EXHIBIT E

REDEVELOPMENT AGREEMENT

(ATTACHED)

This agreement was prepared by and
after recording return to:

Laura E. Appelt, Esq.

City of Chicago Department of Law
121 North LaSalle Street, Room 600
Chicago, Illinois 60602

VAZQUEZ HOUSING DEVELOPMENT REDEVELOPMENT AGREEMENT

This Vazquez Housing Development Redevelopment Agreement (this "Agreement") is made as of the Agreement Date by and between the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Planning and Development ("DPD"), and Vazquez Housing Development LLC, an Illinois limited liability company ("Developer"). Capitalized terms not otherwise defined herein shall have the meaning given in the table headed "Project Information" or in Section 2, as applicable.

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PROJECT INFORMATION

Term	**Definition**
Agreement Date (preamble)	__/__/[2026]
Developer (preamble)	Vazquez Housing Development LLC, an Illinois limited liability company
Project (Recitals)	The Developer is redeveloping five City-owned parcels in the Morgan Park Community Area with five residential buildings to include a total of 15 dwelling units. The building types will include three units per building anticipated to consist of 3 bedrooms and 2 bathrooms. The Project will be constructed in one phase.
Property	See Exhibit A for Legal Description
City Funds (Recitals)	Check applicable box: ___**GO Bonds and/or Corporate Funds.** "City Funds" shall mean Corporate Funds and/or the proceeds of GO Bonds defined below: pursuant to an ordinance passed by the City Council on April 19, 2024 and published in the Journal for such date at pages 11493 through 11568, inclusive (the "HED Bond Ordinance"), the City indicated its intention to issue bonds (the "GO Bonds") with the expectation that the proceeds of the GO Bonds, when issued, will reimburse the Corporate Funds used for the purposes identified by the HED Bond Ordinance (the "Purposes"). ___ **STSC Bonds and/or Corporate Funds.** "City Funds" shall mean Corporate Funds and/or the proceeds of STSC Bonds defined below: pursuant to the HED Bond Ordinance, the City authorized the Sales Tax Securitization Corporation ("STSC") to issue bonds (the "STSC Bonds") with the expectation that the proceeds of the STSC Bonds, when issued, will reimburse the Corporate Funds used for the Purposes.
Commencement Date (3.01)	__/__/[2026]

<table>
<tr><td>Estimated Project Cost (4.01)</td><td>$6,744,516.30</td></tr>
<tr><td>City Grant (Definitions)</td><td>$ 2,250,000.00</td></tr>
<tr><td>Total Funding Sources (4.01)</td><td>
<table>
<tr><th>Total Funding Sources</th><th>Amount</th></tr>
<tr><td>Equity</td><td>$1,128,725.00</td></tr>
<tr><td>Lender Financing</td><td>$3,365,791.30</td></tr>
<tr><td>City Grant</td><td>$2,250,000.00</td></tr>
<tr><td>TOTAL</td><td>$6,744,516.30</td></tr>
</table>
</td></tr>
<tr><td>Certificate Deadline (6.05)</td><td>__/__/[2028]</td></tr>
<tr><td>Permitted Liens (12)</td><td>[TITLE OF MORTGAGE] in favor of [LENDER NAME] dated as of [DATE OF MORTGAGE] and filed on [FILING DATE] with the Recorder's Office of Cook County as document number [DOCUMENT NUMBER]; and those matters set forth as Schedule B title exceptions in the Title Policy, but only so long as applicable title endorsements issued in conjunction therewith on the date hereof, if any, continue to remain in full force and effect</td></tr>
<tr><td>Notice Addresses (13.14)</td><td><u>If to the Developer</u>:

Vazquez Housing Development LLC
15657 S. 70th Court
Orland Park, IL 60462
<u>Attention</u>: Socorro Vazquez

with a copy to

Taft Stettinius & Hollister LLP
111 E. Wacker Drive, Suite 2600
Chicago, IL 60601
<u>Attention</u>: Liz Butler

<u>If to the City</u>:
City of Chicago, Department of Planning and Development
121 North LaSalle Street, Room 1000
Chicago, Illinois 60602
<u>Attention</u>: Commissioner</td></tr>
</table>

	with a copy to City of Chicago, Department of Law 121 North LaSalle Street, Room 600 Chicago, Illinois 60602 Attention: Finance and Economic Development Division

Signature page to Redevelopment Agreement

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on or as of the Agreement Date.

VAZQUEZ HOUSING DEVELOPMENT LLC

By:_____
Name: Socorro Vazquez
Title: Manager

CITY OF CHICAGO

By:_____
Ciere Boatright,
Commissioner
Department of Planning and Development

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Socorro Vazquez (the "Representative"), personally known to me to be the Manager of Vazquez Housing Development LLC, an Illinois limited liability company ("Developer"), 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 acknowledged that the Representative signed, sealed, and delivered said instrument, pursuant to the authority given to the Representative by Developer, as the Representative's free and voluntary act and as the free and voluntary act of the Developer, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this ___ day of _____, 2026.

_____
Notary Public

My Commission Expires_____

(SEAL)

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Ciere Boatright, personally known to me to be the Commissioner of the Department of Planning and Development (the "Commissioner") of the City of Chicago (the "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 acknowledged that the Commissioner signed, sealed, and delivered said instrument, pursuant to the authority given to the Commissioner by City, as the Commissioner's free and voluntary act and as the free and voluntary act of City, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this ___ day of _____, 2026.

_____
Notary Public

My Commission Expires_____

SECTION 1. RECITALS

A. Constitutional Authority. As a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois (the "State"), the City has the power to regulate for the protection of the public health, safety, morals and welfare of its inhabitants, and pursuant thereto, has the power to encourage private development in order to enhance the local tax base, create employment opportunities and to enter into contractual agreements with private parties in order to achieve these goals; and

B. City Council Authority. The City Council of the City (the "City Council") has adopted one or more ordinances authorizing the use of City Funds to fund a portion of the costs of the Project and authorizing the Commissioner of DPD (the "Commissioner") to enter into this Agreement; and

C. City Funds. The City agrees to use, in the amounts set forth in Section 4.02 hereof, City Funds to pay for or reimburse the Developer for the costs of Improvements (as defined below) pursuant to the terms and conditions of this Agreement; and

D. Sale of Property. The City is the owner of the property legally described on Exhibit A attached hereto (the "Property"), consisting of five (5) vacant lots (each, a "Lot") that the City desires to be redeveloped for housing and which the Developer intends to purchase from the City for the same purpose; and

E. The Project. The Project is part of DPD's Missing Middle Infill Housing Initiative (the "Initiative"), which aims to combat neighborhood disinvestment by facilitating new home construction on vacant, City-owned lots. This initiative seeks to restore neighborhood density, expand home ownership opportunities, and support community revitalization in underbuilt communities; and

F. City Council Authority for Sale. Pursuant to an ordinance adopted by City Council on [ ], [2026], and published at pages [ ] through [ ] in the Journal for such date, the City authorized the sale of the Property to the Developer for the Project; and

G. Homes. Developer, subject to the terms of the Agreement, shall construct five (5) buildings (each building, a "Building" and collectively, the "Buildings") containing three (3) units each (each a "Unit", collectively the "Units") on the Lots, as more fully described on Exhibit A attached hereto; and

H. Subsequent Sale to Home Buyers. Unless otherwise provided in Section 3.10, all the Buildings to be constructed by Developer pursuant to this Agreement must be developed and sold to homebuyers for a price not to exceed the amount provided in Section 3.10(b); and

I. Reconveyance Deeds. As additional security for the Developer's completion of the Project and compliance with this Agreement, the Developer has agreed to execute a reconveyance deed for each Lot in a form acceptable to the City (the "Reconveyance Deed"); and

J. Affordable Requirements Ordinance. The Department of Housing has determined that, due to market conditions, it is in the best interests of the City to waive the Affordable

Requirements Ordinance, Chapter 2-44-085 of the Municipal Code of Chicago (the "Municipal Code"), in order to further the objective of the Initiative; and

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 hereto agree as follows:

SECTION 2. DEFINITIONS

For purposes of this Agreement, in addition to the terms defined in the table headed "Project Information", the following terms shall have the meanings set forth below:

"2FM" shall mean the Department of Fleet and Facility Management or any successor City department.

"Affiliate" shall mean any person or entity directly or indirectly controlling, controlled by or under common control with the Developer.

"Bonds" shall mean (a) the GO Bonds if the definition of "City Funds" refers to GO Bonds and/or Corporate Funds and (b) STSC Bonds if the definition of "City Funds" refers to STSC Bonds and/or Corporate Funds.

"Building" shall have the meaning set forth in the Recitals hereof.

"Certificate" shall mean the Certificate of Completion of Construction or Rehabilitation.

"Change Order" shall mean any amendment or modification to the Scope Drawings, Plans and Specifications or the Project Budget as described in Section 3.06.

"City Council" shall have the meaning set forth in the Recitals hereof.

"City Funds" shall have the meaning set forth in the Recitals hereof.

"Closing" shall have the meaning set forth in Section 3.09(b).

"Closing Date" shall mean the date of execution and delivery of this Agreement by all parties hereto, which shall be deemed to be the date appearing in the first paragraph of this Agreement.

"Commissioner" shall have the meaning set forth in the Recitals hereof.

"Contaminant" shall mean any of those materials set forth in 415 ILCS 5/3.165, as amended from time to time, that are subject to regulation under any Environmental Law.

"Corporation Counsel" shall mean the City's Department of Law.

"Developer Parties" shall mean 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.

"EDS" shall mean the City's Economic Disclosure Statement and Affidavit, on the City's then-current form.

"Environmental Laws" shall mean any Laws which pertain 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 Chicago; 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.

"Equity" shall mean funds of Developer (other than funds derived from Lender Financing) irrevocably available for the Project, in the amount set forth in the Total Funding Sources.

"Event of Default" shall have the meaning set forth in Section 11 hereof.

"Final Project Cost" shall mean the total actual cost of the construction of the Project, as certified to and acceptable to DPD under Section 6.01 hereof.

"General Contractor" shall mean the general contractor(s) hired by Developer to complete the construction of the Project.

"Improvements" shall mean those improvements of the Project which (i) are eligible to be reimbursed using a grant from the proceeds of tax-exempt Bonds and (ii) the City has agreed to pay for out of the City Funds, subject to the terms of this Agreement. Exhibit B lists the Improvements for the Project.

"Initiative" shall have the meaning set forth in the Recitals hereof.

"Journal" shall mean the Journal of the Proceedings of City Council.

"Laws" shall mean all applicable federal, state, county, municipal or other laws (including common law), statutes, codes, ordinances, rules, regulations, orders, decrees, 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, consent decrees, injunctions or judgments.

"Lender Financing" shall mean funds borrowed by Developer from lenders and irrevocably available to pay for Costs of the Project, in the amounts set forth in the Total Funding Sources.

"Limited Review" shall have the meaning set forth in Section 9.02 hereof.

"Losses" shall mean any and all debts, liens (including, without limitation, lien removal and bonding costs), claims, causes of action, suits, complaints, demands, 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, costs of investigation, and court costs).

"Lot(s)" shall have the meaning set forth in the Recitals hereof.

"Maximum Price" shall have the meaning set forth in Section 3.10(B) hereof.

"MBE(s)" shall mean a business identified in the Directory of Certified Minority Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a minority-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable.

"MBE/WBE Budget" shall mean the budget attached hereto as Exhibit B.

"MBE/WBE Program" shall have the meaning set forth in Exhibit F hereof.

"Municipal Code" shall have the meaning set forth in the Recitals.

"Other Regulated Material" shall mean any Waste, Contaminant, material meeting 35 IAC Part 742.305, 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, synthetic gas usable for fuel or mixtures of natural gas and such synthetic gas, asbestos, or radon, or (b) is a hazard to the environment or to the health or safety of persons.

"Prohibited Exceptions" shall have the meaning set forth in Section 3.09(g) hereof.

"Project Budget" shall mean the budget attached hereto as Exhibit B, showing the total cost of the Project by line item, furnished by Developer to DPD, in accordance with Section 4.01 hereof.

"Property" shall mean the real property described on Exhibit A.

"Reconveyance Deed" shall have the meaning set forth in the Recitals hereof.

"Released Claims" shall have the meaning set forth in Section 9.05 hereof.

"Requisition Form" shall mean the document, in the form attached hereto as Exhibit D, to be delivered by Developer to DPD pursuant to Section 4.06 of this Agreement.

"Review Documents" shall have the meaning set forth in Section 9.02 hereof.

"Scope Drawings, Plans and Specifications" shall mean final construction documents containing a site plan and working drawings and specifications for the Project, as submitted to the City as the basis for obtaining building permits for the Project.

"Senior Lender" shall mean Self-Help Federal Credit Union.

"Survey" shall mean a plat of survey in the most recently revised form of ALTA/NSPS land title survey of the Property (or one such survey for each Lot), meeting the 2021 Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys, effective February 23, 2021, dated within 75 days prior to the Closing Date, acceptable in form and content to the City and the Title Company, prepared by a surveyor registered in the State of Illinois, certified to the City and the Title Company, and indicating whether the Property is in a flood hazard area as identified by the United States Federal Emergency Management Agency (and updates thereof to reflect improvements to the Property in connection with the construction of the Project and related improvements as required by the City or lender(s) providing Lender Financing).

"Tax-Exemption Default" shall have the meaning set forth in Section 11.01(i) hereof.

"Term of the Agreement" shall mean the period of time commencing on the Closing Date and ending on the date the Certificate is issued.

"Title Company" shall mean Chicago Title Insurance Company.

"Title Policy" shall mean a title insurance policy in the most recently revised ALTA or equivalent form, showing the Developer as the insured, noting the recording of this Agreement as an encumbrance against the Property, and a subordination agreement in favor of the City with respect to previously recorded liens against the Property related to Lender Financing, if any, issued by the Title Company.

"Unit(s)" shall have the meaning set forth in the Recitals hereof.

"WARN Act" shall mean the Worker Adjustment and Retraining Notification Act (29 U.S.C. Section 2101 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.

"WBE(s)" shall mean a business identified in the Directory of Certified Women Business Enterprises published by the City's Department of Procurement Services, or otherwise certified

by the City's Department of Procurement Services as a women-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable.

SECTION 3. THE PROJECT

3.01 Project Completion. With respect to the acquisition and construction of the Project, Developer shall: (i) commence construction no later than the Commencement Date, and (ii) complete construction and obtain the Certificate no later than the Certificate Deadline.

3.02 Project Budget; Total Funding Sources. Developer has furnished to DPD, and DPD has approved, a Project Budget showing total costs for the Project in an amount not less than the Estimated Project Cost. The Developer hereby certifies to the City that (a) the Total Funding Sources shall be sufficient to complete the Project, and (b) the Project Budget and Total Funding Sources are true, correct and complete in all material respects.

3.03 Scope Drawings, Plans and Specifications. Developer has delivered the Scope Drawings, Plans and Specifications for the Project to DPD and DPD has approved same. After such initial approval, subsequent proposed changes to the Scope Drawings, Plans and Specifications shall be submitted to DPD as a Change Order pursuant to Section 3.06 hereof. The Scope Drawings, Plans and Specifications shall at all times conform to all applicable Laws. Developer shall submit all necessary documents to the City's Building Department, Department of Transportation and such other City departments or governmental authorities as may be necessary to acquire building permits and other required approvals for the Project.

3.04 DPD Approval. Any approval granted by DPD of the Scope Drawings, Plans and Specifications and the Change Orders is for the purposes of this Agreement only and does not affect or constitute any approval required by any other City department or pursuant to any City ordinance, code, regulation or any other governmental approval, nor does any approval by DPD pursuant to this Agreement constitute approval of the quality, structural soundness or safety of the Property or the Project.

3.05 Other Approvals. Any DPD approval under this Agreement shall have no effect upon, nor shall it operate as a waiver of, Developer's obligations to comply with the provisions of Section 5.02 (Other Governmental Approvals) hereof. Developer shall not commence construction of the Project until Developer has obtained all necessary permits and approvals (including but not limited to DPD's approval of the Scope Drawings and Plans and Specifications) and proof of the General Contractor's and each subcontractor's bonding as required hereunder.

3.06 Change Orders. Except as provided below in this Section 3.06, all Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to changes to the Project must be submitted by Developer to DPD as necessary; provided, that any Change Order relating to any of the following must be submitted by Developer to DPD for DPD's prior written approval: (a) a reduction in the gross or net square footage of the Property by five percent (5%) or more (either individually or cumulatively); (b) a change in the use of the Property to a use other than the Project; (c) a delay in the completion of the Project by six (6) months or more; or (d) Change Orders resulting in an aggregate increase to the Project Budget of ten percent (10%) or more. Developer shall not authorize or permit the performance of any

work relating to any Change Order or the furnishing of materials in connection therewith prior to the receipt by Developer of DPD's written approval (to the extent said City prior approval is required pursuant to the terms of this Agreement).

3.07 [Intentionally Omitted].

3.08 Signs and Public Relations. Developer shall erect a sign of size and style approved by the City in a conspicuous location on the Property during the Project, indicating that financing has been provided by the City. The City reserves the right to include the name, photograph, artistic rendering of the Project and other pertinent information regarding Developer, the Property and the Project in the City's promotional literature and communications.

3.09 Conveyance of City Property. The following provisions shall govern the City's conveyance of the City Property to the Developer:

(a) Purchase Price. The City hereby agrees to sell, and the Developer hereby agrees to purchase, upon and subject to the terms and conditions of this Agreement, the Property, for the sum of One Dollar ($1.00) per Lot (the "Purchase Price"), for a total of $5.00, which will be paid by the Developer to the City at the Closing. For purposes of this Agreement, the market valuation for each Lot is listed on Exhibit A. Except as specifically provided herein to the contrary, the Developer shall pay all escrow fees and other title insurance fees, premiums, and closing costs. The Developer acknowledges and agrees that the City has only agreed to sell the Property to the Developer for the Purchase Price because Developer has agreed to execute this Agreement and comply with its terms and conditions.

(b) Closing. The closing of this transaction (the "Closing") shall take place at the downtown offices of the Title Company. In no event shall the Closing occur unless the Developer has satisfied all conditions precedent set forth in Section 5, unless DPD, in its sole discretion, waives one or more of such conditions. On or before the Closing Date, the City shall deliver to the Title Company the Deed, all necessary state, county, and municipal real estate transfer tax declarations, an ALTA statement, a grantee-grantor statement, and any other documentation customarily required by the Title Company and provided by the City, but expressly excluding "gap" undertakings.

(c) Form of City Deed. The City shall convey each Lot to the Developer by quitclaim deed (each, a "Deed" and, collectively, the "Deeds"), subject to the terms of this Agreement and, without limiting the quitclaim nature of the deed, the following:

(i) intentionally omitted.

(ii) the standard exceptions in an ALTA title insurance policy;

(iii) general real estate taxes and any special assessments or other taxes;

(iv) all easements, encroachments, covenants and restrictions of record and not shown of record;

(v) such other title defects as may exist; and

(vi) any and all exceptions caused by the acts of Developer, its Affiliates or its Agents.

(d) Recording. Developer shall pay to record the Deeds, this Agreement, and any other documents incident to the conveyance of the Property to the Developer. This Agreement shall be recorded prior to any mortgage made in connection with any Lender Financing. Upon recording, Developer shall immediately transmit to the City an executed original of this Agreement showing the date and recording number.

(e) Reconveyance Deed. On the Closing Date, the Developer shall execute and deliver a Reconveyance Deed for each Lot. The Developer acknowledges and agrees that the City shall have the right to record any Reconveyance Deed for any Lot and revest title to any Lot and all improvements thereon in the City in accordance with Section 11 hereof. The City acknowledges and agrees that it shall not record the Reconveyance Deed for any Lot upon which construction has commenced.

(f) Title Commitment and Insurance. Developer shall obtain a commitment for an owner's policy of title insurance for the Property, issued by the Title Company (the "Title Commitment"). Developer shall be solely responsible for and shall pay all costs associated with updating the Title Commitment (including all search, continuation, and later date fees), and obtaining the Title Policy and any endorsements.

(g) Correction of Title. The City shall have no obligation to cure title defects except those expressly provided in this Section 3.09(g) (collectively, the "Prohibited Exceptions"); provided, however, if there are exceptions for general real estate taxes due or unpaid prior to the Closing Date with respect to the Property or liens for such unpaid property taxes, the City shall ask the County to void the unpaid taxes as provided in Section 21-100 of the Property Tax Code, 35 ILCS 200/21-100, or file an application for a Certificate of Error with the Cook County Assessor, or tax injunction suit or petition to vacate a tax sale in the Circuit Court of Cook County. Prior to Closing, and as a condition to Developer's obligation to close, the City shall achieve removal, or alternative resolution acceptable to Developer, of the following Prohibited Exceptions:

(i) Demolition lien filed by the City of Chicago recorded April 28,1994 as Document Number 94342362 in the amount of $3,021.04;
(ii) Claim for lien in favor of the City of Chicago recorded May 12, 1992 as Document Number 92325563 for water and sewer services in the amount of $3,153.00;
(iii) Demolition Lien filed by the City of Chicago recorded December 8, 1992 as Document Number 92922632 in the amount of $4,631.00;
(iv) Order of Permanent Injunction and of Judgment and Enforcement recorded December 6,1994 as Document Number 04020757 pursuant to court proceedings 87M1402538 in favor of the City of Chicago Against Albert Perkins, et al. and William Hughes, entered October 28, 1994;
(v) Lien in favor of the City of City of Chicago, for water and sewer services in the amount of $2,644.57, recorded on July 17, 2009 as Document Number 0919835190; and
(vi) Demolition lien in favor of the City of City of Chicago in the amount $12,491.00, recorded on August 18, 2010 as Document Number 1023029044.

If, after taking the foregoing actions and diligently pursuing same, the Property remains subject to any tax liens, or if the Property is encumbered with any other exceptions that would adversely affect the use and insurability of the Property for the development of the Project, Developer shall have the option to do one of the following: (a) accept title to the Property subject to the exceptions, without reduction in the Purchase Price; or (b) terminate this Agreement by delivery of written notice to the City, in which event this Agreement shall be null and void, and except as otherwise specifically provided herein, neither party shall have any further right, duty or obligation hereunder. If Developer elects not to terminate this Agreement as aforesaid, Developer shall be deemed to have accepted title subject to all exceptions.

(h) Survey. Developer shall obtain a Survey at the Developer's sole cost and expense and deliver a copy of the Survey to the City.

(i) "As Is" Sale. The Developer acknowledges that it has had an adequate opportunity to inspect the Property and evaluate the structural, physical and environmental conditions and risks of the Property and accepts the risk that any inspection may not disclose all material matters affecting the Property (and any improvements thereon). The Developer acknowledges that it is relying solely upon its own inspection and other due diligence activities in deciding whether to acquire the Property, and not upon any information (including, without limitation, environmental studies or reports of any kind) provided by or on behalf of the City or its agents or employees with respect thereto. The Developer acknowledges and agrees that the Property is being conveyed, and the Developer agrees to accept the property, in its "AS IS," "WHERE IS" and "WITH ALL FAULTS" condition at closing, without any covenant, representation or warranty, express or implied, of any kind, as to the structural, physical or environmental condition of the Property (or any improvements thereon), its compliance with any Laws, or the suitability or merchantability of the Property for any purpose whatsoever. The Developer acknowledges and agrees that it is solely responsible for any investigation and remediation work necessary to put the Property in a condition which is suitable for its intended use.

3.10. Conveyance of Building from Developer to Homebuyer. Developer acknowledges and affirms the goals of the City with regard to achieving the construction of affordable, new, high quality, owner-occupied or rental housing within the corporate boundaries of the City. Developer shall sell completed Buildings or Units to owner/occupants (each, a "Purchaser" and, collectively, "Purchasers"). At least one of the Units in each Building must be owner occupied. Each Purchaser may then rent remaining Units to relatives, friends or the general public. Each Purchaser shall be required to execute and record at the time of the purchase of a Building or Unit, a recapture mortgage on the property for a period of five (5) years. All owner-occupied Units must be such Purchaser's principal residence for five (5) consecutive years following the date of purchase.

Upon completion of any Building in the Project, if the Developer is unable to sell the Building (or any Unit in the Building if the Units are being sold as condominiums) to a Purchaser after making a good faith effort, as reasonably determined by DPD, the Developer may lease the Building or any Units in it for up to one (1) year, subject to extension for good cause with Commissioner approval, provided the Developer has received written consent from the DPD.

A. Intentionally Omitted

B. Sales Price. Developer affirmatively covenants that it shall sell and convey each Unit or Building for a price that shall not exceed the Maximum Price:

"Maximum Price" shall mean (i) $397,805 for a two-bedroom unit, (ii) $441,962 for a three-bedroom unit or (iii) for a building containing multiple units, the total value obtained by adding the values below for each respective unit in the building:

- For each two-bedroom unit: $397,805
- For each three-bedroom unit: $441,962

C. Mortgage. Developer shall advise each initial Purchaser that such Purchaser shall be required to execute and record at the time of the purchase of the Building or Unit (and the Developer shall attach as an exhibit to the Purchaser's sales contract):

(i) a forgivable mortgage ("Mortgage") in favor of the City in an amount of $50,000.

The Mortgage shall otherwise be in the form of Exhibit H to this Agreement, and shall also include the Purchaser's covenant to use the Unit as the Purchaser's principal residence, and shall secure all amounts described in this Agreement as being subject to recapture or repayment.

Developer acknowledges and agrees that Developer shall provide advance written notice to the City of any material revisions to the forms of Mortgage set forth in Exhibit H, respectively. Such material revisions are subject to the reasonable approval of DPD.

D. Warranties. At the closing for the conveyance of a Unit or Building from Developer to an initial homebuyer, Developer shall deliver to said homebuyer one or more warranties, in substantially the form attached hereto as Exhibit J, covering the following home systems and having a duration of one (1) year commencing with the closing date: HVAC, plumbing (interior and exterior) and electrical. Developer shall offer each homebuyer a whole house, one-year warranty at a reasonable price.

SECTION 4. PROJECT FINANCING

4.01 Estimated Project Cost and Sources of Funds. The cost of the Project is estimated to be $6,744,515.30, to be applied in the manner set forth in the Project Budget.

4.02 City Grant. Subject to the terms and conditions of this Agreement, the City hereby agrees to provide up to the amount of the City Grant to reimburse the cost of Improvements and allocated by the City for that purpose.

4.03 Uses of City Grant. City Grant funds may only be used to pay directly or reimburse Developer for costs of Improvements. Exhibit B sets forth, by line item, the Project Budget for the Project, and the maximum amount of costs that may be paid by or reimbursed from City Grant funds for each line item therein (subject to the conditions described in this Agreement), contingent upon receipt by the City of documentation satisfactory in form and substance to DPD evidencing such cost and its eligibility as an Improvement.

4.04 Distribution of City Grant; Escrow Agreement. Subject to the conditions described in Section 4.02 and Section 4.03, the City shall disburse the City Grant in installments as described in the Escrow Agreement.

4.05 Intentionally Omitted.

4.06 Requisition Form. When Developer submits documentation to the City in connection with a request for the payment of the City Grant as described in Section 4.04, beginning on the first request for payment and continuing through the earlier of (i) the Term of the Agreement or (ii) the date that Developer has been reimbursed in full under this Agreement, Developer shall provide DPD with a Requisition Form, along with the documentation described therein. Developer shall meet with DPD at the request of DPD to discuss the Requisition Form(s) previously delivered.

4.07 Preconditions of Disbursement. Prior to disbursement of the City Grant hereunder, Developer shall submit documentation regarding the applicable expenditures to DPD, which shall be satisfactory to DPD in its sole discretion.

4.08 Cost Overruns. If the aggregate cost of Improvements exceeds the City Grant funds available pursuant to Section 4.02 hereof, or if the cost of completing the Project exceeds the Estimated Project Cost, Developer shall be solely responsible for such excess cost, and shall hold the City harmless from any and all costs and expenses of completing the Project.

4.09 Conditional Grant. The City Grant being provided hereunder is being granted on a conditional basis, subject to the Developer's compliance with the provisions of this Agreement. The City Grant is subject to being reimbursed as provided in Section 11.02.

SECTION 5. CONDITIONS PRECEDENT

The Developer must satisfy the following conditions before the City will execute and deliver this Agreement, unless such conditions are waived in writing by the City:

5.01 Project Budget. DPD must have approved the Project Budget.

5.02 Other Governmental Approvals. The Developer must have secured all other necessary approvals and permits required by any state, federal, or local statute, ordinance or regulation and submitted evidence thereof to DPD. Such approvals shall include, without limitation, all building permits necessary for the Project; provided, however, that if the City agrees to close before construction commences, such building permits shall be secured prior to commencement of any such construction work.

5.03 Financing. The Developer must have furnished proof reasonably acceptable to the City that it has Equity and Lender Financing to complete the Project.

5.04 Acquisition and Title. The Developer must have furnished the City with a copy of the pro forma title policy for the Property, certified by the Title Company, showing the Developer

as the named insured, along with copies of all Schedule B title exception documents. The pro forma title policy must be dated as of the Closing Date and contain only those title exceptions acceptable to the City in its sole discretion and evidence the recording of this Agreement. The pro forma title policy must contain such endorsements as may be required by Corporation Counsel, including but not limited to an owner's comprehensive endorsement and satisfactory endorsements regarding zoning (3.1 with parking), contiguity, location, access and survey. If the Project involves any acquisition of real property, the Developer must have provided DPD with documentation related to such acquisition acceptable to the City in its sole discretion.

5.05 Evidence of Clean Title. The Developer, at its own expense, must have provided the City with searches under its name and any Trade Names as follows:

Secretary of State	UCC search
Secretary of State	Federal tax search
Cook County Recorder	UCC/Fixture search
Cook County Recorder	Federal tax search
Cook County Recorder	State tax search
Cook County Recorder	Memoranda of judgments search
U.S. District Court	Pending suits and judgments
Clerk of Circuit Court, Cook County	Pending suits and judgments

5.06 Intentionally Omitted.

5.07 Corporate Documents. Developer has provided a copy of its articles or certificate of incorporation or organization containing the original certification of the Secretary of State; certificates of good standing from the Secretary of State of its state of incorporation or organization and all other states in which Developer is qualified to do business; a secretary's certificate in such form and substance as the Corporation Counsel may require; bylaws or operating agreement; and such other organizational documentation as the City has requested.

5.08 Economic Disclosure Statement. Developer shall provide to the City an EDS, dated as of the Closing Date, which is incorporated by reference, and Developer further will provide any other affidavits or certifications as may be required by federal, state or local law in the award of public contracts, all of which affidavits or certifications are incorporated by reference.

5.09 Insurance. The Developer, at its own expense, must have insured the Property in accordance with Exhibit C hereto, or Accord Form 27 certificates evidencing the required coverages.

5.10 Construction Compliance Informational Conference. Developer shall provide to the City a copy of the informational conference letter signed by the Department of Housing's construction and compliance division.

5.11 Surveys. Developer shall provide the City with a copy of the Survey(s).

5.12 Reconveyance Deed. On the Closing Date, the Developer shall deliver a Reconveyance Deed for the Property to the City for possible recording in accordance with Section 11 below, if applicable.

SECTION 6. COMPLETION OF CONSTRUCTION OR REHABILITATION

6.01 Request for Certificate of Completion. Upon completion of the Project in accordance with the terms of this Agreement and upon the Developer's written request, DPD shall issue to the Developer a Certificate of Completion of Construction or Rehabilitation (the "Certificate") in recordable form certifying that the Developer has fulfilled its obligation to complete the Project in accordance with the terms of this Agreement. If the Developer has not fulfilled its obligation, DPD will issue a written statement detailing the measures which must be taken in order to obtain them.

DPD may require a single inspection by an inspecting architect hired at the Developer's expense to confirm the completion of the Project. DPD shall use reasonable efforts to respond to Developer's written request for the Certificate within forty-five (45) days by issuing the Certificate or a written statement detailing the ways in which the Project does not conform to this Agreement or has not been satisfactorily completed, and the measures which must be taken by Developer in order to obtain the Certificate. Developer may resubmit a written request for the Certificate upon completion of such measures.

The Developer acknowledges and understands that the City will not issue the Certificate and pay out the final portion of the City Grant in connection with the Project, until (i) the following conditions have been met:

- Evidence certified to and acceptable to DPD of the Final Project Cost. As described in Section 4.02, the City Grant will be reduced on a pro rata basis if the Final Project Cost is less than the Estimated Project Cost;
- Evidence that the Developer has incurred Improvement costs in an equal amount to, or greater than, the City Grant;
- Receipt of a Certificate of Occupancy or other evidence acceptable to DPD that the developer has complied with building permit requirements for Project;
- Evidence acceptable to DPD that the Buildings/Units of the Project have been sold to Purchasers pursuant to this Agreement;
- Final Owner's Sworn Statement, with $0 outstanding balance;
- Final Contractor Sworn Statement, with $0 outstanding balance;
- Final lien waivers;
- All invoices and cancelled checks (front/back);
- Title Company disbursement reports (if applicable);
- Signed letter on the letterhead of the Project's architect stating project completion according to the plans and specifications from the Agreement;
- Signed letter on Developer's letterhead, and a signed and notarized affidavit, stating project completion according to the plans and specifications from the Agreement;
- Evidence acceptable to DPD in the form of a closeout letter from the Department of Housing's Bureau of Construction and Compliance stating that the Developer is in complete compliance with all City Requirements (MBE/WBE, City Residency, and Prevailing Wage), as defined in Exhibit F.

And (ii) no Event of Default exists.

6.02 Continuing Obligations. The Certificate relates only to the respective performance of the work associated with the Project improvements. After the issuance of the Certificate, however, all executory terms and conditions of this Agreement and all representations and covenants contained herein unrelated to such work will remain in effect throughout the Term of the Agreement as to the parties described in the following paragraph, and the issuance of the Certificate shall not be construed as a waiver by the City of any of its rights and remedies pursuant to such executory terms. Notwithstanding any provision of this Agreement to the contrary, in addition to any other provisions of this Agreement which by their terms survive the expiration of the Term of the Agreement, the following will survive until ten years after the Bonds, or any bonds that refinance the Bonds, have been fully paid and retired: (i) the duty to cooperate with and assist the City with the resolution of any governmental or other type of inquiry into or audit of the Bonds, or any bonds that refinance the Bonds, (ii) the duty to cooperate with and assist the City with any actions the City deems necessary in its sole discretion in the event of a Tax-Exemption Default, and (iii) Section 8 (Maintaining Records and Right to Inspect).

The covenant specifically described at Section 7.02 as covenants that run with the land will bind any transferee of the Property (including an assignee as described in the following sentence) throughout the Term of the Agreement or such shorter period as may be explicitly provided for therein. The other executory terms of this Agreement shall be binding only upon the Developer or a permitted assignee under Section 7.01(i) of this Agreement.

6.03 Failure to Complete. If the Developer fails to complete the Project in accordance with the terms of this Agreement, the Certificate will not be issued, and the City will have, but will not be limited to, any of the following rights and remedies:

(a) the right to terminate this Agreement and cease all disbursement of City Grant Funds not yet disbursed under this Agreement; and

(b) the right to seek reimbursement of the previously disbursed City Grant Funds from the Developer.

6.04 Notice of Expiration of Term of Agreement. Upon the expiration of the Term of the Agreement, DPD shall provide the Developer, at the Developer's written request, with a written notice in recordable form stating that the Term of the Agreement has expired.

6.05 Failure to Obtain Certificate. If the Developer has not received the Certificate by the Certificate Deadline, the City shall have the right to terminate the Agreement and cancel any future payments.

SECTION 7. COVENANTS/REPRESENTATIONS/WARRANTIES OF DEVELOPER

7.01 General. Developer represents, warrants and covenants, as of the date of this Agreement and as of the date of each disbursement of the City Grant hereunder that:

(a) Developer is a corporation or limited liability company duly incorporated or organized, validly existing, qualified to do business in Illinois, and licensed to do business in any other state where, due to the nature of its activities or properties, such qualification or license is required;

(b) Developer has the right, power and authority to enter into, execute, deliver and perform this Agreement;

(c) the execution, delivery and performance by Developer of this Agreement has been duly authorized by all necessary action, and does not and will not violate its certificate or articles of incorporation or organization, bylaws or operating agreement as amended and supplemented, any applicable provision of law, or constitute a breach of, default under or require any consent under any agreement, instrument or document to which Developer is now a party or by which Developer is now or may become bound;

(d) during the Term of the Agreement, except with respect to sales of Buildings or Units contemplated under this Agreement, the Developer will continue to own good, indefeasible and merchantable fee simple title to the Property (and all improvements thereon), or a leasehold interest therein, free and clear of all liens except for the Permitted Liens and such other matters as DPD may consent to in writing;

(e) Developer is now and for the Term of the Agreement shall remain solvent and able to pay its debts as they mature;

(f) there are no actions or proceedings by or before any court, governmental commission, board, bureau or any other administrative agency pending, threatened or affecting Developer which would impair its ability to perform under this Agreement;

(g) Developer has and shall maintain all government permits, certificates and consents necessary to conduct its business and to construct, complete and operate the Project;

(h) Developer is not in default with respect to any indenture, loan agreement, mortgage, deed, note or any other agreement or instrument related to the borrowing of money to which Developer is a party or by which Developer is bound;

(i) Developer shall not do any of the following without the prior written consent of DPD for the Term of the Agreement: (1) be a party to any merger, liquidation or consolidation; (2) sell, assign, transfer, convey, lease or otherwise dispose of all or substantially all of its assets or any portion of the Property (including but not limited to any fixtures or equipment now or hereafter attached thereto) except in the ordinary course of business; (3) enter into any transaction outside the ordinary course of Developer's business; (4) assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity; or (5) enter into any transaction that would cause a material and detrimental change to Developer's financial condition; provided, however, that the foregoing notwithstanding, City consent shall not be required for a transfer through a quitclaim deed from the Developer to one of Developer's subsidiaries or affiliates, or to an entity controlled by, under the control of, or under common control with the Developer.

(j) Developer has not incurred, and, prior to the issuance of a Certificate, shall not, without the prior written consent of the Commissioner, allow the existence of any liens against the Property (or improvements thereon) other than the Permitted Liens; or incur any indebtedness, secured or to be secured by the Property (or improvements thereon) or any fixtures now or hereafter attached thereto, except lender financing as disclosed to the City; and

(k) Developer has not made or caused to be made, directly or indirectly, any payment, gratuity or offer of employment in connection with the Agreement or any contract paid from the City treasury or pursuant to City ordinance, for services to any City agency ("City Contract") as an inducement for the City to enter into the Agreement or any City Contract with Developer in violation of Chapter 2-156-120 of the Municipal Code;

7.02 Covenant to Redevelop. Developer shall redevelop the Property in accordance with this Agreement and all Exhibits attached hereto and all Laws applicable to the Project, the Property and/or Developer. The covenants set forth in this Section shall run with the land and be binding upon any transferee, but shall be deemed satisfied upon issuance by the City of a Certificate with respect thereto.

7.03 Use of City Grant. City Grant funds disbursed to Developer shall be used by Developer solely to reimburse Developer for its payment for Improvements as provided in this Agreement.

7.04 Intentionally Omitted.

7.05 Intentionally Omitted.

7.06 Jobs Reporting Requirement. The Developer hereby covenants and agrees, throughout the Term of the Agreement, to report to DPD information about jobs maintained at the Project, in a form acceptable to DPD in its sole discretion.

7.07 Intentionally Omitted.

7.08 Arms-Length Transactions. Unless DPD has given its prior written consent with respect thereto, no Affiliate of Developer may receive any portion of the City Grant, directly or indirectly, in payment for work done, services provided or materials supplied in connection with any Improvement or other Project Costs, as applicable. Developer shall provide information with respect to any entity to receive the City Grant directly or indirectly (whether through payment to the Affiliate by Developer and reimbursement to Developer for such costs using the City Grant, or otherwise), upon DPD's request, prior to any such disbursement.

7.09 Conflict of Interest. Developer represents, warrants and covenants that, to the best of its knowledge, no member, official, or employee of the City, or of any commission or committee exercising authority over the Project, or any consultant hired by the City or Developer with respect thereto, owns or controls, has owned or controlled or will own or control any interest, and no such person shall represent any person, as agent or otherwise, who owns or controls, has owned or controlled, or will own or control any interest, direct or indirect, in Developer's business, the Property or any other property in the redevelopment project area, if any, in which the Property is located.

7.10 Disclosure of Interest. Developer's counsel has no direct or indirect financial ownership interest in Developer, the Property or any other aspect of the Project.

7.11 Financial Statements. Developer shall obtain and provide to DPD Financial Statements for Developer's most recent fiscal year ended before the Agreement Date and each year thereafter for the Term of the Agreement. In addition, Developer shall submit unaudited financial statements as soon as reasonably practical following the close of each fiscal year and for such other periods as DPD may request.

7.12 Insurance. The Developer shall provide and maintain during the Term of the Agreement, and cause other applicable parties to provide and maintain, the insurance coverages specified in Exhibit C.

7.13 Compliance with Laws. To the best of Developer's knowledge, after diligent inquiry, the Property and the Project are and shall be in compliance with all Laws pertaining to or affecting the Project and the Property. Upon the City's request, Developer shall provide evidence satisfactory to the City of such compliance.

7.14 Recording and Filing. The Developer shall cause this Agreement, certain exhibits (as specified by Corporation Counsel), all amendments and supplements hereto to be recorded and filed against the Property in the Recorder's Office of Cook County. If the Permitted Liens include any existing mortgages, such mortgagee must execute a subordination agreement acceptable to the City in its sole discretion.

7.15 Inspector General. It is the duty of Developer and the duty of any bidder, proposer, contractor, subcontractor, and every applicant for certification of eligibility for a City contract or program, and all of Developer's officers, directors, agents, partners, and employees and any such bidder, proposer, contractor, subcontractor or such applicant to cooperate with the Inspector General in any investigation or hearing undertaken pursuant to Chapter 2-56 of the Municipal Code. Developer represents that it understands and will abide by all provisions of Chapter 2-56 of the Municipal Code and that it will inform subcontractors of this provision and require their compliance.

7.16 Non-Governmental Charges. Except for the Permitted Liens, and subject to the next sentence, the Developer intends to pay or cause to be paid when due any non-Governmental Charges. The Developer has the right, before any delinquency occurs, to contest any non-Governmental Charge by appropriate legal proceedings properly and diligently prosecuted, so long as such proceedings serve to prevent any sale or forfeiture of the Property. The parties acknowledge that the remedies available for failure to pay such non-Governmental Charges are those available under State law, and this agreement shall not confer any additional remedies than those provided by State law.

7.17 Governmental Charges.

(a) Payment of Governmental Charges. Developer intends to pay or cause to be paid when due all Governmental Charges (as defined below) which are assessed or imposed upon Developer, the Property or the Project, or become due and payable, and which create, may

create, a lien upon Developer or all or any portion of the Property or the Project. "Governmental Charge" shall mean all federal, State, county, the City, or other governmental (or any instrumentality, division, agency, body, or department thereof) taxes, levies, assessments, charges, liens, claims or encumbrances (except for those assessed by foreign nations, states other than the State of Illinois, counties of the State other than Cook County, and municipalities other than the City) relating to Developer, the Property or the Project including but not limited to real estate taxes. The parties acknowledge that the remedies available for failure to pay such Governmental Charges are those available under State law, and this agreement shall not confer any additional remedies than those provided by State law.

(b) Right to Contest. Developer has the right before any delinquency occurs to contest or object in good faith to the amount or validity of any Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted in such manner as shall stay the collection of the contested Governmental Charge and prevent the imposition of a lien or the sale or forfeiture of the Property.

(c) No Impermissible Agreements. It is the intent of the Parties that no impermissible agreements related to the payment of taxes by any party that undertakes development of any portion of the Project will be entered into between the Parties. The City covenants not to enter into or enforce any agreements with any taxpayers that would modify the obligations of taxpayers under general law and covenants and agrees that it will not enter into or remain subject to or the beneficiary of any impermissible agreement under Treas. Reg. Section 1.141-4(e)(4), including any agreement that requires Developer or owners of the Property not to contest or protest real estate taxes assessed against the Property or portions thereof, or that prohibits Developer or owners of the Property from seeking a deferral of such property taxes. The City further covenants that it will not impose any special assessments or taxes of non-general applicability on the Property while any tax-exempt Bonds are outstanding and will not collect any of such taxes or assessments while any tax-exempt Bonds are outstanding without first obtaining an opinion of Bond Counsel.

7.18 Developer's Failure to Pay Or Discharge Lien. If Developer fails to pay any Governmental Charge that is not owed to the City or to obtain discharge of the same, Developer shall advise DPD thereof in writing, at which time DPD may, but shall not be obligated to, and without waiving or releasing any obligation or liability of Developer under this Agreement, in DPD's sole discretion, make such payment, or any part thereof, or obtain such discharge and take any other action with respect thereto which DPD deems advisable. All sums so paid by DPD, if any, and any expenses, if any, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto, shall be promptly disbursed to DPD by Developer. Notwithstanding anything contained herein to the contrary, this paragraph shall not be construed to obligate the City to pay any such Governmental Charge that is not owed to the City. Additionally, if Developer fails to pay any Governmental Charge, the City, in its sole discretion, may require Developer to submit to the City audited Financial Statements at Developer's own expense.

7.19 FOIA and Local Records Act Compliance.

(a) FOIA. The Developer acknowledges that the City is subject to the Illinois Freedom of Information Act, 5 ILCS 140/1 et seq., as amended ("FOIA"). The FOIA requires the City to produce records (very broadly defined in FOIA) in response to a FOIA request in a very short

period of time, unless the records requested are exempt under the FOIA. If the Developer receives a request from the City to produce records within the scope of FOIA, then the Developer covenants to comply with such request within 48 hours of the date of such request. Failure by the Developer to timely comply with such request shall be an Event of Default.

(b) Exempt Information. Documents that the Developer submits to the City during the Term of the Agreement that contain trade secrets and commercial or financial information may be exempt if disclosure would result in competitive harm. However, for documents submitted by the Developer to be treated as a trade secret or information that would cause competitive harm, FOIA requires that Developer mark any such documents as "proprietary, privileged or confidential." If the Developer marks a document as "proprietary, privileged and confidential", then DPD will evaluate whether such document may be withheld under the FOIA. DPD, in its discretion, will determine whether a document will be exempted from disclosure, and that determination is subject to review by the Illinois Attorney General's Office and/or the courts.

(c) Local Records Act. The Developer acknowledges that the City is subject to the Local Records Act, 50 ILCS 205/1 et seq., as amended (the "Local Records Act"). The Local Records Act provides that public records may only be disposed of as provided in the Local Records Act. If requested by the City, the Developer covenants to use its best efforts consistently applied to assist the City in its compliance with the Local Records Act.

SECTION 8. MAINTAINING RECORDS AND RIGHT TO INSPECT

8.01 Books and Records. The Developer, the General Contractor and each subcontractor shall keep and maintain books and records that fully disclose the total actual cost of the Project and the disposition of all funds from whatever source allocated thereto and as otherwise necessary to evidence the Developer's compliance with its obligations under this Agreement, including, but not limited to, payroll records, General Contractor's and subcontractors' sworn statements, general contracts, subcontracts, purchase orders, waivers of lien, paid receipts and invoices and the like. Such books and records shall be available at the applicable party's offices for inspection, copying, audit and examination by an authorized representative of the City, at the Developer's expense.

8.02 Inspection Rights. Upon three (3) business days' notice, any authorized representative of the City has access to all portions of the Project and the Property during normal business hours for the Term of the Agreement.

SECTION 9. ENVIRONMENTAL MATTERS

9.01 Intentionally Omitted.

9.02 2FM's Limited Review. The City, acting through 2FM, has conducted a limited review ("Limited Review") of certain City records and other information ("Review Documents") in an effort to identify potential environmental concerns associated with each Lot. Developer acknowledges and agrees that Developer has previously received a summary of the Limited Review, and that the City has made all Review Documents available to Developer for inspection

and copying upon request. Developer acknowledges and agrees that the City does not represent or warrant that 2FM's methodology for or findings from its Limited Review are accurate or complete or that the environmental condition of or risks to the City Lot are consistent with 2FM's summary of its Limited Review. Developer acknowledges and agrees that the City did not perform a Phase I Environmental Site Assessment or conduct a thorough environmental investigation of the Lots. Developer acknowledges and agrees that the Limited Review may not have located all City, publicly available, or other documents or information relating to the condition of the Lots, and that there may be other conditions, uses, and sources or types of contamination affecting the Lots. Developer acknowledges and agrees that the City is not obligated to locate all such documentation or information or to perform any environmental investigation or evaluation of the Lots. Further, Developer acknowledges and agrees that properties in urban areas, including Chicago, are frequently impacted by historical conditions and uses that may not be documented in the Review Documents, such as (a) buried demolition debris containing lead-based paint or asbestos, (b) underground heating oil tanks, (c) off-site migration of chemicals from existing or former gas stations, dry cleaners, metal finishing operations, lumber treatment facilities, and other commercial, industrial or manufacturing land uses, (d) illegal dumping, (e) nearby railroad operations, and (f) airborne deposit of lead and other contaminants from historical use of lead gasoline and surrounding industries. Developer shall be deemed satisfied with the condition of the Lots upon the Developer's execution of this Agreement.

9.03 Discovery of Environmental Conditions. If the Developer encounters underground storage tanks ("USTs") at the Property during the development of the Project, the Developer shall remove and close the USTs in accordance with applicable regulations, including 41 Ill. Adm. Code Part 175 and 35 Ill. Adm. Code Part 734 (if the UST is leaking). In addition, if the Developer discovers soil or soil gas at the Property not meeting the requirements of 35 Ill. Adm. Code Section 742.305, the Developer shall remove such soil or soil gas. Upon discovering these or any other environmental conditions, the Developer shall immediately notify 2FM and shall obtain 2FM's approval of (i) the scope of work of any investigation, remediation or removal activities prior to commencing such work, and (ii) following completion of any such investigation, remediation or removal activities, any reports or other documents demonstrating compliance with all applicable Laws, including Environmental Laws. If required by 2FM, the Developer shall enroll the Property or the applicable portion thereof in the Illinois Environmental Protection Agency's Site Remediation Program and take all necessary and proper steps to obtain a "No Further Remediation" letter approving the use of the Property for the construction, development, and operation of the Project. The Developer shall bear sole responsibility for all investigative and cleanup costs associated with the Property.

9.04 Ban on Use of Biosolids. No materials suspected of being impacted by per- and polyfluoroalkyl substances (PFAS), including biosolids, Exceptional Quality (EQ) biosolids, and soil or compost blended with biosolids, from any source, may be imported onto the Property for any purpose.

9.05 Release and Indemnification. The Developer, on behalf of itself and the other Developer Parties, or anyone claiming by, through, or under the Developer Parties, hereby releases, relinquishes and forever discharges the City 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, now existing or

occurring after the Closing Date, based upon, arising out of or in any way connected with, directly or indirectly (a) 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; (b) 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 other property, unless the Hazardous Substances migrate from property owned by the City to the Property; (c) any violation of, compliance with, enforcement of or liability under any Environmental Laws, including, without limitation, any Losses arising under CERCLA, and (d) 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 defend (through an attorney reasonably acceptable to the City), indemnify, and hold the City 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. The Developer Parties waive their rights of contribution and subrogation against the Indemnified Parties.

9.06 Release Runs with the Land. The covenant of release in Section 9.05 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 following the date of the Deed. The Developer acknowledges and agrees 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 agreed to convey the Property to the Developer for the Purchase Price. 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 9.05 contains a full, complete and final release of all such claims.

9.07 Survival. This Section 9 shall survive the Closing or any termination of this Agreement (regardless of the reason for such termination).

SECTION 10. INDEMNIFICATION

Developer agrees to indemnify, defend and hold the City, its officers, officials, members, agents and employees harmless from and against any and all losses, costs, damages, liabilities, claims, suits, judgments, demands, actions, causes of action of every kind or nature and expenses (including, without limitation, attorneys' fees and court costs) arising out of or incidental to the failure of Developer to perform its obligations under this Agreement. Upon reasonable notice from the City of any claim which the City believes to be covered hereunder, Developer shall

timely appear in and defend all suits brought upon such claim and shall pay all costs and expenses incidental thereto, but the City shall have the right, at its option and at its own expense, to participate in the defense of any suit, without relieving Developer of any of its obligations hereunder. The obligations set forth in this Section shall survive any termination or expiration of this Agreement.

SECTION 11. DEFAULT AND REMEDIES

11.01 Events of Default. The occurrence of any one or more of the following events, subject to the provisions of Section 7 (Covenants, Representations, and Warranties of Developer), shall constitute an "Event of Default" by the Developer hereunder:

(a) the failure of Developer to complete the Project in accordance with the terms of this Agreement;

(b) the failure of the Developer to comply with any covenant or obligation, or the breach by the Developer of any representation or warranty, under this Agreement or any related agreement;

(c) the making or furnishing by Developer to the City of any representation, warranty, certificate, schedule, report or other communication within or in connection with this Agreement or any related agreement which is untrue or misleading in any material respect;

(d) the commencement of any bankruptcy, insolvency, liquidation or reorganization proceedings under any applicable state or federal law, or the commencement of any analogous statutory or non-statutory proceedings involving the Developer; provided, however, that if such commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such proceedings are not dismissed within sixty (60) days after the commencement of such proceedings;

(e) the appointment of a receiver or trustee for the Developer, for any substantial part of the Developer's assets or the institution of any proceedings for the dissolution, or the full or partial liquidation, or the merger or consolidation, of the Developer; provided, however, that if such appointment or commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such appointment is not revoked or such proceedings are not dismissed within sixty (60) days after the commencement thereof;

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

(g) the dissolution of the Developer or the death of any natural person who owns a 50% or more ownership interest in the Developer, unless, in the case of a death, the Developer establishes to the DPD's satisfaction that such death shall not impair the Developer's ability to perform its executory obligations under this Agreement;

(h) in the event the Developer relocates the business without the prior written consent of the City during the Term of the Agreement; or

(i) Developer takes any action or omits to take any action that in any way adversely affects the tax-exempt status of the Bonds, under Section 103 of the Internal Revenue Code of 1986 and all applicable federal income tax regulations, all of the foregoing as determined by the City in its sole discretion (a "Tax-Exemption Default").

(j) the failure of Developer to secure the Certificate for the Project prior to the Certificate Deadline;

11.02 Remedies. Upon the occurrence of an Event of Default, the City may terminate this Agreement and all related agreements, may suspend disbursement of the City Grant, may seek reimbursement of the City Grant, and may exercise any remedy available to it at law or in equity, including the right to re-enter and take possession of the Property or any portion thereof, terminate the estate conveyed to the Developer, and revest title to the Property or any portion thereof in the City; provided, however, the City's foregoing right of reverter shall be limited by, and shall not defeat, render invalid, or limit in any way, the lien of any mortgage authorized by this Agreement. If a Reconveyance Deed is recorded by the Title Company, the Developer shall be responsible for all real estate taxes and assessments which accrued during the period the Property or the applicable portion thereof was owned by the Developer, and shall cause the release of all liens or encumbrances placed on the Property or the applicable portion thereof during the period of time such Property was owned by the Developer. The Developer will cooperate with the City and Title Company to ensure that if the Title Company records a Reconveyance Deed, such recording is effective for purposes of transferring title to the Property or any portion thereof to the City, subject only to those title exceptions that were on title as of the date and time that the City conveyed the Property or the applicable portion thereof to the Developer and except for any mortgage authorized by this Agreement.

Notwithstanding the foregoing, if a Tax-Exemption Default has occurred and the City determines, in its sole discretion, that no cure is capable of correcting such default, the City may deliver an immediately effective notice of termination and Developer will promptly repay the City the full amount of the City Grant funds previously distributed to Developer and fully cooperate with the City in any actions it deems necessary as a result of the Tax-Exemption Default.

11.03 Cure Period. In the event Developer shall fail to perform a monetary covenant which Developer is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless Developer has failed to perform such monetary covenant within thirty (30) days of its receipt of a written notice from the City specifying that it has failed to perform such covenant; provided, however, with respect to those non-monetary defaults which are not capable of being cured within such thirty (30) day period, Developer shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

SECTION 12. MORTGAGING OF THE PROJECT

The Permitted Liens are the only mortgages or deeds of trust in place as of the date hereof with respect to the Property or any portion thereof. No mortgagee shall have the right to succeed to the Developer's rights under this Agreement unless the sale, assignment, or transfer receives the sole written consent of the City. This consent shall be in the City's sole discretion and which, if granted, may be conditioned upon, among other things, the assignee's assumption of all of the Developer's obligations under this Agreement.

SECTION 13. GENERAL PROVISIONS

13.01 Amendment. This Agreement and the Exhibits attached hereto may not be amended or modified without the prior written consent of the parties hereto.

13.02 Entire Agreement. This Agreement (including each Exhibit attached hereto, which is hereby incorporated herein by reference) constitutes the entire Agreement between the parties hereto and it supersedes all prior agreements, negotiations and discussions between the parties relative to the subject matter hereof.

13.03 Limitation of Liability. No member, official or employee of the City shall be personally liable to Developer or any successor in interest in the event of any default or breach by the City or for any amount which may become due to Developer from the City or any successor in interest or on any obligation under the terms of this Agreement.

13.04 Further Assurances. The Developer agrees to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications as may become necessary or appropriate to carry out the terms, provisions and intent of this Agreement.

13.05 No Implied Waivers. No waiver by either Party of any breach of any provision of this Agreement will be a waiver of any continuing or succeeding breach of the breached provision, a waiver of the breached provision itself, or a waiver of any right, power or remedy under this Agreement. No notice to, or demand on, either Party in any case will, of itself, entitle that Party to any further notice or demand in similar or other circumstances.

13.06 Titles and Headings. Titles and headings to paragraphs contained in this Agreement are for convenience only and are not intended to limit, vary, define or expand the content of this Agreement.

13.07 Remedies Cumulative. The remedies of a party hereunder are cumulative and the exercise of any one or more of the remedies provided for herein shall not be construed as a waiver of any other remedies of such party unless specifically so provided herein.

13.08 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.

13.09 Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement.

13.10 Governing Law and Venue. This Agreement will be governed by and construed in accordance with the internal laws of the State of Illinois, without regard to the principles of conflicts of law thereof. If there is a lawsuit under this Agreement, each Party hereto agrees to submit to the jurisdiction of the courts of Cook County, the State of Illinois.

13.11 Approval. Wherever this Agreement provides for the approval or consent of the City, DPD or the Commissioner, or any matter is to be to the City's, DPD's or the Commissioner's satisfaction, unless specifically stated to the contrary, such approval, consent or satisfaction shall be made, given or determined by the City, DPD or the Commissioner in writing and in the reasonable discretion thereof. The Commissioner or other person designated by the Mayor of the City shall act for the City or DPD in making all approvals, consents and determinations of satisfaction, granting the Certificate or otherwise administering this Agreement for the City.

13.12 Binding Effect. This Agreement shall be binding upon Developer, the City and their respective successors and permitted assigns (as provided herein) and shall inure to the benefit of Developer, the City and their respective successors and permitted assigns (as provided herein). Except as otherwise provided herein, this Agreement shall not run to the benefit of, or be enforceable by, any person or entity other than a party to this Agreement and its successors and permitted assigns. This Agreement should not be deemed to confer upon third parties any remedy, claim, right of reimbursement or other right.

13.13 Force Majeure. Neither the City nor 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 any delay caused by damage or destruction by fire or other casualty, strike, shortage of material, unusually adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or for an abnormal duration, tornadoes or cyclones, and other 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. The individual or entity relying on this Section with respect to any such delay shall, upon the occurrence of the event causing such delay, immediately give written notice to the other parties to this Agreement. The individual or entity relying on this Section with respect to any such delay may rely on this Section only to the extent of the actual number of days of delay effected by any such events described above.

13.14. Notices. Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the recipient Party's Notice Address, by any of the following means: (a) personal service; (b) overnight courier, or (c) registered or certified mail, return receipt requested.

13.15. Severability. If any provision of this Agreement, or the application thereof, to any person, place or circumstance, shall be held by a court of competent jurisdiction to be invalid, unenforceable or void, the remainder of this Agreement and such provisions as applied to other persons, places and circumstances shall remain in full force and effect only if, after excluding the portion deemed to be unenforceable, the remaining terms shall provide for the consummation of the transactions contemplated hereby in substantially the same manner as originally set forth herein.

13.16. Survival of Agreements. All warranties, representations, covenants and agreements of this Agreement shall be true, accurate and complete at the time of the execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties hereto and shall be in effect throughout the Term of the Agreement.

13.17. Exhibits. All of the exhibits attached to this Agreement are incorporated into this Agreement by reference.

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

[Remainder of page intentionally left blank]

Exhibit A
Legal Description of the Property

Lot 1
Property Address: 1235 West 110th Street, Chicago, Illinois, 60643

Property identification numbers (PINs): 25-17-330-009-0000

Market Valuation: $9,390.75

Legal Description: LOT 16 IN BLOCK 13 OF JERNBERG'S SUBDIVISION OF BLOCKS 12 & 13 OF STREET'S SUBDIVISION OF THE EAST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 17, TOWNSHIP 37 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Lot 2
Property Address: 1240 West 110th Place, Chicago, Illinois, 60643

Property identification numbers (PINs): 25-17-330-029-000

Market Valuation: $9,399.78

Legal Description: LOT 32 IN BLOCK 13 IN JERNBERG'S SUBDIVISION OF BLOCKS 12 & 13 IN STREET'S SUBDIVISION OF THE EAST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 17, TOWNSHIP 37 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Lot 3
Property Address: 1222 West 110th Place, Chicago, Illinois, 60643

Property identification numbers (PINs): 25-17-330-046-000

Market Valuation: $14,129.79

Legal Description: LOT 39 AND THE WEST 1/2 OF LOT 40 IN BLOCK 13 IN JERNBERG'S SUBDIVISION OF BLOCKS 12 & 13 OF STREET'S SUBDIVISION OF THE EAST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 17, TOWNSHIP 37 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Lot 4
Property Address: 1200 West 110th Place, Chicago, Illinois, 60643

Property identification numbers (PINs): 25-17-330-048-000

Market Valuation: $14,099.82

Legal Description: THE EAST 1/2 OF LOT 47 AND ALL OF LOT 48 IN BLOCK 13 IN JERNBERG'S SUBDIVISION OF BLOCKS 12 & 13 IN STREET'S SUBDIVISION OF THE EAST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 17, TOWNSHIP 37 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Lot 5
Property Address: 1190 West 110th Place, Chicago, Illinois, 60643

Property identification numbers (PINs): 25-17-414-016-000

Market Valuation: $11,204.28

Legal Description: LOT 41 IN C.E. EDWARD'S SUBDIVISION OF BLOCK 15 IN GEORGE G STREET'S SUBDIVISION OF THE WEST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 17 AND THE NORTH 20 ACRES OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 20 TOWNSHIP 37 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Exhibit B
Project Budget

	Project Budget	MBE/WBE Budget	MM Funded Improvem
Acquisition Costs	$ 5		$ 5
Hard Costs			
Site Preparation/Excavation	$ 636,000	$ 636,000	$ 636,000
Environmental Remediation	$ -	$ -	$ -
Interiors	$ 884,212	$ 884,212	$ 884,212
Building Construction	$ 1,492,168	$ 1,492,168	$ 1,492,168
Plumbing/FP	$ 433,500	$ 433,500	$ 433,500
Electrical	$ 405,000	$ 405,000	$ 405,000
HVAC	$ 345,500	$ 345,500	$ 345,500
Fire Protection	$ -	$ -	$ -
FF&E	$ -	$ -	$ -
Sewer Connections	$ 230,212	$ 230,212	$ -
Other FF&E	$ -	$ -	$ -
General Conditions	$ 323,423	$ 323,423	$ -
Construction Management Fee	$ 392,027	$ 392,027	$ -
Hard Cost Contingency	$ 473,749	$ 473,749	$ -
Total Hard Costs	**$ 5,615,791.4**	**$ 5,615,791**	**$ 4,196,380**
Soft Costs/Fees			
Architecture and Engineering	$ 42,500	$ -	$ -
Survey/Title/Appraisal	$ 41,500	$ -	$ -
Bridge Loan Interest	$ -	$ -	$ -
Construction Interest	$ 396,035	$ -	$ -
Permits	$ 45,685	$ -	$ -
Legal, Title, Closing Costs	$ 130,500	$ -	$ -
Developer Fee	$ 425,000	$ -	$ -
Other Professional Services	$ 47,500	$ -	$ -
Soft Cost Contingency	$ -	$ -	$ -
Total Soft Costs	**$ 1,128,720**	**$ -**	**$ -**
Total	**$ 6,744,516**	**$ 5,615,791**	**$ 4,196,385**

Project MBE Total at 26%	**$ 1,460,106**
Project WBE Total at 6%	**$ 336,947**

Exhibit C
Insurance Requirements

Developer shall comply, and require its General Contractor and subcontractors to comply, with the City's insurance requirements for the monitoring term. All Contractors and subcontractors are subject to the same insurance requirements of Developer unless otherwise specified in the Agreement.

Developer must furnish the Department of Planning and Development with the Certificates of Insurance, or such similar evidence, to be in force on the date of the Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the Term of the Agreement. Developer must submit evidence of insurance prior to closing. Developer shall advise all insurers of the Agreement provisions regarding insurance.

The insurance must provide for 60 days prior written notice to be given to the City in the event coverage is substantially changed, canceled, or non-renewed.

COMMERCIAL GENERAL LIABILITY INSURANCE (PRIMARY AND UMBRELLA)
Commercial General Liability Insurance or equivalent with limits of not less than $1,000,000 per occurrence for bodily injury, personal injury, and property damage liability.

Coverage must include the following: All premises and operations, products/completed operations, explosion, collapse, underground, separation of insured, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

WORKERS COMPENSATION AND EMPLOYERS LIABILITY
Workers Compensation Insurance, as prescribed by applicable law covering all employees who are to provide work under this Agreement and Employers Liability coverage with limits of not less than $500,000 each accident, illness or disease.

AUTOMOBILE LIABILITY (PRIMARY AND UMBRELLA)
When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Automobile Liability Insurance with limits of not less than $1,000,000 per occurrence for bodily injury and property damage. The City of Chicago is to be named as an additional insured on a primary, non-contributory basis.

Exhibit D
Requisition Form

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

The affiant, Socorro Vazquez, Manager of Vazquez Housing Development LLC, an Illinois limited liability company (the "Developer"), hereby certifies that with respect the Redevelopment Agreement between Developer and the City of Chicago dated _____, ____ (the "Agreement"):

A. Total expenditures for the Project, in the total amount of $_____, have been made:

B. Improvements for the Project, in the amount of $_____, have been made:

C. This paragraph C sets forth and is a true and complete statement of all costs of Improvements for the Project reimbursed by the City to date: $_____

D. Developer requests reimbursement for the following cost of Improvements:
$_____

E. None of the costs referenced in paragraphs C and D above have been previously reimbursed by the City.

G. Developer hereby certifies to the City that, as of the date hereof:

1. Except as described in the attached certificate, the representations and warranties contained in the Agreement are true and correct and Developer is in compliance with all applicable covenants contained herein.

2. No Event of Default or condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default, exists or has occurred.

All capitalized terms which are not defined herein have the meanings given such terms in the Agreement. The City shall have the right, in its discretion, to require Developer to submit further documentation as the City may require in order to verify that the matters certified to above are true and correct, and any disbursement by the City shall be subject to the City's review and approval of such documentation and its satisfaction that such certifications are true and correct; provided, however, that nothing in this sentence shall be deemed to prevent the City from relying on such certifications by Developer.

Vazquez Housing Development LLC

By: _____

Name: Socorro Vazquez

Title: Manager

Subscribed and sworn before me this _____ day of _____, 20 ____.

_____
Notary Public

My Commission Expires_____

Exhibit E
Escrow Agreement
(Not attached for City Council)

Exhibit F
Construction Compliance

AGREEMENTS WITH CONTRACTORS

1. Bid Requirement for General Contractor and Subcontractors. Prior to entering into an agreement with a General Contractor or any subcontractor for construction of the Project, Developer shall solicit, or shall cause the General Contractor to solicit, bids from qualified contractors eligible to do business with, and having an office located in, the City of Chicago, and shall submit all bids received to DPD, if requested, for its inspection and written approval. For the Improvements, Developer shall select the General Contractor (or shall cause the General Contractor to select the subcontractor) submitting the lowest responsible bid who can complete the Project in a timely manner (the "Competitive Bid Process").

Developer must comply with the Competitive Bid Process as set forth in this Section unless Developer receives a waiver from the Commissioner excepting the Developer from the Competitive Bid Process after the Commissioner personally certifies that proceeding with the Project without a Competitive Bid Process is in the best interest of the City (the "Competitive Bid Process Waiver"). Any Competitive Bid Process Waiver obtained by the Developer shall be included as an exhibit to this Agreement. Except as explicitly stated in this paragraph, all other provisions of this Section shall apply.

2. Construction Contract. Prior to the Closing Date, the Developer must provide DPD with a certified copy of the construction contract, together with any modifications, amendments or supplements thereto, and upon DPD's request, a copy of any subcontracts. Photocopies of all contracts or subcontracts entered or to be entered into in connection with the Improvements shall be provided to DPD within five (5) business days of the execution thereof.

3. Performance and Payment Bonds. Prior to the commencement of any portion of the Project which includes work on the public way, the Developer must require the General Contractor to be bonded for its 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.

4. Employment Profile. Upon DPD's request, the Developer, the General Contractor and all subcontractors must submit to DPD statements of their respective employment profiles. Developer shall contractually obligate and cause the General Contractor and each subcontractor to agree to the Construction Hiring Requirements.

5. Other Provisions. In addition to the requirements of Agreements with Contractors, the Construction Contract and each contract with any subcontractor shall contain provisions required pursuant to Section 3.06 (Change Orders), Exhibit F (Construction Hiring Requirements), and Section 8.01 (Books and Records) of this Agreement.

CONSTRUCTION HIRING REQUIREMENTS

1. Employment Opportunity. The Developer shall contractually obligate its or their various contractors, subcontractors or any Affiliate of the Developer operating on the Property

(collectively, with the Developer, the "Employers" and individually an "Employer") to agree, that for the Term of this Agreement with respect to Developer and during the period of any other party's provision of services in connection with the construction of the Project or occupation of the Property:

(a) No 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, Chapter 2-160, Section 2-160-010 et seq., Municipal Code, except as otherwise provided by said ordinance and as amended from time to time (the "Human Rights Ordinance"). Each Employer shall take affirmative action to ensure that applicants are hired and employed without discrimination 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 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. 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 Employers, in all solicitations or advertisements for employees, shall state that all qualified applicants shall receive consideration for employment without discrimination 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.

(b) To the greatest extent feasible, each Employer is required to present opportunities for training and employment of low- and moderate-income residents of the City and preferably of the Area; and to provide that contracts for work in connection with the construction of the Project be awarded to business concerns that are located in, or owned in substantial part by persons residing in, the City and preferably in the Area.

(c) Each Employer shall comply with all federal, state and local equal employment and affirmative action statutes, rules and regulations, including but not limited to the City's Human Rights Ordinance and the Illinois Human Rights Act, 775 ILCS 5/1-101 et seq. (1993), and any subsequent amendments and regulations promulgated thereto.

(d) Each Employer, in order to demonstrate compliance with the terms of this Paragraph, 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.

(e) Each Employer shall include the foregoing provisions of subparagraphs (a) through (d) in every contract entered into in connection with 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.

(f) Failure to comply with the employment obligations described in this paragraph shall be a basis for the City to pursue its remedies under the Agreement.

2. Prevailing Wage. The Developer, the General Contractor and all subcontractors must pay the prevailing wage rate as ascertained by the Illinois Department of Labor (the "Department") to all persons working on the Project. All such contracts shall list the specified rates to be paid to all laborers, workers and mechanics for each craft or type of worker or mechanic employed pursuant to such contract. If the Department revises such prevailing wage rates, the revised rates shall apply to all such contracts. Upon the City's request, the Developer shall provide the City with copies of all such contracts entered into by the Developer or the General Contractor to evidence compliance with this Prevailing Wage.

3. City Resident Construction Worker Employment Requirement. The Developer agrees for itself and its successors and assigns, and shall contractually obligate its General Contractor and shall cause the General Contractor to contractually obligate its subcontractors, as applicable, to agree, that during the construction of the Project they shall comply with the minimum percentage of total worker hours performed by actual residents of the City as specified in Section 2-92-330 of the Municipal Code of Chicago (at least 50 percent of the total worker hours worked by persons on the site of the Project shall be performed by actual residents of the City); provided, however, that in addition to complying with this percentage, the Developer, its General Contractor and each subcontractor shall be required to make good faith efforts to utilize qualified residents of the City in both unskilled and skilled labor positions.

The Developer may request a reduction or waiver of this minimum percentage level of Chicagoans as provided for in Section 2-92-330 of the Municipal Code of Chicago in accordance with standards and procedures developed by the Chief Procurement Officer of the City.

"Actual residents of the City" shall mean persons domiciled within the City. The domicile is an individual's one and only true, fixed and permanent home and principal establishment.

The Developer, the General Contractor and each subcontractor shall provide for the maintenance of adequate employee residency records to show that actual Chicago residents are employed on the Project. Each Employer shall maintain copies of personal documents supportive of every Chicago employee's actual record of residence.

Weekly certified payroll reports (U.S. Department of Labor Form WH-347 or equivalent) shall be submitted to the Commissioner of DPD in triplicate, which shall identify clearly the actual residence of every employee on each submitted certified payroll. The first time that an employee's name appears on a payroll, the date that the Employer hired the employee should be written in after the employee's name.

The Developer, the General Contractor and each subcontractor shall provide full access to their employment records to the Chief Procurement Officer, the Commissioner of DPD, the Superintendent of the Chicago Police Department, the Inspector General or any duly authorized representative of any of them. The Developer, the General Contractor and each subcontractor shall maintain all relevant personnel data and records for a period of at least three (3) years after final acceptance of the work constituting the Project.

At the direction of DPD, affidavits and other supporting documentation will be required of the Developer, the General Contractor and each subcontractor to verify or clarify an employee's actual address when doubt or lack of clarity has arisen.

Good faith efforts on the part of the Developer, the General Contractor and each subcontractor to provide utilization of actual Chicago residents (but not sufficient for the granting of a waiver request as provided for in the standards and procedures developed by the Chief Procurement Officer) shall not suffice to replace the actual, verified achievement of the requirements of this Paragraph concerning the worker hours performed by actual Chicago residents.

When work at the Project is completed, in the event that the City has determined that the Developer has failed to ensure the fulfillment of the requirement of this Paragraph concerning the worker hours performed by actual Chicago residents or failed to report in the manner as indicated above, the City will thereby be damaged in the failure to provide the benefit of demonstrable employment to Chicagoans to the degree stipulated in this Paragraph. Therefore, in such a case of non-compliance, it is agreed that 1/20 of 1 percent (0.0005) of the aggregate hard construction costs set forth in the Project budget (the product of .0005 x such aggregate hard construction costs) (as the same shall be evidenced by approved contract value for the actual contracts) shall be surrendered by the Developer to the City in payment for each percentage of shortfall toward the stipulated residency requirement. Failure to report the residency of employees entirely and correctly shall result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. The willful falsification of statements and the certification of payroll data may subject the Developer, the General Contractor and/or the subcontractors to prosecution. Any retainage to cover contract performance that may become due to the Developer pursuant to Section 2-92-250 of the Municipal Code of Chicago may be withheld by the City pending the Chief Procurement Officer's determination as to whether the Developer must surrender damages as provided in this paragraph.

Nothing herein provided shall be construed to be a limitation upon the "Notice of Requirements for Affirmative Action to Ensure Equal Employment Opportunity, Executive Order 11246" and "Standard Federal Equal Employment Opportunity, Executive Order 11246," or other affirmative action required for equal opportunity under the provisions of this Agreement or related documents.

The Developer shall cause or require the provisions of this paragraph to be included in all construction contracts and subcontracts related to the Project.

4. MBE/WBE Commitment. The Developer agrees for itself and its successors and assigns, and, if necessary to meet the requirements set forth herein, shall contractually obligate the General Contractor to agree that, during the Project:

(a) Consistent with the findings which support the Minority-Owned and Women-Owned Business Enterprise Procurement Program (the "MBE/WBE Program"), Section 2-92-420 et seq., Municipal Code of Chicago, and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, and as qualified by, the provisions of this paragraph 4, during the course of the Project, at least the following percentages of the MBE/WBE Budget attached hereto as Exhibit B (as these budgeted amounts may be reduced to reflect decreased actual costs) shall be expended for contract participation by MBEs or WBEs:

i. At least 26 percent by MBEs; and

ii. At least 6 percent by WBEs.

(b) For purposes of MBE/WBE Commitment only, the Developer (and any party to whom a contract is let by the Developer in connection with the Project) shall be deemed a "contractor" and this Agreement (and any contract let by the Developer in connection with the Project) shall be deemed a "contract" as such terms are defined in Section 2-92-420, Municipal Code of Chicago.

(c) Consistent with Section 2-92-440, Municipal Code of Chicago, the Developer's MBE/WBE commitment may be achieved in part by the Developer's status as an MBE or WBE (but only to the extent of any actual work performed on the Project by the Developer), or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of (i) the MBE or WBE participation in such joint venture or (ii) the amount of any actual work performed on the Project by the MBE or WBE), by the Developer utilizing a MBE or a WBE as a General Contractor (but only to the extent of any actual work performed on the Project by the General Contractor), by subcontracting or causing the General Contractor to subcontract a portion of the Project to one or more MBEs or WBEs, or by the purchase of materials used in the Project from one or more MBEs or WBEs, or by any combination of the foregoing. Those entities which constitute both a MBE and a WBE shall not be credited more than once with regard to the Developer's MBE/WBE commitment as described in this paragraph 4. The Developer or the General Contractor may meet all or part of this commitment through credits received pursuant to Section 2-92-530 of the Municipal Code of Chicago for the voluntary use of MBEs or WBEs in its activities and operations other than the Project.

(d) Prior to the City's issuance of a Certificate, the Developer shall provide to DPD a final report describing its efforts to achieve compliance with this MBE/WBE commitment. Such report shall include inter alia the name and business address of each MBE and WBE solicited by the Developer or the General Contractor to work on the Project, and the responses received from such solicitation, the name and business address of each MBE or WBE actually involved in the Project, a description of the work performed or products or services supplied, the date and amount of such work, product or service, and such other information as may assist DPD in determining the Developer's compliance with this MBE/WBE commitment. DPD has access to the Developer's books and records, including, without limitation, payroll records, books of account and tax returns, and records and books of account in accordance with the Agreement, on five (5) business days' notice, to allow the City to review the Developer's compliance with its commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the Project.

(e) Upon the disqualification of any MBE or WBE General Contractor or subcontractor, if such status was misrepresented by the disqualified party, the Developer shall be obligated to discharge or cause to be discharged the disqualified General Contractor or subcontractor and, if possible, identify and engage a qualified MBE or WBE as a replacement. For purposes of this Subsection (e), the disqualification procedures are further described in Section 2-92-540, Municipal Code of Chicago.

(f) Any reduction or waiver of the Developer's MBE/WBE commitment as described in this paragraph 4 shall be undertaken in accordance with Section 2-92-450, Municipal Code of Chicago.

(g) Prior to the commencement of the Project, the Developer, the General Contractor and all major subcontractors shall be required to meet with the monitoring staff of DPD with regard to the Developer's compliance with its obligations under this Exhibit F. During this meeting, the Developer shall demonstrate to DPD its plan to achieve its obligations under this Exhibit F, the sufficiency of which shall be approved by DPD. During the Project, the Developer shall, upon the request of the monitoring staff of DPD, such interim reports as the monitoring staff may require. Failure to submit such documentation on a timely basis, or a determination by DPD, upon analysis of the documentation, that the Developer is not complying with its obligations hereunder shall, upon the delivery of written notice to the Developer, be deemed an Event of Default hereunder.

Exhibit G
Intentionally Omitted

Exhibit H
FORM MORTGAGE
(Not attached for City Council)

Exhibit I
FORM OF RECONVEYANCE DEED

RECONVEYANCE -
SPECIAL WARRANTY DEED

(The Above Space for Recorder's Use Only)

THE GRANTOR, Vazquez Housing Development LLC, an Illinois limited liability company whose offices are located at 15657 S. 70th Court, Orland Park, Illinois, 60462, for and in consideration of the sum of ONE DOLLAR ($1.00), the receipt of which is hereby acknowledged, conveys and warrants to the City of Chicago (the "City"), an Illinois municipal corporation in the County of Cook and State of Illinois, having its principal offices at 121 North LaSalle Street, Chicago, Illinois 60602, the real estate situated in the County of Cook, in the State of Illinois, and described in Exhibit One attached hereto (the "Property").

Grantor acknowledges that it has executed and delivered this deed simultaneously with, and as a condition precedent to the initial conveyance of the Property to Grantor, and that the deposit of this reconveyance Special Warranty Deed, and, if necessary, its subsequent recording, is a condition established pursuant to the terms and conditions of that certain Agreement for the Sale and Redevelopment of Land dated as of _____, 20__, by and between the City and the Grantor (the "Redevelopment Agreement") and is a remedial right granted under such agreement.

TO HAVE AND TO HOLD the Property with each and all of the rights, privileges, appurtenances and immunities thereto belonging or in any wise appertaining unto the City and unto the City's successors and assigns forever, Grantor hereby covenanting that the Property is free and clear of any encumbrance done or suffered by Grantor; and that Grantor will warrant and defend the title to the Property unto the City and unto the City's successors and assigns forever, against the lawful claims and demands of all persons claiming by, under or through Grantor.

And Grantor, for itself, and its successors, does covenant, promise and agree, to and with the City, its successors and assigns, that it has not done or suffered to be done, anything whereby the Property hereby granted is, or may be, in any manner encumbered or charged, except as herein recited; and that the Property, against all persons lawfully claiming, or to claim the same, by, through or under it, it WILL WARRANT AND DEFEND, subject to: See Exhibit Two attached hereto and made a part hereof.

Dated this _____ day of _____, 20__.

_____ a(n) _____

By:_____
Name:
Its:

This instrument prepared by: _____, Assistant Corporation Counsel

MAIL DEED TO:
City of Chicago
Attn: _____, Assistant Corporation Counsel
Real Estate and Land Use Division
121 North LaSalle Street, Room 600
Chicago, Illinois 60602

THIS TRANSFER IS EXEMPT UNDER THE PROVISIONS OF THE REAL ESTATE TRANSFER TAX ACT, 35 ILCS 200/31-45(b) AND -45(e); AND SECTION 3-33-060B AND -060E OF THE MUNICIPAL CODE OF CHICAGO.

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 Socorro Vazquez, the Manager of Vazquez Housing Development LLC, an Illinois limited liability company, 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 s/he signed and delivered the foregoing instrument pursuant to authority given by said _____, as her/his free and voluntary act and as the free and voluntary act and deed of said _____, for the uses and purposes therein set forth.

GIVEN under my notarial seal this ____ day of _____, 20__.

_____
NOTARY PUBLIC

Deed Exhibit One

Legal Description of Property

Address:

PIN:

Deed Exhibit Two
Permitted Title Exceptions

[To be completed prior to recording]

General real estate taxes and any special assessments or other taxes, the Redevelopment Agreement, and any title exceptions that were on title as the closing of this Agreement.

STATEMENT BY GRANTOR AND GRANTEE

The grantor or its agent affirms that, to the best of its knowledge, the name of the grantee shown on the deed or assignment of beneficial interest in a land trust is either a natural person, an Illinois corporation or foreign corporation authorized to do business or acquire and hold title to real estate in Illinois, a partnership authorized to do business or acquire and hold title to real estate in Illinois, or other entity recognized as a person and authorized to do business or acquire title to real estate under the laws of the State of Illinois.
_____, a(n) _____

By:_____
Name: Socorro Vazquez
Its: Manager

Date: _____, 20__

Subscribed and sworn to before me this ___ day of _____, 20__

_____
Notary Public

The grantee or his agent affirms that the name of the grantee shown on the deed or assignment of beneficial interest in a land trust is either a natural person, an Illinois corporation or foreign corporation authorized to do business or acquire and hold title to real estate in Illinois, a partnership authorized to do business or acquire and hold title to real estate in Illinois, or other entity recognized as a person authorized to do business or acquire and hold title to real estate under the laws of the State of Illinois.
City of Chicago, by one of its attorneys:

Dated _____, 20__

_____
_____, Asst. Corp. Cnsl.

Subscribed and sworn to before me this ___ day of _____, 20__

_____
Notary Public

Note: Any person who knowingly submits a false statement concerning the identity of a grantee shall be guilty of a Class C misdemeanor for the first offense and of a Class A misdemeanor for subsequent offenses.

(Attach to deed or ABI to be recorded in Cook County, Illinois if exempt under provisions of Section 4 of the Illinois Real Estate Transfer Tax Act)

Exhibit J
WARRANTY OF HABITABILITY

LIMITED WARRANTY

Owner Name:
Address of Property:

Warrantor:

Warrantor's Address:

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") for the property commonly known as _____ (the "Property").

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 Property 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 preoccupancy 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 warrantied components) are warranted by their manufacturers in accordance with their individual written warranties. EXCEPT FOR THE MECHANICAL SYSTEMS, WARRANTOR MAKES NO EXPRESS WARRANTIES AS 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.

WARRANTOR HEREBY DISCLAIMS, AND OWNER 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 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 WARRANTOR

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:

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.

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 employees, 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 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.

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

OWNER(S):

Name:

Dated : _____, 20 ___
WARRANTOR:

Vazquez Housing Development LLC, an Illinois limited liability company

By: _____
Name: Socorro Vazquez
Its: Manager

Dated: _____, 20 ___

Exhibit K
Competitive Bid Process Waiver
(Not attached for City Council)