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CEDRIC GILES

COOK COUNTY CLERK'S OFFICE

DATE: 4/26/2024 11:04 AM

PAGE: 1 OF 39

AGREEMENT FOR THE REDEVELOPMENT OF LAND

(The Above Space for Recorder's Use Only)

This **AGREEMENT FOR THE REDEVELOPMENT OF LAND** ("Agreement") is made on or as of March 17, 2024 (the "Effective Date"), by and between the **CITY OF CHICAGO**, an Illinois municipal corporation ("City"), acting by and through its Department of Housing ("DOH"), having its principal offices at City Hall, 121 North LaSalle Street, Chicago, Illinois 60602, and **HABITAT FOR HUMANITY CHICAGO**, an Illinois not-for-profit corporation (the "Developer").

RECITALS

WHEREAS, the Developer is the owner of the property legally described on Exhibit A attached hereto (the "Property"), consisting of seventeen (17) vacant lots (each, a "City Lot"); and

WHEREAS, the Developer purchased the Property from Revere Community Housing Development, L.L.C., an Illinois limited liability company (the "Previous Developer"); and

WHEREAS, the City had previously sold the Property, together with additional land, to the Previous Developer for \$1.00 per parcel for the construction of single-family homes; and

WHEREAS, the Previous Developer invested approximately \$15 million in the construction, sale, and distribution of homebuyer subsidies for approximately 65 single family homes, including 31 Homes that were sold at affordable prices to households whose annual income at the time of purchase was less than 120% of the area median income; and

WHEREAS, the Previous Developer is no longer a home builder and the City consented to the sale of the City Lots to the Developer for the construction of at least seventeen (17) owner-occupied single-family homes and duplexes (each, a "Home") by ordinance adopted on February 23, 2022, and published in the Journal of Proceedings of the City Council of the City of Chicago at pages 44969 through 44983 (the "Project"); and

WHEREAS, the City consented to the conveyance of the Property to the Developer in consideration of the Developer's obligations to construct the Project in accordance with certain affordability requirements, as set forth herein; and

WHEREAS, the Developer has previously executed and delivered to the City a reconveyance deed for each City Lot (each, a "Reconveyance Deed") as security for the Developer's completion of the Project; and

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WHEREAS, the Developer acknowledges and agrees that the City has the right to record the Reconveyance Deeds and revest title to the applicable City Lot and all improvements thereon in the City in accordance with Section 19 hereof.

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

SECTION 1. INCORPORATION OF RECITALS.

The foregoing recitals 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.

SECTION 2. DEFINITIONS.

2.1 Defined Terms For purposes of this Agreement, in addition to the terms defined in the foregoing Recitals and elsewhere in this Agreement, the following terms shall have the following meanings:

"Affordable Price" means an amount that is affordable to Households at 120% of the AMI.

"AMI" means the median household income for the Chicago Primary Metropolitan Statistical Area as calculated and adjusted for household size from time to time by the U.S. Department of Housing and Urban Development or any successor organization thereto.

"Developer Parties" means the Developer, the Developer's affiliates, and the respective officers, directors, trustees, employees, agents, successors and assigns of the Developer and the Developer's affiliates.

"Laws" means all applicable federal, state, county, municipal or other laws (including common law), statutes, codes, ordinances, rules, regulations, executive orders, permits, licenses, authorizations or other requirements, now or hereafter in effect, as amended or supplemented from time to time, and any applicable judicial or administrative interpretation thereof, including any applicable judicial or administrative orders, injunctions, consent decrees or judgments.

"Losses" means any and all debts, liens (including, without limitation, lien removal and bonding costs), claims, causes of action, demands, complaints, legal or administrative proceedings, losses, damages, obligations, liabilities, judgments, amounts paid in settlement, arbitration or mediation awards, interest, fines, penalties, costs, expenses and disbursements of any kind or nature whatsoever (including, without limitation, reasonable attorneys' fees and expenses, consultants' fees and expenses and court costs).

"Notice to Proceed" means a notice from DOH authorizing the Developer to commence construction on a City Lot.

"Principal Residence" means an owner's primary or principal residence that the

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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 fifteen percent (15%) or more of its total area is used for a trade or business.

“Qualified Household” means a person or group of people whose household income does not exceed one hundred forty percent (140%) of AMI as calculated and adjusted for household size from time to time by the U.S. Department of Housing and Urban Development or any successor organization thereto.

SECTIONS 3 THROUGH 9. INTENTIONALLY DELETED.

SECTION 10. NOTICE TO PROCEED.

The Developer acknowledges and agrees that it may not commence construction of a Home on a City Lot until DOH has issued a Notice to Proceed. DOH's issuance of a Notice to Proceed is contingent upon the delivery or satisfaction of each of the following items (unless waived by DOH in its sole discretion) at least ten (10) business days prior to the date Developer wishes to commence construction, unless another time period is specified below:

10.1 Budget. Concurrent with the execution of this Agreement by Developer and its delivery to the City, Developer shall deliver to DOH for its approval a written budget ("Budget") for the construction of the Homes. Developer shall also submit to DOH, for DOH's approval, evidence of Developer's equity in the Project in the form of cash on hand sufficient to construct the first Home.

10.2 Governmental Approvals. The Developer has received all Governmental Approvals necessary to construct the Home on the City Lot and has submitted evidence thereof to DOH.

10.3 Title. The Developer has submitted to DOH, and DOH has approved, a pro forma title insurance policy for the City Lot, certified by a title company, showing the Developer as the named insured. The title policy shall identify this Agreement as a Schedule B exception. The title policy shall also contain such endorsements as the Corporation Counsel shall request, which may include, without limitation, an owner's comprehensive endorsement and satisfactory endorsements regarding contiguity, location, access and survey.

10.4 Survey. The Developer has submitted to the City, and the City has approved, a final plat of survey for the City Lot certified by a licensed surveyor showing all easements, encroachments and containing the legal description of the City Lot.

10.5 Environmental Clearance (University/Woodlawn Parcels only). The Developer has submitted, and the City has approved, the Phase II ESA for the University/Woodlawn Parcels (as those terms are defined in Section 22), and the City has determined that no further investigation or remediation is required, or, if the Phase II ESA discloses the presence of contaminants exceeding applicable remediation objectives on any portion of the University/Woodlawn Parcels, the Developer shall enroll such portion in the SRP and obtain a RAP Approval Letter for the affected parcel or parcels.

10.6 Scope Drawings. The Developer has delivered the preliminary construction documents for the Project, containing a site plan and preliminary drawings and specifications for the Project ("Scope Drawings") to DOH and DOH has approved the same.

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10.7 Insurance. The Developer has submitted to the City, and the City has approved, evidence of insurance reasonably acceptable to the City for the City Lot. The City shall be named as an additional insured on all liability insurance policies and as a loss payee (subject to the prior rights of any first mortgagee) on all property insurance policies through the date the City issues the Partial Certificate of Completion for the City Lot.

SECTION 11. CONSTRUCTION REQUIREMENTS.

11.1 Scope Drawings. The Developer shall construct the Project in accordance with the approved Scope Drawings and final plans and specifications.

11.2 Performance and Payment Bonds. Prior to the commencement of construction of any portion of the Project involving work in the public way or work that constitutes a "public work" under applicable state law and is required to be bonded under such state law, the Developer shall require that the general contractor be bonded for its performance and payment by sureties having an AA rating or better using a bond in a form acceptable to the City. The City shall be named as obligee or co-obligee on any such bonds.

11.3 Relocation of Utilities, Curb Cuts and Driveways. The Developer shall be solely responsible for and shall pay all costs associated with: (a) the relocation, installation or construction of public or private utilities, curb cuts and driveways; (b) the repair or reconstruction of any curbs, vaults, sidewalks or parkways required in connection with or damaged as a result of the Developer's construction of the Project; (c) the removal of existing pipes, utility equipment or building foundations; and (d) the termination of existing water or other utility services. The City shall have the right to approve any streetscaping provided by the Developer as part of the Project, including, without limitation, any paving of sidewalks, landscaping and lighting.

11.4 City's Right to Inspect Property. For the period commencing on the Effective Date and continuing through the date the City issues the final Partial Certificate of Completion, any authorized representative of the City shall have access to the Project and the Property at all reasonable times for the purpose of determining whether the Developer is constructing the Project in accordance with the terms of this Agreement, the Scope Drawings, the Budget, and all applicable Laws and covenants and restrictions of record.

11.5 Barricades and Signs. The Developer shall, at its sole cost and expense, erect and maintain such signs as the City may reasonably require during the Project, identifying the site as a City redevelopment project. The City reserves the right to include the name, photograph, artistic rendering of the Project and other pertinent information regarding the Developer, the Property and the Project in the City's promotional literature and communications. Prior to the commencement of any construction activity requiring barricades, the Developer shall install barricades of a type and appearance satisfactory to the City and constructed in compliance with all applicable Laws. DOH shall have the right to approve the maintenance, appearance, color scheme, painting, nature, type, content and design of all barricades. The Developer shall erect all signs and barricades so as not to interfere with or affect any bus stop or train station in the vicinity of the Property.

SECTION 12. LIMITED APPLICABILITY.

Any approval given by DOH pursuant to this Agreement is for the purpose of this Agreement only and does not constitute the approval required by the City's Department of

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Buildings or any other City department, nor does such approval constitute an approval of the quality, structural soundness or safety of any improvements located or to be located on the Property, or the compliance of said improvements with any Laws, private covenants, restrictions of record, or any agreement affecting the Property or any part thereof.

SECTION 13. COMMENCEMENT AND COMPLETION OF PROJECT.

The Developer shall commence construction of the Project within three (3) months after the Effective Date, and shall complete the Project (as evidenced by the issuance of the last Partial Certificate of Completion) no later than December 31, 2027; provided, however, DPD, in its sole discretion, may extend the construction commencement and completion dates upon the Developer's written request. The Developer shall give written notice to the City within five (5) days after it commences construction. The Developer shall construct the Project in accordance with this Agreement, the Scope Drawings, the Budget, and all applicable Laws and covenants and restrictions of record.

SECTION 14. CERTIFICATE OF COMPLETION OF CONSTRUCTION.

14.1 Upon completion of each of the Homes comprising the Project, the Developer shall deliver to the City a notice of closing ("Notice of Closing") in substantially the form attached hereto as Exhibit B. The Notice of Closing must include a Certificate of Substantial Completion from the project architect in substantially the form attached hereto as Exhibit C. Within forty-five (45) days after receipt of a Notice of Closing and the accompanying Certificate of Substantial Completion, the City shall inspect the subject unit to determine whether it is substantially complete (i.e., complete except for punch list items) and constructed in accordance with this Agreement, and shall thereafter deliver to the Developer either a Partial Certificate of Completion for the Home ("Partial Certificate of Completion") or a written statement indicating in adequate detail how the Developer has failed to complete the Home in compliance with this Agreement or is otherwise in default, and what measures or acts are necessary, in the sole opinion of the City, for the Developer to take or perform in order to obtain the Partial Certificate of Completion. If the City requires additional measures or acts to assure compliance, the Developer shall have thirty (30) days to correct any deficiencies and resubmit a Notice of Closing. The Partial 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 with respect to the Developer's obligations to construct the Home. The Partial Certificate of Completion shall not, however, constitute evidence that the Developer has complied with any Laws relating to the construction of the Home, nor shall it serve as any guaranty as to the quality of the construction. Upon (a) recordation of a Partial Certificate of Completion for each of the Homes in the Project, and (b) the sale of the Affordable Price Homes to Qualified Households in accordance with Section 15.4 hereof, the City shall return the Reconveyance Deed to the Developer.

14.2 Notwithstanding the foregoing, a Partial Certificate of Completion for a Home will not be issued in the event there exists either an Event of Default or a condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default.

SECTION 15. RESTRICTIONS ON USE.

The Developer, for itself and its respective successors and assigns, covenants and agrees as follows:

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15.1 Compliance with Redevelopment Plan. The Developer shall use the Property in compliance with the Redevelopment Plan.

15.2 Non-Discrimination. The Developer shall not discriminate on the basis of race, color, sex, gender identity, age, religion, disability, national origin, ancestry, sexual orientation, marital status, parental status, military discharge status, or source of income in the sale, lease, rental, use or occupancy of the Property or the Project or any part thereof.

15.3 Affordable Homes. The Developer shall develop and sell the Affordable Price Homes in accordance with the following provisions:

(a) The Developer shall sell all 17 Homes in the Project to Qualified Households for an Affordable Price for their Principal Residences.

(b) The City must approve the income eligibility of the purchaser of each Affordable Price Home to confirm that the purchaser is a Qualified Household. Toward this end, the Developer shall deliver to DOH any information required by DOH in order to determine the purchaser's income eligibility. DOH shall have ten (10) business days from the date of receipt of a "complete information package" to qualify purchasers. A "complete information package" shall include, by means of illustration and not limitation, the fully-executed real estate sales contract, the W-2 forms from the purchaser's employers, U.S. 1040 income tax returns from the previous two (2) years, an affidavit or verification from the purchaser with regard to household size, and the employer verification form utilized by the Federal National Mortgage Association (or Fannie Mae).

(c) The Developer must sell each Affordable Home subject to a covenant to use the Home as the homebuyer's Principal Residence and the other covenants and conditions set forth in Exhibit D.

(d) At the closing of each Home, the Developer shall deliver to the homebuyer a limited warranty in the form attached hereto as Exhibit E. Said limited warranty shall have a duration of one year and shall be deemed to run with the land.

(e) The Developer shall give preference in selling accessible Homes, as that term is defined in Section 17-17-0202 of the Municipal Code, to people with disabilities pursuant to DOH policy.

(f) The Developer shall refer each prospective homebuyer to pre-purchase counseling, which shall be offered either by DOH, a qualified community organization or lending institution. Each homebuyer must participate in pre-purchase counseling, and provide DOH with a certificate or other evidence of participation.

The Developer, for itself and its successors and assigns, acknowledges and agrees that the use and affordability restrictions set forth in this Section 15 constitute material, bargained-for consideration for the City and are intended to further the public policy of creating affordable housing for working families, and that, but for such use and affordability restrictions, the City would not have consented to the conveyance of the Property to the Developer.

SECTION 16. PROHIBITION AGAINST SALE OR TRANSFER OF PROPERTY.

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Prior to the issuance of the final Partial Certificate of Completion, the Developer may not, without the prior written consent of DOH, which consent shall be in DOH's sole discretion: (a) directly or indirectly sell, transfer, convey, lease or otherwise dispose of all or any portion of the Property or the Project or any interest therein; or (b) directly or indirectly assign this Agreement (other than to a lender for collateral assignment purposes as permitted under Section 17). The Developer acknowledges and agrees that DOH may withhold its consent under (a) or (b) above if, among other reasons, the proposed purchaser, transferee or assignee (or such entity's principal officers or directors) is in violation of any Laws, or if the Developer fails to submit sufficient evidence of the financial responsibility, business background and reputation of the proposed purchaser, transferee or assignee.

SECTION 17. MORTGAGES AND OTHER LIENS.

17.1 Limitation upon Encumbrance of Project Site. Prior to the issuance of the final Partial Certificate of Completion, the Developer may not, without the prior written consent of DOH, which consent shall be in DOH's sole discretion, engage in any financing or other transaction which would create an encumbrance or lien on the Property, except for the lender financing, if any, approved by the City, which shall be limited to funds necessary to construct the Project.

17.2 Mortgagees Not Obligated to Construct. Notwithstanding any other provision of this Agreement, the holder of any mortgage authorized by this Agreement (or any affiliate of such holder) shall not itself be obligated to construct or complete the Project, or to guarantee such construction or completion, but shall be bound by the other covenants running with the land specified in Section 18. If any such mortgagee or its affiliate succeeds to the Developer's interest in the Property (or any portion thereof) prior to the issuance of the final Partial Certificate of Completion, whether by foreclosure, deed-in-lieu of foreclosure or otherwise, and thereafter transfers its interest in the Property (or any portion thereof) to another party, such transferee shall be obligated to complete the Project (or such portion of the Project located on the land so transferred), and shall also be bound by the other covenants running with the land specified in Section 18.

SECTION 18. COVENANTS RUNNING WITH THE LAND.

The parties agree that the covenants, agreements, releases and other terms and provisions contained in Section 13 (Commencement and Completion of Project), Section 15 (Restrictions on Use), Section 16 (Prohibition Against Sale or Transfer of Property), Section 17 (Limitation Upon Encumbrance of Property), and Section 22.5 (Release), touch and concern and shall be appurtenant to and shall run with the Property. Such covenants, agreements, releases and other terms and provisions shall be binding on the Developer and its successors and assigns (subject to the limitation set forth in Section 17 above as to any permitted mortgagee) 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. Such covenants, agreements, releases and other terms and provisions shall terminate as follows:

Section	Covenant	Termination
§14.1	Completion of Home	Upon issuance of Partial Certificate of Completion
§15.1	Redevelopment Plan Compliance	Upon expiration of Redevelopment Plan

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§15.2	Non-Discrimination	No limitation as to time
§15.3	Sale of Home to Qualified Household for an Affordable Price for Principal Residence	Upon issuance of Partial Certificate of Completion
§16	Sale/Transfer Prohibition	Upon issuance of Partial Certificate of Completion
§17	Limitation on Encumbrances	Upon issuance of Partial Certificate of Completion
§22.4	Environmental Release	No limitation as to time

SECTION 19. PERFORMANCE AND BREACH.

19.1 Time of the Essence. Time is of the essence in the Developer's performance of its obligations under this Agreement.

19.2 Event of Default. The occurrence of any one or more of the following events or occurrences shall constitute an "Event of Default" under this Agreement:

(a) the failure of the Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Developer under this Agreement;

(b) the making or furnishing by the Developer of any warranty, representation, statement, certification, schedule or report to the City (whether in this Agreement, an Economic Disclosure Statement, or another document) which is untrue or misleading in any material respect;

(c) except as otherwise permitted hereunder, the creation (whether voluntary or involuntary) of, or any attempt to create, any lien or other encumbrance upon the Property, or the making or any attempt to make any levy, seizure or attachment thereof;

(d) the entry of any judgment or order against the Developer which is related to the Property and remains unsatisfied or undischarged and in effect for sixty (60) days after such entry without a stay of enforcement or execution; or

(e) the occurrence of an event of default under any lender financing, which default is not cured within any applicable cure period.

19.3 Cure. If the Developer defaults in the performance of its obligations under this Agreement, the Developer shall have thirty (30) days after written notice of default from the City to cure the default, or such longer period as shall be reasonably necessary to cure such default provided the Developer promptly commences such cure and thereafter diligently pursues such cure to completion (so long as continuation of the default does not create material risk of damage to the improvements comprising the Project or injury to persons using the Project).

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Notwithstanding the foregoing or any other provision of this Agreement to the contrary, there shall be no notice requirement or cure period with respect to Events of Default described in Section 16 (Prohibition Against Transfer of Property).

19.4 Default. If an Event of Default occurs hereunder, and the default is not cured in the time period provided for in Section 19.3 above, the City may terminate this Agreement and pursue and secure any available remedy against the Developer in any court of competent jurisdiction by any action or proceeding at law or in equity, including, but not limited to, damages, injunctive relief, the specific performance of the agreements contained herein, and the right to revest title to one or more City Lots in the City pursuant to the Reconveyance Deeds for such City Lots, provided, however, that the recording of a Reconveyance Deed shall not defeat, render invalid, or limit in any way, the lien of any mortgage authorized by this Agreement, and further provided that the City shall have no right to record a Reconveyance Deed for any City Lot that has been improved with a Home following the sale of such Home to a bona fide purchaser. If a 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 applicable City Lot was owned by the Developer, and the Developer shall cause the release of all unpermitted liens or encumbrances placed on the City Lot during the period of time the City Lot was owned by the Developer. The Developer will cooperate with the City to ensure that if the City records a Reconveyance Deed, such recording is effective for purposes of transferring title to the applicable City Lot to the City, subject only to those title exceptions that were on title as of the date and time that the Developer acquired the Property and except for any mortgage authorized by this Agreement.

19.5 Resale of the Property. Upon the reconveyance of a City Lot to the City as provided in Section 19.4, the City may complete the Home at its own cost (if the Home has not been completed) or convey the City Lot to a qualified and financially responsible party reasonably acceptable to the first mortgagee (if any), who (at its own cost) shall assume the obligation of completing the Home or such other improvements as shall be satisfactory to DOH (if the Home has not been completed), and otherwise comply with the covenants that run with the land as specified in Section 18.

19.6 Disposition of Resale Proceeds. If the City sells a City Lot as provided for in Section 19.5, the net proceeds from the sale, after payment of all amounts owed under any mortgage liens authorized by this Agreement in order of lien priority, shall be utilized to reimburse the City for:

- (a) the fair market value of the City Lot as if it were vacant, which fair market value shall be calculated at the time of sale; and
- (b) costs and expenses incurred by the City (including, without limitation, salaries of personnel) in connection with the recapture, management and resale of the City Lot (less any income derived by the City from the City Lot in connection with such management); and
- (c) all unpaid taxes, assessments, and water and sewer charges assessed against the City Lot; and
- (d) any payments made (including, without limitation, reasonable attorneys' fees and court costs) to discharge or prevent from attaching or being made any

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subsequent encumbrances or liens due to obligations, defaults or acts of the Developer; and

(e) any expenditures made or obligations incurred with respect to construction or maintenance of the Project; and

(f) any other amounts owed to the City by the Developer.

The Developer shall be entitled to receive any remaining proceeds.

SECTION 20. CONFLICT OF INTEREST; CITY'S REPRESENTATIVES NOT INDIVIDUALLY LIABLE.

The Developer represents and warrants that no agent, official or employee of the City shall have any personal interest, direct or indirect, in the Developer, this Agreement, the Property or the Project, nor shall any such agent, official or employee participate in any decision relating to this Agreement which affects his or her personal interests or the interests of any corporation, partnership, association or other entity in which he or she is directly or indirectly interested. No agent, official, director, officer, trustee or employee of the City or the Developer shall be personally liable in the event of any default under or breach of this Agreement or for any amount which may become due with respect to any commitment or obligation under the terms of this Agreement.

SECTION 21. INDEMNIFICATION.

The Developer agrees to indemnify, pay, defend and hold the City, and its elected and appointed officials, employees and agents (each, an "Indemnitee," and collectively the "Indemnitees") harmless from and against any and all Losses in connection with any investigative, administrative or judicial proceeding commenced or threatened, whether or not such Indemnitees shall be designated a party thereto, that may be imposed on, suffered, incurred by or asserted against the Indemnitees in any manner relating to or arising out of: (a) the failure of the Developer to comply with any of the terms, covenants and conditions applicable to the Developer and contained within this Agreement; (b) the failure of the Developer or any agent of the Developer to pay contractors, subcontractors or material suppliers undisputed amounts owed in connection with the construction and management of the Project; (c) the existence of any material misrepresentation or omission in this Agreement or any other document related to this Agreement that is the result of information supplied or omitted by the Developer or any agent or affiliate of the Developer; (d) the Developer's failure to cure any material misrepresentation in this Agreement or any other document relating hereto; and (e) any activity undertaken by the Developer or any agent or affiliate of the Developer on the Property. This indemnification shall survive any termination of this Agreement (regardless of the reason for such termination).

SECTION 22. ENVIRONMENTAL MATTERS.

22.1 Definitions. The following definitions shall have the following meanings:

"Environmental Documents" means all reports, surveys, field data, correspondence and analytical results prepared by or for the Developer (or otherwise obtained by the Developer) regarding the condition of the Property or any portion thereof, including, without limitation, the SRP Documents.

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“Environmental Law(s)” means any all Laws pertaining to health, safety, any Hazardous Substance or Other Regulated Material, or the environment (including, but not limited to, ground, air, water or noise pollution or contamination, and underground or above-ground tanks) and shall include, without limitation, the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. § 11001 et seq.; the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq.; the Hazardous Material Transportation Act, 49 U.S.C. § 1801 et seq.; the Resource Conservation and Recovery Act (“RCRA”), 42 U.S.C. § 6901 et seq., as amended by the Hazardous and Solid Waste Amendments of 1984; the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9601 et seq. (“CERCLA”), as amended by the Superfund Amendments and Reauthorization Act of 1986 (“SARA”); the Occupational Safety and Health Act, 29 U.S.C. § 651 et seq.; the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq.; the Clean Air Act, 42 U.S.C. § 7401 et seq.; the Illinois Environmental Protection Act, 415 ILCS 5/1 et seq.; the Gasoline Storage Act, 430 ILCS 15/0.01 et seq.; the Sewage and Waste Control Ordinance of the Metropolitan Water Reclamation District of Greater Chicago (“MWRD”); the Municipal Code of the City of Chicago; and any other local, state, or federal environmental statutes, and all rules, regulations, orders, and decrees now or hereafter promulgated under any of the foregoing, as any of the foregoing now exist or may be changed or amended or come into effect in the future.

“Final NFR Letter” means a final comprehensive residential “No Further Remediation” letter issued by the IEPA approving the use of the Property, or any portion thereof, for the construction, development and operation of the Project in accordance with the site plan approved by the City and the terms and conditions of the SRP Documents, as amended or supplemented from time to time. The Final NFR Letter shall state that the Property, or the applicable portion thereof, meets TACO Tier 1 residential criteria, but may be reasonably conditioned upon use and maintenance of engineered barriers and other institutional or engineering controls acceptable to the IEPA.

“IEPA” means the Illinois Environmental Protection Agency.

“Other Regulated Material” means any Waste, contaminant, or any other material, not otherwise specifically listed or designated as a Hazardous Substance, that (a) is or contains: petroleum, including crude oil or any fraction thereof, motor fuel, jet fuel, natural gas, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel or mixtures of natural gas and such synthetic gas, asbestos, radon, any polychlorinated biphenyl, urea, formaldehyde foam insulation, explosive or radioactive material, materials known to contain per- and polyfluoroalkyl substances, i.e. PFAS, or (b) is a hazard to the environment or to the health or safety of persons.

“RACR” means the remedial action completion report required by the IEPA in order to receive a Final NFR Letter.

“Remediation Work” means all investigation, sampling, monitoring, testing, removal, response, disposal, storage, remediation, treatment and other activities necessary to obtain a Final NFR Letter for the Property, or any portion thereof, in accordance with the terms and conditions of the RAP Approval Letter for the Property, or the applicable portion thereof, issued by IEPA, the SRP Documents, all requirements of the IEPA and all applicable Laws, including, without limitation, all applicable Environmental Laws.

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"SRP" means the IEPA's Site Remediation Program as set forth in Title XVII of the Illinois Environmental Protection Act, 415 ILCS 5/58 et seq., and the regulations promulgated thereunder.

"SRP Documents" means all documents submitted to the IEPA under the SRP program, as amended or supplemented from time to time, including, without limitation, the Comprehensive Site Investigation and Remediation Objectives Report, the Remedial Action Plan, the Remedial Action Completion Report, and any and all related correspondence, data and other information prepared by either party pursuant to this Section 22.

"TACO" means the Tiered Approach to Corrective Action Objectives codified at 35 Ill. Adm. Code Part 742 et seq.

"Waste" means those materials defined in the Illinois Environmental Protection Act, 415 ILCS 5/1 et seq. as waste and identified subcategories thereof, including but not limited to, construction or demolition debris, garbage, household waste, industrial process waste, landfill waste, landscape waste, municipal waste, pollution control waste, potentially infectious medical waste, refuse, or special waste.

22.2 Developer Investigation. The Developer has performed certain Phase I and Phase II environmental site assessments of the Property and the City's Department of Fleet and Facility Management ("2FM") has reviewed the Phase I reports, which in certain cases also included Phase II investigation data. Based on this review, the City has determined that no further investigation is required for Parcels 1 through 6 and 8, as identified and legally described on Exhibit A attached hereto, but that further investigation is required for Parcel 7, as identified and legally described on Exhibit A attached hereto (the "University/Woodlawn Parcels," based on the proximity of these parcels to a former manufacturing facility).

22.3 Environmental Investigation of University/Woodlawn Parcels. The Developer shall deliver a proposed scope of work for testing the University/Woodlawn Parcels. 2FM shall have the right to review and approve the scope of work, and upon finalizing the same, the Developer shall prepare a Phase II Environmental Site Assessment ("Phase II ESA") of the property. If the Phase II ESA discloses the presence of contaminants exceeding applicable remediation objectives on any portion of the University/Woodlawn Parcels, the Developer shall enroll such portion in the IEPA's SRP and thereafter take all necessary and proper steps to obtain written approval from the IEPA of a Remedial Action Plan for the affected parcel or parcels ("RAP Approval Letter"), unless the City determines it is not necessary to enroll the property in the SRP. The Developer acknowledges and agrees that it may not commence construction on any parcel requiring remediation until the IEPA issues, and 2FM approves, the RAP Approval Letter for such property. The City shall have the right to review in advance and approve all documents submitted to the IEPA under the SRP, as amended or supplemented from time to time, including, without limitation, the SRP Documents and any changes thereto, and the Developer's estimate of the cost to perform the Remediation Work.

22.4 Environmental Remediation. Upon receipt of the RAP Approval Letter for the University/Woodlawn Parcels or any portion thereof, the Developer covenants and agrees to complete all Remediation Work necessary to obtain a Final NFR Letter for the affected property (or more than one Final NFR Letter if the Developer chooses to complete the Remediation Work in phases) using all reasonable means. The Developer shall cooperate and consult with the City at all relevant times (and in all cases upon the City's request) with respect to environmental

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matters relating to the Property. The Developer shall bear sole responsibility for all aspects of the Remediation Work on or about the University/Woodlawn Parcels and any other environmental investigation and remediation work that may arise in connection with the construction of Homes on the remainder of the Property, including but not limited to, the removal of pre-existing building foundations, soil exceeding residential remediation objectives as determined by 35 Ill. Adm. Code Part 742, demolition debris, and the removal or treatment of Hazardous Substances (as defined in 415 ILCS 5/3.215). In addition, the Developer shall remove and close any identified underground storage tanks ("USTs") on the Property in accordance with applicable regulations, including 41 Ill. Adm. Code Part 175, and shall properly address any identified leaking USTs in accordance with 35 Ill. Adm. Code Part 734. The Developer shall promptly transmit to the City copies of all Environmental Documents prepared or received with respect to the Property, including, without limitation, any written communications delivered to or received from the IEPA or other regulatory agencies. The City must be named in a reliance letter for all environmental assessment reports produced concerning the Property. The Developer acknowledges and agrees that the City will not issue a Partial Certificate of Completion for any Home constructed on property enrolled in the SRP until the IEPA has issued, the City has approved, and the Developer has recorded a Final NFR Letter for the property on which the Home is constructed, which approval shall not be unreasonably withheld. The Developer must abide by the terms and conditions of the Final NFR letter.

22.5 Release and Indemnification. The Developer, on behalf of itself and the Developer Parties, shall be deemed to release, relinquish and forever discharge the City, its officers, agents and employees, from and against any and all Losses which the Developer or any of the Developer Parties ever had, now have, or hereafter may have, whether grounded in tort or contract or otherwise, in any and all courts or other forums, of whatever kind or nature, whether known or unknown, foreseen or unforeseen, existing before or after the Developer's acquisition of the Property, based upon, arising out of or in any way connected with, directly or indirectly (i) any environmental contamination, pollution or hazards associated with the Property or any improvements, facilities or operations located or formerly located thereon, including, without limitation, any release, emission, discharge, generation, transportation, treatment, storage or disposal of Hazardous Substances, or threatened release, emission or discharge of Hazardous Substances; (ii) the structural, physical or environmental condition of the Property, including, without limitation, the presence or suspected presence of Hazardous Substances in, on, under or about the Property or the migration of Hazardous Substances from or to the Property; (iii) any violation of, compliance with, enforcement of or liability under any Environmental Laws, including, without limitation, any governmental or regulatory body response costs, natural resource damages or Losses arising under CERCLA; and (iv) any investigation, cleanup, monitoring, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision or other third party in connection or associated with the Property or any improvements, facilities or operations located or formerly located thereon (collectively, "Released Claims"). Furthermore, the Developer shall indemnify, defend (through an attorney reasonably acceptable to the City) and hold the City and its officers, agents and employees harmless from and against any and all Losses which may be made or asserted by any third parties (including, without limitation, any of the Developer Parties) arising out of or in any way connected with, directly or indirectly, any of the Released Claims.

22.6 Release Runs with the Land. The covenant of release in Section 22.5 above shall run with the Property, and shall be binding upon all successors and assigns of the Developer with respect to the Property, including, without limitation, each and every person, firm, corporation, limited liability company, trust or other entity owning, leasing, occupying, using or possessing any portion of the Property under or through the Developer. The Developer Parties acknowledge and

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agree that the foregoing covenant of release constitutes a material inducement to the City to enter into this Agreement, and that, but for such release, the City would not have consented to the conveyance of the Property to the Developer. It is expressly agreed and understood by and between the Developer and the City that, should any future obligation of the Developer or any of the Developer Parties arise or be alleged to arise in connection with any environmental, soil or other condition of the Property, neither the Developer nor any of the Developer Parties will assert that those obligations must be satisfied in whole or in part by the City because Section 22.5 contains a full, complete and final release of all such claims

22.7 Survival. This Section 22 shall survive any termination of this Agreement (regardless of the reason for such termination).

SECTION 23. EMPLOYMENT OPPORTUNITY.

The Developer agrees, and shall contractually obligate its various contractors, subcontractors and any affiliate of the Developer operating on the Property (collectively, the "Employers" and individually, an "Employer") to agree, that with respect to the provision of services in connection with the construction of the Project:

23.1 Neither the Developer nor any Employer shall discriminate against any employee or applicant for employment based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income as defined in the City of Chicago Human Rights Ordinance, Section 2-160-010 et seq. of the Municipal Code, as amended from time to time (the "Human Rights Ordinance"). The Developer and each Employer shall take affirmative action to ensure that applicants are hired and employed without discrimination based upon the foregoing grounds, and are treated in a non-discriminatory manner with regard to all job-related matters, including, without limitation: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Developer and each Employer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this nondiscrimination clause. In addition, the Developer and each Employer, in all solicitations or advertisements for employees, shall state that all qualified applicants shall receive consideration for employment without discrimination based upon the foregoing grounds.

23.2 To the greatest extent feasible, the Developer and each Employer shall (i) present opportunities for training and employment of low and moderate income residents of the City, and (ii) provide that contracts for work in connection with the construction of the Project be awarded to business concerns which are located in or owned in substantial part by persons residing in, the City.

23.3 The Developer and each Employer shall comply with all federal, state and local equal employment and affirmative action statutes, rules and regulations, including, without limitation, the Human Rights Ordinance and the Illinois Human Rights Act, 775 ILCS 5/1-101 et seq. (1993), both as amended from time to time, and any regulations promulgated thereunder.

23.4 The Developer, in order to demonstrate compliance with the terms of this Section 23, shall cooperate with and promptly and accurately respond to inquiries by the City, which has the responsibility to observe and report compliance with equal employment opportunity regulations of federal, state and municipal agencies.

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23.5 The Developer and each Employer shall include the foregoing provisions of this Section 23 in every contract entered into in connection with the construction of the Project, and shall require inclusion of these provisions in every subcontract entered into by any subcontractors, and every agreement with any affiliate operating on the Property, so that each such provision shall be binding upon each contractor, subcontractor or affiliate, as the case may be.

23.6 Failure to comply with the employment obligations described in this Section 23 shall be a basis for the City to pursue remedies under the provisions of Section 19.

SECTION 24. REPRESENTATIONS AND WARRANTIES.

24.1 Representations and Warranties of the Developer. To induce the City to execute this Agreement and perform its obligations hereunder, the Developer represents, warrants and covenants as follows:

(a) The Developer is an Illinois not-for-profit corporation duly organized, validly existing, and in good standing under the laws of the State of Illinois, with full power and authority to acquire, own and redevelop the Property, and the person signing this Agreement on behalf of the Developer has the authority to do so.

(b) All certifications and statements contained in the Economic Disclosure Statement submitted to the City by the Developer are true, accurate and complete.

(c) The Developer has the right power and authority to enter into, execute, deliver and perform this Agreement. The Developer's execution, delivery and performance of this Agreement, and all instruments and agreements contemplated hereby, have been duly authorized by all necessary action, and do not and will not violate the Developer's articles of incorporation or bylaws (as amended and supplemented), or any applicable Laws, nor will such execution, delivery and performance, upon the giving of notice or lapse of time or both, result in a breach or violation of, or constitute a default under, or require any consent under, any other agreement, instrument or document to which the Developer, or any party affiliated with the Developer, is a party or by which the Developer or the Property is now or may become bound.

(d) No action, litigation, investigation or proceeding of any kind is pending or threatened against the Developer or any party affiliated with the Developer, by or before any court, governmental commission, board, bureau or any other administrative agency, and the Developer knows of no facts which could give rise to any such action, litigation, investigation or proceeding, which could: (i) affect the ability of the Developer to perform its obligations hereunder; or (ii) materially affect the operation or financial condition of the Developer.

(e) The Developer is now and for the term of this Agreement shall remain solvent and able to pay their debts as they mature.

(f) The Developer shall procure and maintain all Governmental Approvals necessary to construct, complete and operate the Project.

(g) The Developer is not in default in any material respect with respect to any indenture, loan agreement, mortgage, note or any other agreement or instrument related

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1100 W. Cermak, Suite 404
Chicago, Illinois 60608
Attn: Jennifer Parks

With a copy to:

Gould & Ratner LLP
222 N. LaSalle Street, Suite 300
Chicago, Illinois 60601
Attn: Jessica Lingertat and Jean Kenol

Any notice, demand or communication given pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon confirmed transmission by email, respectively, provided that such email transmission is confirmed as having occurred prior to 5:00 p.m. on a business day. If such transmission occurred after 5:00 p.m. on a business day or on a non-business day, it shall be deemed to have been given on the next business day. Any notice, demand or communication given pursuant to clause (c) shall be deemed received on the business day immediately following deposit with the overnight courier. Any notice, demand or communication sent pursuant to clause (d) shall be deemed received three (3) 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. The refusal to accept delivery by any party or the inability to deliver any communication because of a changed address of which no notice has been given in accordance with this Section 25 shall constitute delivery.

SECTION 26. BUSINESS RELATIONSHIPS

The Developer acknowledges (a) receipt of a copy of Section 2-156-030 (b) of the Municipal Code, (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), 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) notwithstanding anything to the contrary contained in this Agreement, 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 shall be grounds for termination of this Agreement and the transactions contemplated hereby. The Developer hereby represents and warrants that no violation of Section 2-145-030 (b) has occurred with respect to this Agreement or the transactions contemplated hereby.

SECTION 27. PROHIBITION ON CERTAIN CONTRIBUTIONS PURSUANT TO MAYORAL EXECUTIVE ORDER NO. 2011-4.

27.1 The Developer 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 ("Owners"), spouses and domestic partners of such Owners, the Developer's contractors (i.e., any person or entity in direct contractual privity with the Developer regarding the subject matter of this Agreement) ("Contractors"), any person or entity who directly or indirectly has an ownership or beneficial interest in any Contractor of more than 7.5 percent ("Sub-owners") and spouses and domestic partners of such Sub-owners (such Owners and all other preceding classes of persons and entities, collectively the "Identified Parties"), shall not make a contribution of any amount to

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the Mayor of the City of Chicago or to the Mayor's political fundraising committee (a) after execution of this Agreement by the Developer, (b) while this Agreement or any Other Contract (as hereinafter defined) is executory, (c) during the term of this Agreement or any Other Contract, or (d) during any period while an extension of this Agreement or any Other Contract is being sought or negotiated. This provision shall not apply to contributions made prior to May 16, 2011, the effective date of Executive Order 2011-4.

27.2 The Developer represents and warrants that from the later of (a) May 16, 2011, or (b) the date the City approached the Developer, or the date 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 the Mayor's political fundraising committee.

27.3 The Developer agrees that it shall 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.

27.4 The Developer agrees that the Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 2011-4 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 05-1.

27.5 Notwithstanding anything to the contrary contained herein, the Developer agrees that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this Section 27 or violation of Mayoral Executive Order No. 2011-4 constitutes a breach and default under this Agreement, and under any Other Contract for which no opportunity to cure will be granted, unless the City, in its sole discretion, elects to grant such an opportunity to cure. 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.

27.6 For purposes of this provision:

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

(b) "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; (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.

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

(d) Individuals are "domestic partners" if they satisfy the following criteria:

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- (i) they are each other's sole domestic partner, responsible for each other's common welfare; and
- (ii) neither party is married; and
- (iii) the partners are not related by blood closer than would bar marriage in the State of Illinois; and
- (iv) 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
- (v) 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) 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.
- (e) "Political fundraising committee" means a "political fundraising committee" as defined in Chapter 2-156 of the Municipal Code, as amended.

SECTION 28. 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 Inspector General in any investigation or hearing undertaken pursuant to Chapter 2-56 of the Municipal Code. The Developer understands and will abide by all provisions of Chapter 2-56 of the Municipal Code.

SECTION 29. WASTE ORDINANCE PROVISIONS.

In accordance with Section 11-4-1600(e) of the Municipal Code, 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 any provisions of Section 7-28 or Section 11-4 of the Municipal Code (the "Waste Sections"). During the period while this Agreement is executory, any violation of the Waste Sections by the Developer, its general contractor or any subcontractor, 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 Commissioner of DOH. Such breach and default entitles the City to all remedies under this Agreement, at law or in equity. This section does not limit the duty of the Developer, the general contractor and any subcontractors to comply with all applicable Laws, in

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effect now or later, and whether or not they appear in this Agreement. 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 30. 2014 CITY HIRING PLAN.

30.1 The City is subject to the June 16, 2014 "City of Chicago Hiring Plan" (as amended, the "2014 City Hiring Plan") entered in Shakman v. Democratic Organization of Cook County, Case No 69 C 2145 (United States District Court for the Northern District of Illinois). Among other things, the 2014 City Hiring Plan prohibits the City from hiring persons as governmental employees in non-exempt positions on the basis of political reasons or factors.

30.2 The Developer is aware that City policy prohibits City employees from directing any individual to apply for a position with the Developer, either as an employee or as a subcontractor, and from directing the Developer to hire an individual as an employee or as a subcontractor. Accordingly, the Developer must follow its own hiring and contracting procedures, without being influenced by City employees. Any and all personnel provided by the Developer under this Agreement are employees or subcontractors of the Developer, not employees of the City of Chicago. This Agreement is not intended to and does not constitute, create, give rise to, or otherwise recognize an employer-employee relationship of any kind between the City and any personnel provided by the Developer.

30.3 The Developer will not condition, base, or knowingly prejudice or affect any term or aspect to the employment of any personnel provided under this Agreement, or offer employment to any individual to provide services under this Agreement, based upon or because of any political reason or factor, including, without limitation, any individual's political affiliation, membership in a political organization or party, political support or activity, political financial contributions, promises of such political support, activity or financial contributions, or such individual's political sponsorship or recommendation. For purposes of this Agreement, a political organization or party is an identifiable group or entity that has as its primary purpose the support of or opposition to candidates for elected public office. Individual political activities are the activities of individual persons in support of or in opposition to political organizations or parties or candidates for elected public office.

30.4 In the event of any communication to the Developer by a City employee or City official in violation of Section 30.2 above, or advocating a violation of Section 30.3 above, the Developer will, as soon as is reasonably practicable, report such communication to the Hiring Oversight Section of the City's Office of the Inspector General (the "OIG"), and also to the head of the relevant City department utilizing services provided under this Agreement. The Developer will also cooperate with any inquiries by the OIG.

SECTION 31. FAILURE TO MAINTAIN ELIGIBILITY TO DO BUSINESS WITH THE CITY.

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

SECTION 32. MISCELLANEOUS.

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The following general provisions govern this Agreement:

32.1 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute a single, integrated instrument.

32.2 Cumulative Remedies. The remedies of any party hereunder are cumulative and the exercise of any one or more of such remedies shall not be construed as a waiver of any other remedy herein conferred upon such party or hereafter existing at law or in equity, unless specifically so provided herein.

32.3 Date for Performance. If the final date of any time period set forth herein falls on a Saturday, Sunday or legal holiday under the laws of Illinois or the United States of America, then such time period shall be automatically extended to the next business day.

32.4 Disclaimer. Nothing contained in this Agreement nor any act of the City shall be deemed or construed by any of the parties, or by any third person, to create or imply any relationship of third-party beneficiary, principal or agent, limited or general partnership or joint venture, or to create or imply any association or relationship involving the City.

32.5 Entire Agreement; Modification. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes any prior agreements, negotiations and discussions. This Agreement may not be modified or amended in any manner without the prior written consent of the parties hereto. No term of this Agreement may be waived or discharged orally or by any course of dealing, but only by an instrument in writing signed by the party benefited by such term.

32.6 Exhibits. All exhibits referred to herein and attached hereto shall be deemed part of this Agreement.

32.7 Force Majeure. Neither the City, the Developer, nor any successor in interest to either of them shall be considered in breach of or in default of its obligations under this Agreement in the event of a delay due to unforeseeable events or conditions beyond the reasonable control of the party affected which in fact interferes with the ability of such party to discharge its obligations hereunder, including, without limitation, fires, floods, strikes, shortages of material and unusually severe weather or delays of subcontractors due to such causes. The time for the performance of the obligations shall be extended only for the period of the delay and only if the party relying on this section requests an extension in writing within twenty (20) days after the beginning of any such delay.

32.8 Form of Documents. All documents required by this Agreement to be submitted, delivered or furnished to the City shall be in form and content satisfactory to the City.

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

32.10 Headings. The headings of the various sections and subsections of this Agreement have been inserted for convenience of reference only and shall not in any manner be construed as modifying, amending or affecting in any way the express terms and provisions hereof.

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32.11 Limitation of Liability. No member, official, officer, director, trustee or employee of the City or the Developer shall be personally liable in the event of any default or breach under this Agreement or for any amount which may become due to any other party under the terms of this Agreement.

32.12 No Waiver. No waiver by the City with respect to any specific default by the Developer shall be deemed to be a waiver of the rights of the City with respect to any other defaults of the Developer, nor shall any forbearance by the City to seek a remedy for any breach or default be deemed a waiver of its rights and remedies with respect to such breach or default, nor shall the City be deemed to have waived any of its rights and remedies unless such waiver is in writing.

32.13 Severability. If any term of this Agreement or any application thereof is held invalid or unenforceable, the remainder of this Agreement shall be construed as if such invalid part were never included herein and this Agreement shall be and remain valid and enforceable to the fullest extent permitted by law.

32.14 Successors and Assigns. Except as otherwise provided in this Agreement, the terms and conditions of this Agreement shall apply to and bind the successors and assigns of the parties.

32.15 Venue and Consent to Jurisdiction. If there is a lawsuit under this Agreement, each party agrees to submit to the jurisdiction of the courts of Cook County, the State of Illinois and the United States District Court for the Northern District of Illinois.

(Signature Page Follows)


PROPERTY OF COOK COUNTY CLERK'S OFFICE

COOK COUNTY CLERK'S OFFICE
RECORDING DIVISION
118 N. CLARK ST. ROOM 120
CHICAGO, IL 60602-1387

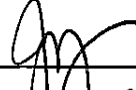
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IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on or as of the date first above written.

CITY OF CHICAGO, an Illinois municipal corporation

By: 
Lissette Castañeda
Commissioner
Department of Housing

HABITAT FOR HUMANITY CHICAGO, an Illinois not-for-profit corporation

By: 
Name: Jennifer Parks
Its: Executive Director

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

Lisa Misher
City of Chicago Department of Law
121 North LaSalle Street, Suite 600
Chicago, Illinois 60602
(312) 742-3932

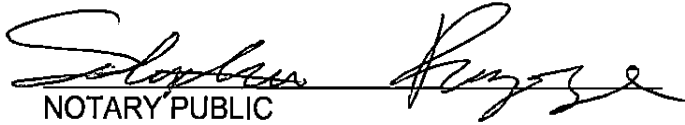
Property of Cook County Clerk's Office
RECORDED IN COOK COUNTY, ILLINOIS
JAN 12 2011 10:06AM
CLERK'S OFFICE
DIVISION

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 Jennifer Parks, the Executive Director of Habitat For Humanity Chicago, an Illinois not-for-profit corporation (the "Developer"), 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 he signed and delivered the foregoing instrument pursuant to authority given by the Developer, as his free and voluntary act and as the free and voluntary act and deed of the Developer, for the uses and purposes therein set forth.

GIVEN under my notarial seal this 17th day of April, 2024.

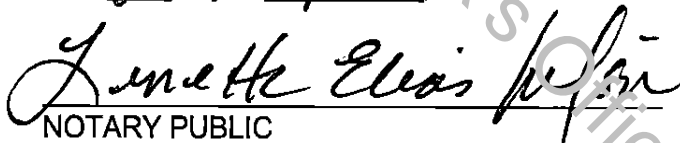

NOTARY PUBLIC

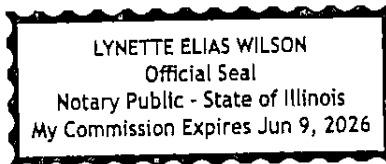
STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)



I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Lissette Castañeda, the Commissioner of the Department of Housing of the City of Chicago, an Illinois municipal corporation ("City"), and 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, she signed and delivered the foregoing instrument pursuant to authority given by the City as her free and voluntary act and as the free and voluntary act and deed of the City, for the uses and purposes therein set forth.

GIVEN under my notarial seal this 8th day of April, 2024.


NOTARY PUBLIC



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EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

(SUBJECT TO FINAL SURVEY AND TITLE COMMITMENT)

PARCEL 1:

Lot 23 in Brookhaven being S. E. Gross Subdivision of the South 23.569 acres of that part of the West 1/2 of the South East 1/4 of section 23, lying West of the Illinois Central Railroad in section 23, township 38 North, range 14, East of the Third Principal Meridian, in Cook County, Illinois.

Permanent Index Number: 20-23-400-006-0000
Address of Property: 1214 E. 69th Street, Chicago, Illinois

PARCEL 2:

Lot 4 in McKinney's Resubdivision of Lots 27, 28, and 29 in Block 3 in Cornell being a Subdivision of the West 1/2 of Section 26 and the Southeast 1/4 of Section 26 (with the exception of the East 1/2 of the Northeast 1/4 of said Southeast 1/4) the North 1/2 of the Northwest 1/4, the South 1/2 of the Northwest 1/4, West of the Illinois Central Railroad and the Northwest 1/4 of the Northeast 1/4 of Section 35, Township 38 North, Range 14 East of the Third Principal Meridian Cook County, Illinois.

Permanent Index Number: 20-26-104-020-0000
Address of Property: 7151 S. Dobson Avenue, Chicago, Illinois

PARCEL 3:

The West 28 feet of Lots 22 and 23 in Block 3 in Cornell, a Subdivision in Section 26 and 35, Township 38 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

Permanent Index Number: 20-26-104-040-0000
Address of Property: 1048 E. 72nd Street, Chicago, Illinois

PARCEL 4:

The East 62.5 feet of Lot 22 and the North 10.5 feet of the East 62.5 feet of Lot 23 in Block 3 in Cornell, a Subdivision in Section 26 and 35, Township 38 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

Permanent Index Number: 20-26-104-042-0000
Address of Property: 7154 S. Greenwood Avenue, Chicago, Illinois

PARCEL 5:

Lots 1 and 2 Block 16 in Cornell, being a Subdivision of the West 1/2 of Section 26 and the Southeast 1/4 of Section 26 (with the exception of the East 1/2 of the Northeast 1/4 of said Southeast 1/4), the North 1/2 of the Northwest 1/4, the South 1/2 of the Northwest 1/4 lying West of the Illinois Central Railroad and the Northwest 1/4 of the Northeast 1/4 of Section 35, Township 38 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

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Permanent Index Number: 20-26-113-019-0000 and 20-26-113-020-0000
 Address of Property: 7200 and 7202 S. University Avenue, Chicago, Illinois

PARCEL 6:

Lot 3 in Block 16 in Cornell, being a Subdivision of the West 1/2 of Section 26, the Southeast 1/4 of Section 26 (with the exception of the East 1/2 of the Northeast 1/4 of said Southeast 1/4), the North 1/2 of the Northwest 1/4, and the South 1/2 of the Northwest 1/4 lying West of the Illinois Central Railroad. And the Northwest 1/4 of the Northeast 1/4 of Section 35, Township 38 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

Permanent Index Number: 20-26-113-021-0000
 Address of Property: 7204 S. University Avenue, Chicago, Illinois

PARCEL 7:

Lots 19, 20, 21, 22, 23, 24, 25, 26, 27 and 28 in Block 17 in Cornell, being a subdivision of the west 1/2 of section 26, the southeast 1/4 of section 26 (with the exception of the east 1/2 of the northeast 1/4 of said southeast 1/4), the north 1/2 of the northwest 1/4, the south 1/2 of the northwest 1/4 lying west of the Illinois Central Railroad and the northwest 1/4 of the northeast 1/4 of Section 35, township 38 north, Range 14 east of the Third Principal Meridian, in Cook County, Illinois.

Permanent Index Number: 20-26-114-018-0000, 20-26-114-019-0000, 20-26-114-020-0000, 20-26-114-021-0000, 20-26-114-038-0000, 20-26-114-039-0000, 20-26-114-040-0000, 20-26-114-041-0000 and 20-26-114-042-0000

Address of Property: 7247, 7249, 7251, 7255-59 S. University Avenue and 7246, 7248, 7252, 7254 and 7256 S. Woodlawn, Chicago, Illinois

PARCEL 8:

Lots 1, 2, 3, 4, and 5 in Block 34 in Cornell being a Subdivision of the West 1/2 of Section 26 and the Southeast 1/4 of Section 26 with the exception of the East 1/2 of the Northeast 1/4 of said Southeast 1/4, the North 1/2 of the Northwest 1/4 and the South 1/2 of the Northwest 1/4 lying West of the I.C.R.R. And the Northwest 1/4 of the Northeast 1/4 of Section 35 all in Township 38 North Range 14 East of the Third Principal Meridian.

Permanent Index Number: 20-26-130-026-0000
 Address of Property: 7408 S. Woodlawn Avenue, Chicago, Illinois

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EXHIBIT B

NOTICE OF CLOSING

City of Chicago
Department of Housing
2 North LaSalle Street, Room 620
Chicago, Illinois 60602
Attention: Brian O'Donnell

Re: Notice of Closing
Address: _____

Please be advised that Habitat for Humanity Chicago has completed the construction of a home at the above-referenced location in accordance with that certain Agreement for the Redevelopment of Land dated as of February ____, 2024, and recorded with the Office of the City Clerk, Recordings Division, on _____, 2024, as Document No. _____ ("Redevelopment Agreement"), and would like to schedule a closing on _____, 2024. Attached hereto please find a copy of the required Certificate of Substantial Completion for the home. Please schedule your inspection with _____, who can be reached at (____) _____.

HABITAT FOR HUMANITY CHICAGO, an Illinois not-for profit corporation

By: _____

Name: _____

Its: _____

COOK COUNTY CLERK OFFICE
RECORDING DIVISION
118 N. CLARK ST. ROOM 120
CHICAGO, IL 60602-1387

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EXHIBIT C

CERTIFICATE OF SUBSTANTIAL COMPLETION

City of Chicago
Department of Housing
2 North LaSalle Street, Room 620
Chicago, Illinois 60602
Attention: Brian O'Donnell

Re: Notice of Closing
Address: _____

This will certify that the single family home or duplex at the above-referenced location has been constructed in accordance with the plans and specifications dated _____, 20__, last revised _____, 20__, as submitted to the City as the basis for obtaining building permits for the home, and is complete except for minor punch list items specifically described in the exhibit attached to this Certificate, with estimated costs.

[PROJECT ARCHITECT]

By: _____

Its: _____

Property of Cook County Clerk's Office

RECORDING DIVISION
118 N. CLARK ST. ROOM 120
CHICAGO, IL 60602-1387
COOK COUNTY CLERK OFFICE
RECORDING DIVISION
118 N. CLARK ST. ROOM 120
CHICAGO, IL 60602-1387
COOK COUNTY CLERK OFFICE

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EXHIBIT D

AFFORDABILITY COVENANTS

(A) Contract to Mission

The mission of Seller/Grantor is to provide affordable housing to low-income families and individuals. Purchaser/Grantee recognizes that Purchaser/Grantee has benefited from this mission and from the work of Seller/Grantor and therefore agrees to cooperate with the Affordability Covenants set forth herein.

(B) Non-Specific

INSERT ONE OF THE FOLLOWING PROVISIONS AND DELETE THE OTHER:

[FOR CONVEYANCES SUBJECT TO A CITY RDA]

The Property must be occupied by a household and must not be used for short-term or speculative investment or rental purposes. Pursuant to the _____ Redevelopment Agreement, dated as of _____, and recorded with the Office of the Recorder of Deeds of Cook County, Illinois on _____ as Document No. _____, the Property must be owned by the Purchaser/Grantee who shall not lease the Property and shall utilize the Property as the Purchaser's/Grantee's principal residence for a period of five (5) years commencing on the closing date of the sale of the Property to the Purchaser/Grantee (the "City Affordability Period").

[FOR CONVEYANCES NOT SUBJECT TO A CITY RDA]

The Property must be occupied by a household and must not be used for short-term or speculative rental purposes.

(C) Shared Appreciation

In the event that there is a transfer of the Property or any interest in the Property as described in Paragraph 18 of the first mortgage securing the first mortgage loan advanced by Lender to finance the purchase of the Property by Purchaser/Grantee ("First Mortgage") (including, without limitation, any foreclosure sale or transfer by deed in lieu of foreclosure), is refinanced, leased for any period of time during the City Affordability Period, leased after the City Affordability Period expires for a term of over three (3) years or for any term with an option to purchase, otherwise encumbered by Purchaser/Grantee, or Purchaser/Grantee voluntarily repays the entire outstanding amounts of the Loan principal, there shall be due and payable to Seller/Grantor, in addition to the then unpaid principal balance, a share of "Appreciation in Value" of the Property (defined below).

a. The Appreciation in Value shall be computed as the difference between: (i) in the event of a sale of the Property or a refinance of the mortgage, the proceeds of any sale or of any new mortgage loan or leasehold income, net of customary and reasonable sales and closing costs, or the amount of the Loan principal of Borrower is prepaying the entire outstanding amount of the Loan principal, or in the event of a foreclosure, the then current appraised value of the Property, and (b) the appraised value of the Property as of the date hereof, and excluding the cost of any capital improvements made to the Property by Purchaser/Grantee.

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b. In addition, the entire, gross proceeds of any subordinate or junior mortgage loan actually paid by Purchaser/Grantee shall be deemed to be Appreciation in Value.

As Used herein:

"Appreciation in Value" means the difference between: (i) in the event of a sale of the Property or a refinance of the mortgage, the proceeds of any sale or of any new mortgage loan or leasehold income, net of customary and reasonable sales and closing costs, or the amount of Loan Principal if I am prepaying the entire outstanding amount of the Loan principal, or, in the event of foreclosure, the then current appraised value of the Property, and (ii) the appraised value of the Property as of the date hereof, but excluding the cost of any capital improvements to the Property made by me. In addition, the entire, gross proceeds of any subordinate or junior mortgage loan actually paid by Borrower shall be Appreciation in Value.

"Customary and reasonable sales and closing costs" means the expenses I incur and pay in connection with the sale or of any new mortgage loan or leasehold income including, for example, real estate or mortgage brokerage commissions, survey costs, real estate transfer taxes, attorney's, recording, and escrow fees and title insurance premiums; but not including any prorations for real estate taxes, assessments or repairs costs credited to my buyer or any tax or insurance escrow or interest expense charged to me in connection with a new mortgage loan.

"Appreciation Percentage" means one hundred percent (100%) until the third anniversary date of the Note and the Security Instrument. The Appreciation Percentage will be reduced each anniversary date of the Note and the Security Instrument during the term of the Note after the third anniversary in accordance with the Schedule of Appreciation attached to the Note and the Security Instrument. The Schedule of Appreciation Percentages attached to the Security Instrument shows the Appreciation Percentage that will be applicable for each year during the term of the Note and the Security Instrument.

e. Purchaser/Grantee and Seller/Grantor agree that the appraised value of the Property as of the date hereof is \$_____.

(D) Right of First Refusal

Purchaser/Grantee covenants and agrees that in the event it shall desire to sell or convey the Property during the term of the First Mortgage, Purchaser/Grantee shall first offer the Property to Seller/Grantor, or Seller/Grantor's successor in interest, in the following manner:

Purchaser/Grantee shall serve notice in writing to Seller/Grantor, or its successor in interest, by registered mail, return receipt requested. The notice shall indicate that Purchaser/Grantee has a bona fide written offer for the sale of the Property, the name and address of the person desiring to purchase the Property, and the sales price and other terms of the sale. The notice shall also contain an offer to sell the Property to Seller/Grantor, or its successor in interest, upon the terms and conditions set forth in the bona fide offer.

For a period of thirty (30) days after the receipt of the notice, Seller/Grantor, or its successor in interest, shall have the right to purchase the Property in accordance with the terms of the bona fide offer; provided, however, that Seller/Grantor shall have the right to receive a credit toward the

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purchase price of the Property from Purchaser/Grantee in the amount of the outstanding principal balance due under the Purchase Money Note, and any sums due under Paragraph 29 of the First Mortgage. If Seller/Grantor, or its successor interest, fails to exercise the right to purchase set forth in this Paragraph (D), Purchaser/Grantee may sell or convey the Property to the party making the bona fide offer, but only at the price and upon the terms specified in the notice; provided, however, that Seller/Grantor shall not waive its rights under Section 18 or 29 of the First Mortgage by waiving its right of first refusal. In the event Seller/Grantor timely notifies Purchaser/Grantee that it elects to purchase the Property on the terms provided in the notice set forth in the preceding paragraph, Seller/Grantor and Purchaser/Grantee shall promptly, but no later than sixty (60) days after the date of notice from Seller/Grantor to Purchaser/Grantee, execute such usual and customary documents as shall be required in order to consummate such transaction.

(E) Continuing Deed Restrictions

Purchaser/Grantee agrees that any sale or transfer of the Property will be made pursuant to a deed containing all of these Affordability Restrictions.

(F) Option/Buy-Back Provisions

Seller/Grantor and Purchaser/Grantee hereby covenant and agree that during the one (1) year period after the date of this Deed (the "Option/Buy-Back Period"), Seller/Grantor shall have the option to purchase the Property if: a "Qualifying Event" occurs.

A Qualifying Event is Purchaser/Grantee being convicted of a crime involving substance abuse, gang activity, unlawful use or possession of firearms, sexual assault, prostitution, vandalism or domestic violence.

If Seller exercises its option to purchase the Property, Seller must give written notice to Purchaser served by U.S. Certified or Registered Mail, Return Receipt Requested. Service shall be deemed effective immediately upon the second business day after mailing.

Upon timely service of the notice, the parties shall proceed to close the retransfer of the Property within sixty (60) days and, upon the request of either party, said closing shall be done in escrow with the costs thereof being shared equally between the parties. All closing costs (including but not limited to title and recording fees and transfer taxes) shall be divided equally between the parties.

If Seller/Grantor has exercised its option to purchase, Seller/Grantor shall pay Purchaser/Grantee the amount of the Net Purchase Price paid by the Purchaser/Grantee, less: (a) the Purchaser/Grantee's share of closing costs for the retransfer; (b) any prior indebtedness due from Purchaser/Grantee to Seller/Grantor; (c) the costs of eliminating or ensuring over any encumbrances on the Property owing to other parties; (d) the cost of covering or removing title exceptions created or allowed by the Purchaser/Grantee; and (e) the costs of repairing any damage to the Property above and beyond ordinary wear and tear. In addition, Seller/Grantor shall pay Purchaser/Grantee a premium of three percent (3%) of the Net Purchase Price, less the foregoing deductions.

The option described herein cannot be assigned or transferred, except to an affiliate or successor entity of Seller/Grantor. In any event, the option described herein shall automatically expire on the first anniversary of the date of this Deed and thereafter shall be null and void and of no legal effect.

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EXHIBIT E

LIMITED WARRANTY

(ATTACHED)

Property of Cook County Clerk's Office

COOK COUNTY CLERK OFFICE
REGGING DIVISION
118 W. CLARK ST. ROOM 120
CHICAGO, IL 60602-1387

COOK COUNTY CLERK OFFICE
REGGING DIVISION
118 W. CLARK ST. ROOM 120
CHICAGO, IL 60602-1387

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LIMITED WARRANTY

Owner Name: _____

Address of Property: _____

Warrantor: **Habitat for Humanity Chicago, an Illinois not-for-profit corporation**

Warrantor's Address: 1100 W. Cermak Road, Suite 404, Chicago, Illinois 60608

Warranty Commencement Date: _____ ("Closing Date")

This Limited Warranty is being provided by Warrantor to Owner in accordance with that certain Purchase Agreement dated _____, 20____, by and between Warrantor and Owner (the "Contract").

I. LIMITED WARRANTY

Warrantor hereby guarantees and warrants that the heating, ventilating, air-conditioning, electrical and plumbing systems (the "Mechanical Systems") are in good condition on the date hereof. For a term of one (1) year from the date hereof, Warrantor hereby agrees to remove, replace, repair, and make good, free of charge to Owner, all defects in materials or workmanship which appear within the warranty period that are the fault of any subcontractor of Warrantor relating to the installation and performance of the Mechanical Systems.

In accordance with the Contract, Warrantor hereby provides to Owner a limited warranty, subject to all of the terms and conditions set forth herein, that the structural components of the Home are of customary workmanship and such items properly perform the function for which each was designed, for a period of one (1) year following the date hereof. For purposes of this Limited Warranty, structural components shall mean only the roof, foundation, exterior and supporting walls.

The parties hereto hereby acknowledge that a pre-occupancy inspection of the Property has been made by Owner and Warrantor's representative prior to the Closing Date. Any and all punch-list items from such pre-occupancy inspection to be corrected have been listed in the Inspection Report which has been signed by both Owner and Warrantor's representative, a copy of which shall be retained by Owner. All punch-list items not corrected prior to Closing shall be corrected within a reasonable period following Closing, subject to delays caused by Owner, availability of labor and materials, and other circumstances beyond the reasonable control of Warrantor. No corrections shall be made of defects not recorded on the Inspection Report except for latent defects covered by this Limited Warranty, and no correction shall be made for latent defects first claimed or discovered after the expiration of the Warranty Period (defined below).

The appliances (and any other separately warranted components) are warranted by their manufacturers in accordance with their individual written warranties. **EXCEPT FOR THE MECHANICAL SYSTEMS, WARRANTOR MAKES NO EXPRESS WARRANTIES AS**

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TO THESE COMPONENTS, AND DISCLAIMS ANY IMPLIED WARRANTIES WITH RESPECT THERETO.

FURTHER, OWNER RELIEVES WARRANTOR FROM ANY RESPONSIBILITY FOR CONSEQUENTIAL DAMAGES AND LOSSES (OTHER THAN FOR PERSONAL INJURY) WHICH MAY ARISE FROM OR OUT OF ANY AND ALL STRUCTURAL FAILURES AND FROM OR OUT OF ANY AND ALL BREACHES OF ANY WARRANTY.

EXCEPT AS EXPRESSLY SET FORTH HEREIN, OWNER ACKNOWLEDGES THAT OWNER HAS PURCHASED THE PROPERTY "AS-IS", WITHOUT ANY WARRANTY OR REPRESENTATION OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING BY WAY OF ILLUSTRATION AND NOT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY, HABITABILITY, WORKMANSHIP OR FITNESS FOR A PARTICULAR PURPOSE. WARRANTOR NEITHER ASSUMES NOR AUTHORIZES ANY PERSON TO ASSUME FOR WARRANTOR ANY OTHER LIABILITY IN CONNECTION WITH THE SALE OR USE OF THE PROPERTY (INCLUDING THE PURCHASED HOME) AND THERE ARE NO AGREEMENTS OR WARRANTIES, EITHER ORAL OR WRITTEN, COLLATERAL TO OR AFFECTING THIS AGREEMENT OR THE PURCHASED HOME.

II. EXPRESS WAIVER OF IMPLIED WARRANTY OF HABITABILITY

Illinois law provides that every contract for the construction of a new home, as here, carries with it a warranty that, when completed, the home will be free of latent defects and will be reasonably suited for its intended use as a home. The law further provides that this Implied Warranty of Habitability does not have to be in writing to be a part of the contract and it covers not only structural and mechanical defects such as may be found in the foundation, roof, masonry, heating, electrical and plumbing, but also any defect in workmanship which may not easily be seen or discovered upon an inspection or viewing of the property by Owner. Illinois law, however also provides that a seller-builder and a purchaser may agree in writing, as here, that this Implied Warranty of Habitability is not included as a part of their particular contract.

The limited warranty provided for in this Paragraph covers some, BUT NOT ALL, of the matters covered by the Implied Warranty of Habitability. The limited warranty provided hereunder may cover matters which are not covered by the Implied Warranty of Habitability. The limited warranty provided hereunder may, and likely will, be different, in a number of respects, from the protection afforded to a purchaser by the Implied Warranty of Habitability. Owner agrees that in consideration for Warrantor agreeing to provide Owner with the limited warranty provided hereunder, Owner will accept such limited warranty as a substitute for the Implied Warranty of Habitability described herein.

SELLER HEREBY DISCLAIMS, AND PURCHASER HEREBY KNOWINGLY, VOLUNTARILY, FULLY AND FOREVER WAIVES THE IMPLIED WARRANTY OF HABITABILITY DESCRIBED HEREIN AND ANY AND ALL OTHER WARRANTIES, EXPRESS OR IMPLIED. OWNER HEREBY ACKNOWLEDGES, UNDERSTANDS

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AND AGREES THAT AS A RESULT OF SUCH DISCLAIMER AND WAIVER, THE IMPLIED WARRANTY OF HABITABILITY IS NOT A PART OF THIS LIMITED WARRANTY AND THAT IF A DISPUTE ARISES WITH WARRANTOR AND THE DISPUTE RESULTS IN A LAWSUIT, OWNER, AS A RESULT OF SUCH WAIVER AND DISCLAIMER, WILL NOT BE ABLE TO RELY ON THE IMPLIED WARRANTY OF HABITABILITY AS A BASIS FOR SUING WARRANTOR OR AS THE BASIS OF A DEFENSE IF SELLER SUES OWNER. OWNER MAY, HOWEVER, RELY ON THE EXPRESS WRITTEN LIMITED WARRANTIES CONTAINED IN THE LIMITED WARRANTY PROVIDED UNDER THIS AGREEMENT. I (WE), AS OWNER, HAVE READ AND UNDERSTAND THIS PARAGRAPH AND I (WE) HAVE HAD AN OPPORTUNITY TO SEEK PROFESSIONAL ADVICE CONCERNING ITS CONTENTS AND LEGAL IMPLICATIONS, AND AFTER DOING SO, KNOWINGLY AGREE TO ITS TERMS AND THE WAIVER-DISCLAIMER OF THE IMPLIED WARRANTY OF HABITABILITY AND THE WAIVER AND EXCLUSION OF ALL WARRANTIES, EXPRESS OR IMPLIED, OTHER THAN THE LIMITED WARRANTY PROVIDED HEREIN.

_____ (Owner's Initials) _____ (Owner's Initials)

Capitalized terms used but not defined herein, which are defined in the Contract shall have the same meaning herein as in the Contract.

THIS LIMITED WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES OF WARRANTOR, EITHER EXPRESS OR WHICH MAY BE IMPLIED BY LAW, INCLUDING ALL WARRANTIES OF HABITABILITY, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ALL OF WHICH ARE EXCLUDED. THIS WARRANTY DOES NOT EXTEND TO INCIDENTAL OR CONSEQUENTIAL DAMAGES.

Accepted, Approved and Agreed to:

Name:

Name:

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III. LIMITED WARRANTY BASIC TERMS AND CONDITIONS

To Whom Given. This Limited Warranty is extended solely to Owner and shall not extend to any successors or assigns or future owner of the Property.

Coverage.

For one (1) year, beginning on the Warranty Commencement Date set forth on page 1 (the "Warranty Period"), Warrantor warrants that the Mechanical Systems will be free from defects due to faulty materials or workmanship and that Warrantor will remove, replace, repair, and make good, free of charge to Owner, all defects in materials or workmanship which appear within the Warranty Period and which are the fault of any subcontractor of Warrantor relating to the installation and performance of the Mechanical Systems, subject to the exclusions, limitations and provisions of this Limited Warranty. No representative of Warrantor has the authority to expand the scope of or extend the duration of this Limited Warranty or to make contracts with respect hereto.

For one (1) year, beginning on the Warranty Commencement Date set forth on page 1 (the "Warranty Period"), Warrantor warrants that the Property will be free from latent defects due to faulty materials or workmanship, with respect to the structural components which includes only the roof, foundation, exterior and supporting walls, subject to the exclusions, limitations and provisions of this Limited Warranty. No representative of Warrantor has the authority to expand the scope of or extend the duration of this Limited Warranty or to make contracts with respect hereto.

"Faulty materials or workmanship" are materials or workmanship, which are not in compliance with the applicable building codes regulating construction in Chicago, Illinois as of the date of issuance of the applicable building permits. Inspection by the governmental authority with jurisdiction will provide evidence of compliance. For purposes of this Limited Warranty, "latent defects" are only those defects which are not apparent at the time of the preparation of the Inspection Report but which become apparent and of which Warrantor is notified in writing before the expiration of the Warranty Period.

Warrantor's Performance. If a defect or latent defect occurs in an item which is covered by this Limited Warranty, Warrantor will repair or replace the defective item. Steps taken by Warrantor to correct defects shall not act to extend the terms or duration of this Limited Warranty. Warrantor shall not be obligated to remedy any defects which are covered by this Limited Warranty unless Owner notifies Warrantor in writing of the defect before the expiration of the Warranty Period. Warrantor's obligations under this Limited Warranty are limited to repair or replacement of defective items.

Insurance. In the event Warrantor repairs or replaces any defect covered by this Limited Warranty for which Owner is covered by insurance, upon request by Warrantor, Owner shall assign the proceeds of such insurance to Warrantor to the extent of the cost to Warrantor of such repair or replacement.

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IV. EXCLUSIONS

In addition to other items specifically excluded hereunder, the following are not covered by this Limited Warranty:

1. Any work included in a separate contract existing between Owner and a particular contractor, subcontractor, architect or engineer covering any phase of construction. Warrantor has no responsibility for enforcing any warranty provided under or in connection with such separate contract. Any items of construction performed by persons other than Warrantor, or its employee, agents or subcontractors, and any items of construction performed by Warrantor which are damaged or otherwise adversely affected by any acts of or work performed by persons other than Warrantor shall not be covered by this Limited Warranty.
2. Any damage caused by or the result of improper care, improper maintenance or the improper use of floor products including, but not limited to, damage to hardwood, natural stone, vinyl resilient tile, sheet products or carpet caused by the failure to use recommended floor protectors, furniture rests and cleaners, use of improper rolling casters under furniture and appliances, abuse or accidents, including but not limited to burns, cuts, scratches, scuffs, and indentations due to shoes or other hard items, any stains from carpet dyes, or damage caused by the presence of excessive moisture or alkaline substances. This Limited Warranty does not cover any difference between the color of samples or printed illustrations and the color of the actual flooring, or any loss of gloss resulting from normal usage.
3. Damage caused by condensation. Condensation can occur whenever warm and moist air comes in contact with a cold dense surface such as window and door glass and frames. Interior moisture is generated through any number of ways including cooking, showering, drying clothes, or by setting a humidifier too high. Since condensation is influenced by the regulation of interior moisture levels by the Owner, its control or damage resulting therefrom is not warranted.
4. Any damage caused by the failure to use or the improper use of a humidifier or dehumidifier. A humidifier that meets or exceeds local building code requirements has been installed as part of the heating system. It is not designed, nor is it warranted, to provide a constant and consistent source of humidity and, therefore, the Owner may be required to provide supplemental humidity to meet personal levels of comfort. Warrantor does not guarantee the adequacy of humidity levels beyond that required by the local building code.
5. Appliances, equipment, personal property, fixtures (including such items as oven, range, dishwasher, disposal) and consumer products (as that term may be defined under applicable federal, state and local laws, or their implementing regulations) installed or contained in the Property are not covered by this Limited Warranty or any other warranty from Warrantor and Warrantor hereby specifically disclaims and excludes any express or implied warranties of any nature, including any implied warranty of merchantability or fitness for a particular purpose, with respect to such items. Such items are frequently covered by the manufacturer's specific warranty, and such warranties, if any, may be assigned and delivered to Owner at Closing. Warrantor is not a warrantor under and does not adopt such manufacturer's warranties. In the

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event of defects in such items, Owner should contact the manufacturer directly. Warrantor is not responsible for the performance of any manufacturer under such manufacturer's warranty.

6. Any bodily injury, any damage to personal property, and any damage to real property which is not part of the Property. Any damage to real property which is part of the Property is also excluded, except to the extent of the repair or replacement of the defective item.

7. Any defects in, or caused by, materials, work, designs or plans supplied by anyone other than Warrantor, or its employees, agents or subcontractors.

8. Damage caused by acts of unauthorized third parties, including vandalism, negligence, failure to properly maintain and service in accordance with installer's specifications, or if none, then those of the Owner, if any; or improper operation by anyone other than the Owner or its employees, agents or subcontractors.

9. Acts of God and accidents, including but not limited to fire, explosion, smoke, water escape, windstorm, hail, lightning, flood and earthquake.

10. Nail and screw "pops" routine settling and drywall cracks, paint touch-ups, and ordinary maintenance and repairs.

11. Normal wear and tear or normal deterioration.

V. HOW TO MAKE A LIMITED WARRANTY CLAIM

Submission of Claims to Warrantor. If you have a claim under this Limited Warranty, you must send a clear and specific written claim in the manner set forth below to Warrantor on that item prior to the expiration of the Warranty Period.

VI. MISCELLANEOUS

Independence from Contract. This Limited Warranty is independent of the Contract. Nothing contained in the Contract or any other contract between Owner and Warrantor can modify the provisions of this Limited Warranty.

Notices. All notices or claims to Warrantor or to Owner must be sent by mail, postage prepaid, certified mail, return receipt requested to the recipient at the address shown on page 1 of this Limited Warranty or to whatever other address the recipient may designate in writing.

General Provisions. Should any provision of this Limited Warranty be deemed by a court of competent jurisdiction to be unenforceable, that determination will not affect the enforceability of the remaining provisions. This Limited Warranty is binding upon Owner and Warrantor, and their respective heirs, executors, administrators, successors, and assigns. Use of one gender in this Limited Warranty includes all other genders; and use of the plural includes the singular, all as may be appropriate. This Limited Warranty is to be covered by and construed in accordance with the internal laws of the State of Illinois.

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Amendments. This Limited Warranty cannot be changed or altered in any way, except by express written agreement signed by all parties hereto.

OWNER(S):

WARRANTOR:

HABITAT FOR HUMANITY CHICAGO, an Illinois not-for-profit corporation

Name: _____

By: _____

Dated : _____, 20 ____

Dated: _____, 20 ____

4811-8620-9964, v. 1

Property of Cook County Clerk's Office

RECORDING DIVISION
218 N. CLARK ST. ROOM 120
CHICAGO, IL 60610-1387
COOK COUNTY CLERK OFFICE