

EXHIBIT B

FORM OF REDEVELOPMENT AGREEMENT

[Attached]

AGREEMENT FOR THE SALE AND REDEVELOPMENT OF LAND

(The Above Space for Recorder's Use Only)

This **AGREEMENT FOR THE SALE AND REDEVELOPMENT OF LAND** ("Agreement") is made on or as of ____ day of _____, 2025 (the "Effective Date"), by and between the **CITY OF CHICAGO**, an Illinois municipal corporation ("City"), acting by and through its Department of Planning and Development ("DPD"), having its principal offices at City Hall, 121 North LaSalle Street, Chicago, Illinois 60602, and **CENTER COURT DEVELOPMENT, LLC**, an Illinois limited liability company ("Developer"), whose offices are located at 11740 South Longwood Drive, Chicago, Illinois 60643.

RECITALS

WHEREAS, the City owns the real property legally described on Exhibit A attached hereto, which consists of three parcels located in the 5400 block of South Dearborn Street (the "Dearborn Parcels") and three parcels located in the 5400 block of South Federal Street (the "Federal Parcels," and together with the Dearborn Parcels, the "City Property"); and

WHEREAS, the Developer owns the parcels located at 5400-02, 5404, 5412, 5426, 5434, and 5440 South Dearborn Street that are contiguous to the City Property (the "Developer Property" and, together with the City Property, the "Property"), which are also legally described on Exhibit A attached hereto; and

WHEREAS, the Property is located in the Washington Park Community Area; and

WHEREAS, the Developer seeks to purchase the City Property from the City in order to construct a residential development in five phases (each, a "Phase") on the Property (the "Project"). Each Phase is described below and summarized on Exhibit J attached hereto; and

WHEREAS, the Project shall comprise fourteen (14) duplexes and four (4) simplexes for a total of eighteen (18) dwelling units on the Dearborn Parcels, and seventeen (17) townhomes on the Federal Parcels; and

WHEREAS, each simplex shall contain two bedrooms, two of the duplexes shall contain three bedrooms on two levels while the other twelve duplexes shall contain four bedrooms on two levels, and all such units shall have access to a rooftop deck space, and garage parking. Each townhome shall contain four bedrooms, access to backyard green space and a rooftop deck, and two garage parking spaces; and

WHEREAS, the first phase of the Project (the "First Phase") will consist only of parcels owned by the Developer that are located at 5400-02, 5404, and 5412 South Dearborn Street (together, the "First Phase Parcels"), and will comprise four (4) duplexes and four (4) simplexes for a total of eight (8) dwelling units; and

WHEREAS, the Developer shall have an obligation to provide two (2) affordable units in the First Phase pursuant to Section 2-44-085 of the Municipal Code of Chicago, the Affordable Requirements Ordinance (the "ARO"); and

WHEREAS, the second phase of the Project (the "Second Phase") will be located at 5408 and 5410 South Dearborn Street (together, the "Second Phase Parcels"), and will comprise four (4) duplexes with a total four (4) dwelling units; and

WHEREAS, the third phase of the Project (the "Third Phase") will be located at 5401, 5403, 5405, 5407, 5409, and 5411 South Federal Street (all formerly part of 5419 South Federal Street and together, the "Third Phase Parcels") and will comprise six (6) townhomes; and

WHEREAS, the fourth phase of the Project (the "Fourth Phase") will be located on another portion of 5419 South Federal now known as 5413, 5415, 5417, 5419, and 5421 South Federal Street, and 5426 and 5434 South Dearborn Street (the "Fourth Phase Parcels") and will comprise five (5) townhomes and four (4) duplexes, respectively, with a total of nine (9) dwelling units; and

WHEREAS, pursuant to the ARO, the Developer shall have an obligation to provide one (1) affordable unit in the Fourth Phase; and

WHEREAS, the fifth phase of the Project (the "Fifth Phase") will be located on the last portion of 5419 South Federal, now known as 5423, 5425, 5427, 5429, 5431, and 5433 South Federal Street, and 5440 South Dearborn (collectively, the "Fifth Phase Parcels"), and will comprise six (6) townhomes and two (2) duplexes; and

WHEREAS, pursuant to the ARO, the Developer shall have an obligation to provide one (1) affordable unit in the Fifth Phase; and

WHEREAS, the Developer is related to the XS Tennis and Education Foundation located at 5336 South State Street, and the Project will provide housing for athletes training at the adjacent XS Tennis Facility, their families, and employees of the facility; and

WHEREAS, the Property is located in the 47th/State Redevelopment Project Area (the "Redevelopment Area"), as created by an ordinance adopted on July 21, 2004; and

WHEREAS, the Project is consistent with the redevelopment plan and project for the Redevelopment Area (as amended, the "Redevelopment Plan"); and

WHEREAS, the Dearborn Parcels have an appraised value of \$57,000 based on an appraisal dated June 13, 2022, and the Federal Parcels have an appraised value of \$245,500 based on an appraisal dated August 23, 2022, and as listed on Exhibit B attached hereto; and

WHEREAS, the City will convey the City Property to the Developer in four closings (the "Second Closing," the "Third Closing", the "Fourth Closing," and the "Fifth Closing"); and

WHEREAS, the purchase price payable by the Developer shall be: (i) \$0 at the First Closing; (ii) \$_____ at the Second Closing (the "Second Phase Purchase Price"), which is equivalent to the sum of the appraisal values of the 5408 and 5410 South Dearborn parcels; (iii) \$_____ at the Third Closing (the "Third Phase Purchase Price"), which is equivalent to the sum of the appraisal values of the 5407 South Federal parcel, and ____% of the appraisal value of the

5419 South Federal parcel (equivalent to the portion of 5419 South Federal being conveyed); (iv) \$_____ at the Fourth Closing (the "Fourth Phase Purchase Price"), which is equivalent to ____% of the appraisal value of the 5419 South Federal parcel (also equivalent to the portion of the 5419 South Federal parcel being conveyed); and (v) \$_____ at the Fifth Closing (the "Fifth Phase Purchase Price," and together with the First Phase Purchase Price, the Second Phase Purchase Price, the Third Phase Purchase Price, and Fourth Phase Purchase Price, the "Purchase Price"), which is equivalent to the sum of the appraisal values of the 5400 South Federal parcel and ____% of the 5419 South Federal parcel; and

WHEREAS, the Purchase Price assumes the land has no adverse environmental conditions; and

WHEREAS, the Developer provided the City with a Phase I ESA (as defined in Section 2.1) for the City Property dated September 13, 2022, and a Phase II ESA (as defined in Section 2.1) for the City Property dated December 19, 2022, for the Property; and

WHEREAS, the Phase II ESA identified contamination on the Property above residential remediation objectives, and the Developer has agreed to enroll the Property (or the applicable portion thereof), in the state's Site Remediation Program and complete the remediation necessary to obtain a comprehensive No Further Remediation letter from the Illinois Environmental Protection Agency approving the use of the Property for the construction, development, and operation of the Project; and

WHEREAS, the costs of remediating the City Property ("Remediation Costs") will increase the Developer's costs of construction, and the City has agreed to reimburse certain specified additional or incremental costs attributable to such work in an amount up to the Purchase Price for each applicable Phase, provided the Developer completes any necessary subsurface investigation prior to the Closing for such Phase; and

WHEREAS, the City has agreed to deposit the Purchase Price for each Phase of the Project in escrow at the Closing for such Phase to fund certain approved Remediation Costs on the City Property; and

WHEREAS, the estimated cost of construction of the Project is approximately \$14 million; and

WHEREAS, the City has agreed to sell the City Property to the Developer for the Purchase Price in consideration of the Developer's obligations to remediate the Property and construct and operate the Project in accordance with the terms and conditions of this Agreement; and

WHEREAS, the Project is subject to Section 2-44-085 of the Municipal Code of Chicago (the "Affordable Requirements Ordinance" or the "ARO") and the Developer has agreed to fulfill the requirements of the ARO; and

WHEREAS, in furtherance of the City's sustainability policy, the Project shall conform to the requirements of the Chicago Landscape Ordinance, and Chicago Stormwater Ordinance; and

WHEREAS, 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 Phase where City Property is conveyed in a form acceptable to the City (each, a "Reconveyance Deed") at each Closing; and

WHEREAS, the City Council, pursuant to an ordinance adopted on April 19, 2023, and published at pages 62503 through 62554 in the Journal of the Proceedings of the City Council of such date (the "Project Ordinance"), authorized the sale of the Property to the Developer, subject to the execution, delivery and recording of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

SECTION 1. INCORPORATION OF RECITALS.

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

SECTION 2. DEFINITIONS AND RULES OF CONSTRUCTION.

2.1 Defined Terms.

For purposes of this Agreement, in addition to the terms defined in the foregoing Recitals and elsewhere in this Agreement, the following terms shall have the following meanings:

"2014 City Hiring Plan" is defined in Section 30.1.

"Affiliate(s)" when used to indicate a relationship with a specified person or entity, means a person or entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified person or entity, 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 person 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.

"Agent(s)" means any agents, employees, contractors, subcontractors, or other persons acting under the control or at the request of the Developer, or its contractors or Affiliates.

"Agreement" means this Agreement as may be amended in accordance with the terms hereof.

"Approved Project Costs" means the costs set forth in Schedule 4 of the Escrow Agreement attached hereto as Exhibit I.

"Architect" means AP Architects and AXIOS Architects.

"Budget" is defined in Section 9.

"Bundle" is defined in Section 27.7(a).

"Business Day" means any day other than Saturday, Sunday or a legal holiday in the City.

"Certificate of Completion" is defined in Section 14.1.

"City" is defined in the preamble to the recitals.

"City Contract" is defined in Section 24.1(i).

"City Council" means the City Council of the City of Chicago as defined in the recitals.

"City Property" is defined in the recitals.

"Claims" means liens (including, without limitation, lien removal and bonding costs), liabilities, obligations, damages, losses, demands, penalties, assessments, payments, fines, claims, actions, suits, judgments, settlements, costs, expenses and disbursements (including, without limitation, reasonable legal fees and expenses and costs of investigation) of any kind and nature whatsoever.

"Closing" is defined in the recitals.

"Closing Date" is defined in Section 5.

"Commissioner" means the individual holding the office and exercising the responsibilities of the commissioner or acting commissioner of DPD or any successor City department, and any authorized designee.

"Contaminant" means any of those materials set forth in 415 ILCS 5/3.165, as amended from time to time, that are subject to regulation under any Environmental Law.

"Contractors" is defined in Section 27.1.

"Contribution" is defined in Section 27.7(c).

"Corporation Counsel" means the City's Department of Law.

"2FM" is means the City's Department of Fleet and Facility Management or any successor City department.

"Deed" is defined in Section 6.1.

"Developer" is defined in the recitals.

"Developer Parties" means the Developer, the Developer's Affiliates, and the respective officers, directors, trustees, employees, agents, successors and assigns of the Developer and the Developer's Affiliates.

"Developer Property" is defined in the recitals.

"Domestic partners" is defined in Section 27.7(d).

"DPD" is defined in the preamble to the recitals.

"EDS" means the City's Economic Disclosure Statement and Affidavit, on the City's then-current form, whether submitted on paper or via the City's on-line submission process.

"Effective Date" is defined in the preamble to the recitals.

"Employer(s)" is defined in Section 23.1.

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

"Environmental Laws" means any federal, state, or local law, statute, ordinance, code, rule, permit, plan, regulation, license, authorization, order, or injunction which pertains to health, safety, any Hazardous Substance or Other Regulated Material, or the environment (including, but not limited to, ground, air, water or noise pollution or contamination, and underground or above-ground tanks) and shall include, without limitation, the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. § 11001 et seq.; the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq.; the Hazardous Material Transportation Act, 49 U.S.C. § 1801 et seq.; the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. § 6901 et seq., as amended by the Hazardous and Solid Waste Amendments of 1984; the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9601 et seq. ("CERCLA"), as amended by the Superfund Amendments and Reauthorization Act of 1986 ("SARA"); the Occupational Safety and Health Act, 29 U.S.C. § 651 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 Illinois Environmental Protection Act, 415 ILCS 5/1 et seq.; the Gasoline Storage Act, 430 ILCS 15/0.01 et seq.; the Sewage and Waste Control Ordinance of the Metropolitan Water Reclamation District of Greater Chicago ("MWRD"); the Municipal Code; and any other local, state, or federal environmental statutes, and all rules, regulations, orders, and decrees now or hereafter promulgated under any of the foregoing, as any of the foregoing now exist or may be changed or amended or come into effect in the future.

"Final Comprehensive Residential NFR Letter" means a final comprehensive residential "No Further Remediation" letter issued by the IEPA approving the use of the Property 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 Comprehensive Residential NFR Letter shall state that the Property meets remediation objectives for residential properties and the construction worker exposure route as set forth in 35 Ill. Adm. Code Part 742, but may be reasonably conditioned upon use and maintenance of engineered barriers and other institutional or engineering controls acceptable to the IEPA.

"Equity" means funds of the Developer (other than funds derived from Lender Financing) irrevocably available for the Project and unencumbered by any other obligation.

"Escrow Account" is defined in Section 3.2.

"Escrow Agreement" is defined in Section 3.2.

"Escrow Funds" is defined in Section 3.2.

"Escrow Termination Condition" is defined in Section 3.2.

"Event of Default" means any event or occurrence as defined in Section 19.2.

"Fifth Closing" is defined in Section 5.

"Fifth Closing Date" means the date of the Fourth Closing.

"Fifth Phase" is defined in the recitals.

"Fifth Phase Parcels" is defined in the recitals.

"Fifth Phase Certificate of Completion" is defined in Section 14.

"Fifth Phase Purchase Price" is defined in the recitals.

"Final Plans" means the final construction plans and specifications prepared by the Architect, as submitted to the Department of Buildings as the basis for obtaining Governmental Approvals for the Project, as such plans and specifications may be amended, revised or supplemented from time to time with the prior written approval of the City.

"First Closing" is defined in Section 5.

"First Closing Date" means the date of the First Closing.

"First Phase" is defined in the recitals.

"First Phase Parcels" is defined in the recitals.

"First Phase Certificate of Completion" is defined in Section 14.

"First Phase Purchase Price" is defined in the recitals.

"Fourth Closing" is defined in the Section 5.

"Fourth Closing Date" means the date of the Fourth Closing.

"Fourth Phase" is defined in the recitals.

"Fourth Phase Parcels" is defined in the recitals.

"Fourth Phase Certificate of Completion" is defined in Section 14.

"Fourth Phase Purchase Price" is defined in the recitals.

"General Contractor" means _____.

"Governmental Approvals" is defined in Section 8.2.

"Hazardous Substance(s)" has the meaning set forth in 415 ILCS 5/3.215, as amended from time to time.

"Human Rights Ordinance" is defined in Section 23.1(a).

"Identified Parties" is defined in Section 27.1.

"IEPA" means the Illinois Environmental Protection Agency.

"IGO Hiring Oversight" is defined in Section 30.4.

"Indemnitee" and "Indemnites" have the respective meanings defined in Section 21.

"Laws" means all applicable federal, state, county, municipal or other laws (including common law), statutes, codes, ordinances, rules, regulations, executive orders or other requirements, now or hereafter in effect, as amended or supplemented from time to time, and any applicable judicial or administrative interpretation thereof, including any applicable judicial or administrative orders, consent decrees or judgments.

"Lender(s)" means any provider of Lender Financing approved pursuant to Section 9 hereof, which shall be limited to funds necessary to construct the Project.

"Lender Financing" means funds borrowed by the Developer from Lenders, available to pay for the costs of the Project (or any portion thereof).

"Losses" means any and all debts, liens, claims, causes of action, demands, complaints, legal or administrative proceedings, losses, damages, obligations, liabilities, judgments, amounts paid in settlement, arbitration or mediation awards, interest, fines, penalties, costs, expenses and disbursements of any kind or nature whatsoever (including, without limitation, reasonable attorneys' fees and expenses, consultants' fees and expenses and court costs).

"MBE(s)" means a business identified in the Directory of Certified Minority Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a minority-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable.

"Municipal Code" means the Municipal Code of the City of Chicago as presently in effect and as hereafter amended from time to time.

"OIG" is defined in Section 30.4.

"Other Contract" is defined in Section 27.7(b).

"Other Regulated Material" shall mean any Waste, Contaminant, or any other material, not otherwise specifically listed or designated as a Hazardous Substance, that (a) is or contains: petroleum, including crude oil or any fraction thereof, motor fuel, jet fuel, natural gas, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel or mixtures of natural gas and such synthetic gas, asbestos, radon, any polychlorinated biphenyl, urea, formaldehyde foam insulation, explosive or radioactive material, materials known to contain per- and polyfluoroalkyl substances, i.e. PFAS, or (b) is a hazard to the environment or to the health or safety of persons.

"Outside Closing Date" is defined in Section 5.

"Owners" is defined in Section 27.1.

"Party(ies)" means the City or the Developer, or both the City and Developer, as applicable.

"Performance Deposit" is defined in Section 4.2.

"Phase I ESA" means a Phase I Environmental Site Assessment of the Property in accordance with the most recent ASTM standard referenced by regulation in the United States Environmental Protection Agency's All Appropriate Inquiries Rule (currently ASTM E-1527-13).

"Phase II ESA" means a Phase II Environmental Site Assessment of the Property in accordance with ASTM E-1903-19.

"PIN" means Permanent Index Number.

"Political fundraising committee" is defined in Section 27.7(e).

"Project" is defined in the Recitals.

"Project Ordinance" is defined in the Recitals.

"Proof of Financing" is defined in Section 9.

"Property" is defined in the recitals.

"Purchase Price" is defined in the recitals.

"RACR" means the Remedial Action Completion Report required by the IEPA in order to receive a Final Comprehensive Residential NFR Letter.

"RAP" means the Remedial Action Plan required by the IEPA in order to receive a Final Comprehensive Residential NFR Letter.

"RAP Approval Letter" is defined in Section 22.3.

"RECs" is defined in Section 22.3.

"Reconveyance Deed" is defined in the recitals.

"Redevelopment Area" is defined in the Recitals.

"Redevelopment Plan" is defined in the Recitals.

"Released Claims" is defined in Section 22.4.

"Remediation Work" means all investigation, sampling, monitoring, testing, removal, response, disposal, storage, remediation, treatment and other activities necessary to obtain a Final Comprehensive Residential NFR Letter for the Property, or any portion thereof, in accordance with the terms and conditions of the RAP Approval Letter for the Property, or the applicable portion thereof, issued by IEPA, the SRP Documents, all requirements of the IEPA and all applicable Laws, including, without limitation, all applicable Environmental Laws.

"Scope Drawings" means the preliminary construction documents for the Project, including a site plan, landscape plan, floor plan and exterior elevation drawings, as such plans and drawings may be amended, revised or supplemented from time to time with the prior written approval of DPD.

"Second Closing" is defined in Section 5.

"Second Closing Date" means the date of the Second Closing.

"Second Phase" is defined in the recitals.

"Second Phase Certificate of Completion" is defined in Section 14.

"Second Phase Parcels" is defined in the recitals.

"Second Phase Purchase Price" is defined in the recitals.

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

"SRP Documents" means 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 RAP, the RACR, and any and all related correspondence, data and other information prepared by either party pursuant to Section 22.

"Sub-owners" is defined in Section 27.1.

"Survey" means a Class A plat of survey in the most recently revised form of ALTA/ACSM urban survey of the Property dated within 45 days prior to the Closing Date, acceptable in form and content to the City and the Title Company, prepared by a surveyor registered in the State of Illinois, certified to the City and the Title Company, and indicating whether the Property is in a flood hazard area as identified by the United States Federal Emergency Management Agency (and updates thereof to reflect improvements to the Property in connection with the construction of the Project as required by the City or Lender(s) providing Lender Financing.

"Third Closing" is defined in Section 5.

"Third Closing Date" means the date of the Third Closing.

"Third Completion Certificate" is defined in Section 14.

"Third Phase" is defined in the recitals.

"Third Phase Parcels" is defined in the recitals.

"Third Phase Purchase Price" is defined in the recitals

"Title Commitment" is defined in Section 7.1.

"Title Company" means Greater Illinois Title Company.

"Title Policy" means a title insurance policy issued by the Title Company in the most recently revised ALTA or equivalent form, showing the Developer as the named insured with respect to the Property, noting the recording of this Agreement as an encumbrance against the Property prior to any mortgage or other lien on the Property with respect to any Lender Financing for the Project.

"Waste" means those materials defined in the Illinois Environmental Protection Act, 415 ILCS 5/1 et seq. as waste and identified subcategories thereof, including but not limited to, construction or demolition debris, garbage, household waste, industrial process waste, landfill waste, landscape waste, municipal waste, pollution control waste, potentially infectious medical waste, refuse, or special waste.

"Waste Sections" is defined in Section 29.

2.2 Rules of Construction. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following rules of construction apply in construing the provisions of this Agreement:

(a) The terms defined in this Section 2 and elsewhere in this Agreement include the plural as well as the singular.

(b) All references in this instrument to designated "Sections" and other subdivisions are to be the designated Sections and other subdivisions of this instrument as originally executed.

(c) The words "herein," "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any Section or other subdivision.

(d) The Section and subsection headings herein are for convenience only and shall not affect the construction hereof.

SECTION 3. PURCHASE PRICE AND ENVIRONMENTAL ESCROW.

3.1 Purchase Price. The City hereby agrees to sell, and the Developer hereby agrees to purchase, upon and subject to the terms and conditions of this Agreement, the Second Phase Parcels for the Second Phase Purchase Price, the Third Phase Parcels for the Third Phase Purchase Price, the Fourth Phase Parcels for the Fourth Phase Purchase Price, and the Fifth Phase Parcels for the Fifth Phase Purchase Price to be paid to the City at the Second Closing, Third Closing, Fourth Closing, or Fifth Closing, as applicable, by wire transfer of immediately available funds. Except as specifically provided herein to the contrary, the Developer shall pay all escrow fees and other title insurance fees and closing costs.

3.2 Escrow. At each Closing (excluding the First Closing), the City will deposit the applicable portion of the Purchase Price for the applicable Phase (such amount, the "Escrow Funds") in a joint order escrow account ("Escrow Account") pursuant to a joint order escrow agreement in substantially the form attached hereto as Exhibit I ("Escrow Agreement") for the Remediation Costs. The City will approve disbursements to the Developer of Escrow Funds for Approved Project Costs, and the Developer will be entitled to draw from the Escrow Account for Approved Project Costs in accordance with the application and approval procedures set forth in

the Escrow Agreement. Any funds remaining (including interest, if any) in the Escrow Account after (i) the Developer completes the Remediation Work and is reimbursed from the Escrow Account for Approved Project Costs in accordance with this Section 3.2, or (ii) the Developer fails to complete the Remediation Work in accordance with this Agreement (each of (i) and (ii), an "Escrow Termination Condition"), will belong to the City and the City will have the sole right to direct the escrow agent to disburse the funds in the Escrow Account to the City following the occurrence of either Escrow Termination Condition. The Developer will be responsible for all Remediation Costs in excess of the Escrow Funds, and the City will have no further obligation with respect thereto.

SECTION 4. EARNEST MONEY AND PERFORMANCE DEPOSIT.

4.1 Earnest Money. Upon the Developer's execution of this Agreement, the Developer shall deposit with the City the amount of \$15,125 (5% of the Purchase Price) ("Earnest Money"), which shall be credited against the Purchase Price as follows: \$3,025 at the First Closing, \$3,025 at the Second Closing, \$3,025 at the Third Closing, \$3,025 at the Fourth Closing, and \$3,025 at the Fifth Closing.

4.2 Performance Deposit. At the First Closing, the Developer shall deposit with the City the amount of \$15,125 as security for the performance of the Developer's obligations under this Agreement (5% of the Purchase Price) (the "Performance Deposit"), which amount the City will retain until the City issues the Fifth Certificate of Completion (as defined in Section 14). The City will pay no interest to the Developer on the Performance Deposit. Upon the Developer's receipt of the Fifth Certificate of Completion, the Developer shall submit a request for a return of the Performance Deposit, and the City shall return the Performance Deposit within ninety (90) days of receiving such request. In the event of a Developer default (continuing after notice and cure as provided in this Agreement), Developer shall forfeit any remainder Earnest Money and the Performance Deposit as City's liquidated damages.

SECTION 5. CLOSING.

The City shall convey the City Property to the Developer in four Closings: the Second Phase Parcels at the Second Closing, the Third Phase Parcels at the Third Closing, the Fourth Phase Parcels at the Fourth Closing, and the Fifth Phase Parcels at the Fifth Closing. Each Closing shall take place within fourteen (14) days after the Developer has satisfied all conditions precedent set forth in Section 10 hereof, unless DPD, in its sole discretion, waives such conditions; provided, however, in no event shall the First Closing occur any later than three (3) months from the adoption of the Project Ordinance, the Second Closing occur any later than twelve (12) months from the adoption of the Project Ordinance, the Third Closing occur any later than twenty-four (24) months after the adoption of the Project Ordinance, the Fourth Closing occur any later than thirty-six (36) months after the adoption of the Project Ordinance, and the Fifth Closing occur any later than forty-eight (48) months after the adoption of the Project Ordinance (each, the "Outside Closing Date"), unless the Commissioner of DPD, in the Commissioner's sole discretion, extends such Outside Closing Date. On or before the First Closing Date, the Second Closing Date, the Third Closing Date, the Fourth Closing Date, and the Fifth Closing Date (each, a "Closing Date"), the City shall deliver to the Title Company the Deed for the applicable Closing (as defined in Section 6.1), all necessary state, county and municipal real estate transfer tax declarations, and an ALTA statement. The First Closing, the Second Closing, the Third Closing, the Fourth Closing, and the Fifth Closing shall take place at the downtown offices of the Title Company.

SECTION 6. CONVEYANCE OF TITLE.

6.1 Form of City Deed. The City shall convey the Property to the Developer by quitclaim deed(s) (each, a "Deed"), subject to the terms of this Agreement and, without limiting the quitclaim nature of the Deed, the following:

- (a) the Redevelopment Plan for the Redevelopment Area;
- (b) the standard exceptions in an ALTA title insurance policy;
- (c) general real estate taxes and any special assessments or other taxes;
- (d) all easements, encroachments, covenants and restrictions of record and not shown of record;
- (e) such other title defects as may exist; and
- (f) any and all exceptions caused by the acts of the Developer or its Agents.

6.2 Recording. The Developer shall pay to record the Deed for each Phase, this Agreement, and any other documents incident to the conveyance of the Property to the Developer. This Agreement shall be recorded prior to any mortgage made in connection with any Lender Financing. Upon recording, the Developer shall immediately transmit to the City an executed original of this Agreement showing the date and recording number.

6.3 Reconveyance Deed. The Developer shall execute and deliver to the City a special warranty Reconveyance Deed in a form acceptable to the City for the Second Phase Parcels on the Second Closing Date, the Third Phase Parcels on the Third Closing Date, the Fourth Phase Parcels on the Fourth Closing Date, and the Fifth Phase Parcels on the Fifth Closing Date to be held in trust. The Developer acknowledges and agrees that the City shall have the right to record the Reconveyance Deed(s) and revest title to the Property and all improvements thereon in the City in accordance with Section 20 hereof.

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

SECTION 7. TITLE AND SURVEY.

7.1 Title Commitment and Insurance. Not less than thirty (30) days before the First Closing Date, Second Closing Date, Third Closing Date, Fourth Closing Date, and Fifth Closing Date, the Developer shall obtain a commitment for an owner's policy of title insurance for the applicable portion of the Property, issued by the Title Company (each, a "Title Commitment"). The Developer shall be solely responsible for and shall pay all costs associated with updating the Title Commitment for each Phase (including all search, continuation, and later-date fees), and obtaining the Title Policy and any endorsements it deems necessary for each Phase.

7.2 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 each Closing with respect to the applicable portion of the City Property for such Closing or liens for such unpaid property taxes, the City shall ask the County to void the unpaid taxes as provided in Section 21-

100 of the Property Tax Code, 35 ILCS 200/21-100, or file an application for a Certificate of Error with the Cook County Assessor, or tax injunction suit or petition to vacate a tax sale in the Circuit Court of Cook County. If, after taking the foregoing actions and diligently pursuing same, the City Property remains subject to any tax liens, or if the City Property is encumbered with any other exceptions that would adversely affect the use and insurability of the City Property for the development of the Project, the Developer shall have the option to do one of the following: (a) accept title to the City Property subject to the exceptions, without reduction in the applicable Purchase Price; or (b) terminate this Agreement as it relates to the relevant Phase by delivery of written notice to the City, in which event this Agreement shall be null and void as it relates to such Phase, and except as otherwise specifically provided herein, neither party shall have any further right, duty or obligation hereunder. If the Developer elects not to terminate this Agreement as aforesaid, the Developer shall be deemed to have accepted title subject to all exceptions.

7.3 Survey. The Developer shall obtain surveys of the Property at the Developer's sole cost and expense in accordance with Section 10 hereof.

SECTION 8. BUILDING PERMITS AND OTHER GOVERNMENTAL APPROVALS.

The Developer shall apply for all necessary building permits and other required permits and approvals ("Governmental Approvals") for each Phase of the Project within two (2) months after passage and approval of the Project Ordinance in the case of the First Phase of the Project, and four (4) months prior to each subsequent Closing, in the case of the Second Phase, the Third Phase, the Fourth Phase, and the Fifth Phase of the Project, unless DPD, in its sole discretion, extends such application date. The Developer shall pursue such Governmental Approvals in good faith and with all due diligence.

SECTION 9. PROJECT BUDGET AND PROOF OF FINANCING.

9.1 First Closing (First Phase Parcels). The Developer has furnished to DPD, and DPD has approved, a preliminary project budget showing total costs for the construction of the First Phase of the Project in the amount of approximately \$2,039,970. The Developer hereby certifies to the City that the preliminary project budget is true, correct and complete in all material respects. Not less than fourteen (14) days prior to the First Closing Date, the Developer shall submit to DPD for approval a final project budget ("Budget") and proof reasonably acceptable to the City that the Developer has equity and Lender Financing in amounts adequate to complete the Project and satisfy its obligations under this Agreement ("Proof of Financing"). The Proof of Financing shall include binding commitment letters from the Developer's Lenders, if any, and evidence of the Developer's ability to make an equity contribution in the amount of any gap in financing.

9.2 Second Closing (Second Phase Parcels). The Developer has furnished to DPD, and DPD has approved, a preliminary project budget showing total costs for the construction of the Second Phase of the Project in the amount of approximately \$1,271,740. The Developer hereby certifies to the City that the preliminary project budget is true, correct and complete in all material respects. Not less than fourteen (14) days prior to the Second Closing Date, the Developer shall submit to DPD a final Budget and Proof of Financing. The Proof of Financing shall include binding commitment letters from the Developer's Lenders, if any, and evidence of the Developer's ability to make an equity contribution in the amount of any gap in financing.

9.3 Third Closing (Third Phase Parcels). The Developer has furnished to DPD, and DPD has approved, a preliminary project budget showing total costs for the construction of the Second Phase of the Project in the amount of approximately \$3,145,730. The Developer hereby

certifies to the City that the preliminary project budget is true, correct and complete in all material respects. Not less than fourteen (14) days prior to the Second Closing Date, the Developer shall submit to DPD a final Budget and Proof of Financing. The Proof of Financing shall include binding commitment letters from the Developer's Lenders, if any, and evidence of the Developer's ability to make an equity contribution in the amount of any gap in financing.

9.4 Fourth Closing (Fourth Phase Parcels). The Developer has furnished to DPD, and DPD has approved, a preliminary project budget showing total costs for the construction of the Fourth Phase of the Project in the amount of approximately \$3,893,182. The Developer hereby certifies to the City that the preliminary project budget is true, correct and complete in all material respects. Not less than fourteen (14) days prior to the Fourth Closing Date, the Developer shall submit to DPD a final Budget and Proof of Financing. The Proof of Financing shall include binding commitment letters from the Developer's Lenders, if any, and evidence of the Developer's ability to make an equity contribution in the amount of any gap in financing.

9.5 Fifth Closing (Fifth Phase Parcels). The Developer has furnished to DPD, and DPD has approved, a preliminary project budget showing total costs for the construction of the Fifth Phase of the Project in the amount of approximately \$3,781,600. The Developer hereby certifies to the City that the preliminary project budget is true, correct and complete in all material respects. Not less than fourteen (14) days prior to the Fifth Closing Date, the Developer shall submit to DPD a final Budget and Proof of Financing. The Proof of Financing shall include binding commitment letters from the Developer's Lenders, if any, and evidence of the Developer's ability to make an equity contribution in the amount of any gap in financing.

SECTION 10. CONDITIONS PRECEDENT TO EACH CLOSING.

The obligation of the City to convey the City Property to the Developer is contingent upon the delivery or satisfaction of each of the following items (unless waived by DPD in its sole discretion) at least fourteen (14) days prior to each Closing Date, unless another time period is specified below:

10.1 Budget. The Developer has submitted to DPD, and DPD has approved, the Budget for the applicable Phase of the Project in accordance with the provisions of Section 9 hereof.

10.2 Proof of Financing; Loan Closing. The Developer has submitted to DPD, and DPD has approved, the Proof of Financing for each Phase in accordance with the provisions of Section 9 hereof. On or prior to each Closing Date, the Developer shall close all Lender Financing for such Phase, and be in a position to immediately commence construction of such Phase of the Project. The Developer has delivered to DPD copies of any construction escrow agreements entered into by the Developer with respect to any Lender Financing for such Phase. Any such construction escrow agreement must provide that the City will receive copies of all construction draw request materials submitted by the Developer.

10.3 Subordination Agreement. The Developer has provided to the Corporation Counsel a Subordination Agreement, executed on or prior to the Closing Date for each applicable Phase, which is to be recorded, at the expense of the Developer, in the Cook County Clerk's Office, Recordings Division, prior to any mortgage or other lien against the Property related to any Lender Financing.

10.4 Final Plans. The Developer has submitted to DPD, and DPD has approved, the Final Plans for the simplexes, duplexes, and townhomes no later than fourteen (14) days prior to the First Closing Date in accordance with the provisions of Section 11.1 hereof.

10.5 Governmental Approvals. The Developer has received all Governmental Approvals necessary to construct the applicable Phase of the Project, and has submitted evidence thereof to DPD.

10.6 Title. On each Closing Date (excluding the First Closing), the Developer shall deliver to the City a copy of the pro forma Title Policy for the applicable portion of the City Property, certified by the Title Company, showing the Developer as the named insured. The Title Policy shall be dated as of the applicable Closing Date and shall evidence the recording of this Agreement and the Subordination Agreement. The Title Policy shall also contain such endorsements as the Corporation Counsel shall request, including, but not limited to, an owner's comprehensive endorsement and satisfactory endorsements regarding contiguity, location, access, and survey, and only those title exceptions acceptable to the Corporation Counsel.

10.7 PIN Division and/or Consolidation (First Closing Only). The Developer has submitted to DPD all necessary fees and documents, including but not limited to surveys, required for the City to submit a petition for a PIN division and/or consolidation to the Cook County Assessor, in order to create PINs for each townhome.

10.8 Insurance. The Developer has submitted to the City, and the City has approved, evidence of insurance reasonably acceptable to the City for the Property. The City shall be named as an additional insured on all liability insurance policies and as a loss payee (subject to the prior rights of any first mortgagee) on all property insurance policies from the Second Closing Date through the date the City issues the Fifth Phase Completion Certificate.

10.9 Due Diligence. The Developer has submitted to the Corporation Counsel the following due diligence searches in its name, showing no unacceptable liens, litigation, judgments or filings, as reasonably determined by the Corporation Counsel:

- (a) Bankruptcy Search, U. S. Bankruptcy Court for the N.D. Illinois;
- (b) Pending Suits and Judgments, U. S. District Court for the N.D. Illinois;
- (c) Federal Tax Lien Search, Illinois Secretary of State;
- (d) UCC Search, Illinois Secretary of State;
- (e) UCC Search, Cook County Recorder;
- (f) Federal Tax Lien Search, Cook County Recorder;
- (g) State Tax Lien Search, Cook County Recorder;
- (h) Memoranda of Judgments Search, Cook County; and
- (i) Pending Suits and Judgments, Circuit Court of Cook County.

In addition, the Developer has provided to the Corporation Counsel a written description of all pending or threatened litigation or administrative proceedings involving the Developer, 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.

10.10 Organization and Authority Documents. The Developer has submitted to the Corporation Counsel its articles of organization, including all amendments thereto, as furnished and certified by the Illinois Secretary of State, and a copy of its operating agreement, as certified

by the Developer's manager. The Developer has submitted to the Corporation Counsel resolutions authorizing it to enter into, execute, and deliver this Agreement and any other documents required to complete the transaction contemplated by this Agreement and to perform its obligations under this Agreement; a certificate of good standing from the Illinois Secretary of State dated no more than thirty (30) days prior to each Closing Date, and such other corporate authority and organizational documents as the City may reasonably request.

10.11 Economic Disclosure Statement. The Developer has provided to the Corporation Counsel an Economic Disclosure Statement in the City's then current form, dated as of the applicable Closing Date.

10.12 Reconveyance Deed (Excluding the First Closing). On each Closing Date, the Developer shall deliver to the City a Reconveyance Deed for the applicable portion of the City Property for possible recording in accordance with Section 20 below, if applicable.

10.13 Environmental. On each Closing Date, the Developer has provided DPD with a Phase I ESA for the applicable portion of the Property conducted, or updated, within 180 days prior to the conveyance of such portion of the Property and any Phase II ESA with respect to such portion of the Property required by the City. The Developer has provided the City with a letter from the environmental engineer(s) who completed such assessments, authorizing the City to rely on such assessments.

10.14 Representations and Warranties. On each Closing Date, each of the representations and warranties of the Developer in Section 25 and elsewhere in this Agreement shall be true and correct.

10.15 Inclusionary Housing Agreement. The Developer has executed and recorded in the Office of the Cook County Clerk, Recordings Division, an Inclusionary Housing Agreement pursuant to the ARO for each applicable Phase.

10.16 Other Obligations. On each Closing Date, the Developer shall have performed all of the other obligations required to be performed by the Developer under this Agreement as and when required under this Agreement, including the applicable requirements of Section 23.

If any of the conditions in this Section 10 have not been satisfied to DPD's reasonable satisfaction within the time periods provided for herein, or waived by DPD, DPD may, at its option, upon prior written notice to the Developer of at least thirty (30) days, terminate this Agreement (as to any portion of the City Property not yet conveyed) at any time after the expiration of the applicable time period, in which event this Agreement (or the applicable portion thereof in the case of the Second Closing, the Third Closing, the Fourth Closing, and the Fifth Closing) shall be null and void and, except as otherwise specifically provided, neither party shall have any further right, duty or obligation hereunder; provided, however, that if within said thirty (30) day notice period the Developer satisfies said condition(s), then the termination notice shall be deemed to have been withdrawn. Any forbearance by DPD in exercising its right to terminate this Agreement (or the applicable portion thereof in the case of the Second Closing, the Third Closing, the Fourth Closing, and the Fifth Closing) upon a default hereunder shall not be construed as a waiver of such right.

SECTION 11. CONSTRUCTION REQUIREMENTS.

11.1 Sustainable Features. The Project must comply with landscape and stormwater ordinance requirements.

11.2 Performance and Payment Bonds. Prior to the commencement of construction of any portion of the Project involving work in the public way or work that constitutes a "public work" under applicable state law and is required to be bonded under such state law, the Developer shall require that the General Contractor be bonded for its performance and payment by sureties having an AA rating or better using a bond in a form acceptable to the City. The City shall be named as obligee or co-obligee on any such bonds.

11.3 Relocation of Utilities, Curb Cuts and Driveways. The Developer shall be solely responsible for and shall pay all costs associated with: (a) the relocation, installation or construction of public or private utilities, curb cuts and driveways; (b) the repair or reconstruction of any curbs, vaults, sidewalks or parkways required in connection with or damaged as a result of the Developer's construction of the Project; (c) the removal of existing pipes, utility equipment or building foundations; and (d) the termination of existing water or other utility services. The City shall have the right to approve any streetscaping provided by the Developer as part of the Project, including, without limitation, any paving of sidewalks, landscaping, and lighting.

11.4 City's Right to Inspect Property. For the period commencing on the First Closing Date and continuing through the date the City issues the Fifth Phase Completion Certificate, upon prior written notice of at least three (3) business days (except in the case of an emergency, in which event no notice is required), any duly authorized representative of the City shall have access to all portions of the Project and the Property at all reasonable times for the purpose of determining whether the Developer is constructing the Project in accordance with the terms of this Agreement and all applicable Laws.

11.5 Barricades and Signs. The Developer shall, at its sole cost and expense, erect and maintain such signs as the City may reasonably require during the Project, identifying the site as a City redevelopment project. The City reserves the right to include the name, photograph, artistic rendering of the Project and other pertinent information regarding the Developer, the Property and the Project in the City's promotional literature and communications. Prior to the commencement of any construction activity requiring barricades, the Developer shall install barricades of a type and appearance satisfactory to the City and constructed in compliance with all applicable Laws. DPD shall have the right to approve the maintenance, appearance, color scheme, painting, nature, type, content and design of all barricades. The Developer shall erect all signs and barricades so as not to interfere with or affect any bus stop or train station in the vicinity of the Property.

11.6 Survival. The provisions of this Section 11 shall survive each Closing.

SECTION 12. LIMITED APPLICABILITY.

Any approval given by DPD pursuant to this Agreement is for the purpose of this Agreement only and does not constitute the approval required by the City's Department of Buildings or any other City department, nor does such approval constitute an approval of the quality, structural soundness or safety of any improvements located or to be located on the Property, or the compliance of said improvements with any Laws, private covenants, restrictions of record, or any agreement affecting the Property or any part thereof.

SECTION 13. COMMENCEMENT AND COMPLETION OF PROJECT.

13.1 First Phase. The Developer shall commence construction of the First Phase of the Project no later than three (3) months after adoption of the Project Ordinance and shall complete the First Phase of the Project (as evidenced by the issuance of the First Phase Completion Certificate) no later than fifteen (15) months after the adoption of the Project Ordinance; provided, however, DPD, in its sole discretion, may (i) extend the construction commencement and completion dates, and (ii) accept a partial Certificate of Completion. The estimated construction schedule for the First Phase of the Project is attached hereto as Exhibit D. The Developer shall give written notice to the City within five (5) days after it commences construction. The Developer shall construct the First Phase of the Project in accordance with this Agreement, the Redevelopment Plan, Final Plans, Budget, and all Laws and covenants and restrictions of record.

13.2 Second Phase. The Developer shall commence construction of the Second Phase of the Project no later than twelve (12) months after the commencement of the First Phase of the Project and shall complete the Second Phase of the Project (as evidenced by the issuance of the Second Phase Completion Certificate) no later than fifteen (15) months after the commencement of construction on the Second Phase of the Project; provided, however, DPD, in its sole discretion, may (i) extend the construction commencement and completion dates and (ii) accept a partial Certificate of Completion, but only if the Developer has received a First Phase Certificate of Completion. The estimated construction schedule for the Second Phase is attached hereto as Exhibit E. The Developer shall give written notice to the City within five (5) days after it commences construction. The Developer shall construct the Second Phase of the Project in accordance with this Agreement, the Redevelopment Plan, Final Plans, Budget, and all Laws and covenants and restrictions of record.

13.3 Third Phase. The Developer shall commence construction of the Third Phase of the Project no later than twelve (12) months after the construction commencement of the Second Phase of the Project, and shall complete the Third Phase of the Project (as evidenced by the issuance of the Third Phase Completion Certificate) no later than fifteen (15) months after the construction commencement of the Third Phase of the Project; provided, however, DPD, in its sole discretion, may extend the construction commencement and completion dates. The estimated construction schedule for the Third Phase is attached hereto as Exhibit F. The Developer shall give written notice to the City within five (5) days after it commences construction. The Developer shall construct the Third Phase of the Project in accordance with this Agreement, the Redevelopment Plan, Final Plans, Budget, and all Laws and covenants and restrictions of record.

13.4 Fourth Phase. The Developer shall commence construction of the Fourth Phase of the Project no later than twelve (12) months after the construction commencement of the Third Phase of the Project, and shall complete the Fourth Phase of the Project (as evidenced by the issuance of the Fourth Phase Completion Certificate) no later than fifteen (15) months after the construction commencement of the Fourth Phase of the Project; provided, however, DPD, in its sole discretion, may extend the construction commencement and completion dates. The estimated construction schedule for the Fourth Phase is attached hereto as Exhibit G. The Developer shall give written notice to the City within five (5) days after it commences construction. The Developer shall construct the Fourth Phase of the Project in accordance with this Agreement, the Redevelopment Plan, Final Plans, Budget, and all Laws and covenants and restrictions of record.

13.5 Fifth Phase. The Developer shall commence construction of the Fifth Phase of the Project no later than twelve (12) months after the construction commencement of the Fourth Phase of the Project, and shall complete the Fifth Phase of the Project (as evidenced by the

issuance of the Fifth Phase Completion Certificate) no later than fifteen (15) months after the construction commencement of the Fifth Phase of the Project; provided, however, DPD, in its sole discretion, may extend the construction commencement and completion dates. The estimated construction schedule for the Fifth Phase is attached hereto as Exhibit H. The Developer shall give written notice to the City within five (5) days after it commences construction. The Developer shall construct the Fifth Phase of the Project in accordance with this Agreement, the Redevelopment Plan, Final Plans, Budget, and all Laws and covenants and restrictions of record.

SECTION 14. CERTIFICATE OF COMPLETION.

14.1 Upon satisfaction of the requirements set forth in this Section 14 for each Phase of the Project, and upon the Developer's written request, DPD shall issue to the Developer a certificate of completion for the applicable Phase ("Certificate of Completion") in recordable form certifying that the Developer has fulfilled its obligation to complete the applicable Phase of the Project in accordance with the terms of this Agreement.

14.2 A Certificate of Completion for the First Phase of the Project (the "First Phase Completion Certificate") will not be issued until the following requirements have been satisfied:

- (a) Developer has completed construction in accordance with the Final Plans and received a Certificate of Occupancy or other evidence acceptable to DPD that the First Phase of the Project is in full compliance with all building permit requirements.
- (b) Developer has obtained and recorded the Final Comprehensive Residential NFR Letter for the First Phase, if applicable, pursuant to Section 22 hereof.
- (c) There exists neither an Event of Default nor a condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default.

Notwithstanding the requirements of Section 14.2, if the Developer wishes to close on the Second Phase Parcels prior to completing construction of the First Phase of the Project, DPD may, in its sole discretion, issue a partial Certificate of Completion. Upon completion of the First Phase of the Project, DPD shall issue the First Phase Completion Certificate, which Developer shall record in the Cook County Clerk's Office, Recordings Division.

14.3 A Certificate of Completion for the Second Phase of the Project (the "Second Phase Completion Certificate") will not be issued until the following requirements have been satisfied:

- (a) The City has issued the First Phase Completion Certificate.
- (b) Developer has completed construction in accordance with the Final Plans and received a Certificate of Occupancy or other evidence acceptable to DPD that the Second Phase of the Project is in full compliance with all building permit requirements.
- (c) Developer has obtained and recorded the Final Comprehensive Residential NFR Letter for the Second Phase, if applicable, pursuant to Section 22 hereof.
- (d) There exists neither an Event of Default nor a condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default.

Notwithstanding the requirements of Section 14.3 (b)-(e), if the Developer wishes to close on the Third Phase Parcels prior to completing construction of the Second Phase of the Project, DPD may, in its sole discretion, issue a partial Certificate of Completion. Upon Completion of the Second Phase of the Project, DPD shall issue the Second Phase Completion Certificate, which Developer shall record in the Cook County Clerk's Office, Recordings Division.

14.4 A Certificate of Completion for the Third Phase of the Project (the "Third Phase Completion Certificate") will not be issued until the following requirements have been satisfied:

- (a) The City has issued the Second Phase Completion Certificate.
- (b) Developer has completed construction in accordance with the Final Plans and received a Certificate of Occupancy or other evidence acceptable to DPD that the Third Phase of the Project is in full compliance with all building permit requirements.
- (c) Developer has obtained and recorded the Final Comprehensive Residential NFR Letter for the Third Phase, if applicable, pursuant to Section 22 hereof.
- (d) There exists neither an Event of Default nor a condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default.

14.5 A Certificate of Completion for the Fourth Phase of the Project (the "Fourth Phase Completion Certificate") will not be issued until the following requirements have been satisfied:

- (a) The City has issued the Third Phase Completion Certificate.
- (b) Developer has completed construction in accordance with the Final Plans and received a Certificate of Occupancy or other evidence acceptable to DPD that the Fourth Phase of the Project is in full compliance with all building permit requirements.
- (c) Developer has obtained and recorded the Final Comprehensive Residential NFR Letter for the Fourth Phase, if applicable, pursuant to Section 22 hereof.
- (d) There exists neither an Event of Default nor a condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default.

Notwithstanding the requirements of Section 14.5 (b)-(e), if the Developer wishes to close on the Fifth Phase Parcels prior to completing construction of the Fourth Phase of the Project, DPD may, in its sole discretion, issue a partial Certificate of Completion. Upon Completion of the Fourth Phase of the Project, DPD shall issue the Fourth Phase Completion Certificate, which Developer shall record in the Cook County Clerk's Office, Recordings Division.

14.6 A Certificate of Completion for the Fifth Phase of the Project (the "Fifth Phase Completion Certificate") will not be issued until the following requirements have been satisfied:

- (a) The City has issued the Fourth Phase Completion Certificate.

(b) Developer has completed construction in accordance with the Final Plans and received a Certificate of Occupancy or other evidence acceptable to DPD that the Fifth Phase of the Project is in full compliance with all building permit requirements.

(c) Developer has obtained and recorded the Final Comprehensive Residential NFR Letter for the Fifth Phase, if applicable, pursuant to Section 22 hereof.

(d) There exists neither an Event of Default nor a condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default.

14.7 Within forty-five (45) days after receipt of a written request by the Developer for a Certificate of Completion, the City shall provide the Developer with either the Certificate of Completion or a written statement indicating in adequate detail how the Developer has failed to complete the applicable Phase in conformity with this Agreement, or is otherwise in default, and what measures or acts will be necessary, in the sole opinion of the City, for the Developer to take or perform in order to obtain the Certificate of Completion. If the City requires additional measures or acts to ensure compliance, the Developer shall resubmit a written request for the Certificate of Completion upon compliance with the City's response. The Certificate of Completion shall be in recordable form, and shall, upon recording, constitute a conclusive determination of satisfaction and termination of the covenants in this Agreement and the applicable Deed with respect to the Developer's obligations to construct the applicable Phase. The Certificate of Completion shall not, however, constitute evidence that the Developer has complied with any Laws relating to the construction of the Project, and shall not serve as any "guaranty" as to the quality of the construction. Nor shall the Certificate of Completion release the Developer from its obligation to comply with the other terms, covenants and conditions of this Agreement, except to the extent otherwise provided by this Agreement.

SECTION 15. RESTRICTIONS ON USE.

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

15.1 Non-Discrimination. The Developer shall not discriminate on the basis of race, color, sex, gender identity, age, religion, disability, national origin, ancestry, sexual orientation, marital status, parental status, military discharge status, or source of income in the sale, lease, rental, use or occupancy of the Property or the Project or any part thereof.

15.2 Compliance with Redevelopment Plan. The Developer shall use the Property in compliance with the Redevelopment Plan.

The Developer, for itself and its successors and assigns, acknowledges and agrees that the development and use restrictions set forth in this Section 15 constitute material, bargained-for consideration for the City and are intended to further the City's public policies.

SECTION 16. PROHIBITION AGAINST SALE OR TRANSFER OF CITY PROPERTY.

Prior to the issuance of a Certificate of Completion for each Phase of the Project, the Developer may not, without the prior written consent of DPD, which consent shall be in DPD's sole and absolute discretion: (a) directly or indirectly sell, transfer, convey, or otherwise dispose of all or any portion of the City Property or the Project comprising such Phase or any interest therein to any person or entity that is not an Affiliate of the Developer; or (b) directly or indirectly assign this Agreement (other than to a lender for collateral assignment purposes as permitted

under Section 17). The Developer acknowledges and agrees that DPD 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 or directors) is in violation of any Laws, or if the Developer fails to submit sufficient evidence of the financial responsibility, business background and reputation of the proposed purchaser, transferee or assignee. If the Developer is a business entity, no principal party of the Developer (e.g., a general partner, member, manager or shareholder) may sell, transfer or assign any of its interest in the entity prior to the issuance of the Fifth Phase Completion Certificate to anyone other than another principal party, without the prior written consent of DPD, which consent shall be in DPD'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.

SECTION 17. MORTGAGES AND OTHER LIENS.

17.1 Limitation Upon Encumbrance of City Property. Prior to the issuance of a Certificate of Completion for each Phase of the Project, the Developer shall not, without DPD's prior written consent, which shall be in DPD's sole discretion, engage in any financing or other transaction which would create an encumbrance or lien on the City Property comprising such Phase, except for any Lender Financing approved pursuant to Section 9, which shall be limited to funds necessary to construct that Phase of the Project.

17.2 Mortgagees Not Obligated to Construct. Notwithstanding any other provision of this Agreement or of any of the Deeds, the holder of any mortgage authorized by this Agreement (or any Affiliate of such holder) shall not itself be obligated to construct or complete the Project, or to guarantee such construction or completion, but shall be bound by the other covenants running with the land specified in Section 18 and, at the Second Closing (with respect to mortgages on the Second Phase of the Project), the Third Closing (with respect to mortgages on the Third Phase of the Project), the Fourth Closing (with respect to mortgages on the Fourth Phase of the Project), and the Fifth Closing (with respect to mortgages on the Fifth Phase of the Project) shall execute a subordination agreement in accordance with Section 10.3. If any such mortgagee or its Affiliate succeeds to the Developer's interest in any portion of the Property prior to the issuance of a Certificate of Completion for the applicable Phase, whether by foreclosure, deed-in-lieu of foreclosure or otherwise, and thereafter transfers its interest in the Property to another party, such transferee shall be obligated to complete the applicable Phase of the Project, and shall also be bound by the other covenants running with the land specified in Section 18.

SECTION 18. COVENANTS RUNNING WITH THE LAND.

The parties agree, and each Deed shall so expressly provide, that the covenants, agreements, releases and other terms and provisions contained in Section 13 (Commencement and Completion of Project), Section 15 (Restrictions on Use), Section 16 (Prohibition Against Sale or Transfer of City Property), Section 17.1 (Limitation Upon Encumbrance of City Property), and Section 22.4 (Environmental Release), touch and concern and shall be appurtenant to and shall run with the Property. 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 17 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:

<u>SECTION</u>	<u>COVENANT</u>	<u>TERMINATION</u>
§13	Completion of Project	Upon issuance of Fifth Completion Certificate
§15.1	Redevelopment Plan Compliance	Upon expiration of Redevelopment Plan
§15.2	Non-Discrimination	No limitation as to time
§16	Sale/Transfer Prohibition	Upon issuance of Certificate of Completion for each Phase of the Project
§17	Limitation on Encumbrances	Upon issuance of Certificate of Completion for each Phase of the Project
§22.4	Environmental Release	No limitation as to time

SECTION 19. PERFORMANCE AND BREACH.

19.1 Time of the Essence. Time is of the essence in the Developer's performance of its obligations under this Agreement.

19.2 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;

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

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

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

(e) 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;

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

(g) the occurrence of an event of default under the Lender Financing, which default is not cured within any applicable cure period; and

(h) the dissolution of the Developer.

19.3 Cure. If the Developer defaults in the performance of its obligations under this Agreement, the Developer shall have thirty (30) 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 of damage to the Project or to persons using the Project). Notwithstanding the foregoing or any other provision of this Agreement to the contrary, there shall be no notice requirement with respect to Events of Default described in Section 16 (Prohibition Against Transfer of City Property) or Section 17 (Limitation on Encumbrances).

19.4 Default Prior to Issuance of Certificate of Completion. If an Event of Default occurs after the First Closing, and the default is not cured in the time period provided for in Section 19.3 above, the City may terminate this Agreement and pursue and secure any available remedy against the Developer in any court of competent jurisdiction by any action or proceeding at law or in equity, including, but not limited to, damages, injunctive relief, the specific performance of the agreements contained herein, and the right to revest title to the City Property in the City pursuant to the Reconveyance Deed(s); provided, however, that the recording of the Reconveyance Deed(s) shall not defeat, render invalid, or limit in any way, the lien of any mortgage authorized by this Agreement. If the Reconveyance Deed(s) is/are recorded by the City, the Developer shall be responsible for all real estate taxes and assessments which accrued during the period the City Property was owned by the Developer, and the Developer shall cause the release of all unpermitted liens or encumbrances placed on the City Property during the period of time the City Property was owned by the Developer. The Developer will cooperate with the City to ensure that if the City records the Reconveyance Deed(s), such recording is effective for purposes of transferring title to the City 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 City Property to the Developer and any subsequent liens or exceptions expressly authorized by this Agreement or approved by the Commissioner in accordance with the terms of this Agreement.

19.5 Resale of the City Property. Upon the reconveyance of the City Property to the City as provided in Section 19.4, the City may complete the Project at its own cost (if the Project has not been completed) or convey the City Property to a qualified and financially responsible party reasonably acceptable to the first mortgagee (if any), who (at its own cost) shall assume the obligation of completing the Project or such other improvements as shall be satisfactory to DPD (if the Project has not been completed), and otherwise comply with the covenants that run with the land as specified in Section 18.

19.6 Disposition of Resale Proceeds. If the City sells the City Property as provided for in Section 19.5, the net proceeds from the sale, after payment of all amounts owed under any mortgage liens authorized by this Agreement in order of lien priority, shall be utilized to reimburse the City for:

- (a) costs and expenses incurred by the City (including, without limitation, salaries of personnel) in connection with the recapture, management and resale of the Property (less any income derived by the City from the City Property in connection with such management); and
- (b) all costs to remediate the City Property; and
- (c) all unpaid taxes, assessments, and water and sewer charges assessed against the City Property; and
- (d) any payments made (including, without limitation, reasonable attorneys' fees and court costs) to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults or acts of the Developer; and
- (e) any expenditures made or obligations incurred with respect to construction or maintenance of the Project; and
- (f) the dollar amount by which the City wrote-down the value of the City Property when the City conveyed the City Property to the Developer, if any; and
- (g) any other amounts owed to the City by the Developer.

The Developer shall be entitled to receive any remaining proceeds up to the amount of the Developer's equity investment in the City Property.

SECTION 20. CONFLICT OF INTEREST; CITY'S REPRESENTATIVES NOT INDIVIDUALLY LIABLE.

The Developer represents and warrants that no agent, official or employee of the City shall have any personal interest, direct or indirect, in the Developer, this Agreement, the Property or the Project, nor shall any such agent, official or employee participate in any decision relating to this Agreement which affects his or her personal interests or the interests of any corporation, partnership, association or other entity in which he or she is directly or indirectly interested. No agent, official, director, officer, trustee or employee of the City or the Developer shall be personally liable in the event of any default under or breach of this Agreement or for any amount which may become due with respect to any commitment or obligation of the City under the terms of this Agreement.

SECTION 21. INDEMNIFICATION.

The Developer agrees to indemnify, pay, defend and hold the City, and its elected and appointed officials, employees and agents (individually, an "Indemnatee," and collectively the "Indemnitees") harmless from and against any and all Losses in connection with any investigative, administrative or judicial proceeding commenced or threatened, whether or not such Indemnitees

shall be designated a party thereto, that may be imposed upon, suffered, incurred by or asserted against the Indemnitees in any manner relating to or arising out of: (a) the failure of the Developer to comply with any of the terms, covenants and conditions applicable to the Developer and contained within this Agreement; (b) the failure of the Developer or any Agent of the Developer to pay contractors, subcontractors or material suppliers in connection with the construction and management of the Project; (c) any misrepresentation or omission made by the Developer or any Agent in connection with this Agreement; (d) the failure of the Developer to redress any misrepresentation or omission in this Agreement or any other document relating hereto; and (e) any activity undertaken by the Developer or any Agent or Affiliate of the Developer on the Property prior to or after the Closing. This indemnification shall survive the Closing and any termination of this Agreement (regardless of the reason for such termination).

SECTION 22. ENVIRONMENTAL MATTERS.

22.1 "AS IS" SALE. THE DEVELOPER ACKNOWLEDGES THAT IT HAS HAD AN ADEQUATE OPPORTUNITY TO INSPECT THE CITY PROPERTY AND EVALUATE THE STRUCTURAL, PHYSICAL AND ENVIRONMENTAL CONDITIONS AND RISKS OF THE CITY PROPERTY AND ACCEPTS THE RISK THAT ANY INSPECTION MAY NOT DISCLOSE ALL MATERIAL MATTERS AFFECTING THE CITY PROPERTY (AND ANY IMPROVEMENTS THEREON). THE DEVELOPER ACKNOWLEDGES THAT IT IS RELYING SOLELY UPON ITS OWN INSPECTION AND OTHER DUE DILIGENCE ACTIVITIES IN DECIDING WHETHER TO ACQUIRE THE CITY PROPERTY, 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 ACKNOWLEDGES AND AGREES THAT THE CITY PROPERTY IS BEING CONVEYED, AND THE DEVELOPER AGREES TO ACCEPT THE CITY PROPERTY, IN ITS "AS IS," "WHERE IS" AND "WITH ALL FAULTS" CONDITION AT CLOSING, WITHOUT ANY COVENANT, REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, OF ANY KIND, AS TO THE STRUCTURAL, PHYSICAL OR ENVIRONMENTAL CONDITION OF THE CITY PROPERTY (OR ANY IMPROVEMENTS THEREON), ITS COMPLIANCE WITH ANY LAWS, OR THE SUITABILITY OR MERCHANTABILITY OF THE CITY PROPERTY FOR ANY PURPOSE WHATSOEVER. THE DEVELOPER ACKNOWLEDGES AND AGREES THAT IT IS SOLELY RESPONSIBLE FOR ANY INVESTIGATION AND REMEDIATION WORK NECESSARY TO PUT THE CITY PROPERTY IN A CONDITION WHICH IS SUITABLE FOR ITS INTENDED USE.

22.2 Environmental Investigation. The City shall grant the Developer the right, at its sole cost and expense, and in the City's customary form and subject to City's receipt from Developer of required documentation (e.g., evidence of insurance and an Economic Disclosure Statement and Affidavit), to enter the City Property to perform any surveys, environmental assessments, soil tests and other due diligence it deems necessary or desirable to satisfy itself as to the condition of the City Property; provided, however, that the City shall have the right to review and approve the scope of work for any environmental testing. If the Developer determines that it is not satisfied, in its sole and absolute discretion, with the condition of the City Property, it may terminate this Agreement by written notice to the City any time prior to the Closing Date, whereupon this Agreement shall be null and void and, except as otherwise specifically provided, neither Party shall have any further right, duty or obligation hereunder. If the Developer elects not to terminate this Agreement pursuant to this Section 22.2, the Developer shall be deemed satisfied with the condition of the City Property.

22.3 Environmental Remediation. The Developer obtained a Phase I ESA of the Property dated September 13, 2022, which identified several Recognized Environmental Conditions ("RECs"). As a result of these findings, the Developer obtained a Phase II ESA to ascertain the presence of any environmental impacts associated with the RECs. The Phase II ESA identified contamination above residential remediation objectives as determined by 35 Ill. Adm. Code Part 742. The Developer shall enroll the Property (or the applicable portion thereof) in the SRP and take all necessary and proper steps to obtain written approval from the IEPA of a RAP ("RAP Approval Letter"). The Developer acknowledges and agrees that it may not commence construction on the Property or commence any other activity on the Property that could interfere with the prompt start and completion of the RAP until the IEPA issues the RAP Approval Letter for the Property. Upon receipt of the RAP Approval Letter, the Developer covenants and agrees to promptly commence and complete all Remediation Work necessary to obtain a Final Comprehensive Residential NFR Letter for the Property using all reasonable means. The City shall have the right to review in advance and approve all documents submitted to the IEPA under the SRP, as amended or supplemented from time to time, including, without limitation, the SRP Documents and any changes thereto, and the Developer's estimate of the cost to perform the Remediation Work. The City must be named in a reliance letter for all environmental assessments prepared for the Property. The Developer shall bear sole responsibility for all costs of the Remediation Work necessary to obtain the Final Comprehensive Residential NFR Letter, and any other investigative and cleanup costs associated with the Property, subject to reimbursement of Approved Project Costs from Escrow Funds in accordance with this Agreement and the Escrow Agreement. The Developer shall remove any soil or soil gas not meeting the requirements of 35 Ill. Adm. Code Section 742.305. In addition, the Developer shall remove and close any identified underground storage tanks ("USTs") in accordance with applicable regulations, including 41 Ill. Adm. Code Part 175, and shall properly address any leaking USTs in accordance with 35 Ill. Adm. Code Part 734. The Developer shall promptly transmit to the City copies of all Environmental Documents prepared or received with respect to the Remediation Work, including, without limitation, any written communications delivered to or received from the IEPA or other regulatory agencies. The Developer acknowledges and agrees that the City will not issue a Certificate of Completion or permit occupancy of the Project until the IEPA has issued, 2FM has approved (which approval will not be unreasonably withheld), and the Developer has recorded a Final Comprehensive Residential NFR Letter for the Property with the Cook County Clerk's Office. If the Developer fails to obtain the Final Comprehensive Residential NFR Letter within six (6) months of the submission of the Remedial Action Completion Report ("RACR") to the IEPA, unless the City has agreed to extend such time period, then the City shall have the right to record a notice of default of this RDA against the Property. The Developer must abide by the terms and conditions of the Final Comprehensive Residential NFR Letter.

22.4 Release and Indemnification. The Developer, on behalf of itself and the other Developer Parties, or anyone claiming by, through, or under the Developer Parties, hereby releases, relinquishes and forever discharges the City 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 Closing Date, based upon, arising out of or in any way connected with, directly or indirectly (a) any environmental contamination, pollution or hazards associated with the Property or any improvements, facilities or operations located or formerly located thereon, including, without limitation, any release, emission, discharge, generation, transportation, treatment, storage or disposal of Hazardous Substances, or threatened release, emission or discharge of Hazardous Substances; (b) the structural, physical or environmental condition of the Property, including, without limitation, the presence or suspected presence of Hazardous

Substances in, on, under or about the Property or the migration of Hazardous Substances from or to other property, unless the Hazardous Substances migrate from property owned by the City to the Property; (c) any violation of, compliance with, enforcement of or liability under any Environmental Laws, including, without limitation, any Losses arising under CERCLA, 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 Property or any improvements, facilities or operations located or formerly located thereon (collectively, "Released Claims"). Furthermore, the Developer shall defend (through an attorney reasonably acceptable to the City), indemnify, and hold the City harmless from and against any and all Losses which may be made or asserted by any third parties (including, without limitation, any of the Developer Parties) arising out of or in any way connected with, directly or indirectly, any of the Released Claims.

22.5 Release Runs with the Land. The covenant of release in Section 22.4 shall run with the Property, and shall be binding upon all successors and assigns of the Developer with respect to the Property, 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 Property 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 Property to the Developer for the Purchase Price. It is expressly agreed and understood by and between the Developer and the City that, should any future obligation of the Developer, or any of the Developer Parties, arise or be alleged to arise in connection with any environmental, soil or other condition of the Property, neither the Developer, nor any of the Developer Parties, will assert that those obligations must be satisfied in whole or in part by the City because Section 22.4 contains a full, complete and final release of all such claims.

22.6 Survival. This Section 22 shall survive the Closing or any termination of this Agreement (regardless of the reason for such termination).

SECTION 23. DEVELOPER'S EMPLOYMENT OBLIGATIONS.

23.1 Employment Opportunity. The Developer agrees, and shall contractually obligate its various contractors, subcontractors and any Affiliate of the Developer operating on the Property (collectively, the "Employers" and individually, an "Employer") to agree, that with respect to the provision of services in connection with the construction of the Project:

(a) Neither the Developer nor any 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, Section 2-160-010 et seq. of the Municipal Code, as amended from time to time (the "Human Rights Ordinance"). The Developer and each Employer shall take affirmative action to ensure that applicants are hired and employed without discrimination based upon the foregoing grounds, 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. The Developer and 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 Developer and each Employer, in all solicitations or advertisements for employees, shall state that all qualified applicants shall receive consideration for employment without discrimination based upon the foregoing grounds.

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

(c) The Developer and each Employer shall comply with all federal, state and local equal employment and affirmative action statutes, rules and regulations, including, without limitation, the Human Rights Ordinance and the Illinois Human Rights Act, 775 ILCS 5/1-101 et seq. (1993), both as amended from time to time, and any regulations promulgated thereunder.

(d) The Developer, in order to demonstrate compliance with the terms of this Section 23.1, shall cooperate with and promptly and accurately respond to inquiries by the City, which has the responsibility to observe and report compliance with equal employment opportunity regulations of federal, state and municipal agencies.

(e) The Developer and each Employer shall include the foregoing provisions of subparagraphs (a) through (d) in every contract entered into in connection with the construction of 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.

Failure to comply with the employment obligations described in this Section 23.1 shall be a basis for the City to pursue remedies under the provisions of Section 19.

SECTION 24. REPRESENTATIONS AND WARRANTIES.

24.1 Representations and Warranties of the Developer. To induce the City to execute this Agreement and perform its obligations hereunder, the Developer represents, warrants and covenants as follows:

(a) The Developer is an Illinois limited liability company duly organized, validly existing, and in good standing under the laws of the State of Illinois. The Developer is in good standing and authorized to do business in the State of Illinois. The Developer has the full power and authority to acquire, own and redevelop the Property, and the person signing this Agreement on behalf of the Developer has the authority to do so.

(b) All certifications and statements contained in the Economic Disclosure Statement submitted to the City by the Developer are true, accurate and complete.

(c) The Developer has the right, power and authority to enter into, execute, deliver and perform this Agreement. The Developer's execution, delivery and performance of this Agreement, and all instruments and agreements contemplated hereby, have been duly authorized by all necessary action, and do not and will not violate the Developer's

articles of incorporation or bylaws (as amended and supplemented), or any applicable Laws, nor will such execution, delivery and performance, upon the giving of notice or lapse of time or both, result in a breach or violation of, or constitute a default under, or require any consent under, any other agreement, instrument or document to which the Developer, or any party affiliated with the Developer, is a party or by which the Developer or the Property is now or may become bound.

(d) No action, litigation, investigation or proceeding of any kind is pending or threatened against the Developer or any party affiliated with the Developer, by or before any court, governmental commission, board, bureau or any other administrative agency, and the Developer know of no facts which could give rise to any such action, litigation, investigation or proceeding, which could: (i) affect the ability of the Developer to perform its obligations hereunder; or (ii) materially affect the operation or financial condition of the Developer.

(e) The Developer is now and for the term of this Agreement shall remain solvent and able to pay its debts as they mature.

(f) The Developer shall procure and maintain all Governmental Approvals necessary to construct, complete and operate the Project.

(g) The Developer is not in default in any material respect with respect to any indenture, loan agreement, mortgage, note or any other agreement or instrument related to the borrowing of money to which the Developer is a party or by which the Developer is bound.

(h) The Project will not violate: (i) any applicable Laws, including, without limitation, any zoning and building codes; or (ii) any building permit, restriction of record or other agreement affecting the Property.

(i) The Developer has performed a Phase I environmental site assessment of the Property in accordance with the requirements of the ASTM E 1527-13 standard and other environmental studies sufficient to conclude that the Project may be completed and operated in accordance with all Environmental Laws and this Agreement.

(j) The Developer has not made or caused to be made, directly or indirectly, any payment, gratuity or offer of employment in connection with this Agreement or any contract paid from the City treasury or pursuant to City ordinance, for services to any City agency ("City Contract") as an inducement for the City to enter into this Agreement or any City Contract with the Developer in violation of Chapter 2-156-120 of the Municipal Code of the City.

(k) Neither the Developer or any Affiliate of the Developer is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable Laws: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

24.2 Representations and Warranties of the City. To induce the Developer to execute this Agreement and perform its obligations hereunder, the City hereby represents and warrants

to the Developer that the City has authority under its home rule powers to execute and deliver this Agreement and perform the terms and obligations contained herein.

24.3 Survival of Representations and Warranties. Each of the Parties agrees that all warranties, representations, covenants and agreements contained in this Section 24 and elsewhere in this Agreement are true, accurate and complete as of the Effective Date and shall survive the Effective Date and shall be in effect until the issuance of the Certificate of Completion.

SECTION 25. NOTICES.

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

If to the City: City of Chicago
Department of Planning and Development
121 North LaSalle Street, Room 1000
Chicago, Illinois 60602

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

If to the Developer: Kamau Murray
Center Court Development, LLC
11740 South Longwood
Chicago, Illinois 60643
872-226-3067
Kamau_murray@msn.com

With a copy to: _____

Any notice, demand or communication given pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon confirmed transmission by facsimile, respectively, provided that such facsimile transmission is confirmed as having occurred prior to 5:00 p.m. on a business day. If such transmission occurred after 5:00 p.m. on a business day or on a non-business day, it shall be deemed to have been given on the next business day. Any notice, demand or communication given pursuant to clause (c) shall be deemed received on the business day immediately following deposit with the overnight courier. Any notice, demand or communication sent pursuant to clause (d) shall be deemed received three (3) Business Days after mailing. The parties, by notice given hereunder, may designate any further or different addresses to which subsequent notices, demands or communications shall be given. The refusal to accept delivery by any party or the inability to deliver any communication because of a changed address of which no notice has been given in accordance with this Section 25 shall constitute delivery.

SECTION 26. BUSINESS RELATIONSHIPS.

The Developer acknowledges (a) receipt of a copy of Section 2-156-030 (b) of the Municipal Code, (b) that it has read such provision and understands that pursuant to such Section 2-156-030 (b) it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code), 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.

SECTION 27. PROHIBITION ON CERTAIN CONTRIBUTIONS PURSUANT TO MAYORAL EXECUTIVE ORDER NO. 2011-4.

27.1 The Developer agrees that the Developer, any person or entity who directly or indirectly has an ownership or beneficial interest in the Developer of more than 7.5 percent ("Owners"), spouses and domestic partners of such Owners, the Developer's contractors (i.e., any person or entity in direct contractual privity with the Developer regarding the subject matter of this Agreement) ("Contractors"), any person or entity who directly or indirectly has an ownership or beneficial interest in any Contractor of more than 7.5 percent ("Sub-owners") and spouses and domestic partners of such Sub-owners (such Owners and all other preceding classes of persons and entities, collectively the "Identified Parties"), shall not make a contribution of any amount to the Mayor of the City of Chicago 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.

27.2 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.

27.3 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.

27.4 The Developer agrees that the Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 2011-4 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 05-1.

27.5 Notwithstanding anything to the contrary contained herein, the Developer agrees that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this Section 27 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.

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

27.7 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; (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, as amended.

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

(i) they are each other's sole domestic partner, responsible for each other's common welfare; and

(ii) neither party is married; and

(iii) the partners are not related by blood closer than would bar marriage in the State of Illinois; and

(iv) each partner is at least 18 years of age, and the partners are the same sex, and the partners reside at the same residence; and

(v) two of the following four conditions exist for the partners:

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

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

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

- (A) joint ownership of a motor vehicle;
- (B) joint credit account;
- (C) a joint checking account;
- (D) a lease for a residence identifying both domestic partners as tenants.

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

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

SECTION 28. INSPECTOR GENERAL.

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

SECTION 29. WASTE ORDINANCE PROVISIONS.

In accordance with Section 11-4-1600(e) of the Municipal Code, the 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 (the “Waste Sections”). During the period while this Agreement is executory, any violation of the Waste Sections by the Developer, its General Contractor or any subcontractor, 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 discretion of the Commissioner of DPD. Such breach and default entitles the City to all remedies under this Agreement, at law or in equity. This section does not limit the duty of the Developer, the General Contractor and any subcontractors to comply with all applicable Laws, 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.

SECTION 30. 2014 CITY HIRING PLAN

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

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

or otherwise recognize an employer-employee relationship of any kind between the City and any personnel provided by the Developer.

30.3 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.

30.4 In the event of any communication to the Developer by a City employee or City official in violation of Section 32.2 above, or advocating a violation of Section 32.3 above, the 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 (the "OIG"), 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 the OIG.

SECTION 31. FAILURE TO MAINTAIN ELIGIBILITY TO DO BUSINESS WITH THE CITY.

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

SECTION 32. MISCELLANEOUS.

The following general provisions govern this Agreement:

32.1 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.

32.2 Cumulative Remedies. The remedies of any party hereunder are cumulative and the exercise of any one or more of such remedies shall not be construed as a waiver of any other remedy herein conferred upon such party or hereafter existing at law or in equity, unless specifically so provided herein.

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

32.4 Entire Agreement; Modification. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes any prior agreements, negotiations and discussions. This Agreement may not be modified or amended in any manner without the prior written consent of the parties hereto. No term of this Agreement

may be waived or discharged orally or by any course of dealing, but only by an instrument in writing signed by the party benefited by such term.

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

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

32.7 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

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

32.9 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.

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

32.11 Severability. If any term of this Agreement or any application thereof is held invalid or unenforceable, the remainder of this Agreement shall be construed as if such invalid part were never included herein and this Agreement shall be and remain valid and enforceable to the fullest extent permitted by law.

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

32.13 Attorney Review. The parties acknowledge that this Agreement will have important legal consequences and imposes significant requirement on each party. Accordingly, the parties acknowledge that they have considered retaining or have retained legal counsel to review this Agreement and that each party has been provided with adequate time to obtain such review. Furthermore, the terms of this Agreement are not to be construed against any party because that party drafted the Agreement or construed in favor of any party because that party failed to understand the legal effect of the provisions on this Agreement.

(Signature Page Follows)

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

CITY OF CHICAGO, an Illinois municipal corporation

By: _____

Commissioner
Department of Planning and Development

CENTER COURT DEVELOPMENT, LLC, an Illinois
limited liability company

By: _____

Kamau Murray
Its Manager

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

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

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 Commissioner of the Department of Planning and Development of the City of Chicago, an Illinois municipal corporation, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that, as such Commissioner, she signed and delivered the foregoing instrument, pursuant to authority given by the City of Chicago, as her free and voluntary act and as the free and voluntary act and deed of said municipal corporation, for the uses and purposes therein set forth.

GIVEN under my notarial seal this _____ day of _____, 2025.

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 Kamau Murray, the Manager of Center Court Development, LLC, an Illinois 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 signed and delivered the foregoing instrument pursuant to authority given by said _____, as his free and voluntary act and as the free and voluntary act and deed of said _____, for the uses and purposes therein set forth.

GIVEN under my notarial seal this ____ day of _____, 2025.

NOTARY PUBLIC

LIST OF EXHIBITS

- Exhibit A: Legal Description of Property
- Exhibit B: List of City Property Parcels and their Appraisal Values
- Exhibit C: Preliminary Drawings
- Exhibit D: Phase I Construction Schedule
- Exhibit E: Phase II Construction Schedule
- Exhibit F: Phase III Construction Schedule
- Exhibit G: Phase IV Construction Schedule
- Exhibit H: Phase V Construction Schedule
- Exhibit I: Escrow Agreement
- Exhibit J: Summary of Phases