



Doc#: 0631250108 Fee: \$42.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 11/08/2006 02:44 PM Pg: 1 of 10

Page 1

REAL ESTATE SALE CONTRACT

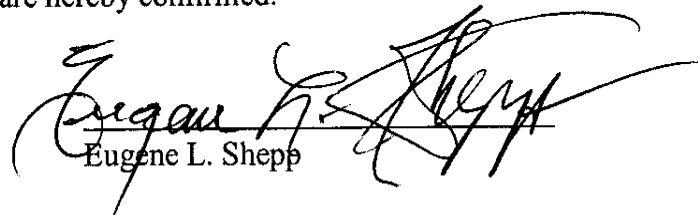
This is a Contract with attached Rider whereby Chicago Title Land Trust Co. Trust No. 1104283 by and through its duly authorized agent, Val Sklorov, agrees to sell and cause to be conveyed to David M. Kaiser the property commonly known as 426 W. Belmont Ave., Chicago, IL 60657 for the price and upon the terms recited in the Contract and Rider.

This property is commonly known as 426 W. Belmont Ave., Chicago, IL 60657 and is legally described as follows:

THE WEST 50 FEET OF THE EAST 300 FEET OF LOT 28 LYING WEST OF THE WEST LINE OF LAKE VIEW AVENUE PINE GROVE A SUBDIVISION OF SECTION 21, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

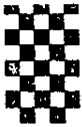
P.I.N.: 14-21-314-038-0000

The purpose of this document is to give record notice of the Contract and Rider attached thereto and of the rights created thereby, all of which are hereby confirmed.


Eugene L. Shepp

This document prepared by:

Eugene L. Shepp
3545 W. Lake Ave., Suite 200
Wilmette, IL 60091



CHICAGO ASSOCIATION OF REALTORS REAL ESTATE SALES CONTRACT



1 This Contract is made between DAVID M. KAISER AND/OR ASSIGNEES (Buyer) and Owner of Records (Seller) (collectively, Parties), to convey the property known as 426 W. BELMONT CHGO, IL 60657 (Property), together with all improvements.

- 4 A fully executed original of this Contract shall be held by Listing Broker. The date of the offer of this Contract is 800.
5 L. Fixtures and Personal Property. In addition to the Property, Seller shall transfer to Buyer by a Bill of Sale, all heating, cooling, electrical, and plumbing systems, together with the following checked items:
7 T.V. Antenna All Washer All Central air conditioner Water softener Wall to wall carpeting
8 Refrigerator All Dryer All Window air conditioner Fireplace gas log Existing stairs & screens All
9 Oven/Range All Attached book cases and cabinets Electronic air filter Firewood Radiator covers
10 Microwave All Smoke and carbon monoxide detectors Central humidifier Lighting Fixtures All All potted vegetation
11 Dishwasher All Garbage disposal Fireplace screen and equipment Sump pump Trash compactor
12 Outdoor shed Built-in or attached shelving Home warranty (as attached) Security system Window treatments All
13 Ceiling fan All Electronic garage door(s) with remote control(s)

14 Seller also transfers the following: T&E The following items are specifically excluded:
16 2. Purchase Price The purchase price for the Property and the items identified in Paragraph 1 is \$1,000,000 (Purchase Price).

17 3. Earnest Money Upon Buyer's execution of this Contract, Buyer shall deposit with SEE RIDER (Escrower), initial earnest money in the amount of \$25,000 in the form of PERSONAL CHECK (Initial Earnest Money). The Initial Earnest Money shall be returned and this Contract shall be of no force or effect if this Contract is not accepted by Seller on or before 8/8, 2006. The Initial Earnest Money shall be increased to 10% of the Purchase Price (Final Earnest Money) within 10 business days after the expiration of the Attorney Approval Period (See Paragraph 12 of this Contract) (the Initial and Final Earnest Money are collectively referred to as the "Earnest Money"). Buyer and Seller shall execute all mutually agreed and necessary documents with regard to the Earnest Money. Except as otherwise agreed, Buyer shall pay all expenses with regard to the Earnest Money.

22 4. Payment of Balance; Mortgage Contingency. (a) In addition to the Final Earnest Money, the balance of the Purchase Price shall be paid at closing, plus or minus proration, by cash, cashier's check, certified check, wire transfer of funds, or other payment mutually agreed by the Parties. (b) This Contract is contingent upon Buyer securing by SEE RIDER (First Commitment Date) a written commitment (Required Commitment) for a fixed rate or an adjustable rate mortgage permitted to be made by a U.S. or Illinois savings and loan association or bank for SEE RIDER, the interest rate (or initial interest rate if an adjustable rate mortgage) not to exceed % per year, amortized over years, payable monthly, loan fee not to exceed %, plus appraisal and credit report fee, if any (Required Mortgage). If the Required Mortgage has a balloon payment, it shall be due no sooner than years. Buyer shall pay for private mortgage insurance as required by the lending institution. If a FHA or VA mortgage is to be obtained, Rider 8, Rider 9, or the HUD Rider shall be attached to this Contract. (c) If Buyer is unable to obtain the Required Commitment by the First Commitment Date, Buyer shall so notify Seller in writing on or before that Date. Seller may, within 30 business days after the First Commitment Date (Second Commitment Date), secure the Required Commitment for Buyer upon the same terms, and may extend the closing date by 30 business days. The Required Commitment may be given by Seller or a third party. Buyer shall furnish all requested credit information, sign customary documents relating to the application and securing of the Required Commitment, and pay one application fee as directed by Seller. Should Seller choose not to secure the Required Commitment for Buyer, this Contract shall be null and void as of the First Commitment Date, and the Earnest Money shall be returned to Buyer. (d) If Buyer notifies Seller on or before the First Commitment Date that Buyer has been unable to obtain the Required Commitment, and neither Buyer nor Seller secures the Required Commitment on or before the Second Commitment Date, this Contract shall be null and void and the Earnest Money shall be returned to Buyer. (e) If Buyer does not provide any notice to Seller by the First Commitment Date, Buyer shall be deemed to have waived this contingency and this Contract shall remain in full force and effect.

37 5. Deeds; Real Estate Taxes. At closing, Seller shall execute and deliver to Buyer, or cause to be executed and delivered to Buyer, a recordable Warranty Deed with release of homestead rights (or other appropriate deed if title is in trust or in an estate) or Articles of Agreement, if applicable, subject only to the following, if any: covenants, conditions, and restrictions of record; public and utility easements; existing leases; tenancies; special governmental taxes or assessments for improvements not yet completed; unpaid special governmental taxes or assessments; general real estate taxes for the year 2006 and subsequent years; the mortgage or trust deed referred to in Paragraph 6 of the General Provisions of this Contract and/or Rider 7, if applicable. Seller represents that the 2006 general real estate taxes are \$1,000. General real estate taxes shall be prorated as mutually agreed by the Parties prior to the expiration of the Attorney Approval Period.

43 6. Leases. Seller shall present to Buyer a complete copy of all existing leases affecting the Property and a rent roll within three business days of the Acceptance Date. Seller represents and warrants that (a) existing leases, if any, will be assigned to Buyer at closing and (b) the present monthly gross rental income is \$

45 7. Closing. Closing or net payment shall be on SEE RIDER (except as provided in Paragraph 12 of this Contract), provided title has been shown to be good or is accepted by Buyer, at a time and location mutually agreed upon by the Parties.

47 8. Possession. (a) Seller agrees to surrender possession of the Property on or before SEE RIDER 200 (Possession Date), provided the transaction has closed. (b) If the Possession Date is not the date of closing, then, at closing, Seller shall pay to Buyer \$500.00 per day for use and occupancy commencing the first day after closing up to and including the Possession Date or on a monthly basis, whichever period is shorter (Use/Occupancy Payment). Buyer shall refund any part of Use/Occupancy Payments for use and occupancy beyond the date possession is actually surrendered. Additionally, Seller shall deliver with Escrow a sum equal to 2% of the Purchase Price (Possession Escrow) to guarantee possession on or before the Possession Date, which sum shall be held from the net proceeds at closing on Escrower's form of receipt. If Seller does not surrender the Property on the Possession Date, Seller shall pay to Buyer, in addition to the Use/Occupancy Payments, the sum of 10% of the original amount of the Possession Escrow per day up to and including the day possession is surrendered to Buyer, plus any unpaid Use/Occupancy Payments to the date possession is surrendered, these amounts to be paid out of the Possession Escrow and the balance, if any, to be returned to Seller. Acceptance of payments by Buyer shall not limit Buyer's other legal remedies. Seller and Buyer hereby acknowledge that Escrower shall not distribute the Possession Escrow without the joint written direction of Seller and Buyer. If either Party objects to disposition of the Possession Escrow, then Escrower may deposit the Possession Escrow with the Clerk of the Circuit Court by the filing of an action in the nature of an interpleader. Escrower shall be reimbursed from the Possession Escrow for all costs, including reasonable attorneys' fees, related to the filing of the interpleader, and the Parties shall indemnify and hold Escrower harmless from any and all claims and demands, including the payment of reasonable attorneys' fees, costs, and expenses.

61 9. Disclosures. Buyer has received the Lead Disclosure Yes/No; Lead Paint Disclosure Yes/No; Zoning Certification Yes/No.

62 10. Dual Agency. The Parties consent to N/A (Licensee) to act as Dual Agent in providing brokerage services on their behalf and specifically consent to Licensee acting as Dual Agent on the transaction covered by this Contract. Seller(s) Initials Buyer(s) Initials

63 11. Attorney Modification. Within 10 business days after the Acceptance Date (Attorney Approval Period), the Parties' respective attorneys may make modifications to this Contract (Proposed Modifications) on matters other than the Purchase Price, broker's compensation, and dates that are mutually acceptable to the Parties. If, within the Attorney Approval Period, the Parties cannot reach agreement regarding the Proposed Modifications, then either Party may terminate this Contract by written notice to the other Party. In that event, this Contract shall be null and void, and the Earnest Money shall be refunded to Buyer upon joint written direction of the Parties to Escrower. IN THE ABSENCE OF DELIVERY OF PROPOSED MODIFICATIONS PRIOR TO THE EXPIRATION OF THE ATTORNEY APPROVAL PERIOD, THIS PROVISION SHALL BE DEEMED WAIVED BY ALL PARTIES, AND THIS CONTRACT SHALL BE IN FULL FORCE AND EFFECT.

COPY

SEE RIDER

11. Inspection. In addition to the inspection provided in Paragraph F of the General Conditions of this Contract, within _____ business days after the Acceptance Date (Inspection Period), Buyer may provide at its expense (unless otherwise provided by law) a home, radon, environmental, lead-based paint and/or lead-based paint hazards (unless separately waived), wood infestation, and/or mold inspection(s) of the Property ("Inspections") by one or more properly licensed or certified inspection personnel ("Inspector"). The Inspections shall include only major components of the Property, including, without limitation, central heating, central cooling, plumbing, wall, and electric systems, roof, walls, windows, ceilings, floors, appliances, and foundations. A major component shall be deemed to be in operating condition if it performs the function for which it is intended, regardless of age, and does not constitute a health or safety threat. Buyer shall indemnify Seller from and against any loss or damage to the Property or personal injury caused by Buyer or Buyer's Inspector. Prior to expiration of the Inspection Period, Buyer shall notify Seller or Seller's attorney in writing ("Buyer's Inspection Notice") of any defects disclosed by the Inspections that are unacceptable to Buyer together with a copy of the pertinent pages of the relevant Inspections report. Buyer agrees that minor repairs and maintenance costing less than \$250 shall not constitute defects covered by this Paragraph. If the Parties have not reached written agreement resolving the inspection issues within the Inspection Period, then either Party may terminate this Contract by written notice to the other Party. In the event of such notice, this Contract shall be null and void and the Earnest Money shall be refunded to Buyer upon joint written direction of the Parties to Escrowee. **IN THE ABSENCE OF WRITTEN NOTICE PRIOR TO EXPIRATION OF THE INSPECTION PERIOD, THIS PROVISION SHALL BE DEEMED WAIVED BY ALL PARTIES, AND THIS CONTRACT SHALL BE IN FULL FORCE AND EFFECT.**

12. General Provisions and Riders. **THIS CONTRACT INCLUDES THE GENERAL PROVISIONS ON THE REVERSE SIDE OF THIS CONTRACT AND THE RIDERS ATTACHED TO AND MADE A PART OF THIS CONTRACT.**

44 ACCEPTANCE DATE 8-7-06

84 Buyer Signature: _____ Seller Signature: _____

86 Buyer Signature: _____ Seller Signature: _____

87 DAVID N. KAISER 351.40.9168 VAL SKLOROV
 88 Print Buyer(s) Name(s) Social Security # Print Seller(s) Name(s) Social Security #

89 10 E. LAKE ST. CHASE IL 60001
 90 Address City State Zip Address City State Zip

91 312.751.1717
 92 Phone #(s) Email

93 FOR INFORMATIONAL PURPOSES: STEVE MALONE #111971

94 SUDLER-SOTHERN'S INT'L #10014 KELLEY-WILLIAMS YOUSSEF DAOU#1168
 95 Selling Office and Agent MLS# Email Listing Office and Agent MLS# Email

96 919 N. MICHIGAN 3RD FLOOR CHICAGO IL 60625
 97 Address City State Zip Address City State Zip

98 Phone # 312.751.1717 Fax # 312.751.8057 Phone # 713.769.2500 Fax # 512-769-2841

99 GENE SHEPP
 100 Buyer's Attorney Email Seller's Attorney Email

101 8545 LAKE AVENUE WILMETTE IL 60091
 102 Address City State Zip Address City State Zip

103 Phone # 847.257.7474 Fax # 847.257.5544 Phone # Fax #

104 Mortgage Company Fax # Loan Officer Fax #

COPY

108 GENERAL PROVISIONS

106 A. Pro rata. Rent, interest on existing mortgage, if any, water taxes and other items shall be prorated to date of closing. If the Property is improved, but the
107 last available tax bill is on vacant land, the Parties shall prorate taxes when the bill on improved property is available. Security deposits, if any, shall be paid to Buyer at
108 closing.

109 B. Uniform Vendor and Purchaser Risk Act. The provisions of the Uniform Vendor and Purchaser Risk Act of the State of Illinois shall be applicable to this
110 Contract.

111 C. Title. At least five days prior to the closing date, Seller shall deliver to Buyer or his agent evidence of merchantable title in the intended grantee by delivering
112 a Commitment for Title Insurance of a title insurance company having a date on or subsequent to the Acceptance Date, in the amount of the Purchase Price, subject to
113 other exceptions than those previously listed within this Contract and to general exceptions contained in the commitment. Delay in delivery by Seller of a Commitment for
114 Title Insurance due to delay by Buyer's mortgage in recording mortgage and bringing down title shall not be a default of this Contract. Every Commitment for Title
115 Insurance furnished by Seller shall be conclusive evidence of title as shown. If evidence of title discloses other exceptions, Seller shall have 30 days after Seller's receipt of
116 evidence of title to cure the exceptions and notify Buyer accordingly. As to those exceptions that may be removed at closing by payment of money, Seller may have those
117 exceptions removed at closing by using the proceeds of the sale.

118 D. Notice. All notices required by this Contract shall be in writing and shall be served upon the Parties or their attorneys at the addresses provided in this
119 Contract. The mailing of notice by registered or certified mail, return receipt requested, shall be sufficient service when the notice is mailed. Notices may also be served
120 by personal delivery or commercial delivery service, by mail-order, telegram, or by the use of a facsimile machine with proof of transmission and a copy of the notice with
121 proof of transmission being sent by regular mail on the date of transmission. In addition, facsimile signatures shall be sufficient for purposes of executing, repositing,
122 and finalizing this Contract. E-mail notices shall be deemed valid and received by the addressee when delivered by e-mail and opened by the recipient, provided that a
123 copy of the e-mail notice is also sent by regular mail to the recipient on the date of transmission.

124 E. Disposition of Earnest Money. In the event of default by Buyer, the Earnest Money, less expenses and commission of the Listing Broker, shall be paid to
125 Seller. If Seller or the Listing Broker, at the option of Buyer, shall be refunded to Buyer, but such refunding shall not release Seller from the obligations of this
126 Contract. In the event of any default, Seller shall give written notice to Seller and Buyer indicating Escrowee's intended disposition of the Earnest Money and request
127 Seller's and Buyer's written consent to the Escrowee's intended disposition of the Earnest Money within 30 days after the notice. However, Seller and Buyer acknowledge
128 that if Escrowee is a licensed real estate broker, Escrowee may not distribute the Earnest Money without the joint written direction of Seller and Buyer or their authorized
129 agents. If Escrowee is not a licensed real estate broker, Seller and Buyer agree that if neither Party objects, in writing, to the proposed disposition of the Earnest Money
130 within 30 days after the date of the notice, then Escrowee shall proceed to dispose the Earnest Money as previously noted by Escrowee. If either Seller or Buyer objects
131 to the intended disposition of the Earnest Money within the 30 day period, or if Escrowee is a licensed real estate broker and does not receive the joint written direction of Seller and Buyer
132 authorizing distribution of the Earnest Money, then the Escrowee may deposit the Earnest Money with the Clerk of the Circuit Court by the filing of an action in the
133 nature of an Interpleader. Escrowee may be reimbursed from the Earnest Money for all costs, including reasonable attorney's fees, related to the filing of the Interpleader
134 and the Parties indemnify and hold Escrowee harmless from any and all claims and demands, including the payment of reasonable attorney's fees, costs, and expenses
135 arising out of those claims and demands.

136 F. Operational Systems. Seller represents that the heating, plumbing, electrical, central cooling, ventilating systems, appliances, and fixtures on the Property
137 are in working order and will be so at the time of closing and that this type is free of leaks and will be so at the time of closing. Buyer shall have the right to inspect the
138 Property during the 48-hour period immediately prior to closing to verify that they are in working order and that the Property is in substantially the same condition,
139 normal wear and tear excepted, as of the Acceptance Date.

140 G. Insulation Disclosure Requirements. If the Property is new construction, Buyer and Seller shall comply with all insulation disclosure requirements as
141 provided by the Federal Trade Commission, and order forms attached.

142 H. Code Violations. Seller warrants that it is not in violation of any city, village, or other governmental authority of a dwelling code violation that currently exists on
143 the Property has been issued and received by Seller or Seller's agent ("Code Violation Notice"). If a Code Violation Notice is received after the Acceptance Date and
144 before closing, Seller shall promptly notify Buyer of the Notice.

145 I. Heating Cost Disclosure. If the Property is located in the City of Chicago, Seller and Buyer shall comply with provisions of Chapter 5-16-010 of the Chicago
146 Code of Ordinances concerning Heating Cost Disclosure for the Property.

147 J. Escrow Closing. At the written request of Seller or Buyer received prior to the delivery of the deed under this Contract, this sale shall be closed through an
148 escrow with a title insurance company, in accordance with the general provisions of the usual form of deed and escrow agreement then furnished and in use by the
149 title insurance company, with such special provisions inserted in the escrow agreement as may be required to conform with this Contract. Upon the creation of an escrow,
150 payment of Purchase Price and delivery of deed shall be made through the escrow, this Contract and the Earnest Money shall be deposited in the escrow, and the Broker
151 shall be made a party to the escrow with regard to commission due. The cost of the escrow shall be divided equally between Buyer and Seller.

152 K. Survey. Prior to closing, Seller shall provide Buyer with a survey by a licensed land surveyor dated not more than six months prior to the date of closing,
153 showing the present location of all improvements. If Buyer or Buyer's mortgagee desires a more recent or exhaustive survey, the survey shall be obtained at Buyer's
154 expense.

155 L. Affidavit of Title: ALTA. Seller agrees to furnish to Buyer an affidavit of title subject only to those items set forth in this Contract, and an ALTA form if
156 required by Buyer's mortgage, or the title insurance company, for extended coverage.

157 M. Legal Description. The Parties may amend this Contract to attach a complete and correct legal description of the Property.

158 N. RESPA. Buyer and Seller shall make all disclosures and do all things necessary to comply with the applicable provisions of the Real Estate Settlement
159 Procedures Act of 1974, as amended.

160 O. Transfer Taxes. Seller shall pay the amount of any stamp tax imposed by the state and county on the transfer of title, and shall furnish a completed
161 declaration signed by Seller or Seller's agent in the form required by the state and county, and shall furnish any declaration signed by Seller or Seller's agent or meet other
162 requirements as established by any local ordinance with regard to a transfer or transaction tax. Any real estate transfer tax required by local ordinance shall be paid by
163 the person designated in that ordinance.

164 P. Removal of Personal Property. Seller shall remove from the Property by the Possession Date all of Seller's personal property not conveyed by Bill
165 of Sale to Buyer.

166 Q. Surrender. Seller agrees to surrender possession of the Property in the same condition as it is on the Acceptance Date, ordinary wear and tear excepted, subject to
167 Paragraph B of the General Provisions of this Contract. To the extent that Seller fails to comply with this Provision, Seller shall be responsible for that portion of the total cost
168 related to this violation that is below \$250.00.

169 R. Time. Time is of the essence for purposes of this Contract.

170 S. Number. Wherever appropriate within this Contract, the singular includes the plural.

171 T. Flood Plain Insurance. In the event the Property is in a flood plain and flood insurance is required by Buyer's lender, Buyer shall pay for that insurance.

172 U. Business Days and Time. Any reference in this Contract to "day" or "days" shall mean business days, and not calendar days. Business days are Monday, Tuesday,
173 Wednesday, Thursday, and Friday, excluding all official federal and state holidays.

174 V. Patriot Act. Seller and Buyer represent and warrant that they are not acting, directly or indirectly, for or on behalf of any person, group, entity, or nation named by
175 Executive Order of the United States Treasury Department as a Specially Designated National and Blocked Person, or other banned or blocked person, entity, nation or transaction
176 pursuant to any law, order, rule or regulation which is enforced or administered by the Office of Foreign Assets Control ("OFAC"), and that they are not engaged in this transaction
177 directly or indirectly on behalf of, or facilitating this transaction directly or indirectly on behalf of, any such person, group, entity, or nation. Each Party shall defend, indemnify, and
178 hold harmless the other Party from and against any and all claims, damages, losses, risks, liabilities, and expenses (including reasonable attorney's fees and costs) arising from or
179 related to any breach of the foregoing representation and warranty.

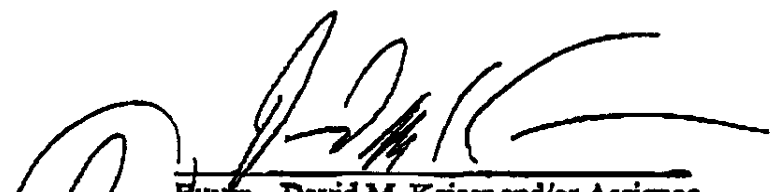
180 W. Brokers. The Real Estate Brokers named in this Contract shall be compensated in accordance with their agreements with their clients and/or any offer of compensation
181 made by the Listing Broker in a multiple listing service in which the listing and cooperating Broker both participate.

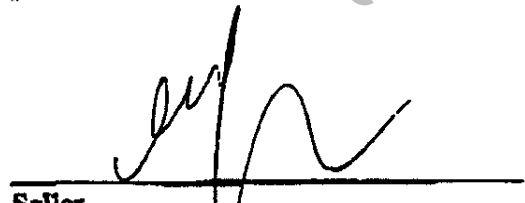
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426 Belmont - Rider "A"

1. Contingency of property to be conveyed with evidence of "Clean E.P.A." (i.e., Phase I or II report, if necessary), all necessary reports to be paid by Seller.
2. Contingency of ^{Y.D. 30} 45 Days Due Diligence Period. ^{V.S. 45}
3. Contingency of Financing for 60 days.
4. Seller will provide to Buyer, within 3 business days from date of signed contract, 2 Years financial statements on property, including but not limited to: Tax Returns, operating and expense statements, Real Estate Tax Bills, Current Rent Rolls, etc.
5. Seller to provide Buyer within 3 business days from date of signed contract, copies of all current leases in place and the former retail space lease.
6. Seller will provide to Buyer, within 3 business days from date of signed contract, any and all materials related to and all existing mechanical warranties, inspections, permits, engineering reports, city required documentations, etc. pertinent to the building and property.
6. Buyer to establish an earnest money escrow of \$25,000 at Chicago Title Company within three (3) Business days from acceptance of signed contract.
7. Buyer to increase earnest money in escrow at Chicago Title Company to \$400,000 within 7 days from expiration of 45 Days Due Diligence.
8. Buyer to extend Financing Contingency and Closing Date by increasing Hard Earnest Money by \$100,000 for each of two (2), thirty (30) Day extensions.
9. Seller shall provide buyer with Current Survey of Property.
10. Seller to provide access to property for Buyer and Buyer's designated people with 48 hours notice to Seller or Seller's representatives.


 Buyer - David M. Kaiser and/or Assignee
 Date 8/7/06
~~8/7/06~~


 Seller -
 Date 8-7-06

Received 8/9/06 



Sep-20-06 02:54pm From: Lechiar, Bernstein & Associates, P.C. +847 564 3935
 SEP-18-2006 17:18

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RIDER TO REAL ESTATE CONTRACT

This Rider is attached to and specifically made a part of that certain Real Estate Contract dated August 9, 2006 by and between David M. Kaiser or Assignee as Purchaser and Val Sklorov as Seller, concerning the property commonly known as 426 W. Belmont Ave., Chicago, Illinois.

1. In the event there are any conflicts or inconsistencies between the terms of this Rider and the terms of the Contract to which it is attached, the terms of this Rider shall prevail and shall supersede any provisions in said Contract inconsistent therewith.

2. Seller is hereby identified to be Chicago Title Land Trust Co. Trust No. 1104283 and by reason thereof, conveyance shall be made by means of a Trustee's Deed.

3. Purchase Price

(a) The Purchase Price of the Property shall be \$11,000,000, which shall be paid to Seller at Closing, plus or minus prorations and other adjustments hereunder.

(b) The purchase price shall be paid as follows:

(i) Within 3 business days after the mutual execution and delivery hereof (Effective Date) Purchaser shall deposit with Guaranty National Title Co. (Escrow Holder), the sum of \$25,000. Simultaneously with such deposit, Purchaser and Seller shall execute and deliver to the Escrow Holder, and shall cause the Escrow Holder to execute and deliver to Purchaser and Seller an escrow agreement satisfactory to all such parties. Purchaser may elect to direct the Escrow Holder to invest the Deposit pursuant to Escrow Holder's standard investment procedures, and any interest accruing thereon shall belong to and shall be paid to Purchaser. Any investment fee or other cost charged by Escrow Holder in connection with any such investment of the Deposit shall be borne solely by Purchaser. Purchaser shall deposit into such Escrow the additional sum of \$375,000 within 7 business days after the expiration of the Due Diligence period or the last extension thereof provided that Purchaser has not disapproved and terminated this Contract. In the event the sale of the Property as contemplated hereunder is consummated, the Deposit and at Purchaser's option any interest accrued thereon shall be delivered to Seller at Closing and credited against the Purchase Price.

(ii) The balance of the Purchase Price shall be paid to Seller at Closing in immediately available funds.

4. Title to the Property

At Closing, Guaranty National Title Co. (the "Title Company") shall issue to Purchaser an ALTA Owner's Extended Coverage Policy of Title Insurance (rev. 10/17/92) in the amount of the Purchase Price, insuring fee simple title to the Land in Purchaser, subject only to the Permitted Exceptions (as hereinafter defined) (the "Title Policy"). The Title Policy shall provide full coverage



COPY

Sep-20-06 02:54pm From-Leonard Gar... & Associates...
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BOREK AND GOLDMIRN

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against mechanics' and materialmen's liens arising out of the construction, repair or alteration of any of the Improvements to the extent such liens were not caused by Purchaser or anyone claiming by or through Purchaser. Seller shall execute and deliver to Title Company an owner's affidavit sufficient to support the issuance of the Title Policy. As used herein, the term "Permitted Exceptions" shall mean, collectively: (i) the standard printed exceptions on an ALTA Owner's Policy of Title Insurance (rev. 10/17/92), (ii) non-delinquent liens for general real estate taxes and assessments, (iii) matters disclosed by the Survey (as defined below), and (iv) any acts of Purchaser and those claiming by or through Purchaser. Notwithstanding the foregoing, the term "Permitted Exceptions" shall not include any monetary liens, including, without limitation, the liens of any deeds of trust or other loan documents secured by the Property, or any mechanics' liens, to the extent such liens were not caused by Purchaser or anyone claiming by or through Purchaser.

5. Due Diligence and Time for Satisfaction of Conditions

Purchaser shall have the right to commence due diligence with respect to the Property, at his sole cost and expense, following the Effective Date and the due diligence period (Due Diligence Period) shall expire on the date that is 45 days after the Effective Date unless otherwise extended by the mutual agreement of the parties or as otherwise provided herein.

6. Diligence Period Conditions

(a) Seller shall provide to Purchaser within 3 business days following the Effective Date all of the documents set forth below in this paragraph. Any delay in providing any of said documents shall automatically extend the Due Diligence Period by the number of days that any such documents are delivered later than 3 days after the Effective Date. The documents to be provided by Seller are as follows:

- (i) All existing Phase I reports and all other documentation in Seller's possession or control relative to the environmental condition of the Property.
- (ii) Most recent 2 years of financial statements for the Property including, but not limited to, operating statements showing income and expenses and real estate tax bills.
- (iii) Current rent rolls, copies of all current leases, copies of all current service contracts and copy of most recent leases for all retail space in building.
- (iv) Any and all materials and reports relating to any and all existing mechanical warranties.
- (v) All floor plans, engineering and structural reports, inspection reports, permits, city required documentation and similar documents relating to the Property.
- (vi) Most recent plat of survey of the Land and Improvements.

Sep-20-06 02:55pm
SEP-18-2006 17:18

From: Leonard Bernstein & Associates & David
BOREK AND GILDHIRE

+847 564 1955

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- (vii) A complete listing of all security deposits.
- (viii) A complete history and/or breakdown of the improvements made to or on the building by reason of Seller's renovation of the property during the past 4 years.

(b) Seller shall grant access to the Property including the Building thereon to Purchaser and Purchaser's representatives and designated people upon 48 hours notice to Seller or Seller's representatives for the purpose of conducting any inspections, examinations, tests, etc. during the Due Diligence Period.

(c) Notwithstanding anything in this Agreement to the contrary, Purchaser shall have the right to terminate this Agreement at any time prior to the end of the Due Diligence Period in his sole and absolute discretion and for any or for no reason whatsoever. If Purchaser elects to terminate this Agreement, he shall deliver written notice of such election to Seller or to Seller's attorney, and in such event, the Deposit shall be immediately returned to Purchaser, and Purchaser shall return to Seller all documentation previously received from Seller.

7. Financing Contingency Period

- (a) Notwithstanding any other conditions contained in the Contract or in this Rider, Purchase shall have 60 days following the Effective Date or the date on which Due Diligence commences, whichever is later, to secure the necessary financing so as to be able to close, but such period may be extended by the mutual agreement of the parties or as otherwise provided herein.
- (b) Notwithstanding anything in this Agreement to the contrary, Purchaser shall have the right to terminate this Agreement at anytime prior to the end of the Financing Contingency Period if in Purchaser's sole and absolute discretion he is unable to obtain a financing commitment satisfactory to him.

8. Representations and Warranties of Seller

Seller hereby represents and warrants to Purchaser as follows:

- (a) To Seller's knowledge there is no litigation pending or threatened with respect to the Property or the transaction contemplated hereby.
- (b) Seller has not received any notice of uncured violations from any governmental entity of any applicable building codes or any applicable environmental, zoning or land use law, or any other applicable local, state or federal law or regulation relating to the Property, including, without limitation, the Americans with Disabilities Act of 1990.
- (c) The documents delivered to Purchaser pursuant to this Agreement will be true and correct copies and will be in full force and effect, without default of any party and without any right of set-off except as disclosed in writing at the time of such delivery.

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(d) Neither Seller, nor to Seller's knowledge, any third party has used, manufactured, stored or disposed of, on, under or about the Property or transported to or from the Property, any Hazardous Materials, except in compliance with all applicable laws, and further that the property is, and will be at closing, "clean of EPA issues." All EPA reports Purchaser deems necessary to obtain during the Due Diligence Period shall be paid for by Seller.

9. Seller's Covenants

(a) At the time of Closing, Seller shall cause to be paid in full all obligations under any outstanding written or oral contracts made by Seller for any improvements to the Property and Seller shall cause to be discharged all mechanics' and materialmen's liens arising from any labor or materials furnished to the Property prior to Closing to the extent the same were not caused by Purchaser or anyone claiming through Purchaser.

(b) Between the Effective Date and the Closing, Seller shall promptly notify Purchaser of any environmental, zoning or other land use regulation proceedings of which Seller obtains knowledge, between the Effective Date and the Closing, as well as any notices of violations of any laws relating to the Property of which Seller obtains knowledge and any litigation of which Seller obtains knowledge, between the Effective Date and the Closing, that arises out of the ownership of the Property.

(c) Any costs of remediation of any EPA issues or problems discovered or required by further or updated EPA Reports or tests will be paid by Seller. However, notwithstanding the foregoing, Seller shall have the right in its sole discretion to pay for and perform such remediation or to terminate the Contract. In the event of any such termination by Seller, Purchaser shall receive a full refund of its Deposit and Seller shall also reimburse Purchaser for all of his third party costs, including, without limitation, all inspections, tests and reports.

(d) From and after the Effective Date, Seller shall not apply any security deposit or part thereof to any delinquent or unpaid rent. All existing security deposits shall be transferred and assigned to Purchaser by means of a credit to Purchaser at Closing.

10. Closing and Escrow

(a) The Closing shall take place via a deed and money escrow, using for such purposes the Title Company, as the escrow agent, and a mutually agreeable escrow agreement comporting with the terms of this Agreement, including provisions for a so-called "New York style" closing to facilitate delivery to Purchaser of the Title Policy and possession of the Property on the Closing Date.

(b) The parties shall conduct an escrow Closing within 30 days after the expiration of the Financing Contingency Period.

(c) Purchaser shall have the right to extend the Financing Contingency Period and the Closing Date for two additional 30 day periods, but in such event, the sum of \$100,000 of the existing Deposit for each such extension shall become nonrefundable.

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(d) Seller shall pay the premium for the Title Policy including extended coverage. Purchaser and Seller shall each pay one-half of any Title Company closing and escrow fees (including any costs associated with a "New York style" Closing). Purchaser shall pay for the costs of recording the Deed and any instruments related to Purchaser's financing. Seller shall be responsible for all costs incurred in connection with the satisfaction of any loan secured by the Property. All other costs and charges of the escrow for the sale not otherwise provided for in this subparagraph or elsewhere in this Agreement shall be allocated in accordance with the applicable closing customs as determined by the Title Company.

(e) All delinquent real estate taxes and assessments shall be paid by Seller at or before Closing. Purchaser shall receive real estate tax proration credits equal to the estimate of the unpaid portion of the 2005 real estate taxes, if any, and equal to the estimate of the pro rata portion of the 2006 real estate taxes for the period ending on the Closing Date, all based on 110% of the most recently ascertainable final real estate taxes for a full calendar year.

(f) For purposes of real estate tax, rentals, expenses and other apportionment items, Purchaser shall be deemed to be the Owner of the Property during the Closing Date and being entitled to receive all income of the Property, and being obligated to pay all expenses of the Property with respect to such day.

11. Miscellaneous

(a) Purchaser and Seller shall pay and be responsible for their own respective Broker's Commissions.

(b) The survey to be provided by Seller shall be an ALTA/ACSM survey certified to Purchaser and Title Company, but Seller shall not be required to order same until the expiration or waiver by Purchaser of all Due Diligence and financing contingencies. Any delay in closing caused thereby shall be waived by both parties.

(c) In the event of default by Purchaser, the retention of the Earnest Money Deposit by Seller as liquidated damages shall be Seller's sole remedy.

(d) The personal property to be conveyed shall also include business center equipment, exercise equipment, office equipment and patio furniture.

Dated: _____

VAL SKLANSKY
SELLER (b6)

SELLER: _____

PURCHASER: _____

By: _____

DAVID M. KAISER
AND OR ASSIGNEE

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