and deed of said limited liability company, for the uses and purposes therein set forth.

GIVEN under my notarial seal this day of , 20 .

NOTARY PUBLIC

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EXHIBIT A LEGAL DESCRIPTION

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B-Kl

EXHIBIT K FORM OF CITY JUNIOR

MORTGAGE

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(The Above Space For Recorder's Use Only)

MORTGAGE, SECURITY AND RECAPTURE AGREEMENT, INCLUDING RESIDENCY, TRANSFER AND FINANCING COVENANTS
(City Lots For Working Families)

	APPLICABLE SUBSIDIES (Enter Amount or "None")	
A.	Land Fair Market Value	$
B.	Land Value Lien Amount (Up to $50,000)	$
C.	Additional Land Value Lien Amount (Land Value In Excess of $50,000)	$
D.	RECAPTURE AMOUNT (B+C)	$

THIS MORTGAGE, SECURITY AND RECAPTURE AGREEMENT, INCLUDING RESIDENCY, TRANSFER AND FINANCING COVENANTS ("Mortgage") is made as of this day of , 202 . from , an individual and , an individual (together, "Mortgagor") to the CITY OF CHICAGO, an Illinois municipal corporation, having its principal office at City Hall, 121 N. LaSalle Street, Chicago, Illinois 60602 ("City" or "Mortgagee"). Capitalized terms not otherwise defined herein shall have the meaning set forth in that certain Redevelopment Agreement, dated as of , 202 . and recorded with the Cook County Clerk in Illinois on

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, 202 as document no. ("Redevelopment Agreement").

RECITALS

A. The City Council of the City, by ordinance adopted November 8, 2017 and published in the Journal of Proceedings for such date at pages 59287-59295, established the City

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Lots for Work Families Program ("Program") in recognition of the shortage of decent housing affordable to working families within the City and to encourage the use of vacant, unused parcels of land located in various neighborhoods of the City for the development of new owner-occupied homes.

B. Pursuant to the objectives of the Program, the City and , an Illinois limited liability company ("Developer"), executed the Redevelopment Agreement, whereby Developer redeveloped that certain real property legally described on Exhibit A attached hereto ("Land") by constructing a single family housing unit ("Flome") improving the Land.

C. When the City sold and conveyed the Land to the Developer, the Land had a fair

C. market value of approximately $.

D. Pursuant to the Program and the Redevelopment Agreement, the City sold and conveyed the Land to the Developer for the sum of One Dollars ($1.00).

E. Pursuant to the Program and the Redevelopment Agreement, the first Fifty Thousand Dollars ($50,000) of such Land's fair market value constitutes and is referred to hereinafter as the "Land Value Lien Amount" and the amount by which the Land fair market value exceeds Fifty Thousand Dollars ($50,000) (if at all) constitutes and is referred to hereinafter as the "Additional Land Value Lien Amount".

F. The City's agreement to sell the Land to the Developer for $1.00 was conditioned upon the Developer's undertaking to construct the Home and then sell the Home to a Qualified Flousehold for an Affordable Price for its Principal Residence, subject to Mortgagor's execution of this Mortgage, which secures certain performance and payment covenants intended to assure that the City achieves the affordable housing objectives of the Program.

G. As a result ofthe land value write-down described above, the Mortgagor has been given the opportunity to buy the Home for an Affordable Price for its Principal Residence (which Affordable Price does not include either the Land Value Lien Amount or if applicable, the Additional Land Value Lien Amount).

H. Mortgagor has-covenanted to Mortgagee herein that it meets the income eligibility requirements to participate as an initial homebuyer under the Program.

J. Pursuant to the terms ofthe Redevelopment Agreement, Developer now proposes to convey the Land and the completed Home to Mortgagor as the initial homebuyer and Mortgagor desires to execute this Mortgage.

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NOW, THEREFORE, to secure the performance and observance by Mortgagor of all the terms, covenants and conditions described herein, and in order to charge the properties, interests and rights hereinafter described with such consideration, Mortgagor has executed and delivered the Mortgage and does hereby grant, convey, assign, mortgage, grant a security interest in, and confirm unto Mortgagee and its successors and assigns forever, all of the following described property (which is hereinafter sometimes referred to as "Mortgaged Property":

A) The Land;

B) All structures and improvements of every nature whatsoever now or hereafter situated on the

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Land, including, without limitation, the Home, all fixtures of every kind and nature whatsoever which are or shall be attached to said buildings, structures or improvements, and now or hereafter owned by Mortgagor, including all extensions, additions, improvements,, betterments, renewals and replacements ofany ofthe foregoing ("Improvements");

C) All rents and issues of the Land and Improvements from time to time and all of the estate, right, title, interest, property, possession, claim and demand at law, as well as in equity of Mortgagor, in and to the same;

TO HAVE AND TO HOLD the Mortgaged Property and all parts thereof unto Mortgagee, its successors and assigns, to its own proper use, benefit and advantage forever, subject, however, to the terms, covenants and conditions herein;

WITHOUT limitation of the foregoing, Mortgagor hereby further grants unto Mortgagee, pursuant to the provisions of the Uniform Commercial Code of the State of Illinois, a security interest in all of the above-described property, which are or are to become fixtures.

THIS MORTGAGE IS GIVEN TO SECURE: (a) payment ofthe amounts described on the Applicable Subsidies Table on page 1 of this Mortgage, (b) performance of residency, transfer and financing covenants described herein and in Exhibit B attached hereto, and (c) the payment and performance of all other obligations, covenants, conditions and agreements contained herein and in any other agreement, document or instrument to which reference is expressly made in the Mortgage.

SECTION I

INCORPORATION OF RECITALS; DEFINITIONS

The recitals set forth above constitute an integral of the Mortgage and are hereby incorporated herein by this reference with the same force and effect as if set forth herein as agreements of the parties. As used herein, the following capitalized terms shall be defined as follows:

"Additional Land Value Lien Amount" shall mean the amount set forth in Row C ofthe Applicable Subsidies fable on page 1 of this Mortgage, plus, (b) simple interest thereon at three percent (3%) per annum, which entire amount shall be subject to repayment if the Home is sold

to a homebuyer during the thirty (30) year period commencing on the Purchase Date, unless such sale is to an Qualified Household who purchases the Home for an Affordable Price, as determined by the City's Department of Housing at the time of such resale, for its Principal Residence.

"Affordability Period" shall mean the thirty (30) year period commencing on the Purchase Date.

"Land Value Lien Amount" shall mean the amount set forth in Row B ofthe Applicable Subsidies Table on page 1 of this Mortgage, but which shall decline proportionately (i.e., by twenty percent (20%) ofthe original amount) on each anniversary date ofthe Purchase Date, and after the fifth (5^{th}) anniversary date shall equal zero dollars ($0.00).

"Purchase Date" shall mean the date on which the Mortgagor purchased the Mortgaged Property, which shall be deemed to be the date on which this Mortgage is recorded.

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"Recapture Amount" the amount set forth in Row C of the Applicable Subsidies Table on page 1 of this Mortgage, which shall initially equal the sum of (a) the Land Value Lien Amount, but which shall decline proportionately (i.e. by twenty percent (20%) ofthe original amount of the Land Value Lien Amount) on the first, second, third, fourth and fifth anniversary dates ofthe Purchase Date, and after such fifth anniversary date, shall equal zero dollars ($0.00) and (b) the Additional Land Value Lien Amount, if any, including the interest set forth in the definition of Additional Land Value Lien Amount hereinabove.

SECTION II

COVENANTS. REPRESENTATIONS AND WARRANTIES Mortgagor

covenants and agrees with Mortgagee that:

1 Taxes and Assessments.

a) Mortgagor will pay when due all general taxes and assessments, special assessments, water charges and all of the charges against the Mortgaged Property and shall, upon written request, furnish to Mortgagee receipts evidencing payment thereof, provided that Mortgagor, in good faith and with reasonable diligence, may contest the validity or amount of any such taxes, assessments or charges, provided that during any such contest the enforcement ofthe lien of such taxes, assessments or charges is stayed.

b) Mortgagor will not suffer (unless bonded or insured over) any mechanic's, laborer's, materialmen's, or statutory lien to remain outstanding upon any of the Mortgaged Property. Mortgagor may contest such lien, provided that Mortgagor shall first post a bond in the amount ofthe contested lien, or provide title insurance over such contested lien, and further provided that Mortgagor shall diligently prosecute the contested lien and cause the removal ofthe same.

2 Insurance.

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Mortgagor shall keep the Mortgaged Property continuously insured in such amounts and against such risks as required of Mortgagor by the Senior Lender (as hereinafter defined), paying the premiums for said insurance as they become due. Policies of insurance shall name Mortgagee as an additional insured. All policies of insurance shall provide that the same shall not be cancelled, except upon thirty (30) days prior written notice to Mortgagee.

3 Maintenance ofthe Property.

a) Mortgagor shall preserve and maintain the Mortgaged Property in good condition and repair, will not commit or suffer any waste thereof, and will keep the same in a clean, orderly and attractive condition. Mortgagor shall not do or suffer to be done anything which will increase the risk of fire or other hazard to the Mortgaged Property or any part thereof.

b) If the Mortgaged Property or any part thereof is damaged by fire or any other cause, Mortgagor will immediately give written notice ofthe same to Mortgagee.

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c) Mortgagee or its representatives shall have the right to inspect the Mortgaged Property to assure compliance with the terms of this Mortgage.

d) Mortgagor shall promptly comply, and cause the Mortgaged Property to comply, with all present and future laws, ordinances, orders, rules and regulations and other requirements of any governmental authority affecting the Mortgaged Property or any part thereof and with all instruments and documents of record or otherwise affecting the Mortgaged Property or any part thereof.

e) If all or any part of the Mortgaged Property shall be damaged by fire or other casualty, Mortgagor, subject to the rights of co-insurer, will promptly restore the Mortgaged Property to the equivalent of its condition prior to the casualty, to the extent ofany insurance proceeds made available to Mortgagor for that purpose.

4 Subordination.

The Mortgage shall be subject and subordinate in all respects to that certain mortgage dated as of , between Mortgagor and ("Senior Lender"), recorded with the Cook County Clerk in Illinois on as document no. to secure indebtedness in the original principal amount not to exceed the Affordable Price ("Senior Mortgage") pursuant to the terms of the Redevelopment Agreement. This Mortgage shall also be subordinate to any subsequent mortgage that refinances the Senior Mortgage, so long as such refinancing is not in an amount greater than the Affordable Price.

5 Income Eligibility.

Mortgagor covenants to Mortgagee that it meets the income eligibility requirements established by the City pursuant to the Program in order to participate as an initial homebuyer under the Program.

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2.06 Intentionally Omitted.

2.07 Foreclosure of Senior Mortgage.

In the event of a transfer of title of the Mortgaged Property through foreclosure or recording of deed in lieu of foreclosure to the Senior Lender pursuant to the Senior Mortgage, Mortgagor acknowledges and agrees that the residency, transfer and financing covenants set forth in Exhibit B attached hereto, and any other provisions contained herein restricting the sale and occupancy of the Mortgaged Property to buyers or occupants which meet the income eligibility requirements of the Program shall be released and shall have no further force or effect; provided, however, that all such covenants and affordability restrictions shall be revived according to the original terms if, during the applicable affordability period, the Mortgagor or any member of Mortgagor's household or family reacquires an ownership interest in the Mortgaged Property. Any other person (including the successors and/or assigns of Senior Lender) receiving title to the Mortgaged Property through a foreclosure or deed in lieu of foreclosure of the Senior Mortgage shall also receive title to the Mortgaged Property free and clear of such restrictions.

Further, if Senior Lender acquires title to the Mortgaged Property pursuant to a deed in lieu of

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foreclosure, the lien of this Mortgage and the restrictions contained herein shall automatically terminate upon the Senior Lender's acquisition of title to the Mortgaged Property, provided that: (i) the Senior Lender has given written notice to Mortgagor of a default under the Senior Mortgage in accordance with its terms, (ii) the Mortgagor shall not have cured the default under the Senior Mortgage within any applicable cure period(s) provided for therein; and (iii) any proceeds from any subsequent sale of the Mortgaged Property, if any, which Mortgagee is entitled to receive after payment of all amounts due pursuant to the Senior Mortgage and pursuant to this Mortgage, are paid to Mortgagee.

SECTION III

RESIDENCY. TRANSFER AND FINANCING COVENANTS

Mortgagor also covenants to comply with the residency, transfer and financing covenants set forth in Exhibit B, which covenants are all materially related to the City's achievement ofthe affordable housing objectives ofthe Program.

SECTION IV DEFAULT

4.01 Events of Default.

The terms "Event of Default" or "Events of Default", wherever used in the Mortgage, shall mean any one or more ofthe following events:

a) Mortgagor's breach of one or more ofthe residency, transfer or financing covenants set forth in Exhibit B, which breach is not cured by Mortgagor within ten (10) days of Mortgagor's receipt of written notice from Mortgagee of such breach; or

b) Mortgagor's breach of any other material term, covenant, condition, or agreement of this Mortgage, which breach is not cured by Mortgagor within thirty (30) days of Mortgagor's receipt of written notice from Mortgagee of such breach; provided, however, that in the event such default cannot reasonably be cured within such thirty (30) day period and if Mortgagor has commenced efforts to cure, then the time to cure shall be extended so long as said party diligently continues to cure such default; or

c) Any default continuing beyond all applicable cure periods under the Senior Mortgage that permits the Senior Lender to foreclose its lien thereunder.

4.02 Remedies.

a) If an Event of Default arising from a breach of one or more ofthe covenants set forth in Exhibit B occurs during the Affordability Period (and unless the last paragraph of such Exhibit applies) (such a default, a "Recapture Default"), the Recapture Amount shall become immediately due and payable and subject to recapture without further notice or demand and the Mortgagee shall be entitled to immediate payment of such Recapture Amount; and

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b) If a Recapture Default or any other Event of Default occurs, Mortgagee shall also be entitled to declare all other amounts secured hereby immediately due and payable without further notice or demand and shall have such rights and remedies as may be available at law or at equity, including, without limitation, and subject to the rights of the Senior Lender, the right to foreclose the lien hereof. The Mortgage and the right of foreclosure hereunder shall not (to the extent permitted by law) be impaired or exhausted by any foreclosure of the Senior Mortgage, and may be foreclosed successively and in parts, until all ofthe Mortgaged Property has been foreclosed against. In any such foreclosure, or upon the enforcement of any other remedy of Mortgagee hereunder, there shall be allowed and included as additional indebtedness, all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for reasonable attorneys' fees, appraisers' fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, and costs involved in title insurance and title examinations. All expenditures and expenses of the nature in this section 4.02(b) mentioned, and such expenses and fees as may be incurred in the protection ofthe Mortgaged Property and the maintenance ofthe lien ofthe Mortgage, including the reasonable fees ofany attorney employed by Mortgagee in any litigation or proceeding affecting the Mortgage, or the Mortgaged Property, including probate and bankruptcy proceedings, or in preparation for the commencement or defense of any proceeding or threatened suit or proceeding, shall be immediately due and payable by Mortgagor, with interest thereon at the lesser ofthe highest rate permitted by law or fifteen percent (15%) per annum, and shall be secured by the Mortgage. The proceeds of any foreclosure sale of the Mortgaged Property shall be distributed and applied in the following order of priority: (i) on account of all costs and expenses incidental to the foreclosure proceedings, including all such items as are mentioned in this section: (ii) repayment of any indebtedness secured by any permitted Senior Mortgage or a permitted refinancing thereof: (iii) all recapture amounts and

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other amounts due under this Mortgage; and (iv) any remaining amounts due to Mortgagor, its successors or assigns, as their rights may appear.

3 Mortgagor Waivers.

Mortgagor shall not and will not apply for or avail itself of any appraisement, valuation, stay, extension or exemption laws, or any so-called "Moratorium Laws", now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of the Mortgage, but hereby waives the benefit of such laws. Mortgagor, for itself and all who may claim through or under it, waives any and all right to have the property and estates comprising the Mortgaged Property marshaled upon any foreclosure of the lien hereof, and agrees that any court having jurisdiction to foreclose such lien may order the Mortgaged Property sold as an entirety. Mortgagor hereby waives any and all rights of redemption from sale under any order or decree of foreclosure of the Mortgage on its behalf and on behalf of each and every person, except decree or judgment creditors of Mortgagor, acquiring any interest in or title to the Mortgaged Property subsequent to the date of the Mortgage.

4 Additional Mortgagee Rights.

Upon any other entering upon or taking of possession of the Mortgaged Property after the occurrence of an Event of Default other than by means of a foreclosure, Mortgagee, subject to the rights of the Senior Lender, may hold, use, manage and control the Mortgaged Property and, from time to time (i) make all necessary and proper maintenance, repairs, renewals, replacements, additions, betterments and improvements thereto and thereon and purchase or otherwise acquire additional fixtures, personalty and other property required in connection therewith; (ii) insure or keep the Mortgaged Property insured; (iii) manage the Mortgaged Property and exercise all the rights and powers of Mortgagor to the same extent as Mortgagor could in its own name or

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otherwise with respect to the same; and (iv) enter into any and all agreements with respect to the exercise by others of any of the powers herein granted to Mortgagee, all as Mortgagee from time to time may reasonably determine to be to its best advantage. Mortgagee may collect and receive all the rents, issues, profits and revenues of the same, including those past due as well as those accruing thereafter, and, after deducting to the extent reasonable: (aa) expenses of taking, holding and managing the Mortgaged Property (including compensation for the services of all persons employed for such purposes); (bb) the cost of all such maintenance, repairs, renewals, replacements, additions, betterments, improvements and purchases and acquisitions; (cc) the cost of such insurance; (dd) such taxes, assessments and other similar charges as Mortgagee may determine to pay; (ee) other proper charges upon the Mortgaged Property or any part thereof; and (fT) the reasonable compensation, expenses and disbursements ofthe attorneys and agents of Mortgagee, shall apply the remainder of the monies and proceeds so received by Mortgagee first to payment of accrued interest; and second to the payment of principal. The balance of such funds, if any, afterpayment in full of all ofthe aforesaid amounts, shall be paid to Mortgagor.

5 Right to Receiver.

Subject to the rights of the Senior fender, if an Event of Default shall have occurred, Mortgagee, upon application to a court of competent jurisdiction, shall be entitled to the

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appointment of a receiver to take possession of and to operate the Mortgaged Property and to collect and apply the rents, issues, profits and revenues thereof. The receiver shall otherwise have all of the rights and powers to the fullest extent permitted by law.

6 Purchase by Mortgagee.

Upon any foreclosure sale, Mortgagee may bid for and purchase the Mortgaged Property and shall be entitled to apply all or any part ofthe indebtedness secured hereby as a credit to the purchase price; provided, however, that the Senior Lender has been paid in full.

7 Remedies Cumulative.

No right, power or remedy conferred upon or reserved to Mortgagee by the Mortgage is intended to be exclusive of any other right, power or remedy, but each and every right, power and remedy shall be cumulative and concurrent and shall be in addition to any other right, power and remedy given hereunder or now or hereafter existing at law, in equity or by statute.

8 No Waiver By Mortgagee.

No delay or omission of Mortgagee or of any holder of this Mortgage to exercise any right, power or remedy accruing upon any Event of Default shall exhaust or impair any such right, power or remedy or shall be construed to be a waiver of any such Event of Default or acquiescence therein; and every right, power and remedy given by the Mortgage to Mortgagee may be exercised from time to time as often as may be deemed expedient by Mortgagee. No consent or waiver, expressed or implied, by Mortgagee to or of any breach or Event of Default by Mortgagor in the performance of its obligations hereunder shall be deemed or construed to be a consent or waiver to or of any other breach or Event of Default in the performance of the same or any other obligations of Mortgagor hereunder. Failure on the part of Mortgagee to complain of any act or failure to act or to declare an Event of Default, irrespective of how long such failure continues, shall not constitute a waiver by Mortgagee of its rights hereunder or impair any rights, powers or remedies on account of any breach

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or default by Mortgagor.

SECTION V

MISCELLANEOUS PROVISIONS

1 Successors and Assigns.

The Mortgage shall inure to the benefit of and be binding upon Mortgagor and Mortgagee and their respective legal representatives, successors and assigns. Whenever a reference is made in the Mortgage to Mortgagor or to Mortgagee, such reference shall be deemed to include a reference to legal representatives, successors and assigns of Mortgagor or Mortgagee, as applicable.

2 Terminology.

All personal pronouns used in the Mortgage, whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural, and vice versa. Titles and sections are for convenience only and neither limit nor amplify the provisions of the Mortgage, and all references herein to sections shall refer to the corresponding sections ofthe Mortgage unless specific reference is made to such sections of another document or instrument.

3 Severability.

If any provision of the Mortgage or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of the Mortgage and the application of such provision to other persons or circumstances shall not be affected thereby and shall be enforced to the extent permitted by law.

4 Security Agreement.

The Mortgage shall be construed as a "Security Agreement" within the meaning of and shall create a security interest under the Uniform Commercial Code as adopted by the State of Illinois with respect to any part of the Mortgaged Property which constitutes fixtures. Mortgagee shall have all the rights with respect to such fixtures afforded to it by said Uniform Commercial Code in addition to, but not in limitation of, the other rights afforded Mortgagee by the Mortgage or any other agreement.

5 Modification.

No change, amendment, modification, cancellation or discharge hereof, or of any part hereof, shall be valid unless in writing and signed by the parties hereto or their respective successors and assigns. Mortgagor shall have no right to convey the Land into a land trust without obtaining the prior written consent ofthe Mortgagee.

6 No Merger.

It being the desire and intention of the parties that the Mortgage and the lien hereof do not merge in fee

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simple title to the Mortgaged Property, it is hereby understood and agreed that should Mortgagee acquire any additional or other interests in or to said property or the ownership thereof, then, unless a contrary interest is manifested by Mortgagee as evidenced by an appropriate document duly recorded, the Mortgage and the lien hereof shall not merge in the fee simple title, toward the end that this Mortgage may be foreclosed as if owned by a stranger to the fee simple title.

7 Applicable Law.

The Mortgage shall be interpreted, construed and enforced under the laws ofthe State of Illinois.

8 Certificates of Compliance: Final Release.

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If no Event of Default exists, upon the expiration ofthe Affordability Period, Mortgagee, within thirty (30) days of receipt of a written request from Mortgagor, shall execute a certificate of compliance in recordable form certifying to Mortgagor's full compliance with residency, transfer and financing covenants during such period, confirming the termination of any applicable recapture amounts, and releasing this Mortgage.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned has caused this Mortgage to be executed as ofthe day and year first above written

Printed Name:

Printed Name:

This Document Prepared by and after
Recording Return to:

Department of Law City of
Chicago
121 North LaSalle Street, Room 600 Chicago, IL
60602

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STATE OF ILLINOIS)

)

COUNTY OF COOK)

I,' , a Notary Public in and for said County, in the State aforesaid, do hereby certify that , an individual, personally known to me as 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 he/she signed and delivered the said instrument as his/her free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and notarial seal this day of , 20 .

Notary Public

My commission expires

STATE OF ILLINOIS)

)

COUNTY OF COOK)

I, , a Notary Public in and for said County, in the State aforesaid, do hereby certify that , an individual, personally known to me as 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 he/she signed and delivered the said instrument as his/her free and voluntary act, for the uses and purposes therein set forth.

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Given under my hand and notarial seal this day of , 20 .

Notary Public

My commission expires

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EXHIBIT A LEGAL DESCRIPTION

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EXHIBIT D

Residency, Transfer and Financing Covenants

In consideration of the Land Value Lien Amount subsidy and the Additional Land Value Lien Amount subsidy (if any) that together have enabled the Mortgagor to purchase the Mortgaged Property for the Affordable Price, Mortgagor covenants that it shall:

a) own the Mortgaged Property, shall not lease the Mortgaged Property and shall utilize the Flome as its Primary Residence; and

b) not directly or indirectly sell or otherwise transfer the Mortgaged Property, or execute a deed in lieu of foreclosure; and

c) not refinance the Mortgaged Property, except to refinance the Senior Mortgage in an amount not greater than the Affordable Price.

Notwithstanding the above, Mortgagor may at any time, sell the Mortgaged Property to a subsequent homebuyer who meets the then-applicable income eligibility requirements of the Program and who pays an Affordable Price, under the then-applicable affordability requirements of the Program, in each instance as determined by Mortgagee's Department of Housing (or any successor department thereto), provided such purchaser assumes the then-remaining obligations of Mortgagee under this Mortgage. In such event, no Event of Default shall exist and no recapture amounts shall be due and payable, provided that such successor homebuyer assumes the executor obligations of the Mortgagor under this Mortgage in writing. After the expiration of the Affordability Period, neither the covenants in (a), (b) and (c) above, nor the provisions of this paragraph, shall apply.

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EXHIBIT L FORM OF INSPECTOR'S CERTIFICATE

INSPECTING ARCHITECT'S CERTIFICATE

In accordance with the Working Drawings and Specifications, dated as of , 2021 [INSERT DATE FROM AGREEMENT], Contract Documents, and on-site observations, dated , 2021, the undersigned Architect certifies to the City of Chicago that to the best of the Architect's knowledge, information and belief:

The construction of the home located at , Chicago, Illinois ("Home") complies with the above-referenced Working Drawings and Specifications.

OR

The following discrepancies between the construction of the Home and the above-referenced documents exist:

ARCHITECT:

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By:_ Name: Its:

EXHIBIT M FORM OF WARRANTY OF HABITABILITY

WARRANTY OF HABITABILITY LIMITED

WARRANTY

Owner Name:

Address of Property: Warrantor:

Warrantor's Address:

Warranty Commencement Date: ("Closing Date")

This Limited Warranty is being provided by Warrantor to Owner in accordance with that certain Purchase Agreement dated , 20 , by and between Warrantor and Owner (the "Contract").

I. LIMITED WARRANTY

Warrantor hereby guarantees and warrants that the heating, ventilating, air-conditioning, electrical and plumbing systems (the "Mechanical Systems") are in good condition on the date hereof. For a term of one (1) year from the date hereof, Warrantor hereby agrees to remove, replace, repair, and make good, free of charge to Owner, all defects in materials or workmanship, which appear within the warranty period that are the fault ofany subcontractor of Warrantor relating to the installation and performance of the Mechanical Systems.

In accordance with the Contract, Warrantor hereby provides to Owner a limited warranty, subject to all of the terms and conditions set forth herein, that the structural components of the Home are of customary workmanship and such items properly perform the function for which each was designed, for a period of one (1) year following the date hereof For purposes of this Limited Warranty, structural components shall mean

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only the roof, foundation, exterior and supporting walls.

The parties hereto hereby acknowledge that a preoccupancy inspection ofthe Property has been made by Owner and Warrantor's representative prior to the Closing Date. Any and all punch-list items from such pre-occupancy inspection to be corrected have been listed in the Inspection Report which has been signed by both Owner and Warrantor's representative, a copy of which shall be retained by Owner. All punch-list items not corrected prior to Closing shall be

corrected within a reasonable period following Closing, subject to delays caused by Owner, availability of labor and materials, and other circumstances beyond the reasonable control of Warrantor. No corrections shall be made of defects not recorded on the Inspection Report except for latent defects covered by this Limited Warranty, and no correction shall be made for latent defects first claimed or discovered after the expiration ofthe Warranty Period (defined below).

The appliances (and any other separately warrantied components) are warranted by their manufacturers in accordance with their individual written warranties. EXCEPT FOR THE MECHANICAL SYSTEMS, WARRANTOR MAKES NO EXPRESS WARRANTIES AS TO THESE COMPONENTS, AND DISCLAIMS ANY IMPLIED WARRANTIES WITH RESPECT THERETO.

FURTHER, OWNER RELIEVES WARRANTOR FROM ANY RESPONSIBILITY FOR CONSEQUENTIAL DAMAGES AND LOSSES (OTHER THAN FOR PERSONAL INJURY) WHICH MAY ARISE FROM OR OUT OF ANY AND ALL STRUCTURAL FAILURES AND FROM OR OUT OF ANY AND ALL BREACHES OF ANY WARRANTY.

EXCEPT AS EXPRESSLY SET FORTH HEREIN, OWNER ACKNOWLEDGES THAT OWNER HAS PURCHASED THE PROPERTY "AS-IS", WITHOUT ANY WARRANTY OR REPRESENTATION OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING BY WAY OF ILLUSTRATION AND NOT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY, HABITABILITY, WORKMANSHIP OR FITNESS FOR A PARTICULAR PURPOSE. WARRANTOR NEITHER ASSUMES NOR AUTHORIZES ANY PERSON TO ASSUME FOR WARRANTOR ANY OTHER LIABILITY IN CONNECTION WITH THE SALE OR USE OF THE PROPERTY (INCLUDING THE PURCHASED HOME) AND THERE ARE NO AGREEMENTS OR WARRANTIES, EITHER ORAL OR WRITTEN, COLLATERAL TO OR AFFECTING THIS AGREEMENT OR THE PURCHASED HOME.

II. EXPRESS WAIVER OF IMPLIED WARRANTY OF HABITABILITY

Illinois law provides that every contract for the construction of a new home, as here, carries with it a warranty that, when completed, the home will be free of latent defects and will be reasonably suited for its intended use as a home. The law further provides that this Implied Warranty of Habitability does not have to be in writing to be a part of the contract and it covers not only structural and mechanical defects such as may be found in the foundation, roof, masonry, heating, electrical and plumbing, but also any defect in workmanship which may not easily be seen or discovered upon an inspection or viewing ofthe property by Owner. Illinois law, however, also provides that a seller-builder and a purchaser may agree in writing, as here, that this Implied Warranty of Habitability is not included as a part of their particular contract.

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The limited warranty provided for in this Paragraph covers some, BUT NOT ALL, ofthe matters covered by the Implied Warranty of Habitability. The limited warranty provided hereunder may cover matters which are not covered by the Implied Warranty of Habitability. The limited warranty provided hereunder may, and likely will, be different, in a number of

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respects, from the protection afforded to a purchaser by the Implied Warranty of Habitability. Owner agrees that in consideration for Warrantor agreeing to provide Owner with the limited warranty provided hereunder, Owner will accept such limited warranty as a substitute for the Implied Warranty of Habitability described herein.

SELLER HEREBY DISCLAIMS, AND PURCHASER HEREBY KNOWINGLY, VOLUNTARILY, FULLY AND FOREVER WAIVES THE IMPLIED WARRANTY OF HABITABILITY DESCRIBED HEREIN AND ANY AND ALL OTHER WARRANTIES, EXPRESS OR IMPLIED. OWNER HEREBY ACKNOWLEDGES, UNDERSTANDS AND AGREES THAT AS A RESULT OF SUCH DISCLAIMER AND WAIVER, THE IMPLIED WARRANTY OF HABITABILITY IS NOT A PART OF THIS LIMITED WARRANTY AND THAT IF A DISPUTE ARISES WITH WARRANTOR AND THE DISPUTE RESULTS IN A LAWSUIT, OWNER, AS A RESULT OF SUCH WAIVER AND DISCLAIMER, WILL NOT BE ABLE TO RELY ON THE IMPLIED WARRANTY OF HABITABILITY AS A BASIS FOR SUING WARRANTOR OR AS THE BASIS OF A DEFENSE IF SELLER SUES OWNER. OWNER MAY, HOWEVER, RELY ON THE EXPRESS WRITTEN LIMITED WARRANTIES CONTAINED IN THE LIMITED WARRANTY PROVIDED UNDER THIS AGREEMENT. I (WE), AS OWNER, HAVE READ AND UNDERSTAND THIS PARAGRAPH AND I (WE) HAVE HAD AN OPPORTUNITY TO SEEK PROFESSIONAL ADVICE CONCERNING ITS CONTENTS AND LEGAL IMPLICATIONS, AND AFTER DOING SO, KNOWINGLY AGREE TO ITS TERMS AND THE WAIVER-DISCLAIMER OF THE IMPLIED WARRANTY OF HABITABILITY AND THE WAIVER AND EXCLUSION OF ALL WARRANTIES, EXPRESS OR IMPLIED, OTHER THAN THE LIMITED WARRANTY PROVIDED HEREIN.

(Owner's Initials) **(Owner's Initials)**

Capitalized terms used but not defined herein, which are defined in the Contract shall have the same meaning herein as in the Contract.

THIS LIMITED WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES OF WARRANTOR, EITHER EXPRESS OR WHICH MAY BE IMPLIED BY LAW, INCLUDING ALL WARRANTIES OF HABITABILITY, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ALL OF WHICH ARE EXCLUDED. THIS WARRANTY DOES NOT EXTEND TO INCIDENTAL OR CONSEQUENTIAL DAMAGES.

Accepted, Approved and Agreed to:

Name:

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Name: B-100

III. LIMITED WARRANTY BASIC TERMS AND CONDITIONS

To Whom Given. This Limited Warranty is extended solely to Owner and shall not extend to any successors or assigns or future owner ofthe Property.

Coverage.

For one (1) year, beginning on the Warranty Commencement Date set forth on page 1 (the "Warranty Period"), Warrantor warrants that the Mechanical Systems will be free from defects due to faulty materials or workmanship and that Warrantor will remove, replace, repair, and make good, free of charge to Owner, all defects in materials or workmanship which appear within the Warranty Period and which are the fault ofany subcontractor of Warrantor relating to the installation and performance of the Mechanical Systems, subject to the exclusions, limitations and provisions of this Limited Warranty. No representative of Warrantor has the authority to expand the scope of or extend the duration of this Limited Warranty or to make contracts with respect hereto.

For one (1) year, beginning on the Warranty Commencement Date set forth on page 1 (the "Warranty Period"), Warrantor warrants that the Property will be free from latent defects due to faulty materials or workmanship, with respect to the structural components which includes only the roof, foundation, exterior and supporting walls, subject to the exclusions, limitations and provisions of this Limited Warranty. No representative of Warrantor has the authority to expand the scope of or extend the duration of this Limited Warranty or to make contracts with respect hereto.

"Faulty materials or workmanship" are materials or workmanship, which are not in compliance with the applicable building codes regulating construction in Chicago, Illinois as of the date of issuance of the applicable building permits. Inspection by the governmental authority with jurisdiction will provide evidence of compliance. For purposes of this Limited Warranty, "latent defects" are only those defects which are not apparent at the time ofthe preparation ofthe Inspection Report but which become apparent and of which Warrantor is notified in writing before the expiration of the Warranty Period.

Warrantor's Performance. If a defect or latent defect occurs in an item which is covered by this Limited Warranty, Warrantor will repair or replace the defective item. Steps taken by Warrantor to correct defects shall not act to extend the terms or duration of this Limited Warranty. Warrantor shall not be obligated to remedy any defects which are covered by this Limited Warranty unless Owner notifies Warrantor in writing ofthe defect before the expiration of the Warranty Period. Warrantor's obligations under this Limited Warranty are limited to repair or replacement of defective items.

Insurance. In the event Warrantor repairs or replaces any defect covered by this Limited Warranty for which Owner is covered by insurance, upon request by Warrantor, Owner shall assign the proceeds of such insurance to Warrantor to the extent ofthe cost to Warrantor of such repair or replacement.

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IV. EXCLUSIONS

In addition to other items specifically excluded hereunder, the following are not covered by this Limited

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Warranty:

1. Any work included in a separate contract existing between Owner and a particular contractor, subcontractor, architect or engineer covering any phase of construction. Warrantor has no responsibility for enforcing any warranty provided under or in connection with such separate contract. Any items of construction performed by persons other than Warrantor, or its employees, agents or subcontractors, and any items of construction performed by Warrantor which are damaged or otherwise adversely affected by any acts of or work performed by persons other than Warrantor shall not be covered by this Limited Warranty.

2. Any damage caused by or the result of improper care, improper maintenance or the improper use of floor products including, but not limited to, damage to hardwood, natural stone, vinyl resilient tile, sheet products or carpet caused by the failure to use recommended floor protectors, furniture rests and cleaners, use of improper rolling casters under furniture and appliances, abuse or accidents, including but not limited to burns, cuts, scratches, scuffs, and indentations due to shoes or other hard items, any stains from carpet dyes, or damage caused by the presence of excessive moisture or alkaline substances. This Limited Warranty does not cover any difference between the color of samples or printed illustrations and the color ofthe actual flooring, or any loss of gloss resulting from normal usage.

3. Damage caused by condensation. Condensation can occur whenever warm and moist air comes in contact with a cold dense surface such as window and door glass and frames. Interior moisture is generated through any number of ways including cooking, showering, drying clothes, or by setting a humidifier too high. Since condensation is influenced by the regulation of interior moisture levels by the Owner, its control or damage resulting therefrom is not warranted.

4. Any damage caused by the failure to use or the improper use of a humidifier or dehumidifier. A humidifier that meets or exceeds local building code requirements has been installed as part of the heating system. It is not designed, nor is it warranted, to provide a constant and consistent source of humidity and, therefore, the Owner may be required to provide supplemental humidity to meet personal levels of comfort. Warrantor does not guarantee the adequacy of humidity levels beyond that required by the local building code.

5. Appliances, equipment, personal property, fixtures (including such items as oven, range, dishwasher, disposal) and consumer products (as that term may be defined under applicable federal, state and local laws, or their implementing regulations) installed or contained in the Property are not covered by this Limited Warranty or any other warranty from Warrantor and Warrantor hereby specifically disclaims and excludes any express or implied warranties of any nature, including any implied warranty of merchantability or fitness for a particular purpose, with respect to such items. Such items are frequently covered by the manufacturer's specific warranty, and such warranties, if any, may be assigned and delivered to Owner at Closing. Warrantor is not a warrantor under and does not adopt such manufacturer's warranties. In the

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event of defects in such items, Owner should contact the manufacturer directly. Warrantor is not responsible for the performance ofany manufacturer under such manufacturer's warranty.

6. Any bodily injury, any damage to personal property, and any damage to real property which is not part ofthe Property. Any damage to real property which is part ofthe Property is also excluded, except to the extent of the repair or replacement ofthe defective item.

7. Any defects in, or caused by, materials, work, designs or plans supplied by anyone other than Warrantor, or its employees, agents or subcontractors.

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8. Damage caused by acts of unauthorized third parties, including vandalism, negligence, failure to properly maintain and service in accordance with installer's specifications, or if none, then those of the Owner, if any; or improper operation by anyone other than the Owner or its employees, agents or subcontractors.

9. Acts of God and accidents, including but not limited to fire, explosion, smoke, water escape, windstorm, hail, lightning, flood and earthquake.

10. Nail and screw "pops", routine settling and dry wall cracks, paint touch-ups, and ordinary maintenance and repairs.

11. Normal wear and tear or normal deterioration.

V. HOW TO MAKE A LIMITED WARRANTY CLAIM

Submission of Claims to Warrantor. If you have a claim under this Limited Warranty, you must send a clear and specific written claim in the manner set forth below to Warrantor on that item prior to the expiration of the Warranty Period.

VI. MISCELLANEOUS

Independence from Contract. This Limited Warranty is independent of the Contract. Nothing contained in the Contract or any other contract between Owner and Warrantor can modify the provisions of this Limited Warranty.

Notices. All notices or claims to Warrantor or to Owner must be sent by mail, postage prepaid, certified mail, return receipt requested to the recipient at the address shown on page 1 of this Limited Warranty or to whatever other address the recipient may designate in writing.

General'Provisions. Should any provision of this Limited Warranty be deemed by a court of competent jurisdiction to be unenforceable, that determination will not affect the enforceability ofthe remaining provisions. This Limited Warranty is binding upon Owner and Warrantor, and their respective heirs, executors, administrators, successors, and assigns. Use of one gender in this Limited Warranty includes all other genders; and use ofthe plural includes the

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singular, all as may be appropriate. This Limited Warranty is to be covered by and construed in accordance with the internal laws ofthe State of Illinois.

Amendments. This Limited Warranty cannot be changed or altered in any way, except by express written agreement signed by all parties hereto.

WARRANTOR:

an Illinois

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Name:

By:_ Name: Its:

Name:

Dated :

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EXHIBIT N MARKETING PLAN

[DEVELOPER TO SEND]

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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:

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. PC] 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

2. "Matter"), a direct or indirect interest in excess of 7.5% in the Applicant. State the Applicant's legal

2. 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 ofthe entity in which the Disclosing Party holds a right of control:

B. Business address of the Disclosing Party: \f3CTl <file:///f3CTl> 3. KcTi'ZKf A/g "4^ (rri

C. TelephoneDIS- cTlf>3DSOFax: Emaiimv*iin^pDdlQLfUo - net"

D. Name of contact person:

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

G. Which City agency or department is requesting this EDS? He^hof ASf^S y IrftyrYT^Q^0 4-

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

Specification # and Contract #

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SECTION II - DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party: ^

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

] Trust [ ] Other (please specify)

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

Hlmovs

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

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

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 may be required to submit an EDS on its own behalf.

Name Business Address Percentage Intereᶜt in the Applicant

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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 p]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 ^fNo

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 ofthe 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 ofthe 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.

Name (indicate whether	Business	Relationship to Disclosing Party	Fees (indicate whether

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retained or anticipated to be retained)	**Address**	**(subcontractor, attorney, lobbyist, etc.)**	**paid or estimated.) NOTE:** Vr-^*=r> '<rlouriy rate" or "t.b.d." is PT* VTLyltfr- uIa!c>1 2!Lf not an acceP[ta]bl[e] response.

So-For

(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 [vjNo [ ] No person directly or indirectly 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.

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,

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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 ofany 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 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense ofany 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] ofthe 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 ofthe 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

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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:

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").

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 ofthe City recipient.

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

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1. The Disclosing Party certifies that the Disclosing Party (check one)
[ ] is M*s 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 ofthe privilege of doing business with the City."

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 [v^No

NOTE: If you checked "Yes" to Item D(l), proceed to Items D(2) and D(3). If you checked "No" to Item D(l), 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 ofany 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.

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Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D(l), 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.

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.

V 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

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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(l) 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

of a member of Congress, in connection with the award ofany 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(l) 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(l) 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

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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:

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.

CERTIFICATION

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

fto4iCj$_M$ LLC .

(Sign here)
(Print or type exact legal name of Disclosing Party)

(Print or type name of person signing)

Signed and sworn to before me on (date) \Opo 2>Q>

Commission expires: C*\

i ADDYY MONTENEGRO
, OFFICIAL SEAL

- Notary Public - State of Illinois
- My Commission Expires Sep 22,2023

CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFDDAVIT 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

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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 ofthe 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.l.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 ofthe 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 M 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 AFFTDAVIT 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.

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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 [v^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 2-92^16?

[ ] Yes [ ] No [vfThe 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

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<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 2-92-385,1 hereby certify that the Applicant is in compliance with MCC Section 2-92-385(b)(l) 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.

[ ]No

[ ] N/A -1 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.

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