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Eugene "Gene" Moore RHSP Fee: \$10.00  
Cook County Recorder of Deeds  
Date: 06/21/2011 11:37 AM Pg: 1 of 25

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

Arthur Dolinsky  
Senior Counsel  
City of Chicago  
Department of Law, Real Estate Division  
121 North LaSalle Street, Room 600  
Chicago, Illinois 60602  
(312) 744-0200

(the above space is for the Recorder's use)

## REDEVELOPMENT AGREEMENT \*PRESERVING COMMUNITIES TOGETHER PROGRAM\*

THIS AGREEMENT is made on or as of the 21<sup>st</sup> day of June, 2011, by and between the **CITY OF CHICAGO**, an Illinois municipal corporation and home rule unit of local government (the "City"), by and through its Department of Housing and Economic Development or successor department ("HED"), having its principal offices at 121 North LaSalle Street, Room 1000, Chicago, Illinois 60602, and Franklin Williams Enterprises, Inc., an Illinois corporation ("Developer"), having an address at 3716 W. Chicago Avenue, Chicago, Illinois 60651.

### RECITALS

**WHEREAS**, there exists within the City a substantial number of abandoned buildings which threaten the health, safety, economic stability and welfare of the citizens of the City; and

**WHEREAS**, the City has created the Preserving Communities Together Program to facilitate the rehabilitation of abandoned buildings in the City by private parties; and

**WHEREAS**, the Developer has proposed to undertake the rehabilitation of that certain abandoned *single-family home* ("Building") located on the property legally described and identified on Exhibit A attached hereto ("Property") under the terms and conditions stated herein;

**NOW, THEREFORE**, in consideration of the foregoing and the mutual agreements and covenants of the parties, and for such other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby covenant and agree as follows:

### **SECTION 1. INCORPORATION OF RECITALS.**

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

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## SECTION 2. PURCHASE PRICE.

Subject to the terms, covenants and conditions of this Agreement, the City agrees to sell the Property to the Developer, and the Developer agrees to purchase the Property from the City for the sum of One Dollar (\$1.00) ("Purchase Price") in addition to Fourteen Thousand Nine Hundred and 07/100 Dollars (\$14,900.07) (the "City Transaction Costs") in order to compensate the City for interim holding costs and disposition costs incurred by the City with respect to the Property. The sum of the Purchase Price and the City Transaction Costs equals Fourteen Thousand Nine Hundred One and 07/100 Dollars (\$14,901.07). The Developer must pay all of the Purchase Price and City Transaction Costs by cashier's or certified check. THE DOLLAR AMOUNT OF THE CITY TRANSACTION COSTS IS CURRENT AS OF THE DATE SET FORTH IN THE PREAMBLE. THE DEVELOPER ACKNOWLEDGES THAT THE CITY HOLDING COSTS INCREASE ON A MONTHLY BASIS AND AGREES THAT THE CITY MAY AMEND THE DOLLAR AMOUNT OF THE CITY TRANSACTIONS COSTS SET FORTH IN THIS SECTION 2 IF SUCH CITY TRANSACTION COSTS INCREASE PRIOR TO THE CLOSING OF THIS AGREEMENT.

## SECTION 3. CONVEYANCE OF PROPERTY.

3.1 Form of Deed. The City shall convey the Property to the Developer by quitclaim deed (the "Deed"), subject to the terms of this Agreement and the following ("Permitted Exceptions"):

- a. standard exceptions in an ALTA title insurance policy;
- b. general real estate taxes and any special assessments or other taxes not yet due and payable;
- c. all easements, encroachments, covenants and restrictions of record and not shown of record; and
- d. such other title defects.

3.2 Recording Costs. The Developer shall pay to record the Deed, this Agreement, and any other documents incident to the conveyance of the Property to the Developer.

3.3 Escrow. If the Developer requires conveyance through escrow, the Developer shall pay all escrow fees.

## SECTION 4. TITLE, SURVEY AND REAL ESTATE TAXES

A. Condition of Title and Real Estate Taxes. The Developer agrees to accept title to the Property subject only to those Permitted Exceptions set forth herein. The City shall use reasonable efforts to obtain the waiver or release of any delinquent real estate tax liens on the Property prior to the Closing (as defined in Section 4.D.). If the City is unable to obtain the waiver or release of any such tax liens or is unable to cause the title company (the "Title Company") to insure over such tax liens, or if the City Property is encumbered with any other

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exceptions, the Developer shall have the option to do one of the following: (1) accept title to the Property subject to all exceptions and without any reduction in the Purchase Price; or (2) terminate this Agreement by delivery of written notice to the City, in which event the City will return the Developer's performance deposit and this Agreement shall be null and void and, except as otherwise specifically provided herein, neither party shall have any further right, duty or obligation hereunder.

**For purposes of this Agreement, the "Closing Date" is the date of the Deed (i.e., June 21, 2011. [insert date at Closing]).**

B. Title Commitment and Insurance. The City shall provide the Developer with a title commitment for the Property evidencing the City's ownership. The Developer shall be responsible for any title insurance or endorsements it deems necessary.

C. Survey. The Developer shall be responsible for any survey it deems necessary.

D. The Closing. The closing ("Closing") shall take place at the offices of a mutually agreed upon Title Company, or at such other place as the parties mutually agree to, but not later than the later of: (i) fifteen (15) days after the City notifies the Developer that title is clear except for the Permitted Exceptions and those liens and encumbrances accruing prior to the acquisition of the Property by the City or (ii) sixty (60) days from the date of this Agreement as set forth in the preamble (the date that is the later of the dates described in D.(i) and D.(ii), the "Outside Closing Date").

**If the Developer refuses or fails to close the transaction (e.g., the Developer does not execute this Agreement or does not satisfy one or more of the conditions precedent to Closing) by the Outside Closing Date, then, unless such refusal or failure to close is due solely to a breach by the City under the terms of this Agreement, at any time following the Outside Closing Date, the City may notify the Developer in writing that (i) the City will not close on this Agreement, (ii) the City will not convey the Property to the Developer, (iii) the City will retain the Performance Deposit (as defined in Section 5, below) in addition to the City's exercising any other remedy it may have at law or in equity, and (iv) this Agreement shall be null and void and, except as otherwise specifically provided, neither party shall have any further right, duty or obligation hereunder. Any forbearance by the City in**

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**exercising its right to not close on this Agreement or terminate this Agreement shall not be construed as a waiver of such right.**

E. Recordation of Deed. The Developer shall promptly record the Deed at the Office of the Cook County Recorder of Deeds (the "Recorder") or through an escrow agent or Title Company, and shall provide the City with a copy of the Deed stamped with the Recorder's document number evidencing such recordation. The Developer shall pay the cost of recording the Deed.

## **SECTION 5. PERFORMANCE DEPOSIT.**

A. Performance Deposit. At the Closing, the Developer shall deposit with the City as security for the performance of the Developer's obligations under this Agreement, the amount of One Thousand and No/100 Dollars (\$1000.00) ("Performance Deposit"). The Performance Deposit shall be retained by the City until the City has issued a Release of Affordability Requirements (as discussed in Section 11). The City agrees to return the Performance Deposit to the Developer promptly following the issuance of the Release of Affordability Requirements.

B. Interest. The City shall be under no obligation to pay interest on the Performance Deposit.

## **SECTION 6. SCOPE OF WORK; TIME FOR COMPLETION.**

The Developer shall correct all Building Code violations on the Building and complete the rehabilitation of the Building, in accordance with those certain plans and specifications approved by the City, within six (6) months following the Closing Date.

## **SECTION 7. SECURING THE PREMISES.**

Within ten (10) days after the Closing Date, the Developer shall clear the Property of all debris and secure it against unauthorized entry. The Developer shall provide the City with photographs and an affidavit evidencing the secured condition of the Property within ten (10) days after the Closing Date. It shall be the Developer's responsibility and obligation to maintain the Property in a secured condition during the rehabilitation process. The adequacy of the Property's security shall be solely determined by the City.

## **SECTION 8. FINANCING, INSURANCE AND LICENSING**

A. Financing. At least five (5) days prior to the Closing, the Developer shall provide the City with documentation showing that funds sufficient to complete the rehabilitation have been obtained. Such documentation shall include, but not be limited to, commitment letters and construction loan documents, unless the rehabilitation is being exclusively financed by the Developer's private resources. In the latter case, documentation evidencing the existence of said private resources shall be provided to the City showing that the funds necessary to complete the rehabilitation have been placed in a construction escrow account. Such evidence may be in the form of a letter of credit in the amount of the proposed project budget. The sufficiency of the

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documentation shall be solely determined by the City. The City reserves the right to request such additional documentation evidencing financial ability as it deems appropriate.

B. **Insurance.** At least fourteen (14) days prior to the Closing, the Developer shall have delivered to the City evidence of insurance reasonably acceptable to the City. The City shall be named as an additional insured on all liability insurance policies (with limits of: \$1,000,000 per occurrence; \$2,000,000 aggregate) and as a loss payee (subject to the prior rights of any first mortgagee) on all property insurance policies from the Closing Date through the date the City issues the Certificate of Completion (as defined in Section 11 below). With respect to property insurance, the City will accept an ACORD 28 form. With respect to liability insurance, the City will accept an ACORD 25 form, together with a copy of the endorsement that is added to the Developer's policy showing the City as an additional insured.

C. **Licensing.** At least fourteen (14) days prior to the Closing, the Developer shall provide the City's Department of Housing and Economic Development ("HED") with a copy of the Developer's Residential Real Estate Developer's License, issued by the City's Department of Business Affairs and Consumer Protection, or any successor department.

## SECTION 9. BUILDING PERMITS; CONSTRUCTION SCHEDULE.

Within ninety (90) days after Closing Date, the Developer shall provide evidence that all such building permits have been applied for, approved and issued and shall provide the City with proof thereof. Within said ninety (90) day period, the Developer shall also submit a detailed construction schedule to the City.

## SECTION 10. EXTENSIONS.

Upon the written request of the Developer accompanied by an extension fee in the amount of Five Hundred and No/100 Dollars (\$500.00), the City may extend the deadline for providing proof of financing, applying for permits, or completing the rehabilitation. The Developer shall be entitled to only one extension. If an extension is not granted, the City agrees to refund the extension fee.

## SECTION 11. CERTIFICATE OF COMPLETION FOR CONSTRUCTION / RELEASE OF AFFORDABILITY REQUIREMENTS

A. **Certificate of Completion.** After the Developer has corrected all Building Code violations on the Building and completed the rehabilitation of the Building, the Developer shall request in writing from the City a Certificate of Completion ("Certificate of Completion") indicating that the rehabilitation has been completed. The Certificate of Completion shall be in recordable form, and shall, upon recording, constitute a conclusive determination of satisfaction and termination of the covenants in this Agreement and the Deed with respect to the Developer's obligations to secure the Property, finance the rehabilitation, apply for and acquire building permits and complete the rehabilitation, **but excluding those on-going covenants as referenced in Sections 13 and 14.** The Certificate of Completion, shall not, however, constitute evidence that the Developer has complied with any laws relating to the rehabilitation of the Building or

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serve as a guaranty as to the quality of construction. Upon the written request by the Developer for a Certificate of Completion, the City shall, within forty-five (45) days after receipt of such written Developer request, provide the Developer with either the Certificate of Completion or a written statement indicating how the Developer has failed to complete the rehabilitation, and what modifications will be necessary in order to obtain the Certificate of Completion. In the event that the rehabilitation has been financed in whole or in part with funds allocated through the Preservation Financing Fund ("Financing"), the City may withhold issuing the Certificate of Completion if it determines that the Developer has failed to comply with the terms of such Financing.

B. Release of Affordability Requirements. Upon the Developer's sale of the Property to a Qualified Resident, whose income eligibility has been approved by HED, the City shall issue to the Developer a "Release of Affordability Requirements", indicating that the Developer has complied with the Affordability Requirements set forth in Section 14. The Release of Affordability Requirements shall be in recordable form and shall constitute a conclusive determination of satisfaction and termination of the Affordability Requirements. The Developer shall provide HED at least fifteen (15) days advance notice of the proposed conveyance.

## SECTION 12. PROHIBITION AGAINST TRANSFER OF PROPERTY.

Prior to the City's issuance of the Release of Affordability Requirements, the Developer shall not sell, convey, or assign the Property or any part thereof or interest therein without the prior written approval of the City, except that the Developer may mortgage the Property or make a collateral assignment of a beneficial interest for the purpose of financing the rehabilitation.

## SECTION 13. RESTRICTIONS ON USE.

The Developer shall not discriminate upon the basis of race, color, religion, sex, gender identity, sexual orientation, military discharge, ancestry, age, parental or marital status, disability, source of income or national origin in the development, rehabilitation, sale, lease, rental, use or occupancy of the Building (or any portion thereof) or the Property (or any portion thereof).

## SECTION 14. AFFORDABILITY REQUIREMENTS.

The Developer shall comply with the following "Affordability Requirements":

A. After the Developer has received the Certificate of Completion, but not later than six (6) months following the date of the Certificate of Completion, the Developer must sell the Property to a homebuyer whose household income, on the date such homebuyer signs his/her Homebuyer Income Qualification Application (a copy of such form is attached hereto as Exhibit B), adjusted for family size, does not exceed eighty percent (80%) of the Chicago Primary Metropolitan Statistical Area median income ("AMI"), as determined by the United States Department of Housing and Urban Development ("HUD") (a "Qualified Resident"). The Developer shall submit the completed Homebuyer Income Qualification Application to HED for review and



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approval. HED must approve the homebuyer's income eligibility prior to the Developer's sale of the Property.

B. The Building must be the homebuyer's Principal Residence. "Principal residence" means an owner's primary or chief residence that the owner actually occupies on a regular basis. A "Principal residence" does not include any housing unit used as an investment property, as a recreational home or a home in which 15% or more of its total area is used for a trade or business.

## SECTION 15. COVENANTS RUNNING WITH THE LAND.

The parties agree that the covenants provided in Sections 6, 7, 8, 9, 12, 13 and 14 shall be covenants running with the land binding the Developer and its successors and assigns to the fullest extent permitted by law and equity for the benefit and in favor of the City, and shall be enforceable by the City. The covenants provided in Sections 6, 7, 8, 9 and 12 shall expire upon the City's issuance of the Certificate of Completion. The covenant provided in Section 13 shall remain in effect without limitation as to time. The covenants provided in Section 14 shall expire upon the City's issuance of the Release of Affordability Requirements.

## SECTION 16. EVENTS OF DEFAULT.

Notwithstanding anything in this Agreement to the contrary, the occurrence of any one or more of the following shall constitute an "Event of Default":

- A. If at any time, any written warranty, representation or statement made by the Developer is not true and correct in any material respect.
- B. Failure of the Developer to secure the Property within the time frame prescribed in Section 7 of this Agreement.
- C. Failure of the Developer to provide proof of financing for the rehabilitation within the time frame prescribed in Section 8 of this Agreement or a material change in the Developer's ability to obtain financing or rehabilitate the Property.
- D. Failure of the Developer to apply for a building permit within the time frame prescribed in Section 9 of this Agreement.
- E. Failure of the Developer to submit a detailed construction schedule to the City within the time frame prescribed in Section 9 of this Agreement.
- F. Failure of the Developer to complete the rehabilitation of the building on the Property within the time frame prescribed in Section 6 of this Agreement.

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- G. Failure of Developer to comply with the restrictions set forth in Section 14.
- H. Failure of the Developer to pay real estate taxes or assessments on the Property when due.
- I. A transfer of all or part of the Property, or all or part of the Developer's interest therein, prior to completion of the rehabilitation without the prior written consent of the City.
- J. Failure of the Developer to comply with any applicable law, statute, code, rule, executive order, decree, ordinance, regulation or requirement governing the rehabilitation of the building on the Property, including, but not limited to, those set forth in Section 20, below.
- K. Failure of the Developer to comply with the terms of any other agreement entered into with the City or any loan issued by the City or a delegate agency of the City.

## **SECTION 17. RECONVEYANCE DEED; REMEDIES IN THE EVENT OF DEFAULT.**

Prior to the conveyance of the Property to the Developer, the Developer shall deliver to the City a special warranty deed for the Property in recordable form naming the City as grantee ("Reconveyance Deed"). If an Event of Default exists and the Developer has not taken adequate steps as determined by the City to cure the default within fourteen (14) days of the Developer's receipt of notice from the City that such default exists, the City may record the Reconveyance Deed, retain the Performance Deposit and exercise any and all remedies available to the City at law or in equity, including, without limitation, the right to specific performance. If the Reconveyance Deed is recorded by the City, the Developer shall be responsible for all real estate taxes and assessments which accrued during the period the Property was owned by the Developer, and shall cause the release of all liens or encumbrances placed on the Property during the period of time the Property was owned by the Developer. Upon completion of the rehabilitation as evidenced by the issuance of a Certificate of Completion, the City shall return the Reconveyance Deed to the Developer.

If an Event of Default occurs after the City has returned the Reconveyance Deed to the Developer, but prior to the City's issuance of the Release of Affordability Requirements, and the Developer has not taken adequate steps as determined by the City to cure the default within fourteen (14) days of the Developer's receipt of notice from the City that such default exists, then the City may exercise any and all remedies available to it at law or in equity, including, without limitation, the right to specific performance.



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## SECTION 18. STATUS REPORTS.

Until the Certificate of Completion is issued by the City, the Developer shall provide the City with the following information at such times as the City may reasonably request: a construction schedule; a list of lenders; a current financial statement or other evidence indicating that the Developer is still financially capable of completing the project; and a tax return. If the Developer is a corporation, the Developer shall also provide the City with evidence of the Developer's good standing with the Secretary of State and a copy of the annual statement filed with the Secretary of State; and a current list of the Developer's officers and directors or managing body.

## SECTION 19. CONDITION OF PROPERTY.

The City makes no covenant, representation or warranty as to the condition of the Property, environmental or otherwise, or as to the suitability of the Property for any purpose whatsoever, including but not limited to the presence of Hazardous Materials on, in, under or related to the Property. The Developer acknowledges that the Property is being conveyed "as is", and agrees to waive any and all objections to or complaints about physical characteristics and existing conditions, including but not limited to, the presence of Hazardous Materials on, in, under or related to the Property.

The Developer agrees to indemnify, defend, and hold harmless and assumes and covenants to undertake and discharge the City, its appointed and elected officials, employees, contractors, agents, assigns, and any other persons acting on behalf of the City from any and all past, present, and future Claims and Costs arising out of: (a) any condition which now exists or may hereafter be found to exist on, in, under or related to the Property, including but not limited to, public health and safety risks and environmental contamination of the Property resulting from Hazardous Materials; (b) any violation or claim of violation of any Environmental Laws; or (c) the presence, use, manufacture, process, refinement, recycling, generation, handling, treatment, storage, disposal, abatement, release or threatened release of any Hazardous Materials.

The Developer waives, releases, acquits and forever discharges the City, its appointed and elected officials, employees, contractors, agents, assigns and any other persons acting on behalf of the City from any and all Claims and Costs, which the Developer may have or which may be imposed upon, incurred by or asserted or awarded against the Developer in the future on account of, arising out of or in connection with the presence, release or threatened release of or exposure to any Hazardous Materials on, in, under or from the Property or any violation or claim of violation of any Environmental Laws.

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## Definitions

"Claims" is defined as any and all claims, demands, actions, notices, liens, suits, causes of action, complaints, demands, enforcement actions, citations, notices of violation, legal or administrative proceedings, warnings or inquiries, including but not limited to, claims for loss or damage to any property or injury to or death of any person asserted by or on behalf of any person, firm, corporation, governmental authority or other entity arising out of, resulting from or in any way connected with the condition, occupancy, use or possession of the Property or the conduct of any work done at the Property.

"Costs" means any and all costs, expenses, damages, judgments, liabilities, losses, taxes, debts, obligations, contributions, cost recovery compensation, penalties, sanctions, fines or fees (including attorney, expert, and consultant fees, and disbursements and expenses incurred in investigating, defending or prosecuting any Claim).

"Environmental Laws" means any and all local, state, and federal statutes, laws, rules, regulations, ordinances, licenses, judgments, orders, and decrees relating to public health and safety and the environment, including but not limited to, Environmental Laws relating to Hazardous Materials now existing or hereafter enacted.

"Hazardous Materials" means any and all of the following: asbestos and asbestos containing materials; urea formaldehyde foam insulation; polychlorinated biphenyls (PCBs); oil or petroleum or any fraction thereof; waste oil; flammable or explosive materials; pesticides, insecticides or rodenticides; lead-based paint; radioactive materials; special waste; medical waste; any hazardous waste, substance or material, toxic substance or regulated material including but not limited to any waste, substance, or material defined or regulated by any and all Environmental Laws; and any and all other chemicals, pollutants, contaminants, mixtures or dangerous substances, materials or wastes.

## **SECTION 20. COMPLIANCE WITH LAWS.**

The Developer shall comply with all applicable laws, statutes, codes, rules, executive orders, decrees, ordinances, regulations and requirements now or hereafter enacted or promulgated by the United States of America, State of Illinois, County of Cook, City of Chicago and any other governmental entity or agency now or hereafter having jurisdiction over the Property, including, but not limited to, the requirements of any and all Environmental Laws (as defined in Section 19, above), and the Municipal Code of Chicago (including, but not limited to, the Building, Zoning and Fire Codes, the Disclosure of Ownership Interest in Entities Ordinance, and the anti-bribery prohibition).

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## **SECTION 21. NO RELATIONSHIP WITH DELINQUENT OWNER.**

The Developer represents and warrants that neither it nor any of its employees or agents is acting on behalf of any prior owner or party who has or had an interest in, or is or was legally responsible for the payment of delinquent taxes on the Property. The Developer further represents and warrants that no benefit shall accrue by virtue of this Agreement to any party, other than itself, who has or had an interest in the Property prior to the conveyance to the Developer.

## **SECTION 22. COLLATERAL ATTACK.**

Defense of collateral attacks against the Deed by which the City acquires title to the Property shall be the sole responsibility of the Developer.

## **SECTION 23. INDEMNIFICATION.**

The Developer agrees, and shall cause its contractors, agents, employees and invitees to agree, to indemnify, hold harmless and defend the City and its agents from and against any and all claims, suits, costs (including reasonable attorney's fees) and damages for injury to persons or property arising out of or in connection with the above use or misuse of the Property, or the Developer's performance of, or failure to perform its obligations under this Agreement.

## **SECTION 24. POLICE POWER.**

The City reserves the right to take any and all steps pursuant to its police power to preserve and protect the Property and the public.

## **SECTION 25. HEADINGS.**

The headings of the various sections of this 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.

## **SECTION 26. GOVERNING LAW.**

This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

## **SECTION 27. ENTIRE AGREEMENT.**

This Agreement constitutes the entire agreement between the parties hereto and supersedes and replaces completely any prior agreements between the parties with respect to the subject matter hereof. This Agreement may not be modified or amended in any manner other than by supplemental written agreement executed by the parties.

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## SECTION 28. SUCCESSORS AND ASSIGNS.

The terms of this Agreement shall be binding upon the City, the Developer and their respective heirs, legal representatives, successors and assigns.

## SECTION 29. SEVERABILITY.

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

## SECTION 30. NOTICES.

Any notice, demand or request required or permitted to be given hereunder shall be given in writing to the Developer at the address set forth above, and to the City of Chicago, Department of Housing and Economic Development, Attn: Preserving Communities Together Program Director, 121 North LaSalle Street, Room 1000, Chicago, Illinois 60602, by any of the following means: (a) personal service; (b) facsimile; (c) overnight courier; or (d) registered or certified first class mail, postage prepaid, return receipt requested.

Any notice, demand or request given pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon dispatch by electronic means, respectively. Any notice, demand or communication given pursuant to clause (c) shall be deemed received on the day immediately following deposit with the overnight courier. Any notice, demand or communication sent pursuant to clause (d) shall be deemed received three business days after mailing. The parties, by notice given hereunder, may designate any further or different addresses to which subsequent notices, demands or communications shall be given.

## SECTION 31. JOINT AND SEVERAL LIABILITY.

If the Developer, or its successors or assigns, if any, is comprised of more than one individual or other legal entity (or a combination of them), then under this Agreement, each and without limitation every obligation or undertaking in this Agreement to be fulfilled or performed by Developer is the joint and several obligation or undertaking of each such individual or other legal entity.

## SECTION 32. ACQUISITION CONTINGENCY.

This Agreement shall be contingent upon the City's acquisition of the Property. Neither party shall be required to perform any of its obligations under this Agreement until such acquisition has been accomplished. Furthermore, by written notice to the Developer, the City may terminate this Agreement if it does not have title to the Property within 30 days following the City's execution of the Agreement.

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## SECTION 33. BUSINESS RELATIONSHIPS.

The Developer acknowledges (A) receipt of a copy of Section 2-156-030 (b) of the Municipal Code of Chicago, (B) that it has read such provision and understands that pursuant to such Section 2-156-030 (b) it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago ), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (c) that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Agreement and the transactions contemplated hereby. The Developer hereby represents and warrants that, to the best of its knowledge after due inquiry, no violation of Section 2-156-030 (b) has occurred with respect to this Agreement or the transaction contemplated hereby.

## SECTION 34. PROHIBITION ON CERTAIN CONTRIBUTIONS - MAYORAL EXECUTIVE ORDER NO. 05-1.

Consistent with the intent of Mayor's Executive Order No. 05-1, compliance with the substance of which is intended by this Section 34, the Developer hereby agrees that the Developer, any person or entity who directly or indirectly has an ownership or beneficial interest in the Developer of more than 7.5 percent, the General Partner or Managing Member, any person or entity who directly or indirectly has an ownership or beneficial interest in the General Partner or Managing Member of more than 7.5 percent, Owner, any person or entity who directly or indirectly has an ownership, beneficial or other controlling interest in Owner of more than 7.5 percent (collectively, "Controlling Owners"), spouses and domestic partners of such Controlling Owners, (collectively, all the preceding classes of persons and entities are hereinafter referred to as the "Ownership Parties") shall not make a contribution of any amount to the Mayor of the City ("Mayor") or to his political fundraising committee (i) after execution of this Agreement by the Developer, and (ii) while this Agreement or any Other Contract is executory, (iii) during the term of this Agreement or any Other Contract between the Developer and the City, or (iv) during any period while an extension of this Agreement or any Other Contract is being sought or negotiated.

The Developer hereby agrees to require that the General Contractor, any person or entity who directly or indirectly has an ownership or beneficial interest in the General Contractor of more than 7.5 percent, any Subcontractor, any person or entity who directly or indirectly has an ownership or beneficial interest in any Subcontractor of more than 7.5 percent (collectively, "Interested Parties"), and spouses and domestic partners of such Interested Parties (collectively, all the preceding classes of persons and entities are hereinafter referred to, together with the Ownership Parties, as the "Identified Parties") shall not make a contribution of any amount to the Mayor or to his political fundraising committee (i) after execution of this Agreement by the Developer, and (ii) while the Construction Contract or any Subcontract is executory, (iii) during the term of the Construction Contract or any Subcontract, or (iv) during any period while an

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extension of the Construction Contract or any Subcontract is being sought or negotiated.

The Developer represents and warrants that as of the later of (i) February 10, 2005, or (ii) the date that the City approached the Developer, or the Developer approached the City, as applicable, regarding the formulation of this Agreement, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

The Developer agrees that it shall not and it shall require all other Identified Parties to not: (a) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fundraising committee; (b) reimburse its employees for a contribution of any amount made to the Mayor or to the Mayor's political fundraising committee; or (c) bundle or solicit others to bundle contributions to the Mayor or to his political fundraising committee.

The Developer agrees that it must not and it shall require all other Identified Parties to not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 05-1 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 05-1. The Developer shall impose the restrictions of this Section 34 in the Construction Contract and shall specifically require the General Contractor to impose the restrictions of this Section 34 in all Subcontracts.

The Developer agrees that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 05-1 constitutes a breach and default under this Agreement, and under any Other Contract for which no opportunity to cure will be granted. Such breach and default entitles the City to all remedies (including without limitation termination for default) under this Agreement, and under any Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

For purposes of this provision:

"Bundle" means to collect contributions from more than one source that are then delivered by one person to the Mayor or to his political fundraising committee.

"Other Contract" means any other agreement with the City to which the Developer is a party that is (i) formed under the authority of Chapter 2-92 of the Municipal Code of Chicago; (ii) entered into for the purchase or lease of real or personal property; or (iii) for materials, supplies, equipment or services which are approved or authorized by the City Council.

"Contribution" means a "political contribution" as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

Individuals are "Domestic Partners" if they satisfy the following criteria:

(A) they are each other's sole domestic partner, responsible for each other's common welfare; and



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- (B) neither party is married; and
- (C) the partners are not related by blood closer than would bar marriage in the State of Illinois; and
- (D) each partner is at least 18 years of age, and the partners are the same sex, and the partners reside at the same residence; and
- (E) two of the following four conditions exist for the partners:
  - 1. The partners have been residing together for at least 12 months.
  - 2. The partners have common or joint ownership of a residence.
  - 3. The partners have at least two of the following arrangements:
    - a. joint ownership of a motor vehicle;
    - b. a joint credit account;
    - c. a joint checking account;
    - d. a lease for a residence identifying both domestic partners as tenants.
  - 4. Each partner identifies the other partner as a primary beneficiary in a will.

"Political fundraising committee" means a "political fundraising committee" as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

## SECTION 35. WASTE ORDINANCE PROVISIONS.

In accordance with Section 11-4-1600(e) of the Municipal Code of Chicago, the Developer warrants and represents that it, and to the best of its knowledge, its contractors and subcontractors, have not violated and are not in violation of the following sections of the Code (collectively, the "Waste Sections"):

- 7-28-390 Dumping on public way;
- 7-28-440 Dumping on real estate without permit;
- 11-4-1410 Disposal in waters prohibited;
- 11-4-1420 Ballast tank, bilge tank or other discharge;
- 11-4-1450 Gas manufacturing residue;
- 11-4-1500 Treatment and disposal of solid or liquid waste;
- 11-4-1530 Compliance with rules and regulations required;
- 11-4-1550 Operational requirements; and
- 11-4-1560 Screening requirements.

During the period while this Agreement is executory, Developer's, general contractor's or any subcontractor's violation of the Waste Sections, whether or not relating to the performance of this Agreement, constitutes a breach of and an event of default under this Agreement, for which the opportunity to cure, if curable, will be granted only at the sole discretion of the Chief Procurement Officer. Such breach and default entitles the City to all remedies under the Agreement, at law or in equity.

This section does not limit the Developer, general contractor's and its subcontractors' duty to comply with all applicable federal, state, county and municipal laws, statutes, ordinances and executive orders, in effect now or later, and whether or not they appear in this Agreement.

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Non-compliance with these terms and conditions may be used by the City as grounds for the termination of this Agreement, and may further affect the Developer's eligibility for future contract awards.

## **SECTION 36. COOPERATION WITH OFFICE OF COMPLIANCE.**

In accordance with Chapter 2-26-010 et seq. of the Municipal Code of Chicago, the Developer acknowledges that every officer, employee, department and agency of the City shall be obligated to cooperate with the Executive Director of the Office of Compliance in connection with any activities undertaken by such office with respect to this Agreement, including, without limitation, making available to the Executive Director the department's premises, equipment, personnel, books, records and papers. The Developer agrees to abide by the provisions of Chapter 2-26-010 et seq.

## **SECTION 37. PROVISIONS NOT MERGED WITH DEED.**

The provisions of this Agreement shall not be merged with the Deed, and the Deed shall not be deemed to affect or impair the provisions of this Agreement.

## **SECTION 38. FAILURE TO MAINTAIN ELIGIBILITY TO DO BUSINESS WITH THE CITY.**

Failure by Developer or any controlling person (as defined in Section 1-23-010 of the Municipal Code of Chicago) thereof to maintain eligibility to do business with the City of Chicago as required by Section 1-23-030 of the Municipal Code of Chicago shall be grounds for termination of the Agreement and the transactions contemplated thereby. Developer shall at all times comply with Section 2-154-020 of the Municipal Code of Chicago.

## **SECTION 39. INSPECTOR GENERAL AND LEGISLATIVE INSPECTOR GENERAL.**

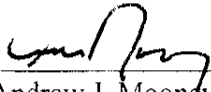
It is the duty of every officer, employee, department, agency, contractor, subcontractor, developer and licensee of the City, and every applicant for certification of eligibility for a City contract or program, to cooperate with the City's Legislative Inspector General and with the City's Inspector General in any investigation or hearing undertaken pursuant to Chapters 2-55 and 2-56, respectively, of the Municipal Code of Chicago. The Developer understands and will abide by all provisions of Chapters 2-55 and 2-56 of the Municipal Code of Chicago.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

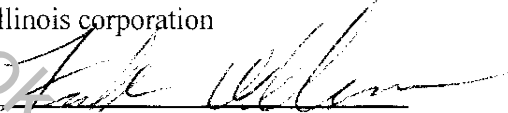
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IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed on or as of the date first written above.

**CITY OF CHICAGO,**  
an Illinois municipal corporation  
and home rule unit of local government,  
acting by and through its  
Department of Housing and Economic Development

By:   
Andrew J. Mooney  
Commissioner

**FRANKLIN WILLIAMS ENTERPRISES, INC.,**  
an Illinois corporation

By:   
Name: Franklin Williams  
Its: President

Property of Cook County Clerk's Office

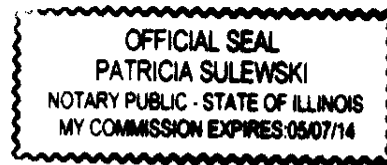
# UNOFFICIAL COPY

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 Andrew J. Mooney, the Commissioner of the Department of Housing and Economic Development of the City of Chicago, an Illinois municipal corporation, 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 said Commissioner, he signed and delivered the foregoing instrument pursuant to authority given by the City of Chicago as his free and voluntary act and as the free and voluntary act and deed of said municipal corporation, for the uses and purposes therein set forth.

GIVEN under my notarial seal this 16<sup>th</sup> day of June, 2011.

Patricia Sulewski  
NOTARY PUBLIC



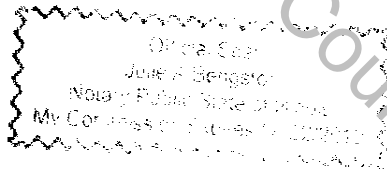
# UNOFFICIAL COPY

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 Franklin Williams, personally known to me to be the president of Franklin Williams Enterprises, Inc., an Illinois corporation and 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 s/he signed and delivered the foregoing instrument as her/his free and voluntary act and the free and voluntary act of said corporation for the uses and purposes therein set forth.

GIVEN under my notarial seal this 14<sup>th</sup> day of June, 2011.

[Signature]  
NOTARY PUBLIC



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## EXHIBIT A LEGAL DESCRIPTION

LOT 2 IN THE RESUBDIVISION OF BLOCK 21 (EXCEPT LOT 3 AND PART TAKEN FOR RANDOLPH STREET) IN WEST CHICAGO LAND COMPANY'S SUBDIVISION OF THE SOUTH ½ OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

**Commonly known as:** 212 NORTH KOSTNER AVENUE  
CHICAGO, ILLINOIS 60624

**Property Index Number:** 16-10-323-014-0000



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**EXHIBIT B  
INCOME QUALIFICATION APPLICATION**

[ATTACHED]

Property of Cook County Clerk's Office



**UNOFFICIAL COPY**
**CITY OF CHICAGO DEPARTMENT OF HOUSING  
HOME BUYER APPLICATION**
*(now known as the  
Department of  
Housing and Economic  
Development)*
**FOR DEVELOPER / AGENT USE ONLY**

Development Name (if applicable): \_\_\_\_\_ # of Units Purchased \_\_\_\_\_

Property Address/Unit #: \_\_\_\_\_ # of Bedrooms \_\_\_\_\_

Part of Chicago Community Land Trust? Yes \_\_\_ No \_\_\_ Community Area \_\_\_\_\_ Ward \_\_\_\_\_

Affordable Purchase Price: \$ \_\_\_\_\_ Down Payment \$ \_\_\_\_\_

Estimated Market Value: \$ \_\_\_\_\_ Estimated Closing Date \_\_\_\_\_

First Mortgage Approval/Commitment Amount: \$ \_\_\_\_\_

Interest Rate: \_\_\_\_\_ % First Mortgage Lender: \_\_\_\_\_

Lender Contact Name: \_\_\_\_\_ Phone: \_\_\_\_\_

**Check all that apply:**

City Program: ARO \_\_\_ ADDI \_\_\_ CITY LOTS \_\_\_ CPAN \_\_\_ NEW HOMES \_\_\_ PUBLIC SAFETY \_\_\_ HOME OPT \_\_\_

**I. APPLICANT INFORMATION (Please Print)**

Name: \_\_\_\_\_

Current Address/City/Zip: \_\_\_\_\_

Home Phone: \_\_\_\_\_ Work Phone: \_\_\_\_\_ Cell: \_\_\_\_\_

Social Security #: \_\_\_\_\_ Gender: Female \_\_\_ Male \_\_\_

Single \_\_\_ Married \_\_\_ Separated \_\_\_ Divorced \_\_\_

Race (for statistical purposes only):

White  African-American  Asian  Amer. Ind./Alaska Native  Pacific Islander  Multi-Racial

Hispanic? Yes \_\_\_ No \_\_\_

**CO-APPLICANT INFORMATION**

Name: \_\_\_\_\_

Current Address/City/Zip: \_\_\_\_\_

Home Phone: \_\_\_\_\_ Work Phone: \_\_\_\_\_ Cell: \_\_\_\_\_

Social Security #: \_\_\_\_\_ Gender: Female \_\_\_ Male \_\_\_

Single \_\_\_ Married \_\_\_ Separated \_\_\_ Divorced \_\_\_

Race (for statistical purposes only):

White  African-American  Asian  Amer. Ind./Alaska Native  Pacific Islander  Multi-Racial

Hispanic? Yes \_\_\_ No \_\_\_

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## II. HOUSEHOLD INFORMATION

Total number of Household Members that will reside in the property: \_\_\_\_\_

Provide information in chart below for each Household Member. Include yourself (and co-applicant) in the chart.

Household Member	Date of Birth	Relationship to Applicant	Annual Income*

\* All household members over 18 years of age must provide proof of income (i.e. pay stubs, tax returns, affidavit of income, etc.)

## III. CURRENT HOUSING INFORMATION

### A. APPLICANT

Do you currently rent? YES \_\_\_\_\_ NO \_\_\_\_\_

Do you currently own your home or another property? YES \_\_\_\_\_ NO \_\_\_\_\_

Addresses of Properties Owned within Last 3 Years	Estimated Market Value	Total Amount of Outstanding Mortgages or Liens

### B. CO-APPLICANT:

Do you currently rent? YES \_\_\_\_\_ NO \_\_\_\_\_

Do you currently own your home or another property? YES \_\_\_\_\_ NO \_\_\_\_\_

Addresses of Properties Owned within Last 3 Years	Estimated Market Value	Total Amount of Outstanding Mortgages or Liens

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**IV. EMPLOYMENT INFORMATION**

APPLICANT	CO-APPLICANT
Employer: _____	_____
Address: _____	_____
City/State/Zip _____	_____
Month/Year Employed: From: _____ To: _____	From: _____ To: _____
Annual Gross Salary: \$ _____	\$ _____
Position Held: _____	_____
<b>If employed less than three years with current employer:</b>	
Previous Employer: _____	_____
Address: _____	_____
City/State/Zip: _____	_____
Month/Year Employed: From: _____ To: _____	From: _____ To: _____

**V. OTHER SOURCES OF INCOME**

	APPLICANT	CO-APPLICANT
Rental Income	\$ _____ per month	\$ _____ per month
Social Security:	\$ _____ per month	\$ _____ per month
Pensions:	\$ _____ per month	\$ _____ per month
Interest/Dividends:	\$ _____ per month	\$ _____ per month
Business Income:	\$ _____ per month	\$ _____ per month
Unemployment:	\$ _____ per month	\$ _____ per month
Section 8:	\$ _____ per month	\$ _____ per month
Child Support:	\$ _____ per month	\$ _____ per month
Other	\$ _____ per month	\$ _____ per month

**VI. ASSETS**

	APPLICANT	CO-APPLICANT
Checking Account	\$ _____	\$ _____
Savings Account	\$ _____	\$ _____
Stocks, Bonds, Other Investments:	\$ _____	\$ _____

<b>TOTAL HOUSEHOLD INCOME</b>	\$ _____ MONTHLY	\$ _____ ANNUAL
-------------------------------	------------------	-----------------

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## VII. DEBT OWED TO THE CITY OF CHICAGO

The City of Chicago requires past due debts, such as parking tickets or water bills, be paid in full before benefits of the home buyer program are granted.

By completing the chart below, I give the Department of Housing permission to conduct an inquiry into debt I may owe to the City of Chicago. I understand that proof of payment will be required before the benefits of the program will be provided.

Household Member(s)	Social Security #	Driver's License #	License Plate #

## VIII. CERTIFICATION AND AUTHORIZATION

*I (We) certify that the statements contained in this application for participation in and eligibility determination for a Chicago Department of Housing home buyer program are true and accurate concerning my (our) financial condition and household size.*

*I (We) hereby authorize the Chicago Department of Housing to discuss with my lender, developer and attorney any information relating to my (our) Purchase Agreement and Mortgage Loans, to verify employment and conduct the appropriate inquiries into my indebtedness to the City of Chicago.*

*I also certify that, if I have been qualified to receive Purchase Price Assistance, the cash assistance offered by the Chicago Department of Housing, my household will have no more than \$5000 in asset after I have contributed towards earnest money, down payment and closing costs.*

*If I am an ADDI, CPAN or New Homes applicant, I understand that at closing the City will charge a closing fee of up to \$750 to reimburse the City for its third party closing costs.*

\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Co-Applicant's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
First Lender Signature (Asset Certification if applicable)

\_\_\_\_\_  
Date

**\*\*\* PUBLIC SAFETY OFFICER PROGRAM USE ONLY \*\*\***

District/Unit/Engine Company \_\_\_\_\_

Star/Badge # \_\_\_\_\_

Probationary Status:            Yes            No            (Circle one)

Commander's Name and Phone # \_\_\_\_\_

New Construction or Existing            (Circle one)