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Cook County Recorder of Deeds  
Date: 08/26/2009 03:03 PM Pg: 1 of 8

JOINT VENTURE AGREEMENT  
BETWEEN REGROUP, LLC SERIES A  
AND WORLD PROPERTY CONSULTANTS  
FOR THE PROPERTY LOCATED AT  
1266 W. 73rd STREET, CHICAGO IL 60636

Prepared by:  
Steven Dine  
2054 W. 111<sup>th</sup> Street  
Chicago IL 60636

Return to:  
Stephen J. Link  
1001 W. Lake Street  
Addison IL 60101

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## JOINT VENTURE AGREEMENT

**AGREEMENT**, made this 21st day of August, 2009, by and between REGROUP, LLC, Series "A" hereinafter referred to as "Seller" and World Property Consultants hereinafter collectively referred to as "Consultant."

### RECITALS

A. Seller is the owner of a building located at 1266 W. 73<sup>rd</sup>, Chicago, IL (hereinafter referred to as the "Property").

B. Consultant is a real estate consultant that can produce buyers for the Property and coordinate the rehabilitation of the Property.

C. Seller and Consultant desire to form a joint venture and enter into a Joint Venture Agreement to fix and define between them, their respective rights, duties, interests and liabilities.

### AGREEMENT

The parties, in consideration of the foregoing and the following terms and conditions, agree as follows:

#### ARTICLE I. FORMATION OF JOINT VENTURE

**Section 1.01. Formation of Joint Venture.** Seller and Consultant hereby establish a Joint Venture and constitute themselves as Joint Venturers for the limited purpose and scope set forth herein. By the execution hereof, each Joint Venturer: (i) warrants to the other that the execution and performance of this Joint Venture Agreement will not constitute a breach of any agreement or restriction, if any, to which the Joint Venturer is a party or by which it may be bound and (ii) covenants with the other to act in good faith for the advancement of the Joint Venture. The Joint Venture shall be known as "1266 W. 73<sup>rd</sup> Joint Venture".

**Section 1.02. Purposes and Scope of Joint Venture.** The sole purpose of the Joint Venture is, subject to the terms, covenants and conditions of this Agreement, to enter into such agreements as are necessary to market and sell the Property and to do all acts and things necessary or appropriate thereto and for no other purpose. Nothing herein shall be construed to create a general partnership between the Joint Venturers or to authorize either Joint Venturer to act as general agent for the other, or to permit either Joint Venturer to bid for or to undertake any other contracts for the other Joint Venturer. Nothing in this Agreement shall restrict, or be construed as a limitation of, the powers or rights of any party hereto to carry on its separate business for its sole benefit without accountability to the Joint Venture or any party hereto.

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**Section 1.03. Contracts and Property.** All contracts entered into by the Joint Venture pursuant to this Agreement shall be carried out and performed under the name set forth in Section 1.01 herein; all money, equipment, materials, supplies, contract rights and other property acquired by the Joint Venture shall be held by the Joint Venture. However, the Property described above is owned exclusively by Seller and Consultant shall have no right to transfer, convey, encumber or assign the Property.

*Section 1.04 intentionally left blank.*

**Section 1.05. Term.** The term of the Joint Venture shall, subject to the provisions of § 1.02, commence upon the execution hereof and shall terminate, at the sole and exclusive option of Seller, on October 1, 2009, unless otherwise agreed to, in writing by Seller.

**Section 1.06. Ownership Interests in Joint Venture.** The proceeds of the sale at the Property shall be disbursed as follows:

To Seller:

\$ 175,000.00

Consultant shall receive the balance of any sale proceeds in excess of the above distributions to Seller. As discussed below, Consultant shall be responsible for all rehabilitation costs and closing costs. Consultant shall be responsible for payment of 100% of its attorney's fees.

**Section 1.07. Scope of Joint Venturer's Authority.** Except as the express terms of this Agreement provide, neither of the Joint Venturers shall have any authority to act for, or to assume any obligations or responsibility on behalf of, the other Joint Venturer or the Joint Venture. Neither Joint Venturer shall have the right to borrow money on behalf of the other party, or to use the credit of the other party for any purpose. Consultant shall provide paid receipts and provide material man's and mechanic's lien waivers from any suppliers of materials and/or contract laborers who perform improvements to, provide materials for or perform work on the property.

## ARTICLE II. MANAGEMENT

**Section 2.01. Overall Management.** The management and control of the Joint Venture shall be vested in Seller as defined in this Agreement.

**Section 2.02. Obligations of the Joint Venturers.** Except for as otherwise provided for or governed by this Agreement, the Joint Venturers shall have the duties and obligations as follows:

a. **Services to be Performed by Consultant:**

1. **Buyers.** Responsibility for bringing qualified (from a financing perspective) buyers to

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purchase the Property.

2. Marketing and Promotions. Develop and implement marketing and promotions on behalf of the Joint Venture and coordinate the sale of the Property.
3. Rehabilitation. Consultant shall be responsible for hiring contractors and sub-contractors for the rehabilitation of the Property.

b Services to be Performed by Seller:

1. Accounting/Books and Records. Responsibility for the accounting function for the Joint Venture; maintenance of the books and records for financial and accounting matters affecting the Joint Venture.
2. Finances. Obtain financing to complete construction of the Property and participation in evaluation of the Joint Venture's financial performance.

**Section 2.03. Major Decisions.** No act shall be taken or sum expended or obligation incurred by Consultant with respect to a matter within the scope of any of the major decisions ("Major Decisions") affecting the Joint Venture, as defined below, unless such of the Major Decision has been approved by Seller. The following are deemed Major Decisions:

- (i) Approval of all design development documents, final construction documents, or project time schedule in connection with the;
- ii Entering into any contract for the purchase of supplies, leasing or licensing of any space at the Property or entering into any contract or agreement which, in the aggregate would obligate the Joint Venture for a sum in excess of \$1,000.00;
- iii Borrowing money, guaranteeing any debt, pledging the Property, giving any indemnity; or
- (v) Any other decision or action which, considered prior to the making of such decision or the taking of such action, would reasonably be expected to have a substantial affect on the Joint Venture or the assets or operations thereof.

Except for the Major Decisions, all of the business and affairs of the Joint Venture shall be deemed to be the ordinary and usual business and affairs of the Joint Venture.

**Section 2.04. Voting.** Major decisions shall be made by Seller.

**Section 2.05. Closing Costs.** With respect to the Property, Consultant shall be responsible for payment of all closing costs. Closing costs shall be defined as brokerage commissions, any city transfer stamps payable by the Buyer, lender's title insurance policy,

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including any required endorsements, later date fee, any closing costs credits provided to Buyers, Consultant shall be responsible for payment of 100% of its attorney's fees. Seller shall be responsible for his own closing costs and paying off of any liens on said property.

**Section 2.06. Employees, Office and Clerical Facilities.** All record keeping, bookkeeping and other clerical functions of the Joint Venture shall be performed at the principal office of the Joint Venture.

**Section 2.07. Compensation of Joint Venturers.** Except as the express terms of this Agreement require, no payment or other compensation shall be made by the Joint Venture to any Joint Venturer for the services of such Joint Venturer rendered to the Joint Venture.

## ARTICLE III. CAPITAL CONTRIBUTIONS

**Section 3.01. Capital Contributions.** Seller has contributed the Property to the joint venture – even though Seller shall at all times maintain possession, control and legal title to the Property. Consultant has not contributed any capital to the joint venture.

## ARTICLE IV. DEFAULTING VENTURER

**Section 4.01. Default.** In the event that Consultant does not bring buyers sufficient to close on the Property by October 1, 2009, Consultant shall be in default, and Seller has the option to expel Consultant from the joint venture and otherwise terminate this joint venture agreement.

**Section 4.02. Remedies.** So long as any Joint Venturer shall be in default under the provisions of this Agreement, in addition to any and all remedies provided at law or in equity: (i) expel the defaulting Joint Venturer from the joint venture; (ii) such defaulting Joint Venturer shall forfeit its right to vote on any matter (and shall not be entitled to any notices required or permitted hereunder); and (iii) any distributions of earnings or profits which would have been payable to such Joint Venturer shall be applied to the non defaulting Joint Venturer.

## ARTICLE V. DISTRIBUTION OF EARNINGS AND PROFITS

**Section 5.01.** Distribution of earnings and profits shall be made immediately following the closing of each condominium unit at the Property in such amounts as identified in Section 1.06.

## ARTICLE VI. TRANSFER OF JOINT VENTURE INTEREST

**Section 6.01.** The interest of the Joint Venturers in this Joint Venture shall not be sold, conveyed, transferred or otherwise alienated either voluntarily or by operation of law, nor shall either Joint Venturer hypothecate its interest in this Joint Venture or suffer any lien to be asserted against and/or attached to its interest in this Joint Venture (hereafter collectively, a Transfer) without the prior written consent of the other. Any purported or attempted transfer in violation of the provisions of this Agreement shall be utterly void and of no force and effect. If, at any time

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during the term of this Agreement, the current shareholders of either Joint Venturer shall transfer in one transaction or in any series of related or unrelated transactions, sufficient shares so that they, individually or collectively, no longer own a majority of such stock, such event shall be deemed a transfer.

## ARTICLE VII. MISCELLANEOUS

**Section 7.01. Governing Law.** All questions relative to the execution, validity, Interpretation and performance of this Joint Venture Agreement shall be governed by the laws of the State of Illinois.

**Section 7.02. Entire Agreement.** This Agreement constitutes the entire Agreement between the parties, subject to no other oral or written proposals, agreements or understandings whatsoever and can only be subsequently supplemented or amended by written agreement subscribed by both parties hereto. This Agreement shall be binding on the parties hereto and their respective successors and assigns.

**Section 7.03. Section and Paragraph Headings.** The section and paragraph headings contained in this Joint Venture Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of the section or paragraph, or this Joint Venture Agreement. The invalidity of any term or condition of this Agreement shall not affect the validity of any other term or condition.

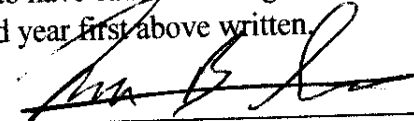
**Section 7.04. Counterparts.** This Joint Venture Agreement may be executed in one or more counterparts, all of which taken together shall constitute an instrument.

**Section 7.05. Notice.** Any notice required or permitted herein shall be deemed to have been properly given if served by certified mail, addressed to the addresses included in the head hereof, or at such other address as the parties may direct by written notice to the other party and if to the Joint Venture, by the party giving such notice to the other party at the address hereinabove set forth, except that notice of meetings of the co-manager may be given by fax.

**Section 7.06. Attorney's Fees and Costs.** In the event that either party must file suit to enforce the terms of this Agreement, the prevailing party shall be entitled to recover attorney's fees and costs.

**IN WITNESS WHEREOF,** the parties hereto have caused this Agreement to be executed by their duly authorized officers the day and year first above written.

*Regroup LLC Series A by its*  
*(Seller) member Rita Neri*  
*Regroup, LLC Series A By*  
*Rita Neri, its member*

  
\_\_\_\_\_  
(Consultant)  
World Property Consultants  
By Emmitt B. Suddoth

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STATE OF ILLINOIS

COUNTY OF

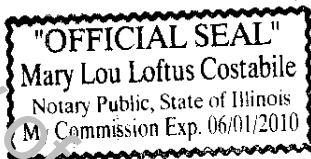
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Before me, a notary public in and for the county and state aforesaid, appeared *Regroup LLC Series A By Rita Ven, its member and* \* personally known to me to be the same person(s) who executed the foregoing instrument and he/she/they acknowledged that he/she/they executed and delivered said instrument as his/her/their free and voluntary act and deed, for the uses and purposes therein set forth. \* *World Property Consultants by Emmitt B. Suddoth*

GIVEN under my hand and notarial seal this *21st* day of *August*, ~~2009~~ *2009*.

*Meghan A*



*World Property Consultants*  
*Cook County Clerk's Office*

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ATTORNEYS' TITLE GUARANTY FUND, INC.

**LEGAL DESCRIPTION**

**Legal Description:**

LOT 22 AND 23 IN BLOCK 4 IN WEDDELL AND COX'S HILLSIDE SUBDIVISION OF THE NORTHWEST 1/4 OF SECTION 29, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

**Permanent Index Number:**

Property ID: 20-29-119-031-0000

Property ID: 20-29-119-032-0000

**Property Address:**

1266 W. 73RD STREET  
CHICAGO, IL 60636

Property of Cook County Clerk's Office