



PURCHASE and OWNERSHIP AGREEMENT

WHEREAS, the undersigned SIMON KENNEDY ("SIMON" or "Purchaser") and SARAH KENNEDY ("SARAH" or "Seller") are co-owners as tenants in common of certain property located at 1427 West Byron, Chicago, Illinois 60613 (the "Property") and legally described as follows:

The West 1/2 of Lot 3 and the East 3 Feet of the North 58 feet of Lot 2 in Block 4 in Lake View High School Subdivision in the North West 1/4 of the North West 1/4 of Section 20, Township 40 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

Permanent Index No. 14-20-107-036-0000;

WHEREAS, SIMON presently owns 60% of said property and SARAH presently owns 40% of the Property and the parties presently maintain a joint bank account for expenses for routine maintenance of the Property (the "Joint Account"), into which account SIMON currently pays \$60.00 per month and SARAH pays \$40.00 per month. Both parties are empowered to write checks on the Joint Account and the records for same are maintained by SIMON;

WHEREAS, SIMON presently occupies the coach house located on the Property as his residence and SARAH presently has possession of the first floor apartment and basement of the two flat residence.

WHEREAS, SARAH desires to sell and SIMON desires to purchase an additional 15% ownership interest in the Property for a total purchase price of \$47,509.00 (the "Purchase Price"), such that SIMON will own a total of 75% of the ownership interest in the Property and SARAH will retain only a 25% ownership interest in the Property; and

WHEREAS, the parties hereto wish to continue to administer, manage and maintain the Property pursuant to the terms set forth below.

NOW THEREFORE, it is hereby agreed by and between the parties, for good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged as follows:

1 Seller hereby transfers to Purchaser an additional 15% of her ownership interest in the Property such that SIMON shall own a 75% interest in said Property and SARAH shall retain a 25% interest in same;

2. The Purchase Price shall be paid as follows:

(a) \$5,509 payable directly to SARAH in the form of personal check, cashier's check or money order to be tendered within 45 days of the execution of this Purchase Agreement;

(b) \$22,000 in the form of a personal check, cashier's check or money order to Nan Kennedy and Miles Kennedy jointly as and for repayment of a debt owed to them by SARAH, which amount shall be paid within 45 days of the execution of this Purchase Agreement; and

(c) \$20,000 payable to a third party upon the direction of SARAH at the time of her purchase of any parcel of real property. In the event that SARAH fails to direct the payment of said amount for the purchase of a parcel of real property within twenty four months from the date of execution of this Agreement, SIMON may elect (but shall not be obligated) to tender the remainder of the purchase price directly to SARAH in the form of cash, personal property or other assets, the fair market value of which shall not be less than \$20,000. Until such time as SARAH directs the payment of \$20,000 for the purchase of real property or as SIMON elects to tender the remaining sum to SARAH outright, the \$20,000 sum shall be held in the Joint Account.

3. **Maintenance.** SIMON shall deposit \$50.00 and SARAH shall deposit \$50.00 per month into the Joint Account, from which account the costs and expenses of routine maintenance of the Property shall be paid. In the event that the funds in said Joint Account are insufficient to cover the cost of necessary repairs, SIMON shall pay the excess due and shall be reimbursed for such payment from the proceeds of the final sale of said Property. The parties agree to maintain those portions of the Property that they occupy in good, sanitary and habitable condition without contribution from the other party.

4. **Improvements.** Any party desiring to improve the Property shall provide notice of the proposed improvement to the other party. In the event that both parties agree to undertake the proposed improvement, the cost of same shall be borne by the parties in proportion to their ownership interest in the property, i.e. SIMON shall pay 75% and SARAH shall pay 25%. In the event that the party receiving notice of an intended improvement indicates that he or she does not object to same but does not wish to incur the costs associated therewith, then the cost of the improvement shall be borne entirely by the party proposing same and said party may, by agreement of the parties' hereto, be reimbursed for the cost of said improvement from the proceeds of the final sale of the Property. In the event that either party objects to a proposed improvement in writing within 20 days of receiving notice of same, the proposed improvement shall not be made.

5. **Tenants.** All new tenants must be approved by SIMON.

6. **Sale of Property.** In the event that both parties wish to sell the Property (or one party consents to have his or her entire ownership interest purchased by the other) and the parties cannot agree regarding the price at which same should be sold, the selling price shall be determined as follows:

Each party shall have the Property appraised by a licensed real estate broker or MAI appraiser who shall prepare an appraisal of market value based on sales of comparable properties in the same geographic area within the previous 12 months. The selling and/or list price shall be the average of the two appraised values plus five percent (5%).

In the event that only one party wishes to sell the Property, the other party must purchase the selling party's interest in the Property, based on the above described calculation of the selling price (less the 6% broker's commission), within four months of receiving written notice of the selling party's desire to sell. In the event that the non-selling party does not exercise this option within said four month period, this buy-out option shall be conclusively deemed waived, and the Property shall be listed for sale and both parties shall execute all documents necessary to consummate the sale of the Property at the selling price described above.

The parties hereto acknowledge that, in the event that they fail to comply with this provision regarding sale of the Property, they will be liable to the other for any and all damages, penalties, court costs, attorneys fees and liabilities incurred by the other as a result of such non-compliance.

7. **Division of Proceeds of Sale.** The parties hereto agree that, upon the sale of the parties' entire interests in the Property (either to a third party or to one of the parties hereto), the proceeds of said sale, after payment of customary closing costs,

including but not limited to, applicable state, county and municipal transfer taxes, broker's commission, real estate tax prorations, title insurance charges and attorneys fees, shall be divided between the parties in proportion to their respective ownership interests, after reimbursement to the parties of the following amounts that were heretofore advanced for the maintenance, repair and improvement of the Property and all amounts advanced by SIMON for maintenance pursuant to Paragraph 3 hereinabove:

(a) SARAH - \$15,000.00 (refinishing of basement to include second bathroom and two finished rooms); and

(b) SIMON - \$14,890.00 (coach house roof replacement, installation of flood control system, replacement of lintels, window frames, and replacement of steps to front entrance of coach house and rear entrance of two story building).

Upon final sale of the Property all amounts remaining in the Joint Account shall be divided between the parties in proportion to their respective ownership interests in the Property.

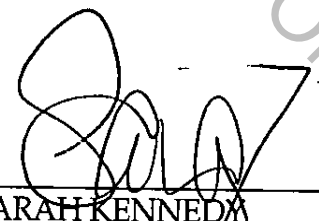
8. **Recording.** The parties intend that this Agreement shall be recorded in the chain of title to the Property to put all persons on notice of their respective ownership interests in said Property.

9. **Miscellaneous.** The parties agree that this Agreement shall supercede all written agreements between the parties executed prior to the date indicated hereinbelow and that the terms of this Agreement may not be modified except in a writing signed by both parties.

Agreed:


SIMON KENNEDY

Date: 3/28/00


SARAH KENNEDY

Date: 3/28/00

This instrument prepared by:

Michael A. Haber & Associates, P.C.
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Suite 600
Chicago, Illinois 60602

Upon Recording Mail To:

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MAIL TO