Goldberg-Kohn
Monroe
332-2100

OPTION AGREEMENT

86405756

This Option Agreement is made as of the 16th day of September, 1986 between Charles Ball (**"Seller"**) and Charles Smead and Michelle M. Smead (collectively, **"Purchaser"**).

RECITALS:

A. Seller is the fee simple owner of the property legally described in Exhibit A hereto and commonly known as Unit 3B in the 257 E. Delaware Condominium, 257 E. Delaware Place, Chicago, Illinois, and is the owner of the personal property located in said Unit and listed in the Real Estate Sale Contract attached hereto (collectively, the **"Condominium"**). Purchaser is the fee simple owner of Unit 3C, the condominium unit adjacent to the Condominium.

B. Seller desires to grant to Purchaser and Purchaser desires to acquire from Seller an exclusive option to purchase the Condominium upon the terms and conditions set forth below.

*NOW, THEREFORE, in consideration of the mutual cove-*nants and agreements set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Grant of Option. Seller hereby grants to Purchaser and Purchaser hereby accepts the exclusive right and option (the **"Option"**) to purchase the Condominium from Seller for the price and upon the terms and conditions set forth herein. For and in consideration of the Option, Purchaser has paid to Seller $3,000 and agrees to pay to Seller an additional $6,000 as follows: $3,000 on or before June 30, 1987 and $3,000 on or before June 30, 1988 (the foregoing payments are referred to herein as the **"Option Payments"**). Notwithstanding the foregoing, Purchaser shall have the right to terminate this Option Agreement at any time prior to Purchaser's written exercise of the Option by giving Seller and Escrowee (as hereinafter defined) written notice of such termination, in which event this Option Agreement shall terminate, Seller shall be entitled to retain any Option Payments theretofore received by Seller and Purchaser shall be

relieved of its obligation to pay to Seller any additional Option Payments not theretofore paid and Seller and Purchaser shall have no further liability under this Option Agreement.

2. Exercise of Option. In the event Purchaser elects to exercise the Option, Purchaser shall give Seller and Escrowee written notice (**"Notice of Exercise"**) thereof on or before January 31, 1989. In the event the Option is not so exercised on or before January 31, 1989, this Agreement shall be null and void and of no further force or effect.

3. Closing; Escrow. Concurrently with the execution of this Agreement, Purchaser and Seller have established an escrow (the **"Closing Escrow"**) with Goldberg, Kohn, Bell, Black, Rosenbloom & Moritz, Ltd. (**"Escrowee"**). Seller has deposited in the Closing Escrow executed transfer declarations, an executed and acknowledged general warranty deed and an executed bill of sale. The documents deposited in the Closing Escrow shall be delivered by Escrowee to Purchaser on the Closing Date (defined below), provided the Option has been duly exercised by Purchaser. In the event Purchaser exercises the Option, Seller and Purchaser shall consummate the sale and purchase of the Condominium on a date designated by Purchaser in the Notice of Exercise (**"Closing Date"**) which date shall be a business day not earlier than January 11, 1989 nor later than February 10, 1989 in accordance with the terms and provisions of the Real Estate Sale Contract for the Condominium attached hereto as Exhibit B (the **"Contract"**). Purchaser shall deposit in the Closing Escrow a quit-claim deed to Seller to be delivered to Seller only in the event the Option is not timely exercised.

4. Recording. This Agreement or a memorandum hereof may be recorded in the appropriate county or other public real estate records by Purchaser for the express purpose of notifying third parties of the existence of this Agreement.

5. Default. In the event Seller or Purchaser defaults or breaches any of its obligations under this Agreement, the non-defaulting party shall have the remedies given such party under Paragraph 6 on the reverse side of the Contract.

6. Assignment. Upon prior written notice to Seller, Purchaser may assign Purchaser's right, title and interest in this Agreement and Purchaser shall be relieved of any and all liabilities and obligations hereunder in the event Purchaser's transferee assumes said liabilities and obligations in writing. Seller may not transfer or assign its interest (or any portion thereof) in the Condominium or this Agreement without Purchaser's prior written consent. Notwithstanding the foregoing, prior to the date Purchaser exercises the Option, Seller may sell or transfer the personal property, provided said personal property is replaced with personal property of equal or greater value and utility.

7. Maintenance. Seller shall maintain the Condominium in good repair, ordinary wear and tear excepted. Purchaser shall be entitled to inspect the Condominium from time to time at reasonable times upon prior notice to Seller.

8. Casualty; Insurance. Seller shall carry customary property and casualty insurance for the Condominium at all times through the Closing Date. If prior to the Closing Date the Condominium or any part thereof is damaged or destroyed, Seller will promptly notify Purchaser thereof and Purchaser may elect to either (a) terminate this Option Agreement, in which event the Option Payments paid by Purchaser shall be immediately returned to Purchaser and this Agreement shall be of no further force or effect or (b) not terminate this Agreement, in which event Seller shall diligently cause the Condominium to be repaired and restored in a good workmanlike manner to the condition of the Condominium prior to such casualty.

9. Notice. Any notice, demand or request which may be permitted, required or desired to be given in connection herewith shall be given by (a) personal delivery, (b) by certified or registered mail, return receipt requested or (c) Federal Express or other courier service to the addresses set forth on the signature page hereof.

10. Benefit. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and permitted assigns.

11. Entire Agreement. This Option Agreement and the Contract constitute the entire agreement between Seller and Purchaser with respect to the matters covered by this Option Agreement and the Contract.

12. Severability. In the event any term or provision of this Option Agreement is rendered invalid or unenforceable, the remaining terms and provisions of this Option Agreement shall remain in full force and effect and unaffected thereby.

IN WITNESS WHEREOF, the parties hereto have executed this Option Agreement on the date first above written.

ADDRESSES:

257 E Delaware Unit 3C
Chicago Illinois

257 E Delaware Unit 3C
Chicago Illinois

257 E Delaware Unit 3C
Chicago Illinois

PURCHASER:

Charles L. Smead
Charles Smead

Michelle M. Smead
Michelle M. Smead

SELLER:

Charles Ball
Charles Ball

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ACKNOWLEDGEMENT

STATE OF Illinois)
)
COUNTY OF Cook)

I, Janice M. Sedraitis, a Notary Public in and for and residing in said County and State, DO HEREBY CERTIFY THAT Charles Smead, 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 acknowledged that he signed and delivered said instrument as his own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 10th day of September, 1986.

Janice M. Sedraitis
Notary Public

My Commission Expires:
10/25/87

86405756

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ACKNOWLEDGEMENT

STATE OF ILLINOIS)
)
COUNTY OF Cook)

I, Janice M. Sedrails, a Notary Public in and for and residing in said County and State, DO HEREBY CERTIFY THAT Michelle M. Smead, 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 acknowledged that she signed and delivered said instrument as her own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 10th day of September, 1986.

Janice M. Sedrails
Notary Public

My Commission Expires:
10/25/87

86405756

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ACKNOWLEDGEMENT

STATE OF ILLINOIS)
)
COUNTY OF Cook)

I, Janice M. Sedrakis, a Notary Public in and for and residing in said County and State, DO HEREBY CERTIFY THAT Charles Ball, 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 acknowledged that she signed and delivered said instrument as her own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 10th day of September, 1986.

Janice M. Sedrakis
Notary Public

My Commission Expires:
10/25/87

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EXHIBIT A

Unit No. 3B in 257 E. Delaware Condominium as delineated on a survey of the following described Real Estate:
Lot 4 and the East 5 Feet of Lot 5 in Lake Shore Drive Addition to Chicago, a Subdividion of Part of Blocks 14 and 20 in Canal Trustees Subdivision of the South 1/4 of Section 3, Township 39 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois; which survey is attached as Exhibit A to the Declaration of Condominium together with its undivided percentage interest in the common elements, in Cook County, Illinois.

17-03-322-024-1007 F.A.

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