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REDEVELOPMENT AGREEMENT  
NEW HOMES FOR CHICAGO  
CONDOMINIUM REHABILITATION PROGRAM  
INVESTMENT MANAGEMENT CORPORATION

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

Mark Lenz  
Assistant Corporation Counsel  
City of Chicago  
30 North LaSalle Street  
Room 1610  
Chicago, Illinois 60602  
312/744-1041

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REDEVELOPMENT AGREEMENT  
NEW HOMES FOR CHICAGO  
CONDOMINIUM REHABILITATION PROGRAM  
INVESTMENT MANAGEMENT CORPORATION

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REDEVELOPMENT AGREEMENT  
NEW HOMES FOR CHICAGO  
CONDOMINIUM REHABILITATION PROGRAM  
INVESTMENT MANAGEMENT CORPORATION

This Agreement ("Agreement"), dated as of November 15, 2000 is made by and between the City of Chicago, an Illinois municipal corporation, having its offices at City Hall, 121 North LaSalle Street, Chicago, Illinois 60602 ("City") and Investment Management Corporation, an Illinois not for profit corporation, having its principal office at 1 East Superior Street, Suite 604, Chicago, Illinois 60611 ("Developer").

## RECITALS

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

B. The City Council of the City, by Ordinance adopted September 1, 1999 (C.J.P. pgs. 10121-10129), established the New Homes for Chicago Condominium Rehabilitation Program ("New Homes CondoProgram") to promote the rehabilitation of existing buildings for the development and sale of high quality, owner-

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occupied, single family units under a condominium form of ownership which shall be affordable to many families.

C. Developer has previously submitted an application package to the Department of Housing of the City of Chicago ("DOH") describing its proposal for participation in the New Homes Condo Program by developing owner-occupied condominium housing in the Rogers Park neighborhood of the City.

D. Based in part on the representations and proposals contained in Developer's application package, the City Council of the City, by Ordinance adopted August 30, 2000 (C.J.P. pgs. 39741-39746), approved the selection of Developer for participation in the New Homes Condo Program and approved the allocation of Development Subsidy funds (as defined below) to subsidize certain development costs associated with the Project (as defined below).

E. Developer, subject to the terms of the Agreement, shall undertake to complete the construction of up to thirty (30) residential condominium units in that certain building ("Building") presently improving the property located at 7715-21 North Hermitage Avenue, Chicago, and legally described on Exhibit A attached hereto ("Property"). The construction of these residential condominium units by Developer pursuant to the terms of the Agreement shall be referred to as the "Project". For purposes of this Agreement, the residential condominium units

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shall be referred to singularly as a "Unit" and collectively as the "Units". Parking for the condominium owners shall be provided on those certain lots adjacent to the Building which shall be mutually agreed upon by the City and Developer.

F. In accordance with the terms and conditions of the Agreement, Developer shall also receive waivers of certain City fees and deposits relating to new construction as described on Exhibit B attached hereto.

G. The Units constituting the Project shall be constructed by Developer utilizing in part a development subsidy ("Development Subsidy") derived from City corporate funds not to exceed the sum of Ten Thousand Dollars (\$10,000) for each Unit. This sum shall be paid by the City to Developer at the closing and conveyance of the Unit to a homebuyer ("Homebuyer") whose household income has been determined to be income eligible under the New Homes Condo Program. Notwithstanding the above, the parties acknowledge and agree that the aggregate amount of the Development Subsidy described in this paragraph to be made available to Developer pursuant to the Agreement shall not exceed the sum of Three Hundred Thousand Dollars (\$300,000).

H. Pursuant to the terms and conditions of the Agreement, if at the closing it is determined that the Homebuyer has a household income at or below eighty percent (80%) of median income for the Chicago P.M.S.A., the City, as an alternative to

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the utilization of Development Subsidy funds as described in Paragraph G above, may utilize sums derived from an allocation to the City of Community Development Block Grant ("C.D.B.G.") funds pursuant to Title I of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. Sect. 5301 et seq. (1998)

("C.D.B.G. Act") and the regulations promulgated thereto in 24 C.F.R. Part 570 ("C.D.B.G. Regulations"), in an amount not to exceed the sum of Ten Thousand Dollars (\$10,000), to facilitate the purchase of the Unit by the Homebuyer. Notwithstanding the above, the parties acknowledge and agree that the aggregate amount of the C.D.B.G funds described in this paragraph H to be made available pursuant to the Agreement shall not exceed the sum of Three Hundred Thousand Dollars (\$300,000). The use of C.D.B.G. funds under the New Homes Condo Program shall be governed by the terms and conditions of the C.D.B.G. Act and the C.D.B.G. Regulations promulgated thereunder, and by the terms and conditions of the enabling ordinance for the New Homes Condo Program.

I. In undertaking this Project, Developer agrees to comply with the provisions of the Illinois Condominium Property Act, 765 ILCS 605/1 et seq. (1998) ("Condominium Act").

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

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

## DEFINITIONS

For all purposes of the Agreement, each of the following terms shall have the respective meaning assigned to it as follows:

**Affidavits:** Those certain affidavits executed by Developer dated May 5, 2000, as re-certified to the City on November 15, 2000 consisting of an economic disclosure statement, anti-scofflaw affidavit, certification regarding lobbying and any other customary affidavit or certification required by the City in connection with the New Homes Condo Program.

**Building:** The building and other improvements presently improving the Property and which shall be redeveloped by Developer through the creation of Units pursuant to the terms and conditions of the Agreement and the New Homes Condo Program.

**C.D.B.G. Act:** Title I of the Housing and Community Development Act, 42 U.S.C. Section 5301 et seq. (1998).

**C.D.B.G. Regulations:** Those certain federal regulations governing the use of C.D.B.G. funds, as codified in 24 C.F.R. Part 570.

**Certificate:** The certificate of compliance to be issued by the City pursuant to Section 4.8 below.



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**City:** The City of Chicago, an Illinois municipal corporation.

**Commissioner:** The Commissioner of Housing of the City of Chicago.

**Condominium Act:** The Illinois Condominium Property Act, 765 ILCS 605/1 et seq. (1998).

**Construction Lender:** Developer's construction lender as more fully described in Section 4.5 below.

**Construction Loan:** That certain construction loan obtained by Developer from the Construction Lender as more fully described in Section 4.5 below.

**Debarment Certificate:** The certificate executed by Developer attesting that neither Developer nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this Project or in C.D.B.G. assisted projects generally.

**Developer:** Investment Management Corporation, an Illinois not for profit corporation.

**DOH:** City of Chicago Department of Housing.

**First Mortgage:** That certain mortgage created by Developer and Developer's construction lender in accordance with the terms of Section 4.5 below.

**Inspector:** The independent inspecting architect employed by the Construction Lender and approved by the City, or if there is

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no Construction Lender, employed by the City, pursuant to Section 4.5 below.

**New Homes Condo Program:** The New Homes for Chicago Condominium Rehabilitation Program of the City of Chicago, as created by ordinance of the City Council of the City of Chicago adopted September 1, 1999.

**P.M.S.A.:** The Primary Metropolitan Statistical Area.

**Project:** The construction of up to thirty (30) residential condominium units by Developer pursuant to the terms of the Agreement.

**Property:** That certain lot located at 7715-21 North Hermitage Avenue in Chicago, Illinois, which is presently owned by Developer and improved by the Building, which is to be redeveloped by Developer pursuant to the terms of the Agreement. The Property is legally described on Exhibit A attached hereto.

**Title Company:** That certain title company selected by Developer and the City pursuant to the terms of the Agreement.

**Units:** The residential condominium units to be constructed by Developer pursuant to the terms of the Agreement.

**Working Drawings and Specifications:** The final working drawings and specifications (including space layout, open space and landscaping plans) to be prepared for Developer with regard to the construction of the condominium units in the Building to

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be developed under the Project, a list of which is attached hereto as Exhibit C.

## SECTION I

### INCORPORATION OF RECITALS AND DEFINITIONS

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

## SECTION II

### COVENANTS, REPRESENTATIONS AND WARRANTIES

#### 2.1 Covenants, Representations and Warranties of Developer.

To induce the City to execute the Agreement and perform the obligations of the City hereunder and by executing and delivering this Agreement, Developer hereby covenants, represents and warrants to the City as follows:

- (a) Developer is a duly organized and existing not for profit corporation in good standing under the laws of the State of Illinois. The Articles of Incorporation and By-laws of Developer are dated as of March 29, 1993, certified copies of which have been delivered to the DOH. Developer agrees that the Articles of Incorporation and By-laws, insomuch as they affect the performance of Developer pursuant to the terms of this

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Agreement, shall not be modified or amended without the express written consent of the DOH.

- (b) To the best of Developer's knowledge, no litigation or proceedings are pending, or are threatened against Developer, or any party affiliated with Developer, which could: (i) adversely affect the ability of Developer to perform its obligations pursuant to and as contemplated by the terms and provisions of the Agreement; or (ii) adversely materially affect the operation or financial condition of Developer.
- (c) To the best of Developer's knowledge, the execution, delivery and performance by Developer of the Agreement have not constituted or will not, upon the giving of notice or lapse of time, or both, constitute a breach or default under any other agreement to which Developer, or any party affiliated with Developer is a party or may be bound or affected, or a violation of any law, regulation or court order (including, without limitation, the Condominium Act, the C.D.B.C. Act and the C.D.B.G. Regulations) which currently affects the Project, any part thereof, any interest therein or the use thereof.
- (d) The parties executing the Agreement on behalf of Developer have been duly authorized by all appropriate

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action to enter into, execute and deliver the Agreement and to cause Developer to perform the terms and obligations contained herein.

- (e) To the best of Developer's knowledge, the construction of the Units, and the development of the Project, as proposed by Developer pursuant to the terms of its application package for participation in the and the terms of this Agreement, do not currently violate:
- (i) any statute, law, regulation, rule, ordinance or executive or judicial order of any kind (including, without limitation, the Condominium Act, the C.D.B.G. Act, the C.D.B.G. Regulations, all zoning and building laws, ordinances, codes or approvals and environmental protection laws or regulations); or
  - (ii) any building permit, restriction of record or any agreement affecting the Property or any part thereof.
- (f) Except as otherwise provided in the Agreement, Developer shall not, without the prior written consent of the DOH, which the DOH may withhold in its sole discretion: (i) grant, suffer or permit any lien, claim or encumbrance upon the Property or any portion thereof (unless Developer has taken such appropriate action to cause the Title Company to insure over any title encumbrances caused by such liens or claims);

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(ii) permit or suffer any levy, attachment, claim or restraint to be made affecting the Property or any portion thereof; or (iii) enter into any transaction not in the ordinary course of business of Developer which materially or adversely affects Developer's ability to perform its obligations under the terms of the Agreement.

- (g) Developer has agreed to comply with the terms of: (1) those certain covenants described in Section IV below; (2) the Affidavits and the Debarment Certificate; and (3) the employment obligations described in Section VI below.

## **2.2 Representations and Warranties of the City.**

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

## **2.3 Survival of Covenants, Representations and Warranties.**

Developer agrees that all of its covenants, representations and warranties, and the City agrees that all of its representations and warranties, set forth in this Section II or elsewhere in the Agreement are true as of the execution date of

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the Agreement and will be true in all material respects at all times hereafter, except with respect to matters which from time to time are or have been disclosed in writing to and approved by the other party.

## SECTION III

### THE CONSTRUCTION OF THE PROJECT

#### 3.1 Schedule of Construction Progress/Conditions Precedent to Commencement of the Project.

(a) Schedule. In accordance with the terms of the Agreement, Developer shall construct the Units constituting the Project (which shall not collectively exceed thirty (30) in the aggregate) in the Building Improving the Property. Developer shall develop the Units constituting the Project in accordance with that certain construction timetable schedule dated as of November 15, 2000 ("Schedule"), prepared by Developer, approved by the DOH, and attached hereto as Exhibit D. The Schedule shall represent an estimate of the number of Units to be completed by Developer by the expiration of certain time periods within the eighteen (18) month time frame for commencement and completion of the Project as described further in Section 3.7 below. If Developer fails to achieve its production of the number of Units in accordance with the Schedule, the City and Developer agree that the corresponding amount of Development Subsidy funds allocated to the Project may be released from the terms of this

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Agreement and thereafter be made available to the City for alternative redevelopment plans.

Developer covenants that the Building shall be redeveloped with Units and common areas in accordance with the Working Drawings and Specifications developed for the Building as approved by the DOH as described further in Section 3.2 below. Upon completion of the construction of each Unit, the City shall issue to Developer the Certificate in accordance with Section 3.8 below.

(b) Conditions Precedent to Commencement. The Project shall not be commenced by Developer until Developer has achieved the following:

(1) approval by the DOH of Developer's Working Drawings and Specifications for the Building (as described in Section 3.2 below);

(2) approval by the DOH of Developer's Budget (as defined in Section 3.5 below);

(3) approval by the DOH of Developer's Financing (as defined in Section 3.5 below);

(4) evidence that the redevelopment of the Building complies with the zoning provisions of the Chicago Zoning Ordinance (including, without limitation and as necessary, the adoption by the City Council of an amendment to the Zoning



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Ordinance and compliance with the parking requirements under the Chicago Zoning Ordinance);

(5) approval by the DOH of the form of declaration of condominium ownership ("Declaration"); and

(6) receipt by Developer of a building permit with regard to the redevelopment of the Building.

If the conditions described in this Section 3.1(b) are not achieved by Developer within three (3) months of the execution date of the Agreement (except in the instance of an occurrence of any Permitted Delay as described in Section 5.2 below), then the Agreement, at the option of the City, shall become null and void and the City shall be under no further obligation to Developer.

**3.2 Working Drawings and Specifications.** Developer's list of Working Drawings and Specifications dated November 15, 2000, containing the preliminary plans and drawings (including space layout, open space and landscaping plans) with regard to the construction of the Units and the development of the Building (including provisions for common elements and a landscaping plan) to be redeveloped as part of the Project, are approved by the DOH and listed on Exhibit C attached hereto. Within thirty (30) days of the execution date of the Agreement, Developer shall submit to the DOH for its approval Developer's proposed final working drawings and specifications with regard to the Project. The DOH

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shall have thirty (30) days within which to approve or reject said drawings and specifications. If the DOH rejects the drawings and specifications, Developer shall have sixty (60) days in order to prepare said documents consistent with the requirements of the DOH and resubmit them to the DOH for its approval. The DOH shall thereafter have thirty (30) days within which to approve or reject said drawings and specifications. Upon the approval of the DOH, said drawings and specifications shall be considered final Working Drawings and Specifications for purposes of the Agreement.

Should Developer, subsequent to the execution date of the Agreement, wish to redevelop the Building (or part thereof) differently than as reflected in the pertinent Working Drawings and Specifications listed on Exhibit C attached hereto, Developer shall submit to the DOH for its approval Developer's final design drawings and specifications for said Building. The DOH shall have thirty (30) days within which to approve or reject said drawings and specifications. If the DOH rejects the drawings and specifications, Developer shall have sixty (60) days in order to prepare said documents consistent with the requirements of the DOH and resubmit them to the DOH for approval. Upon the approval of the DOH, said drawings and specifications shall be considered Working Drawings and Specifications for purposes of the Agreement.

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

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

### **3.3 Preparation of the Property; General Requirements.**

(a) **Special Lots.** Developer and the City acknowledge that the Property may have "atypical" conditions (sunken lot and other site elevation problems, issues relating to parking) which dictate that special consideration should be given to the redevelopment of the Property by Developer pursuant to this Agreement and the New Homes Condo Program. These "atypical" conditions do not include matters which are routinely considered by the City's Department of Buildings with regard to the issuance of building permits. Accordingly, prior to the commencement of construction of the Project, a representative of Developer and the DOH shall conduct a site visit of the Property to determine if any special, "atypical" conditions exist.

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Prior to the commencement of construction by Developer on the Property, the DOH must approve a site-specific, final plat of survey, and showing the resolution of all special, atypical conditions (if any).

(b) Environmental Conditions. In addition, prior to the commencement of development and construction of the Project, the environmental effect of the development and construction of the Project must be assessed in accordance with the provisions of the National Environmental Policy Act of 1969 ("NEPA") and implementing regulations contained in 24 C.F.R. Parts 50 and 58.

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

**3.4 Limited Applicability of DOH's Approval**. Any approvals of the Working Drawings and Specifications made by the DOH are for the purposes of the Agreement only and do not affect or constitute approvals required for building permits or approvals required pursuant to any other ordinance of the City, nor does any approval by the DOH pursuant to the Agreement constitute approval of the quality, structural soundness or the safety of

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the Units or the common elements which collectively constitute the Project. The City, however, agrees to assist Developer in expeditiously obtaining approvals for building permits and driveways affecting the Project.

### **3.5 Financing and Constructing the Project.**

(a) **Budget.** Concurrent with the execution of the Agreement by Developer and its delivery to the City, Developer shall deliver to the DOH for its approval a written budget ("Budget") setting forth the projected and anticipated development costs with regard to the development and construction of the Units, common elements, parking and landscaping for the Building to be redeveloped by Developer as the Project. Developer shall also submit to the DOH a description of Developer's financing ("Financing"), which shall include the amount of Developer's equity in the Project and evidence of: (i) a commitment for adequate financing ("Commitment") obtained from a financial institution or lender, specifying the source and the amount of the loan, length of the term and the applicable interest rate, or (ii) evidence of a line of credit or other funding source necessary to fund the construction of the Units and the common elements and landscaping which collectively constitute the Project. Within seven (7) business days of receipt, the DOH shall review and approve the Financing with regard to its adequacy in providing sufficient funds to facilitate the

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development and construction of the Project, and further, approve the Commitment, if any, to determine its compliance with the terms and provisions of the Agreement and the New Homes Condo Program. The Financing shall be subject and subordinate to the terms and conditions of the Agreement.

Provided that the Commitment is approved by the City, Developer shall obtain financing from the lender identified in the Commitment ("Construction Lender") to permit the construction of the Project ("Construction Loan"). The Construction Lender shall be permitted to secure and evidence its loan by a mortgage ("First Mortgage") and mortgage note ("First Mortgage Note") encumbering the Property. The Construction Loan funds shall be disbursed pursuant to the Escrow described in Section 3.5(c) below.

(b) **City's Incentives.**

(1) **Development Subsidy.** Pursuant to the objectives of the and consistent with the terms of the Agreement, the City shall grant to Developer a Development Subsidy in an amount not to exceed the sum of Three Hundred Thousand Dollars (\$300,000) in the aggregate to cover hard construction costs regarding the development of the Units constituting the Project. The Development Subsidy for each Unit shall not exceed the sum of Ten Thousand Dollars (\$10,000) per Unit. The specific amount of

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Development Subsidy to be allocated to each model type of Unit is described further on Exhibit E attached hereto.

The Development Subsidy shall be disbursed to Developer at the closing of the sale of each Unit from Developer to the Homebuyer, but only in the event that Developer: (a) obtains from the City the Certificate with regard to Developer's compliance with the terms and conditions of the Agreement concerning the construction of the Unit in question; (b) conveys the completed Unit to an eligible Homebuyer as more particularly described in Section 4.3 below; (c) complies with the covenants described in Section 4.1 below; and (d) provides the Homebuyer with a policy of title insurance issued by the Title Company, consisting of an Owner's Policy ALTA form B (1987), dated as of the date of conveyance of the Unit in question by Developer to the Homebuyer, insuring the title of the initial homebuyer with regard to the Unit in the amount of the purchase price.

Developer agrees, however, that it shall advise said Homebuyer, prior to the closing of the Unit from Developer to the Homebuyer, and it shall be a condition of such sale, that the Homebuyer shall be required to execute: (a) a mortgage, security and recapture agreement in favor of the City to be dated as of the date of the closing ("Mortgage, Security and Recapture Agreement"), and (b) a covenant of residency ("Covenant of Residency") with regard to the use of the Unit by the Homebuyer

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as its principal residence. The Mortgage, Security and Recapture Agreement shall be repaid by the Homebuyer to the City in accordance with its terms in the event that, subsequent to the closing, the Unit is sold by the Homebuyer within four (4) years of purchase. The Mortgage, Security and Recapture Agreement shall be subordinate to the lien in favor of the permanent lender, if any.

(2) C.D.B.G. Subsidy. Pursuant to the terms and conditions of the Agreement if at the closing it is determined that the Homebuyer has a household income at or below eighty percent (80%) of median income for the Chicago P.M.S.A., the City, as an alternative to the utilization of Development Subsidy funds as described in Paragraph 1 of this Section, may utilize sums derived from an allocation to the City of C.D.B.G. funds, in an amount not to exceed the sum of Ten Thousand Dollars (\$10,000), to facilitate the purchase of the Unit by the Homebuyer. The use of C.D.B.G. funds under the New Homes Condo Program shall be governed by the terms and conditions of the C.D.B.G. Act and the C.D.B.G. Regulations, and by the terms and conditions of the enabling ordinance for the New Homes Condo Program. If so utilized, the pertinent amount of C.D.B.G. funds to be provided to a particular Homebuyer shall be wired to the Title Company at closing, in accordance with the Escrow instructions (as described in Section 3.5(c) below).



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At the closing of the Unit from Developer to the Homebuyer, the Homebuyer shall be required to execute: (a) a mortgage, security and recapture agreement in favor of the City to be dated as of the date of the closing ("Mortgage, Security and Recapture Agreement"), and (b) a covenant of residency ("Covenant of Residency") with regard to the use of the Unit by the Homebuyer as its principal residence. The Mortgage, Security and Recapture Agreement shall be repaid by the Homebuyer to the City in accordance with its terms in the event that, subsequent to the closing, the Unit is sold by the Homebuyer within five (5) years of purchase. The Mortgage, Security and Recapture Agreement shall be subordinate to the lien in favor of the permanent lender, if any.

(3) **Purchase Price Subsidy.** Homebuyers purchasing a Unit constructed by Developer pursuant to the Agreement and the New Homes Condo Program and whose household incomes are between 81% to 90% of the median income for the Chicago Primary Metropolitan Statistical Area ("P.M.S.A.") may request from the City, by application to the DOH, a financial subsidy ("Purchase Price Subsidy") not to exceed the amount of Ten Thousand Dollars (\$10,000) per homebuyer. The amount of Purchase Price Subsidy received by eligible homebuyers shall be added to and included in the amount of monies potentially due and owing the City pursuant

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to the Mortgage, Security and Recapture Agreement described in Section 3.5(b)(1) above.

(4) HOME Purchase Price Subsidy. Homebuyers purchasing a Unit constructed by Developer pursuant to the Agreement and the New Homes Condo Program and whose household incomes are at or below 80% of the median income for the P.M.S.A. (hereafter, a "HOME Homebuyer") may request from the City, by application to the DOH, a financial subsidy ("HOME Purchase Price Subsidy") derived from an allocation to the City of HOME Investment Partnerships Program grant funds, pursuant to the Cranston-Gonzalez National Affordable Housing Act, 42 U.S.C. Section 12701 et seq. (1992) and the regulations promulgated thereto in 24 C.F.R. Part 92. The amount of HOME Purchase Price Subsidy available for a particular HOME Homebuyer shall not exceed the amount of Twenty Thousand Dollars (\$20,000) per HOME Homebuyer whose household income range is between 61% to 80% of the median income for the P.M.S.A., and the amount of Thirty Thousand Dollars (\$30,000) per HOME Homebuyer whose household income range is up to 60% of the median income for the P.M.S.A.

The HOME Purchase Price Subsidy shall be provided to the HOME Homebuyer at closing of the Unit from Developer to the HOME Homebuyer, but only in the event that Developer: (a) obtains from the City the Certificate with regard to Developer's compliance with the terms and conditions of the Agreement

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concerning the construction of the Unit in question; (b) conveys the completed Unit to a HOME Homebuyer as more particularly described in this Section and Section 4.3 below; (c) complies with the covenants described in Section 4.1 below; and (d) provides the HOME Homebuyer with a policy of title insurance issued by the Title Company, consisting of an Owner's Policy ALTA form B (1987), dated as of the date of conveyance of the Unit in question by Developer to the HOME Homebuyer, insuring the title of the HOME Homebuyer with regard to the Unit in question in the amount of the purchase price. The pertinent amount of HOME Purchase Price Subsidy funds to be provided to a particular HOME Homebuyer shall be wired to the Title Company at closing, in accordance with the Escrow instructions (as described in Section 3.5(c) below).

Developer agrees, however, that it shall advise said HOME Homebuyer, prior to the closing of the Unit to the HOME Homebuyer, and it shall be a condition of such sale, that the HOME Homebuyer shall be required to execute: (a) the Mortgage, Security and Recapture Agreement and Covenant of Residency (as described in Section 3.5(b)(1) above) in favor of the City to be dated as of the date of the closing; (b) a mortgage, security and recapture agreement reflecting the provision by the City of the HOME Purchase Price Subsidy ("HOME Mortgage, Security and Recapture Agreement"), which shall be in favor of the City and to

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be dated as of the date of closing; and (c) a covenant of residency ("HOME Covenant of Residency") with regard to the use of the particular Unit by the HOME Homebuyer as its principal residence. The HOME Mortgage, Security and Recapture Agreement shall be repaid by the HOME Homebuyer to the City in accordance with its terms in the event that, subsequent to the closing, the Unit and Lot are sold by the HOME Homebuyer within the applicable affordability period (as prescribed by the HOME Regulations) commencing with the closing date. If, however, the mortgage obtained by the HOME Homebuyer from the permanent lender is insured by the FHA, the affordability period shall be extended to conform to the terms of the FHA-insured mortgage, as is required under the HOME Regulations. The HOME Mortgage, Security and Recapture Agreement described in this paragraph shall be subordinate to the lien in favor of the permanent lender, if any.

(5) **Waiver of City Fees.** In conjunction with the construction by Developer of the Units constituting the Project, the City shall waive those certain fees and deposits as described in Exhibit B attached hereto.

(c) **Escrow.** Prior to the commencement of construction of the first Unit constituting the Project, Developer and the City shall open an escrow account ("Escrow") held by an institutional escrowee ("Escrowee") mutually acceptable to the parties. The respective rights, liabilities and duties of the Escrowee are

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contained in the Agreement. The parties agree that if any conflict exists between the terms of the Agreement and any escrow instructions or other documents affecting the Escrow, the terms and provisions of the Agreement shall govern.

With regard to the construction and development of Units and the common elements of the Building, prior to the commencement of construction, the DOH must have approved the following: (a) the Working Drawings and Specifications for the Building; (b) the Budget and the Financing (including, without limitation, the Construction Loan documents, if any); and have received: (a) a true and correct copy of all pre-sales contracts regarding the sale of Units in the Building to homebuyers; (b) the "complete information package" described in Section 4.3 below regarding the income of the prospective homebuyers identified in such pre-sales contracts; and (c) a certified copy of the contract between Developer and its general contractor, and all executed contracts covering the completion of the Project from the major subcontractors, if available. In addition, prior to the commencement of construction, the DOH must have approved: (a) the condition of title with regard to the Property; and (b) a final plat of survey showing the location of all Units, common elements, landscaping and parking for the Building and Property, certified by a licensed engineer showing all easements, encroachments and containing a legal description of the Property.

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Prior to the commencement of construction of the Project, the Escrowee must have received the following documents submitted by Developer: (a) a certificate of good standing from the State of Illinois regarding Developer; (b) copies of each subcontract; (c) Internal Revenue Service taxpayer identification numbers; (d) originals of the Construction Loan documents or evidence of Financing, and (e) one copy of every "soft sheet" building permit issued by the City. Escrowee shall also have received the following documents submitted by the City: (a) one copy of this Agreement; (b) a certified copy of the ordinance authorizing the selection of Developer to participate in the New Homes Condo Program; and (c) a check in the amount of Three Hundred Thousand Dollars (\$300,000) representing the City's aggregate Development Subsidy (as further described in Section 3.5(b)(1) above), which shall be deposited in the NHFC Account maintained by the Escrowee.

(d) Review of Construction Progress. During the development of the Project, Developer shall submit to the City for its review any documentation relating to the construction work, including, without limitation, an Owner's sworn statement and the general contractor's sworn statement.

During the construction of the Project by Developer, the Construction Lender shall employ, at the sole expense of Developer, an inspecting architect ("Inspector") (other than the

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architect who prepared the Working Drawings and Specifications) meeting the prior approval of the DOH, to review for the parties all activities undertaken with regard to the construction of the Units and development of the Building (including the common elements and landscaping) constituting the Project. In the event that no Construction Lender exists (or if the Construction Lender does not wish to hire the Inspector), then the DOH, at the sole expense of Developer, shall utilize an Inspector which has been previously approved by the DOH for the benefit of the New Homes Condo Program.

The scope of the Inspector's work shall be contained in the terms of the contract between the Inspector and the Construction Lender, or the Inspector and the DOH, as the case may be, and shall include inter alia, a certification for the benefit of the Construction Lender and the DOH on the form attached hereto as Exhibit F that the development of the Building complies with the Working Drawings and Specifications. The Inspector shall be affirmatively obligated to notify the DOH and the Construction Lender of any discrepancies between the Working Drawings and Specifications (as approved by the DOH) and the actual construction and development of the Building, and shall provide the DOH with a copy of each and every Inspector's certification. As described in Section 3.5(e) below, the receipt by the DOH of the Inspector's Conditional Certificate shall be a condition

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precedent to the disbursement of the applicable amount of Development Subsidy to Developer or C.D.B.G. funds to the Homebuyer, and, if applicable, HOME Purchase Price Subsidy funds to the HOME Homebuyer to facilitate the purchase of the Unit. A representative of the DOH shall have the right, but not the obligation, to accompany the Inspector during his inspection of the progress of the construction and development of the Units and the common elements constituting the Project.

(e) Recordation of Declaration. Prior to the sale and conveyance of the first Unit of the Project, Developer shall cause to be recorded with the Recorder's Office the Declaration (including the survey showing the location of each Unit, the common elements, landscaping and parking) against the Property. The form of Declaration must be approved in writing by the DOH prior to recordation.

(f) Disbursement of the Development Subsidy, C.D.B.G. funds or HOME Purchase Price Subsidy. Subject to the provisions of the Agreement, and as long as Developer is not in material default in the due, prompt and complete performance or observance of any of its covenants or obligations contained in the Agreement, the Development Subsidy (or in the alternative, C.D.B.G. funds), and any HOME Purchase Price Subsidy to the Homebuyer, shall be disbursed by the City at the closing of the conveyance of the Unit upon the occurrence of the following:



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- (i) Developer and the Homebuyer shall have complied with the provisions described in Section 3.5(b) above, as the case may be, including, the execution of the Mortgage, Security and Recapture Agreement and the Covenant of Residency by the Homebuyer, and in addition, if the Homebuyer is also a HOME Homebuyer, the HOME Homebuyer must also execute the HOME Mortgage, Security and Recapture Agreement and HOME Covenant of Residency;
- (ii) The Inspector shall have delivered to the City its conditional certificate indicating that the construction of said Unit is complete and complies with the Working Drawings and Specifications, conditioned and subject only to the completion of punch list items or such other items agreed to by the City, the Inspector and Developer ("Conditional Certificate");
- (iii) The City shall have issued its Certificate in accordance with the provisions described in section 3.8;
- (iv) Developer, in the form of an owner's sworn statement and the general contractor's sworn statement, shall have submitted to the Escrowee and the Inspector affirmative proof that no materialmen's liens or

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claims exist affecting the Unit in question, or that Developer has taken such appropriate action to cause the Title Company to insure over any title encumbrances caused by such liens or claims;

- (v) Developer shall have submitted to the City a copy of the Owner's sworn statement and the construction manager's sworn statement describing all costs expended for the construction of the Unit in question; and
- (vi) The DOH shall have issued a letter to Developer that the Homebuyer in question meets the income eligibility requirements of the New Homes Condo Program.

Notwithstanding the foregoing, Developer shall be obligated to complete those items listed on the Conditional Certificate (including the punch list items) in a timely and expeditious manner subsequent to the closing of the Unit in question. The City reserves the right to request that Developer deposit or reserve with the Escrowee funds (or in lieu thereof, deliver to the Escrowee a letter of credit) in an amount to pay for the cost of such incomplete work. Once such work has been completed, the Inspector shall conduct an on-site inspection in order to facilitate the issuance of a final certificate indicating that construction of the Unit is complete ("Final Certificate"). In addition, certain funds may be withheld which relate to any

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landscaping or completion of the common elements that was not completed because of weather-related conditions. Any funds retained by the Escrowee pursuant to this paragraph shall not be released until a copy of the Final Certificate (or in the event of landscaping and common element work, the Final Building Certificate for the Building regarding such work) is delivered to the Escrowee and the DOH.

Developer does also certify that it shall not take its fee until the closing for the Unit in question.

**3.6 Relocation of Utilities.** In the event Developer requests the relocation, repair or replacement of any existing City utility lines in and under the Property, the public streets or private property adjacent to the Property, Developer agrees that such utilities shall be relocated at Developer's sole expense. The DOH shall use its best efforts to assist Developer in obtaining the cooperation of any City agency with regard to the relocation, repair or replacement of existing utility lines. Under no circumstances shall the City be financially responsible for the relocation, repair or replacement of any utility lines as a result of the Agreement. In addition, Developer shall be solely responsible for the payment of any costs associated with the repair, replacement or relocation of any private utility lines as a result of the Agreement.

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**3.7 Commencement and Completion of the Project.** Developer, subject to the occurrence of Permitted Delays described in Section 5.2, shall commence with the construction of the Project within three (3) months of the execution date of the Agreement. Except as otherwise provided in the Agreement, Developer shall complete the Project within eighteen (18) months from said execution date. Developer agrees for itself, its successors and assigns, that Developer, its successors and assigns, shall promptly begin and diligently complete the Project within the time period specified in this Section 3.7. The parties, however, may mutually agree to extend the time for Developer's performance of its obligations to construct the Project by executing a written amendment to the Agreement.

**3.8 Certificate of Compliance.** As each Unit of the Project is substantially completed in accordance with the Working Drawings and Specifications (as evidenced by and based solely on, the issuance of the Inspector's Conditional Certificate or Final Certificate, as the case may be, as further described in Section 3.5(e) above), and Developer has performed all of its other contractual obligations pursuant to the provisions contained in the Agreement and the objectives of the New Homes Condo Program, including without limitation, the provisions described in 3.5(e) above, the DOH, upon written request by Developer, shall furnish Developer with an appropriate

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Certificate. The Certificate shall be a conclusive determination of satisfaction and termination of the covenants in the Agreement with respect to the obligations of Developer and its successors and assigns to complete such Unit and to satisfy the objectives of the New Homes Condo Program. The Certificate, however, shall not constitute evidence that Developer has complied with any applicable provisions of federal, state and local laws, ordinances and regulations with regard to the completion of the Unit in question and furthermore, shall not serve as any "guaranty" as to the quality of the construction of said structure.

The Certificate shall be in recordable form and shall be delivered by the DOH to the Escrowee at the closing of the Unit from Developer to the Homebuyer. Once the Certificate is recorded with the Recorder's Office, the Agreement shall no longer be deemed to be a title encumbrance of the Unit in question.

Prior to the closing for the last Unit of a particular Building, the DOH, upon written request by Developer, shall furnish Developer with an appropriate "Final Building Certificate". The Certificate shall be a conclusive determination of satisfaction and termination of the covenants in the Agreement with respect to the obligations of Developer and its successors and assigns to fully redevelop the Building in

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question (including, without limitation, all Units located in the Building, the common elements, parking and landscaping) and to satisfy the objectives of the New Homes Condo Program.

### **3.9 Prohibition Against Unpermitted Encumbrances.**

Prior to the issuance of the Certificate with regard to the completion of construction of the last Unit to be developed in the Building on the Property, neither Developer nor any successor in interest to the Property shall engage in any financing or other transaction the effect of which creates an encumbrance or lien upon said Property; provided, however, that Developer, after receiving the prior written consent of the City, shall be permitted to mortgage the Property for the purpose of obtaining the Construction Loan or other financing source as described in Section 3.5(a) to the extent necessary for completing the construction of the Project; and provided, further, that eligible Homebuyers, at the time of closing on the Unit in question, shall be permitted to create a mortgage in order to obtain permanent financing.

### **3.10 Mortgagees Not Obligated to Construct.**

Notwithstanding any of the provisions of the Agreement, the holder (or any affiliate of such holder) of any mortgage for construction financing as provided for in Section 3.5(a) authorized by the Agreement (including any holder who obtains title to the Property or any part thereof as a result of

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foreclosure proceedings, or action in lieu therefor), shall not be obligated by the provisions of the Agreement to construct or complete the construction of the Units and develop the Building or to guarantee such construction or completion. Nothing in this Section 3.10 or any section of the Agreement, however, shall be deemed or construed to permit or authorize any such holder or its affiliate to devote the Property or any part thereof to any uses, or to construct any improvements thereon, other than those uses or improvements provided for or permitted in the New Homes Condo Program and the Agreement. In the event that the Developer obtains a Construction Loan, if the Construction Lender, due to the occurrence of a default by Developer of its obligations under the Agreement or under the terms of its mortgage executed in favor of the Construction Lender, obtains possession or title to any of the Property by foreclosure or deed in lieu of foreclosure, the Construction Lender shall be entitled, upon the receipt of the prior written consent of the City, which consent shall not unreasonably be withheld, to utilize those amounts of the Development Subsidy which is available to complete the Units in the Building, so long as the Construction Lender complies with the terms and conditions of the Agreement. In such event, the Construction Lender shall be required to execute such economic disclosure documents as the City deems appropriate.

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Whenever the City shall deliver a notice or demand with respect to any breach or default by Developer of its obligations under the Agreement, the City shall at the same time forward a copy of such notice or demand to any mortgagee whose address has been given in writing to the City. After any such default by Developer, and the expiration of any applicable cure period, the City and each mortgagee shall (insofar as the City is concerned) have the right, at the mortgagee's option, to remedy such default.

Whenever the mortgagee shall deliver a notice or demand to Developer with respect to any breach or default by Developer of its obligations under the mortgage loan documents, the mortgagee shall at the same time forward a copy of such notice or demand to the City at the addresses listed in Section 7.8 below. After any such default by Developer, and the expiration of any applicable cure period, the City and each mortgagee shall have the right to remedy such default.

## SECTION IV

### CONVEYANCE OF THE UNITS

#### 4.1 Developer's Covenants for Participation in the New Homes Condo Program.

(a) Sales Price. Developer acknowledges and affirms the objectives of the City with regard to the creation of the New Homes Condo Program as a means of promoting the rehabilitation of



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existing buildings for the development and sale of high quality, owner-occupied, single-family units under a condominium form of ownership within the corporate boundaries of the City. Developer affirmatively covenants that it shall sell and convey each Unit to a prospective homebuyer for a base price per model which shall not exceed the sum of \$120,000. Developer's projected final sales pricing of the various models of the Units to be constructed by Developer are described on Exhibit G attached hereto. The parties acknowledge that said base price does not include options described on Exhibit H attached hereto, which may be desired by individual homebuyers. The parties further acknowledge that said base price may be slightly adjusted due to inflation, upon the express agreement of the parties and as anticipated by the provisions contained in the New Homes Condo Program.

(b) Compliance with Fair Housing and Non-Discrimination Laws. Developer shall not discriminate based upon race, color, religion, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military status, parental status or source of income in the design, marketing and sale of any Unit constructed by Developer pursuant to the terms of the Agreement,

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and shall comply with any and all federal, state and local laws, statutes, ordinances or regulations with regard to non-discrimination in the sale and marketing of housing, including, without limitation, the Fair Housing Act, 42 U.S.C. sec. 3601-20 et seq. (1988) and implementing regulations at 24 C.F.R. Part 100; Executive Order 11063, as amended by Executive Order 12259 (3 C.F.R., 1958-1963 Comp., p. 652 and 3 C.F.R., 1980 Comp., p. 307) (Equal Opportunity in Housing) and implementing regulations at 24 C.F.R. Part 107; and Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d (Nondiscrimination in Federally Assisted Programs) and implementing regulations issued at 24 C.F.R. Part 1; 42 U.S.C. sec. 1982 (1988) and sections 17-19 of Article I of the Constitution of the State of Illinois; the Age Discrimination Act of 1975, 42 U.S.C. sect. 6101-07, and implementing regulations at 24 C.F.R. Part 146, Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. 794 and implementing regulations at 24 C.F.R. Part 8. In addition, with regard to the development of landscaping and the common elements of the Building, Developer agrees that it shall comply with any and all federal, state and local laws, rules and regulations with regard to accessibility standards for the physically disabled, including, without limitation, the Fair Housing Act, the Americans with Disabilities Act of 1990, 42 U.S.C. 12101 et seq. (1990) and 47 U.S.C. 152, 221, 225 and 611 (1990), the Illinois

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Environmental Barriers Act, 410 ILCS 25/1 et seq. (1992), and the Illinois Accessibility Code, 71 Ill.Admin.Code ch. 1, subch. B, Sec. 400.100 et seq. (1988).

(c) **Warranty of Habitability.** At the closing for the conveyance of a Unit from Developer to a Homebuyer, Developer shall deliver to said Homebuyer a warranty of habitability approved by the DOH and attached hereto as Exhibit I. Said warranty of habitability shall have a duration of one year and shall be deemed to run with the land.

**4.2 Marketing.** Developer shall comply with the affirmative marketing requirements described in Section 4.1(b) above. In addition, Developer agrees to abide by the terms and conditions of the marketing plan which has been approved by the DOH and is attached hereto as Exhibit J, and to utilize solely those marketing materials which have been approved by the DOH either prior to or subsequent to the execution date of the Agreement with regard to the marketing of the Units to prospective homebuyers. Developer also agrees to place on the Property a sign containing an inscription that the Units in the Building were(or shall be) developed by Developer in accordance with Developer's participation in the New Homes Condo Program.

**4.3 Income Eligibility Standards.** Developer agrees that each and every potential Homebuyer, in conjunction with the execution of any contract with Developer for the purchase of a

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Unit shall be approved in writing by the DOH as meeting the income eligibility standards of the New Homes Condo Program. Developer shall be responsible for providing the DOH with any and all information required by the DOH in determining the prospective homebuyer's income eligibility. The DOH shall have ten (10) business days from the date of receipt of a "complete information package" (which shall include, by means of illustration and not limitation, the W-2 forms from the initial homebuyer's employer(s), U.S. 1040 income tax returns for the previous two years, an affidavit or verification from the homebuyer with regard to household size, and the employer verification form utilized by the Federal National Mortgage Association ("Fannie Mae")) within which to qualify potential homebuyers.

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

## SECTION V

### PERFORMANCE

**5.1 Time of the Essence.** Time is of the essence of the Agreement.

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5.2 Permitted Delays. Neither the City, Developer, or any successor in interest to Developer, shall be considered in breach of its obligations with respect to the commencement and completion of the Project in the event of delay in the performance of such obligations due to unforeseeable causes beyond such party's control and without such party's fault or negligence, including but not limited to, any delays or halts in the construction of the Units and the development of the common elements constituting the Project, which are compelled by court order, acts of God, acts of the public enemy, acts of the United States or other governmental body, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, vandalism, embargoes and unusually severe weather or delays of subcontractors due to such cause. The time for the performance of the obligations shall be extended only for the period of the permitted delay if the party seeking the extension shall request it in writing of the other party within twenty (20) days after the beginning of any such delay.

5.3 Breach.

(a) Generally. Except as otherwise provided in the Agreement, in the event of default by any party or its successor in interest in the performance of its obligations under the Agreement, such party or successor, upon written notice from the other, shall commence to immediately cure or remedy such default

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but, in any event, by not later than thirty (30) days after receipt of such notice. In the event such action is not diligently pursued or the default not cured within a reasonable time, the aggrieved party may institute such proceedings at law or in equity as may be necessary or desirable in its sole discretion to cure and remedy such default, including but not limited to, proceedings to compel specific performance by the party in default of its obligations.

(b) **Event of Default.** For purposes of the Agreement, the occurrence of any one or more of the following shall constitute an "event of default":

- (1) If, at any time, any covenant, warranty, representation or statement made or furnished by Developer (including the covenants, representations and warranties of Developer described in Section 2.1) is not true and correct in any material respect; or
- (2) If any petition is filed by or against Developer under the Federal Bankruptcy Code or any similar state or federal law, whether now or hereafter existing (and in the case of involuntary proceedings, failure to cause the same to be vacated, stayed or set aside within sixty (60) days after filing); or
- (3) Failure of Developer to develop Working Drawings and Specifications materially consistent with the

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- procedures outlined in Section 3.2 above with regard to the construction of the Units and the development of the Building constituting the Project; or
- (4) If Developer fails to fulfill its obligations with respect to the completion of the Project (including the nature of and the dates of the beginning and completion thereof) or abandons or substantially suspends construction work of any Unit and development of the Building, and such failure, violation, abandonment or suspension shall not be cured, ended or remedied within thirty (30) days of the date Developer receives written demand by the City to cure the same; or
- (5) If Developer conveys any Unit to a Homebuyer in excess of the consideration described in Section 4.1, or conveys any Unit to a Homebuyer ineligible to participate in the New Homes Condo Program; or
- (6) If Developer fails to comply with the non-discrimination covenant described in Section IV above with regard to the marketing and sale of the Units constructed by Developer; or
- (7) Failure of Developer to pay real estate taxes or assessments affecting the Property or any part thereof when due, or placing thereon any encumbrance or lien

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unauthorized by the Agreement, or suffering any levy or attachment to be made, or any materialmen's or mechanics' lien, or any other unauthorized encumbrance or lien to attach to the Property or any part thereof (unless Developer has taken such appropriate action to cause the Title Company to insure over any title encumbrances caused by such liens or encumbrances), and such taxes or assessments shall not have been paid, or the encumbrance or lien removed or discharged or provision satisfactory to the City made for such payment, removal or discharge within thirty (30) days after written demand by the City to remove such lien or encumbrance; or

- (8) The occurrence of an event of default within the context of the First Mortgage, if any, which is not cured within the applicable time periods, if any, contained therein; or
- (9). Any assignment, pledge, encumbrance, transfer or other disposition is made in violation of Section 7.2 below.

(c) **Prior to Commencement of Construction.** If, from the execution date of the Agreement until the commencement of construction of the Project, Developer or its successor in interest defaults in any specific manner as described in paragraph (b) of this Section 5.3, and such default continues



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after the delivery of notice of default pursuant to Section 5.3(a), and the failure of Developer to commence to cure within the thirty (30) day period (or such longer period if so specified) provided for in such notice, the City may immediately terminate the Agreement and institute any action or proceeding at law or in equity against Developer.

(d) After Commencement of Construction Until Issuance of Certificate. If, subsequent to the commencement of construction of the Units and development of the Building constituting the Project by Developer until the City issues its Final Building Certificate concerning the Building, Developer or its successor in interest shall default in any specific manner as described in paragraph (b) of this Section 5.3, then the City, by written notice to Developer, and after opportunity to cure as described in paragraph (a) of this Section 5.3, may immediately terminate the Agreement and institute any action or proceeding at law or in equity against Developer.

(e) After Conveyance. If, subsequent to the issuance of the Certificate with regard to the completion of construction of the Unit in question, Developer or its successor in interest shall default in any specific manner as described in items (5) or (6) contained in paragraph (b) of this Section 5.3, and after reasonable opportunity to cure as described in paragraph (a) of this Section 5.3, then the City shall have the right to institute

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a suit for injunctive relief against Developer, or alternatively, at the option of the City solely with regard to item (5) concerning the default by Developer for charging a sales price in excess of the consideration allowable under Section 4.1 above, Developer, within twenty (20) days after the receipt of written notice of default from the City, shall deliver the sum of one and one-half times the amount by which the sales price exceeds the consideration described in Section 4.1, per violation to the City, said sum representing an amount of liquidated damages and not a penalty.

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

**5.5 Indemnity.** Developer hereby agrees to indemnify, defend and hold the City harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses (including, without limitation, attorneys' fees and court costs), suffered or incurred by the City (except due to the negligence of the City) arising from or in connection

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with: (i) the failure of Developer to perform its obligations under the Agreement; (ii) the failure of Developer or any contractor to pay contractors, subcontractors or materialmen in connection with the construction of the Units and the development of the Building constituting the Project (unless Developer has taken such appropriate action to cause the Title Company to insure over any title encumbrances caused by such liens and encumbrances); (iii) a material misrepresentation or material omission in Developer's application to participate in the New Homes Condo Program or in the Agreement which is the result of information supplied or omitted by Developer or by agents, employees, contractors, subcontractors, or persons acting under the control or at the request of Developer; (iv) the failure of Developer to redress any misrepresentations or omissions in the Agreement or any other agreement relating hereto; (v) any activity undertaken by Developer on the Property or any part thereof; and (vi) any claim or cost relating to any soil or environmental condition existing at, or created by Developer on, the Property.

**5.6 Access to the Property.** Any duly authorized representative of the City shall, at all reasonable times, have access to any Property from the execution date of the Agreement until the City issues its Final Building Certificate with regard to the completion of all of the Units and the development of the

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Building, for the purpose of confirming Developer's compliance with the Agreement and the objectives of the New Homes Condo Program.

**5.7 City's Right to Inspect Records.** Until the City issues its Certificate with regard to the completion of the final Unit and the development of the Building, Developer agrees that the City shall have the right and authority to review and audit, from time to time, Developer's books and records relating to the Project, including, without limitation, Developer's loan statements, the construction manager's sworn statements, general contracts, subcontracts, purchase orders, waivers of lien, paid receipts and invoices. All such books, records and other documents shall be available at the offices of Developer for inspection, copying, audit and examination by any duly authorized representative of the City; provided, however, that the City shall provide Developer with at least two (2) business days' written notice of any proposed inspection of Developer's books and records.

## SECTION VI

### DEVELOPER'S EMPLOYMENT OBLIGATIONS

**6.1 Employment Opportunity.** Developer agrees for itself and its successors and assigns, and shall contractually obligate its or their various contractors, subcontractors or any Affiliate of Developer operating on the Project (collectively, with

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Developer, the "Employers" and individually an "Employer") to agree, that for the term of this Agreement with respect to Developer and during the period of any other party's provision of services in connection with the development and construction of the Project:

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

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- B. Each Employer shall comply with all federal, state and local equal employment and affirmative action statutes, rules and regulations, including, but not limited to, the Human Rights Ordinance, and the Illinois Human Rights Act, 775 ILCS 5/1-101 et seq. (1993), and any subsequent amendments and regulations promulgated thereto.
- C. Developer, in order to demonstrate compliance with the terms of this Section, shall cooperate with and promptly and accurately respond to inquiries by the City, which has the responsibility to observe and report compliance with equal employment opportunity regulations of federal, state and municipal agencies.
- D. Developer and each Employer shall include the foregoing provisions of subparagraphs A through C in every contract entered into in connection with the Project, and shall require inclusion of these provisions in every subcontract entered into by any subcontractors, and every agreement with any Affiliate operating on the Property, so that each such provision shall be binding upon each contractor, subcontractor or affiliate, as the case may be.
- E. Failure to comply with the employment obligations described in this Section 6.1 shall be a basis for the City to pursue remedies under the provisions of Section V above.

**6.2 City Resident Employment Requirement.** Developer agrees for itself and its successors and assigns, and shall contractually obligate the other Employers, as applicable, to agree, that during the development and construction of the Project they shall comply with the minimum percentage of total worker hours performed by actual residents of the City of Chicago as specified in Section 2-92-330 of the Municipal Code of Chicago (at least fifty percent of the total worker hours worked by

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persons on the site of the construction for the Project shall be performed by actual residents of the City of Chicago); provided, however, that in addition to complying with this percentage, Developer and the other Employers shall be required to make good faith efforts to utilize qualified residents of the City of Chicago in both unskilled and skilled labor positions.

Developer and the other Employers may request a reduction or waiver of this minimum percentage level of Chicagoans as provided for in Section 2-92-330 of the Municipal Code of Chicago in accordance with standards and procedures developed by the Purchasing Agent of the City of Chicago.

"Actual residents of the City of Chicago" shall mean persons domiciled within the City of Chicago. The domicile is an individual's one and only true, fixed and permanent home and principal establishment.

Developer and the other Employers shall provide for the maintenance of adequate employee residency records to ensure that actual Chicago residents are employed on the Project. Developer and the other Employers shall maintain copies of personal documents supportive of every Chicago employee's actual record of residence.

Weekly certified payroll reports (U.S. Department of Labor Form WH-347 or equivalent) shall be submitted to the Commissioner of the DOH in triplicate, which shall identify clearly the actual

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residence of every employee on each submitted certified payroll. The first time that an employee's name appears on a payroll, the date that the company hired the employee should be written in after the employee's name.

Developer and the other Employers shall provide full access to their employment records to the Purchasing Agent, the Commissioner of the DOH, the Superintendent of the Chicago Police Department, the Inspector General, or any duly authorized representative thereof. Developer and the other Employers shall maintain all relevant personnel data and records for a period of at least three (3) years after final acceptance of the work constituting the Project as evidenced by the issuance of the Certificate for the last Unit constructed by Developer.

At the direction of the DOH, affidavits and other supporting documentation will be required of Developer and the other Employers to verify or clarify an employee's actual address when doubt or lack of clarity has arisen.

Good faith efforts on the part of Developer and the other Employers to provide utilization of actual Chicago residents (but not sufficient for the granting of a waiver request as provided for in the standards and procedures developed by the Purchasing Agent) shall not suffice to replace the actual, verified achievement of the requirements of this Section concerning the worker hours performed by actual Chicago residents.



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When work at the Project is completed, in the event that the City has determined that Developer and the other Employers failed to ensure the fulfillment of the requirement of this Section concerning the worker hours performed by actual Chicago residents or failed to report in the manner as indicated above, the City will thereby be damaged in the failure to provide the benefit of demonstrable employment to Chicagoans to the degree stipulated in this Section. Therefore, in such a case of non-compliance it is agreed that 1/20 of 1 percent (.05%), 0.0005, of the aggregate hard construction costs set forth in the Budget (as the same shall be evidenced by approved contract value for the actual contracts) shall be surrendered by Developer and/or the other Employers to the City in payment for each percentage of shortfall toward the stipulated residency requirement. Failure to report the residency of employees entirely and correctly shall result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. The willful falsification of statements and the certification of payroll data may subject Developer and/or the other Employers or employee to prosecution. Nothing herein provided shall be construed to be a limitation upon the "Notice of Requirements for Affirmative Action to Ensure Equal Employment Opportunity, Executive Order 11246" and "Standard Federal Equal Employment Opportunity,

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Executive Order 11246," or other affirmative action required for equal opportunity under the provisions of this Agreement.

Developer shall cause or require the provisions of this Section 6.2 to be included in all construction contracts and subcontracts related to the Project.

**6.3 Developer's MBE/WBE Commitment.** Developer agrees for itself and its successors and assigns, and shall contractually obligate the General Contractor to agree, that during the development and construction of the Project:

- A. Consistent with the findings which support the Minority-Owned and Women Owned Business Enterprise Procurement Program ("MBE/WBE Program"), Section 2-92-420 et seq., Municipal Code of Chicago, and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, and as qualified by, the provisions of this Section 6.3, during the course of construction of the Project, at least the following percentages of the aggregate hard construction costs (as set forth in the Budget) shall be expended for contract participation by minority-owned businesses ("MBEs") and by women-owned businesses ("WBEs"):
  - a. At least 25% by MBEs.
  - b. At least 5% by WBEs.
  
- B. For purposes of this Section 7.3 only, Developer (and any party to whom a contract is let by Developer pursuant to this Agreement) shall be deemed a "Contractor" and this Agreement (and any contract let pursuant thereto) shall be deemed a "Contract" as such terms are defined in Section 2-92-420, Municipal Code of Chicago. In addition, the term "minority-owned business" or MBE shall mean a business enterprise identified in the Directory of Certified Minority Business Enterprises published by the City's Purchasing

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Department, or otherwise certified by the City's Purchasing Department as a minority-owned business enterprise; and the term "women-owned business" or WBE shall mean a business enterprise identified in the Directory of Certified Women Business Enterprises published by the City's Purchasing Department, or otherwise certified by the City's Purchasing Department as a women-owned business enterprise.

- C. Consistent with Section 2-92-440, Municipal Code of Chicago, Developer's MBE/WBE commitment may be achieved in part by Developer's status as an MBE or WBE (but only to the extent of any actual construction work performed by Developer), or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of (i) the MBE or WBE participation in such joint venture, or (ii) the amount of any actual construction work performed by the MBE or WBE), by Developer utilizing a MBE or a WBE as a contractor (but only to the extent of any actual construction work performed by such contractor), by subcontracting or causing a contractor to subcontract a portion of the work to one or more MBEs or WBEs, or by the purchase of materials used in the Project from one or more MBEs or WBEs, or by any combination of the foregoing. Those entities which constitute both a MBE and a WBE shall not be credited more than once with regard to Developer's MBE/WBE commitment as described in this Section 6.3.
- D. Developer shall deliver quarterly reports to the DOH describing its efforts to achieve compliance with this MBE/WBE commitment. Such reports shall include inter alia the name and business address of each MBE and WBE solicited by Developer or a contractor to work on the Project, and the responses received from such solicitation, the name and business address of each MBE or WBE actually involved in the Project, a description of the work performed or products or services supplied, the date and amount of such work, product or service, and such other information as may assist the DOH in determining Developer's compliance with this MBE/WBE commitment. The DOH shall have access to Developer's books and

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records, including, without limitation, payroll records and tax returns, and records and books of account in accordance with Section 5.7 of this Agreement on two (2) business days' notice, to allow the City to review Developer's compliance with its commitment to MBE/WBE participation.

- E. The City shall have the right to terminate this Agreement upon the disqualification of Developer or its contractors as a MBE or WBE, if the Developer or its contractor's status as a MBE or WBE was a factor in the approval of Developer to participate in the , and such status was misrepresented by the contractor or Developer. In addition, the City shall have the right to terminate this Agreement upon the disqualification of any MBE or WBE subcontractor or supplier of goods or services if the subcontractor's status as a MBE or WBE was a factor in the approval of Developer to participate in the New Homes Condo Program, and such status was misrepresented by the contractor or Developer. In the event that Developer is determined not to have been involved in any misrepresentation of the status of the disqualified contractor, subcontractor or supplier, the City, at its option, may choose to not terminate this Agreement; provided, however, Developer shall be obligated to discharge or cause to be discharged the disqualified contractor or subcontractor or to terminate any contract or business with the disqualified supplier, and, if possible, identify and engage a qualified MBE or WBE as a replacement. For purposes of this Paragraph E, the disqualification procedures are further described in Section 2-92-540, Municipal Code of Chicago.
- F. Any reduction or waiver of Developer's MBE/WBE commitment as described in this Section 6.3 shall be undertaken in accordance with Section 2-92-450, Municipal Code of Chicago.

## **6.4 Pre-Construction Meeting; Monitoring Requirements.**

Prior to the commencement of construction of the Project,

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Developer shall be required to meet with the monitoring staff of the DOH with regard to Developer's compliance with its employment obligations described in this Section VI. Developer's General Contractor and major Subcontractors shall be required to attend this pre-construction meeting. During said meeting, Developer shall demonstrate to the DOH its plan to achieve its employment obligations, the sufficiency of which must be approved by the DOH as a pre-condition to the DOH's approval to allow Developer to commence with the construction of the Project. During the construction of the Project, Developer shall submit documentation (as required in Sections 6.1-6.3 above) to the monitoring staff of the DOH. Failure to submit such documentation on a timely basis, or if the DOH determines, upon analysis of the documentation, that Developer is not complying with its employment obligations described in this Section VI, shall, upon the delivery of written notice to Developer, be deemed a default. In such event, in addition to any remedies described in this Section VI, the City may: (1) issue a written demand to Developer to halt construction of the Project; (2) withhold certain pertinent sums from payment to Developer or the General Contractor; or (3) seek any other remedies against Developer available at law or in equity.

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## SECTION VII

### MISCELLANEOUS PROVISIONS

7.1 Entire Agreement. Except as otherwise provided herein, the Agreement contains the entire agreement of the parties with respect to the Project and supersedes all prior agreements, negotiations and discussions with respect thereto, and shall not be modified, amended or changed in any material manner whatsoever except by mutual consent of the parties as reflected by written instrument executed by the parties hereto. The term "material" for the purpose of this Section 7.1 shall be defined as any deviation from the terms of the Agreement which operates to cancel or otherwise reduce any developmental, construction or job-creating obligation of Developer by more than five percent (5%) or substantially changes the character of the Project or any activities undertaken by Developer affecting the Project, or increases any time agreed for performance by either party by more than thirty (30) days.

7.2 Assignability and Transfer. With regard to the Property to be redeveloped by Developer pursuant to the terms of the Agreement, unless permitted by the provisions contained in Section 3.9 above, Developer, until the City issues the Final Building Certificate with regard to the completion of all of the Units, the common elements, parking and landscaping constituting the Project, shall not assign, transfer or convey any right,

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title or interest in the Property. Notwithstanding the above, Developer shall have the right to enter into real estate purchase contracts with Homebuyers concerning the conveyance of a Unit by Developer to an Homebuyer prior to the issuance of the Final Building Certificate, and in fact convey such Units, provided Developer complies with the terms and provisions of this Agreement, including, without limitation, Section 3.5 and 3.8, and Section IV above. In addition, Developer shall be permitted to convey its right, title and interest in the Property to a land trust formed under the laws of the state of Illinois and of which Developer is the sole beneficiary; provided, however, that the City must receive prior notification of such transfer accompanied by a certified copy of the land trust agreement, and the City, Developer and the land trustee shall execute a document granting the City the irrevocable right to approve the land trust documents.

**7.3 Conflict of Interest - City's Representatives Not Individually Liable.** In addition to the conflict of interest provisions described in 24 C.F.R. Section 570.611, prior to the issuance of the Final Building Certificate, no member of any City board, commission or agency, or official or employee of the City shall have any personal interest, direct or indirect, in Developer, the Agreement or the Project; nor shall any such member, official or employee participate in any decision relating

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to the Agreement which affects his or her personal interest or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested. This prohibition shall include those public officials who have exercised any functions or responsibilities with respect to this Project or the New Homes Condo Program or who are in a position to participate in a decisionmaking process or gain inside information with regard to the Project or the New Homes Condo Program or may obtain a financial interest or benefit from this Project, or have an interest in any contract, subcontract, or agreement with respect thereto, or the proceeds therefore, either for themselves or those with whom the officials have family or business ties, during the tenure or employment of said public officials and for a period of one year thereafter. The foregoing shall not be deemed to exclude employees of the City who meet the requirements of the New Homes Condo Program from purchasing Units for their primary residences, and who are able to do so pursuant to an ordinance passed by the City Council of the City. No member, official or employee of the City shall be personally liable to Developer, or any successor in interest, to perform any commitment or obligation of the City under the Agreement nor shall any such person be personally liable in the event of any default or breach by the City.



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

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

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

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

7.8 Notices. Any notice called for herein shall be in writing and shall be mailed postage prepaid by registered or

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certified mail with return receipt requested, or hand delivered and receipted, as follows:

If to the City: Commissioner  
Department of Housing  
318 South Michigan Avenue  
Chicago, Illinois 60604  
Attn: Deputy Commissioner,  
Developer Services

with a copy to: Corporation Counsel  
City of Chicago  
30 North LaSalle Street  
Room 1610  
Chicago, Illinois 60602  
Attn: Real Estate & Land Use Div.

If to Developer: Investment Management Corporation  
1 East Superior Street  
Suite 604  
Chicago, Illinois 60611  
Attn: Bill Higginson

Notices are deemed to have been received by the parties three (3) days after mailing. The parties, by notice given hereunder, may designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

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

**7.10 Governing Law.** The Agreement shall be governed by and construed in accordance with the laws of the State of Illinois

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and, where applicable, the laws of the United States of America. In the event of any conflict between the terms and conditions of this Agreement and the C.D.B.G Act and the C.D.B.G. Regulations, the C.D.B.G Act and the C.D.B.G. Regulations, as applicable, shall control.

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

**7.12 Recordation of the Agreement.** Upon execution of the Agreement by the parties, the City shall promptly record one original of the Agreement with the Office of the Recorder of Deeds of Cook County, Illinois.

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

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7.14 Successors and Assigns. The terms of the Agreement shall be binding upon the City and Developer, and Developer's respective heirs, legal representatives, successors and assigns.


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

7.16 Counterparts. The Agreement shall be executed in triplicate, each of which shall constitute an original instrument.

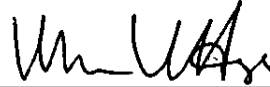
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IN WITNESS WHEREOF, the parties hereto have executed or caused the Agreement to be executed, all as of the date first written above.

**CITY OF CHICAGO,**  
an Illinois municipal corporation

By:   
\_\_\_\_\_  
John G. Markowski  
Commissioner  
Department of Housing

**INVESTMENT MANAGEMENT CORPORATION,**  
an Illinois not for profit corporation

By:   
\_\_\_\_\_  
~~Bill~~ William W. Higginson  
President

By:   
\_\_\_\_\_  
George Dinges  
Secretary



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STATE OF ILLINOIS)

) SS

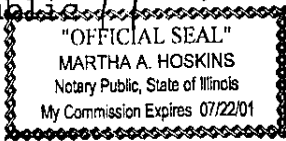
COUNTY OF COOK )

I, Martha A. Hoskins, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Bill Higginson personally known to me to be the President of Investment Management Corporation, an Illinois not for profit corporation, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and being first duly sworn by me acknowledged that as such President, he signed and delivered the said instrument, as his free and voluntary act and as the free and voluntary act of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 15th day of September, 2000

Martha A. Hoskins  
Notary Public

(SEAL)



My Commission expires

7/22/01

# UNOFFICIAL COPY

STATE OF ILLINOIS)

) SS

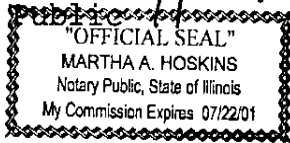
COUNTY OF COOK )

I, Martha A. Hoskins, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Georges Dinges, personally known to me to be the Secretary of Investment Management Corporation, an Illinois not for profit corporation, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and being first duly sworn by me acknowledged that as such Secretary, he signed and delivered the said instrument, as his free and voluntary act and as the free and voluntary act of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 15<sup>th</sup> day of September, 2000.

Martha A. Hoskins  
Notary

(SEAL)



My Commission expires

7/22/01



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## LIST OF EXHIBITS

- A Legal description of the Property
- B List of waiver of City fees
- C Working drawings and specifications
- D Schedule of Construction Progress
- E Allocation of City Subsidy Per Unit Type
- F Inspector's certificate
- G Final sales pricing of units
- H List of options
- I Warranty of habitability
- J Marketing Plan

Property of Cook County Clerk's Office

# UNOFFICIAL COPY

## EXHIBIT A

### LEGAL DESCRIPTION OF THE PROPERTY

LOTS 8 TO 11 ALL INCLUSIVE IN BLOCK 9 IN GUNDERSON'S NORTH BIRCHWOOD SUBDIVISION OF BLOCKS 4 TO 17 INCLUSIVE IN DAVID P. O'LEARY'S SUBDIVISION OF PART OF THE SOUTH ½ OF THE NORTHEAST 1/4 OF SECTION 30, TOWNSHIP 41 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN: 11-30-215-005-0000

ADDRESS: 7715-21 North Hermitage Avenue, Chicago, Illinois

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## Exhibit B - Fee Waivers

### Department of Buildings:

Plan review, permit and field inspection fees are to be paid in full for the first unit of each unit type; the fees paid for each successive unit type would be reduced by 50%. This fee reduction is not applicable to the electrical permit.

### Department of Housing:

Trees and sod in parkways are provided on an as-needed basis in coordination with the Department of Transportation's reconstruction of sidewalks, curbs, and gutters.

### Department of Planning and Development:

Open Space Impact fees are not waived. For the New Homes for Chicago or City Lots for City Living program, an open space impact fee of \$100 per unit shall be assessed to the developer to be paid to the City of Chicago as a condition of issuance of a building permit.

### Department of Sewers:

Connection fees are waived.  
Inspection fees are waived.

### Department of Streets and Sanitation:

Street opening or patching fees, deposits or bonds are not waived at this time.

### Department of Transportation:

Curbs, gutters, sidewalks are provided on an as-needed basis. Street and alley repairs or repaving are not provided through the New Homes for Chicago or City Lots for City Living programs.

### Department of Water:

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

### Department of Zoning:

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

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EXHIBIT # F

1

INSPECTING ARCHITECT

ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data coming from the above application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED: .....  
(attach explanation if amount certified differs from the amount applied for.)  
ARCHITECT:

By: .....  
This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

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

\$ 0.00

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Property of Cook County Clerk's Office

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LOTS 8 TO 11 ALL INCLUSIVE IN BLOCK 9 IN GUNDERSON'S NORTH BIRCHWOOD SUBDIVISION OF BLOCKS 4 TO 17 INCLUSIVE IN DAVID P. O'LEARY'S SUBDIVISION OF PART OF THE SOUTH  $\frac{1}{2}$  OF THE NORTHEAST  $\frac{1}{4}$  OF SECTION 30, TOWNSHIP 41 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN: 11-30-215-005-0000

ADDRESS: 7715-27 North Hermitage Avenue, Chicago, Illinois

Property of Cook County Clerk's Office

8/30/2000

REPORTS OF COMMITTEES

39745

Department Of Housing.

Trees and sod in parkways are provided on an as-needed basis in coordination with the Department of Transportation's reconstruction of sidewalks, curbs and gutters.

Department Of Planning And Development.

Open Space Impact fees are not waived. For the New Homes for Chicago or City Lots for City Living programs, an open space impact fee of One Hundred Dollars (\$100) per unit shall be assessed to the developer to be paid to the City of Chicago as a condition of issuance of a building permit.

Department Of Sewers.

Connection fees are waived. Inspection fees are waived.

Department Of Streets And Sanitation.

Street opening or patching fees, deposits or bonds are not waived at this time.

Department Of Transportation.

Curbs, gutters and sidewalks are provided on an as-needed basis. Street and alley repairs or repaving are not provided through the New Homes for Chicago or City Lots for City Living programs.

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JOURNAL--CITY COUNCIL--CHICAGO

8/30/2000

## Department Of Water.

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

## Department Of Zoning.

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

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## Exhibit C Working Drawings and Specifications

Plans, William Worn, Dated 3-31-00, Pages A-1 through A-15, M-1 through M-8, and P-1 through P-6, Approved and stamped by the Department of Buildings.

Addendum #1, 1 page, dated 6-12-2000

General Contractors Sworn Statement, \$2,028,915.00, dated 4-13-2000

Schedule of Values, 2 pages, not signed or dated

Construction Narrative, 5 pages, signed and dated 4-13-00

General Contractors Certificate of Insurance, expires Aug 1, 2001

Owners Certificate of Insurance, expires Nov 14, 2000

Building Permit # 2000-935275

Application for Building Permit

Lead Paint Letter, signed and dated 3-29-00

Disposal Affidavit, signed and dated 2-16-00

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EXHIBIT D

12 Pages, 686 Days

Item	Days
1. General	15 days
2. Electrical	15 days
3. Plumbing	15 days
4. Carpentry	15 days
5. Painting	15 days
6. Roofing	15 days
7. Siding	15 days
8. Windows	15 days
9. Doors	15 days
10. Stairs	15 days
11. Decking	15 days
12. Fencing	15 days
13. Landscaping	15 days
14. Irrigation	15 days
15. Pool	15 days
16. Hot Water	15 days
17. Heating	15 days
18. Cooling	15 days
19. Ventilation	15 days
20. Insulation	15 days
21. Drywall	15 days
22. Taping	15 days
23. Priming	15 days
24. Painting	15 days
25. Staining	15 days
26. Sealing	15 days
27. Polishing	15 days
28. Waxing	15 days
29. Buffing	15 days
30. Sanding	15 days
31. Grinding	15 days
32. Drilling	15 days
33. Sawing	15 days
34. Nailing	15 days
35. Screwing	15 days
36. Bolting	15 days
37. Gluing	15 days
38. Welding	15 days
39. Brazing	15 days
40. Soldering	15 days
41. Etching	15 days
42. Engraving	15 days
43. Stamping	15 days
44. Casting	15 days
45. Forging	15 days
46. Annealing	15 days
47. Tempering	15 days
48. Heat Treating	15 days
49. Powder Coating	15 days
50. Electroplating	15 days
51. Anodizing	15 days
52. Chromating	15 days
53. Phosphating	15 days
54. Passivating	15 days
55. Pickling	15 days
56. Pickle Inhibiting	15 days
57. Rinsing	15 days
58. Drying	15 days
59. Coating	15 days
60. Sealing	15 days
61. Wrapping	15 days
62. Labeling	15 days
63. Marking	15 days
64. Stenciling	15 days
65. Lettering	15 days
66. Signage	15 days
67. Banners	15 days
68. Billboards	15 days
69. Signs	15 days
70. Posters	15 days
71. Flyers	15 days
72. Brochures	15 days
73. Manuals	15 days
74. Reports	15 days
75. Forms	15 days
76. Labels	15 days
77. Stickers	15 days
78. Decals	15 days
79. Graphics	15 days
80. Printing	15 days
81. Reproduction	15 days
82. Imaging	15 days
83. Scanning	15 days
84. Copying	15 days
85. Mailing	15 days
86. Distribution	15 days
87. Archiving	15 days
88. Digitization	15 days
89. Backup	15 days
90. Restoration	15 days
91. Migration	15 days
92. Archiving	15 days
93. Preservation	15 days
94. Digitization	15 days
95. Migration	15 days
96. Archiving	15 days
97. Preservation	15 days
98. Digitization	15 days
99. Migration	15 days
100. Archiving	15 days

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Dec 18 '01	Dec 23 '01	Dec 30 '01	Jan 6 '02	Jan 13 '02	Jan 20 '02	Jan 27 '02	Feb 3 '02	Feb 10 '02	Feb 17 '02	Feb 24 '02
W T T F S	S M T W T F S	S M T W T F S	S M T W T F S	S M T W T F S	S M T W T F S	S M T W T F S	S M T W T F S	S M T W T F S	S M T W T F S	S M T W T F S

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