

REAL ESTATE OWNERSHIP AGREEMENT AND BINDING CONTRACT

THIS REAL ESTATE OWNERSHIP AGREEMENT AND BINDING CONTRACT
hereinafter referred to as the "Agreement" is made and entered
into this 28th day of June 1998, by and between Earl J. [redacted]
hereinafter referred to as "Mr. Zito" and Alex Moncada
hereinafter referred to as "Mr. Moncada" who shall jointly
purchase and jointly own real estate located at 4845 Claremont,
Chicago, Illinois (hereinafter referred to as the "Property").

WITNESSETH

WHEREAS, Mr. Zito and Mr. Moncada seek to purchase and
thereafter own the Property from the current owner and seller of
the Property, Mr. Ravinder Sethi (hereinafter referred to as the
Seller);

WHEREAS, Mr. Zito and Mr. Moncada have made an offer to the
Seller to purchase the Property, and the Seller has accepted said
offer;

WHEREAS, Mr. Zito and Mr. Moncada and the Seller have
entered into a contract memorializing their agreement concerning
the sale and transfer of the Property from the Seller to Mr. Zito
and Mr. Moncada;

WHEREAS, Mr. Zito and Mr. Moncada intend, upon the
completion of the purchase of the Property from the Seller to
jointly own the Property under the terms and conditions set forth
herein and hereby agree to follow and be bound by such terms and
conditions;

WHEREAS, Mr. Zito and Mr. Moncada have each contributed good and valuable consideration, which is hereby acknowledged, and it is further acknowledged that the respective contributions of Mr. Zito and Mr. Moncada are of equal value, to an equal part of the Property valued

WHEREAS, Mr. Zito and Mr. Moncada wish a proper statement setting forth the relative ownership interest of each in the Property together with a statement as to the mechanisms by which the Property is to be managed;

NOW THEREFORE, in consideration of the mutual agreements, covenants, promises, representations and undertakings of the parties set forth herein, it is hereby agreed as follows:

AGREED

1. Recitals: The above recitals are hereby incorporated herein by this reference.

2. Intent: This Agreement is intended to contractually bind and shall be construed as contractually binding Mr. Zito and Mr. Moncada to adhere to and to be bound by all the terms and conditions set forth herein.

3. Ownership Interest: Mr. Zito and Mr. Moncada hereby agree that the respective proportionate ownership interest of each is to be established according to the terms and formulas set forth herein. Mr. Zito and Mr. Moncada hereby agree that the proportionate ownership interest of each as established by this Agreement shall be final, determinative, and binding and shall be superior to and in all ways controlling to any other method of

determining the proportionate ownership interest of each, including any method that shall be determined following the operation of law.

A. Mr. Moncada is to provide \$13,500.00 in cash and in-kind service contribution prior to or at the closing at which Mr. Zito and Mr. Moncada are to purchase the Property.

B. Mr. Zito is to provide \$9,000.00 in cash prior to or at the closing at which Mr. Zito and Mr. Moncada are to purchase the Property.

C. Upon the completion of the closing at which Mr. Zito and Mr. Moncada are to purchase the Property, Mr. Moncada is to own a 60% (sixty percent) ownership interest in the Property and Mr. Zito is to own a 40% (forty percent) ownership interest in the Property.

D. Should Mr. Zito reside in as his principal residence, pay full monthly rent on, and also without further compensation oversee all and provide on site property management responsibilities at and for the Property, then, upon the completion of his full third consecutive year doing the foregoing, Mr. Zito shall receive an additional 3% (three percent) ownership interest in the Property and Mr. Moncada as a consequence shall see his ownership interest be reduced by 3% (three percent). This additional 3% (three percent) ownership interest is only vested upon the completion of three full years of residence and property management, the first year of which must begin within 6 (six) months of the June 1998 closing of the Property, and may not be partially vested in any way whatsoever.

prior to the completion of 3 (three) full consecutive years of residency and property management. Should Mr. Zito continue to maintain his residence in the property and continue to oversee all and provide on-site full time property manager an additional consecutive fourth year, then upon the completion of the consecutive full fourth year Mr. Zito shall receive an additional 1% (one percent) ownership interest in the Property and Mr. Moncada as a consequence shall see his ownership interest be reduced by 1% (one percent). This additional 1% (one percent) ownership interest is only vested upon the completion of the fourth full year of residence and property management, the first year of which must begin within 6 (six) months of the June 1998 closing of the Property, and may not be partially vested in any way whatsoever prior to the completion of 4 (four) full consecutive years of residency and property management. Should Mr. Zito continue to maintain his residence in the property and to oversee all and provide on site full time property manager an additional consecutive fifth year, then upon the completion of the consecutive full fifth year Mr. Zito shall receive an additional 1% (one percent) ownership interest in the Property and Mr. Moncada as a consequence shall see his ownership interest be reduced by 1% (one percent). This additional 1% (one percent) ownership interest is only vested upon the completion of the fourth full year of residence and property management, the first year of which must begin within 6 (six) months of the June 1998 closing of the Property, and may not be partially vested in any way whatsoever prior to the completion of 5 (five) full

consecutive years of residency and property management. Mr. Zito shall not be awarded any additional ownership interest as a result of his decision to reside in and/or continue to maintain on site full time property management for the building after the completion of his fifth year of residency and management. In no event will Mr. Zito's ownership interest in the property raise beyond a total of 45% (forty-five percent) and in no event will Mr. Moncada's ownership interest in the property fall below 55% (fifty-five percent).

4. Property Management: Mr. Zito and Mr. Moncada hereby agree that the Property shall be managed as set forth herein:

A. All three units of the Property are to be fully rented at the highest possible rent, to the extent market conditions allow.

B. A joint banking account shall be established by Mr. Zito and Mr. Moncada. Any and all rents received as a result of leasing the units in the building shall be promptly deposited in said joint banking account. Said account shall be jointly managed by Mr. Zito and Mr. Moncada. All expenses borne in managing the Property shall be paid for out of this joint banking account. All statements for said joint banking account shall be sent to Mr. Moncada. Mr. Moncada shall promptly provide Mr. Zito copies of said statements upon his request.

C. Should extraordinary expenses arise that require funds beyond those maintained in the joint banking account, then, in such instance, Mr. Zito and Mr. Moncada, upon full agreement by each party, shall deposit additional funds into the joint

banking account. Mr. Zito and Mr. Moncada shall deposit such funds in proportion to their respective proportionate ownership interest in the Property at the time that the deposit is made.

D. Mr. Zito, to the extent and only to the extent that he continues to rent a unit of the Property as his chief principal residence shall in his own best judgment execute day-to-day management responsibilities at and of the Property, including upkeep, repairs and improvements, tenant complaints and relations, and rent collections. Mr. Zito may unilaterally make decisions related to upkeep, repairs and improvements to the extent that the total cost of such items does not exceed \$100 (one hundred dollars). To the extent that the cost of such items exceeds \$100 (one hundred dollars) then in such instance Mr. Moncada's explicit and full advance agreement shall be required.

E. Mr. Zito agrees to pay the full market rent for any unit that he should choose to occupy. Said rent shall be deposited monthly into the joint banking account to be maintained by Mr. Zito and Mr. Moncada.

F. Any repairs or capital improvements or any other costs expenses whatsoever arising out of the ownership of the Property that cannot be paid for out of the funds in the joint banking account established by Mr. Zito and Mr. Moncada shall be borne jointly out of pocket by both parties, with each party paying 50% (fifty percent) of such costs and expenses.

5. Sale and/or Buy-Out: Should both Mr. Zito and Mr. Moncada each agree to sell the Property, then the Property is to be sold. Should either party wish to sell but the other party

not wish to sell, then Mr. Zito and Mr. Moncada, hereby agree and in all other circumstances shall also grant, each other an exclusive right of first refusal concerning the sale of the Property. In this manner, if the Property is placed on the open market, listed at a reasonable asking price to be determined by a qualified Illinois appraiser, and should a legitimate offer be given for the Property, either party may have the right to buy the other out for the appropriate proportion of the legitimate offer's price. Both parties hereby agree to take all reasonable and necessary steps and actions that will permit a realtor and appraiser to be selected, and, in the event that no agreement may be reached to jointly hire and retain an attorney that shall represent the both of them with the specific and sole task of choosing a qualified and independent realtor and appraiser.

6. Agreement Date, Time and Place: This Agreement is to be executed at the time that the closing on the Property occurs during which the Property ownership is transferred to Mr. Zito and Mr. Moncada from Seller.

7. Additional Documents and Acts: Mr. Zito and Mr. Moncada hereby agree to execute any other documentation and to perform any additional acts that may be required to put into effect the terms and conditions set forth herein.

8. Headings: The various headings used in this agreement as headings for sections or otherwise are for convenience only and shall not be used in interpreting the text of the section in which they appear.

9. Executed Originals: This Agreement is made and executed in three original copies, each of which shall be deemed to be and shall constitute one and the same instrument.

10. Incorporation: Any recitals presented in this agreement are made a part of this agreement and are binding on Mr. Zito and Mr. Moncada respectively if they are a numbered or titled term, provision, section or paragraph.

11. Authorization: Mr. Zito and Mr. Moncada are duly authorized to execute, deliver and complete this agreement.

12. Enforceable: This agreement has been executed and delivered by Mr. Zito and Mr. Moncada and constitutes a legal, valid, binding and enforceable obligation of Mr. Zito and Mr. Moncada respectively in accordance with its terms.

13. Successors: This agreement shall be binding upon and inure to the benefit of the heirs, legal representatives, successors and assigns of Mr. Zito and Mr. Moncada.

14. Notices: All notices shall be in writing and delivered in person or sent by certified, registered or express mail, if for Mr. Zito addressed to Mr. Zito at ^{112.} 45 17376 HENRIETTA CHICAGO, 60655 Illinois, and if for Mr. Moncada addressed to Mr. Moncada at ^{111F} 4542 N. Greenview CHICAGO, IL 60640 Illinois or to such other address for either or both as is stated in a written notice given in compliance under this clause.

15. Governing Law: This Agreement shall be construed and interpreted in accordance with the laws of Illinois. Both parties shall agree that the Courts of Illinois shall be the sole

and exclusive forum in which any matter related to the provisions herein are to be resolved.

16. *Severability:* The invalidity of any provision of this Agreement shall not impair the validity of any other provision. If any provision of this Agreement is determined by court of competent jurisdiction to be unenforceable, that provision will be deemed severable and the agreement may be enforced with that provision severed or as modified by the court.

17. *Entire Agreement, Sufficiency, and Modification.* This Agreement sets forth the entire understanding of Mr. Zito and Mr. Moncada. This Agreement supersedes all prior agreements, arrangements and communications between the parties dealing with the subject matter of this transaction, whether oral or written. No other promise, agreement, understanding, or representation regarding the subject matter of this transaction will be binding unless made in writing and signed by the parties. Mr. Zito and Mr. Moncada each acknowledge that the consideration set forth herein is good and sufficient. This Agreement may only be amended, modified or terminated in writing by instruments signed by both Mr. Zito and Mr. Moncada.

18. *Waiver of Performance:* The failure, with or without intent, of either party to insist upon the strict performance by the other party of any provision of this Agreement shall not be deemed to constitute a modification of any of the provisions hereof, or a waiver of the right to insist at any time thereafter upon performance strictly in accordance with the provisions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year first written above.

[Signature]
[Name]

Date: 2/2/07

[Signature]
Alex Merceda

Date: 2/2/07

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State of Illinois

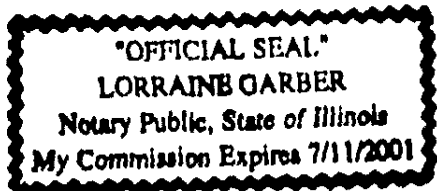
County of Cook

I, the undersigned, a Notary Public in and for said County, in the State, aforesaid, DO HEREBY CERTIFY that Kurt Bilo, personally known to me to be the same person whose name subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that they signed, sealed, and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth.

Subscribed and sworn to before me, given under my hand and official seal this 18th day of June, 1998.

My commission expires on 7/1/2001

Lorraine Garber
Notary Public



State of Illinois
County of Cook

I, the undersigned, a Notary Public in and for said County, in the State, aforesaid, DO HEREBY CERTIFY that Alex Mucoda, personally known to me to be the same person whose name subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that they signed, sealed, and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth.

Subscribed and sworn to before me, given under my hand and official seal this 8th day of June, 1998.

My commission expires on 7/1/2001

Lorraine Garber
Notary Public

