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Cook County Recorder of Deeds
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FOR RECORDING PURPOSES

REAL ESTATE OWNERSHIP AGREEMENT AND BINDING CONTRACT COVER SHEET

Re: 3533 N. Hamilton, Chicago, IL 60618

PIN: 14-19-305-013-0000

Legal:

LOT 27 (EXCEPT THE SOUTH 4 FEET) AND THE SOUTH $\frac{1}{2}$ OF LOT 28 IN BLOCK 30 IN THE SUBDIVISION OF SECTION 19, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPT THE SOUTHWEST $\frac{1}{4}$ OF THE NORTHEAST $\frac{1}{4}$ OF THE NORTHWEST $\frac{1}{4}$ AND THE EAST $\frac{1}{2}$ THE SOUTHEAST $\frac{1}{4}$ OF SAID SECTION 19, IN COOK COUNTY, ILLINOIS.

PREPARED BY AND RETURN TO:

Stephen A. Witt
Burton T. Witt & Associates
One N. LaSalle, Suite 3900
Chicago, IL 60602
312-236-9313

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REAL ESTATE OWNERSHIP AGREEMENT AND BINDING CONTRACT

This Real Estate Ownership Agreement and Binding Contract (hereinafter referred to as the "Agreement") is made and entered into this 30th day of August, 2004, by and between Theresa Coldewey (hereinafter referred to as "Tracey") and Rimas Buntinas (hereinafter referred to as "Rim") who shall jointly purchase and jointly own real estate commonly referred to as and located at 3535 N. Hamilton, Chicago, IL 60618 (hereinafter referred to as the "Property").

WITNESSETH

WHEREAS, Tracey and Rim seek to purchase and thereafter own the Property from the current owner and seller of the Property, Deborah Fritz (Hereinafter referred to as the "Seller");

WHEREAS, Tracey and Rim have made an offer to the Seller to purchase the Property, and the Seller has accepted said offer; and

WHEREAS, Tracey and Rim and the Seller have entered into a contract memorializing their agreement concerning the sale and transfer of the Property from the Seller to Tracey and Rim; and

WHEREAS, Tracey and Rim intend, upon the completion of the purchase of the Property from the Seller to jointly own and manage the Property under the terms and conditions set forth herein and hereby agree to follow and be bound by such terms and conditions; and

WHEREAS, Tracey and Rim have each contributed good and valid consideration, the sufficiency of which is hereby acknowledged, and it is further acknowledged that the consideration contributed by Tracey and Rim may not, necessarily be in equal part and of equal kind or value; and

WHEREAS, Tracey and Rim wish a precise statement setting forth the relative ownership interest of each in the Property together with a statement as to the mechanisms by which the Property is to be managed and co-owned;

NOW THEREFORE, in consideration of the mutual agreements, covenants, promises, representations and undertakings of the parties set forth herein, it is hereby agreed as follows:

AGREED

1. Recitals. The above recitals are hereby incorporated herein by this reference. Any recitals presented in this Agreement are made a part of this Agreement and are binding on

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Tracey and Rim irrespective if they are a numbered or titled term, provision, section or paragraph.

2. **Intent.** This Agreement is intended to contractually bind and shall be constructed as contractually binding Tracey and Rim to adhere to and to be bound by all the terms and conditions set forth herein.
3. **Ownership Interest.** Tracey and Rim hereby agree that the respective proportionated ownership interest of each is to be established according to the terms and formulas set forth herein. Tracey and Rim hereby agree that the proportionate ownership interest of each as established by this Agreement shall be final, determinative, and binding and shall be superior to and in all ways controlling of any other method of determining the proportionate ownership interest of each, including any method that shall be determined following the operation of law, except to the extent that the operation of law shall be used solely for the purpose of interpreting the terms of this Agreement.
 - A. Tracey and Rim each acknowledge that they did not provide equal initial capital and did not necessarily in other ways equally contribute equally towards the purchase of the Property.
 - B. Upon completion of the closing at which Tracey and Rim are to purchase the Property, Tracey and Rim are each to have a right to themselves live in and cohabitate in the Property purchased. Tracey and Rim, thus, each have a possessory right to the Property for purposes of themselves each living at the Property only. Any desire of either Tracey or Rim to rent out or to in any other way or manner assign their possessory interest in the property to another party must be approved in advance in a written document signed by each Tracey and Rim. Without such a written approval, neither Tracey nor Rim may rent out or in any other way or manner assign their possessory interest in the Property.
 - C. Upon completion of the closing at which Tracey and Rim are to purchase the Property, Tracey shall own a proportionate interest in the property equal to the proportionate amount of the total earnest money plus down payment on the Property that she contributed versus the entirety of the earnest money plus down payment on the Property tendered by Tracey and Rim jointly before or at the closing on the Property. Similarly, upon completion of the closing at which Tracey and Rim are to purchase the Property, Rim shall own a proportionate interest in the property equal to the proportionate amount of the total earnest money plus down payment on the Property that he contributed versus the entirety of the earnest money plus down payment on the Property tendered by Tracey and Rim jointly before or at the closing on the Property. The percent ownership that

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Tracey and Rim shall each enjoy of the Property shall be recalculated every year as measured from the anniversary of Tracey and Rim's closing on the purchase of the Property or at any time that there shall be a change in the title of the Property (a sale or transfer of the Property). The recalculation of the percent ownership interest in the Property that Tracey and Rim respectively shall each have will be measured by the percent that their individual contributions to the Property's purchase and upkeep (including but not limited to mortgage payments, taxes, insurance, maintenance, improvements, etc.) tally compared to the total contributions made by both Tracey and Rim together towards the Property's purchase and upkeep. To promote the ease and accuracy of performing this calculation (the calculation of Tracey and Rim's respective ownership interest in the Property), Tracey and Rim agree to establish a joint bank account to be used for the payment of Property expenses. Both Tracey and Rim shall contribute to this joint bank account. It is the responsibility of the contributing party, however, to keep records and otherwise be able to evidence the contributions that the contributing party made. To the extent that either Tracey or Rim make contributions to the Property directly and are not made through the joint bank account, then, again, it is the responsibility of the contributing party to keep records and otherwise be able to evidence the contributions that the contributing party made.

4. **Property Management and Maintenance.** Tracey and Rim hereby agree that the Property shall be managed and maintained as set forth herein:
 - A. Upon completion of the closing at which Tracey and Rim are to purchase the Property, and in perpetuity unless any term or terms of this Agreement shall dictate otherwise, Tracey and Rim are each to pay 50% (fifty percent or one-half) of all maintenance expenses associated with the Property, including but not necessarily limited to mortgage, insurance, tax and typical and extraordinary maintenance and repair expenses, electric, gas, water, sewerage, and scavenger expenses. Any changes or improvements to the Property as well as the manner that routine maintenance is to be performed is to be mutually agreed upon by Tracey and Rim.
 - B. Tracey and Rim hereby agree to make mutual decisions regarding any modifications, decorations, improvements, or alterations to the Property.

5. **Sale and/or Buy-Out.** Tracey and Rim hereby agree that they will each abide by the following with regards to the sale of the Property or of either's equity share in the Property.
 - A. Should both Tracey and Rim each agree to sell the Property, then the

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Property is to be sold and the net proceeds of the Property are to be divided pursuant to the percent ownership interest of each in the Property as established by the terms of this Agreement.

- B. Should either party wish to sell but the other party not wish to sell, then Tracey and Rim hereby agree and in all other circumstances shall also grant each other an exclusive right to purchase the other's equity interest in the Property. The selling party must give the non-selling party written notice of the selling party's desire to sell, and the non-selling party shall thereafter have 30 days to give written notice of the non-selling party's desire to exercise his or her exclusive right to purchase the other's equity interest in the Property. Thereafter, the non-selling party shall have an additional 60 days to arrange for financing and to otherwise complete the Purchase of the selling party's equity interest in the Property. In such instance, Tracey and Rim each agree to hire a licensed Illinois appraiser who shall appraise the value of the Property based on a market comparison approach. The equity interest in the Property to be sold then, will be sold at a price equal to the appraised value of the entire Property multiplied by the percent ownership interest to be transferred by the selling party to the purchasing party. The cost of the Illinois appraiser is to be equally borne by Tracey and Rim. Should Tracey and Rim not be able to choose a mutually acceptable Illinois appraiser, then they agree to jointly hire an attorney whose sole job will be to choose an Illinois appraiser to perform the above appraisals. In such instance, the cost of the attorney and the Illinois appraiser shall be equally borne by Tracey and Rim.
- C. Should either Tracey and Rim choose to sell their respective equity interest and should the non-selling party not exercise their exclusive right to purchase the other's equity interest in the Property, then the party desiring to sell shall hire an attorney, surveyor, realtor (if desired) and pay all fees and costs associated with and necessary to selling the Property.
- D. Should either Tracey or Rim pass away, each hereby grants the survivor a first option to purchase the Property pursuant to the terms set forth in subparagraph B above. In such instance, however, the survivor shall have up to 90 days after the death of the non-survivor to serve notice upon the estate of the deceased of the survivor's decision to exercise this option and a further 90 days to complete the purchase of the deceased's equity ownership in the Property. This provision shall be moot and without effect to the extent that Tracey and/or Rim decide to place the Property in joint tenancy or through a will or other device leave their respective share of the Property to the other.

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6. **Agreement Date, Time and Place.** This Agreement is intended to be executed at the time that the closing of the Property occurs during which the Property ownership is transferred from Tracey and Rim from the Seller. This Agreement shall, however, be equally valid and binding should it be executed at any time before or after the closing on the Property.
7. **Additional Documents and Acts.** Tracey and Rim hereby agree to execute any other documentation and to perform any additional acts that may be required to put into effect the terms and conditions set forth herein.
8. **Headings.** The various headings used in this Agreement as headings for sections or otherwise are for convenience only and shall not be used in interpreting the text of the section in which they appear.
9. **Successors.** This Agreement shall be binding upon and inure to the benefit of the heirs, legal representatives, successors and assigns of Tracey and Rim.
10. **Notices.** All notices shall be in writing and delivered in person or sent by certified mail to each party at the Property, or to any other address for either or both as may be stated in written notice given in compliance under this clause.
11. **Governing Law.** This Agreement shall be construed and interpreted in accordance with the laws of Illinois. Both parties shall agree that any dispute hereunder shall be first submitted to non-binding arbitration and to be decided by an arbitrator certified or otherwise approved by the American Arbitration Association. The arbitration hearing is to be held in Chicago, Illinois. The prevailing party shall be entitled to be compensated for all costs, attorney fees, and other reasonably related expenses expended at such an arbitration hearing. Should either party seek to thereafter appeal to the Court it is agreed that the party shall seek redress in the Courts located in Cook County, Illinois and, again, the prevailing party shall be entitled to be compensated for all costs, attorney fees, and other reasonably related expenses expended in such a Court action.
12. **Severability.** The invalidity of any provision of this Agreement shall not impair the validity of any other provision. If any provision of this Agreement is determined by a Court of competent jurisdiction to be unenforceable, that provision will be deemed severable and the Agreement may be enforced with that provision severed or as modified by the Court.
13. **Entire Agreement, Sufficiency, and Modification.** This Agreement sets forth the entire understanding of Tracey and Rim. This Agreement supersedes all prior agreements, arrangements, and communications between the parties dealing with the subject matter herein or of this transaction (the purchase, ownership, management and sale of the Property), whether oral or written. No other promise, agreement, understanding, or representation regarding the subject matter herein will be binding unless made in writing

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and duly executed by both parties. Tracey and Rim each acknowledge that the consideration set forth herein is good and sufficient. This Agreement may only be amended, modified or terminated in writing by instruments executed by both Tracey and Rim.

- 14. **Strict Performance.** The failure, with or without intent, of either party to insist upon the strict performance by the other party of any provision of this Agreement shall not be deemed to constitute a modification of any of the provisions hereof, or waiver of the right to insist at any time thereafter upon performance strictly in accordance with the provisions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year set forth herein.

Theresa Coldeway
 Theresa Coldeway

DATED: 8/30/04

Rimas Buntinas
 Rimas Buntinas

DATED: 8/30/04

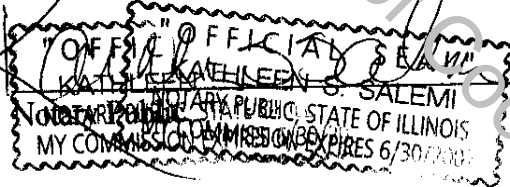
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State of Illinois)
) SS.
 County of Cook)

I, the undersigned, a Notary Public in and for said County, in the State, aforesaid, DO HEREBY CERTIFY that THERESA COLDEWAY AND RIMAS BUNTINAS, personally known to me to be the same persons whose names are subscribed to the foregoing document, appeared before me this day in person and acknowledged that they signed, sealed, and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth.

Subscribed and sworn to before me, given under my hand and official seal this 30th day of AUGUST, 2004.

My commission expires on 063007.



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