

REAL ESTATE PURCHASE AGREEMENT

THIS AGREEMENT (the "Agreement") is made and entered into this 5th day of September, 2017, by and between TLC 541 Madison, LLC ("Purchaser") and the Board of Education of Oak Park Elementary School District No. 97, Cook County, Illinois ("Seller").

WITNESSETH:

WHEREAS, Seller currently holds title to the parcel of real estate located at 541 Madison Street, Oak Park, Cook County, Illinois and legally described on Exhibit "A" attached hereto and made a part hereof (said real estate, together with all improvements, fixtures, easements, appurtenances and benefits pertaining thereto being hereinafter referred to as the "Real Estate"); and

WHEREAS, Purchaser desires to purchase the Real Estate from Seller, and Seller desires to sell the Real Estate to Purchaser, upon the terms and conditions hereinafter set forth; and

WHEREAS, pursuant to Section 5-22 of the *School Code*, Seller has the authority to transfer title of the Real Estate to Purchaser; and

WHEREAS, Seller has determined, by two-thirds of its Board of Education, that the Real Estate is unnecessary, unsuitable, or inconvenient.

NOW, THEREFORE, in consideration of the mutual covenants and promises of Seller and Purchaser, and other good and valuable consideration, the receipt and sufficiency of which are hereby expressly acknowledged, Seller and Purchaser hereby covenant and agree as follows:

1. **Sale and Purchase.** Seller agrees to sell and Purchaser agrees to purchase the Real Estate on the terms and conditions herein set forth at a price of Eight Hundred Twenty Thousand and 00/100 Dollars (\$820,000.00) ("Purchase Price"), plus or minus prorations at the time of Closing, as hereinafter defined. Upon execution of this Agreement by the parties, Purchaser shall pay \$10,000 of the Purchase Price as earnest money (hereinafter "Initial Earnest Money") to Baird & Warner as escrowee. Within five (5) business days after the expiration of the Due Diligence Period (and any extension thereof), Purchaser shall make an additional earnest money deposit equal to 5% of the Purchase Price ("Additional Earned Money Deposit"). The term "Earnest Money" shall include the Initial Earnest Money and the Additional Earnest Money Deposit. The Earnest Money shall be applied to the Purchase Price at the Closing, as defined in Paragraph 5 below. In the event that this Agreement is terminated or the transaction herein described is not consummated for a reason other than a default of the Purchaser, all such Earnest Money shall be refunded to Purchaser. Purchaser shall pay the balance of the Purchase Price, as adjusted by prorations as described in this Agreement, at the Closing by wire transfer to Chicago Title Insurance Company (the "Title Company").

2. **Conveyance.** At the Closing, Seller shall convey or cause to be conveyed to Purchaser or Purchaser's nominee by recordable Quit Claim Deed (the "Deed") the Real Estate,

subject to (a) general real estate taxes not due and payable as of the date of the Closing; (b) acts of Purchaser; (c) covenants, conditions and restrictions of record which have been approved by Purchaser and which do not impair or adversely affect the use of the Real Estate as a commercial building; and (d) all easements which do not underlie any improvements (collectively the "Permitted Exceptions"). Items which are not Permitted Exceptions specifically detailed herein shall be considered unpermitted exceptions.

3. **Survey.** Purchaser hereby acknowledges that Seller has already delivered an ALTA survey of the Real Estate to Purchaser. Seller agrees, at its sole cost, to provide to Seller no later than the date of Closing, four (4) certified copies of said ALTA survey of the Real Estate.
4. **Evidence of Title.** Purchaser hereby acknowledges that Seller has already delivered to Purchaser a title commitment issued by the Title Company and identified as commitment no. 008981794, with an effective date of August 3, 2017 (the "Title Commitment"), and Purchaser agrees that (i) title exception Z on schedule B of the Title Commitment is acceptable to Purchaser, (ii) title exception T on schedule B of the Title Commitment is acceptable to Purchaser so long as the Title Company issues encroachment endorsements over the encroachments described in exceptions T(1) and T(2) on schedule B of the Title Commitment, and (iii) title exception W on schedule B of the Title Commitment is acceptable to Purchaser so long as the Title Company waives said exception W upon Purchaser's delivery to the Title Company of copies of the certificates and organizational documents described in said exception W. Seller shall purchase an owner's title insurance policy in the amount of the Purchase Price for Purchaser at Closing free of any title exceptions other than the title exceptions described in clauses (i), (ii) and (iii) above.
5. **Closing.** The Closing of the transaction herein described (the "Closing") shall be no later than thirty (30) days after the expiration of the Due Diligence Period provided in Paragraph 12 of this Agreement, or as mutually agreed in writing by the parties, at the downtown Chicago offices of the Title Company, or at such other location as the parties hereto mutually agree. The transaction herein contemplated may, upon election of either party, be closed through an escrow with the Title Company, in accordance with the general provisions of the usual form of a Deed and Money escrow then in use by said Title Company, with such special provisions inserted in the escrow agreement as may be required to conform with this Agreement. Upon the creation of such an escrow, anything herein to the contrary notwithstanding, payment of the consideration and delivery of the Deed shall be made through the escrow and the cost of said escrow shall be divided equally between Seller and Purchaser.
6. **Delivery of Possession.** Seller shall deliver possession and control of the Real Estate to Purchaser at the time of the Closing.
7. **Closing Adjustments.** The Real Estate is exempt from real estate taxes, as such no proration for such taxes shall be made. Any stamp tax imposed by law by the State of Illinois, the County of Cook, and any municipality, on the transfer of title shall be paid in accordance with local custom or as provided by law or ordinance.

8. **TLC 541 Madison Scholarship.** Purchaser will award a scholarship to a selected student of Seller each year, for four consecutive school years after the date of Closing, for the selected student to use towards funding a college education. Said scholarship shall be in the amount of \$3,000 per year. The Parties shall mutually agree in writing on an application process for selecting the student.
9. **Covenants, Representations, and Warranties.** In order to induce Purchaser to enter into this Agreement, Seller hereby represents to Purchaser as of the date hereof and as of the date of Closing that, to the best of Seller's knowledge:
- A. **Authority of Seller.** Seller has full power and authority to execute, seal, acknowledge and deliver this Agreement, and to consummate each and all of the transactions contemplated hereby, and all requisite municipal or corporate action necessary to authorize Seller to enter into this Agreement and to carry out Seller's obligations under this Agreement has been, or at the Closing will have been, taken. Neither this Agreement nor anything required to be done under this Agreement violates or will violate any contract, agreement or instrument to which Seller is a party or which affects the Real Estate or any part thereof, and the sale, conveyance or assignment of the Real Estate contemplated under this Agreement does not require the consent of any other party which will not have been obtained.
- B. **Violation of Laws.** Seller has not received any notice relating to any violations of applicable laws, ordinances, statutes, rules, regulations, and restrictions pertaining to or affecting the Real Estate. Seller shall promptly notify Purchaser in writing (i) if Seller receives any such notices after the date of this Agreement and prior to the Closing, and (ii) whether Seller intends to comply with any such notices prior to the Closing.
- C. **Notice of Legal Proceedings.** Seller has not received any notice relating to any legal actions, suits, or other legal or administrative proceedings, including pending assessments, condemnation, eminent domain, or quiet title cases, pending or threatened, against the Real Estate.
- D. **Foreign Status of Seller.** Section 1445 of the Internal Revenue Code (the "Code") does not apply to this transaction in that Seller is not a nonresident alien, foreign corporation, foreign partnership, foreign trust or foreign estate (as those terms are defined in the Code and Income Tax Regulations). On or before the date of the Closing Seller shall provide Purchaser with an affidavit of compliance with Section 1445, as set forth in the Code and applicable Regulations. If Seller fails to provide the necessary affidavit and/or documentation of exemption on or before the date of Closing, or if Purchaser has reason to believe such affidavit is false or incorrect, Purchaser shall have the right to proceed with the withholding provisions as set forth in Section 1445 of the Code.

- E. Notice of Action. From the date hereof through the Closing, Seller shall promptly comply with and forthwith give notice to Purchaser of all notices received by Seller relating to the Real Estate given pursuant to any threatened or actual litigation or any state, city, or municipal law, ordinance, regulation, or order, and shall comply with the requirements of any authority, state, city or municipal department or other governmental entity having jurisdiction over the Real Estate or the use thereof.
- F. No Parties in Possession. There are no parties in possession of any portion of the Real Estate except Seller.
- G. Contracts. Seller has no knowledge of the existence of any contracts or any written amendments or modifications of any contracts which Purchaser, as the prospective owner of the Real Estate, will be required to assume or pay, or to which Purchaser may, as a consequence of entering into this Agreement or purchasing the Real Estate, become bound without Purchaser's express and prior written consent.
- H. Environmental. Except as disclosed in the Phase I Environmental Site Assessment of the Real Estate prepared by Ramboll Environ US Corporation dated June 2016, to Seller's knowledge, (i) no hazardous substances are or have been located on the Real Estate and there has been no discharge, disposal, release or deposit of any hazardous substance or solid waste on the Real Estate, (ii) no underground storage tanks are or have been located on the Real Estate, and (iii) the Real Estate is in compliance with all applicable federal, state and local environmental laws pertaining to the Real Estate. The terms "hazardous substance" and "release" shall have the meanings specified in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended ("CERCLA"), and the terms "solid waste" and "disposal" (or "disposed") shall have the meanings specified in the Resource Conservation and Recovery Act of 1976, as amended ("RCRA").
- I. No Mechanics' Liens. There are and will be no recorded or unrecorded mechanics' or materialmen's liens or any claims for such liens affecting the Real Estate, and as of the Closing there will be no work or materials performed or furnished affecting the Real Estate for which payment will not have previously been made. Seller will furnish Purchaser with an affidavit of title to this effect at the Closing.

10. Provisions with Respect to the Closing. At the Closing, Seller shall deliver (in addition to the Deed referred to in Paragraph 2 above) to Purchaser the following fully executed documents ("Closing Documents"):

- A. A non-foreign affidavit in accordance with Section 1445 of the Internal Revenue Code;

- B. Affidavit of Title in customary form;
- C. An ALTA statement in customary form;
- D. Closing Statement executed by the parties;
- E. Applicable Real Estate Transfer Declarations; and
- F. Bill of Sale in customary form conveying to Purchaser any personal property located on the Real Estate that is owned by Seller and that services the building located on the Real Estate (e.g. heating units on the ceiling and smoke detectors). .

11. **Conditions to Purchaser's Obligations to Close.** Purchaser shall have no obligation to consummate the transaction provided for by this Agreement (but Purchaser shall be entitled to consummate the transaction provided hereby) unless each and every one of the following conditions shall have been satisfied:

- A. This Agreement shall not have been previously terminated pursuant to any other provision hereof.
- B. Seller shall be prepared to deliver to Purchaser all instruments and documents to be delivered to Purchaser at the Closing pursuant to the terms and provisions hereof.
- C. No eminent domain or condemnation proceeding shall have been initiated which might result in the taking of any part of the Real Estate. Seller shall immediately notify Purchaser in writing of the occurrence of any eminent domain proceedings, or the receipt of a written notice stating that such an action is contemplated.
- D. There shall have been no material change in, damage to, or casualty suffered by the Real Estate. In the event of any casualty the provisions of the Uniform Vendor and Purchaser Risk Act of the State of Illinois shall be applicable to this Agreement.
- E. All of Seller's representations and warranties contained in this Agreement remain true and correct as of the Closing.
- F. Purchaser or Purchaser's lender shall have until the expiration of the Due Diligence Period (as defined in Paragraph 12 below), to object in writing to the Title Commitment provided pursuant to Paragraph 4, the survey provided pursuant to Paragraph 3, and any condition of the Real Estate, including environmental. If Purchaser or Purchaser's lender has not objected to the Title Commitment, the survey, or any condition of the Real Estate by the expiration of the Due Diligence Period, Purchaser's and Purchaser's lender's rights to object shall be waived.

12. Due Diligence – Purchaser’s Right to Terminate.

- A. Notwithstanding anything in this Agreement to the contrary, Purchaser, its agents, architects, engineers and consultants shall have sixty (60) days from the date of the last party to execute this Agreement (the “Due Diligence Period”) to conduct such reasonable tests, inspections, studies and examinations, appraisals, zoning reviews, including but not limited to Phase I and II environmental studies, as it may deem necessary or appropriate to determine the acceptability of the Real Estate for purchase by Purchaser (the “Due Diligence”), at Purchaser’s sole cost. Purchaser and its agents shall have the right to enter upon the Real Estate for the purpose of inspecting the Real Estate in accordance with this Paragraph 12, provided that the Purchaser provides at least twenty-four (24) hours’ advance notice to Seller.
- B. Purchaser understands and agrees that all such inspections and reviews shall be conducted in a manner so as to provide a minimum of disturbance to the Real Estate.
- C. If, after undertaking such efforts, Purchaser, in its sole discretion, determines it shall not proceed with the acquisition of the Real Estate, Purchaser may, by written notice to Seller given not later than the expiration of the Due Diligence Period, notify Seller of Purchaser’s inability to satisfy itself with respect to the Real Estate and its election to declare this Agreement cancelled and null and void. In such event, Purchaser shall be entitled to a refund of its Earnest Money.
- D. In the event that Purchaser does not notify Seller that Purchaser has elected to declare this Agreement cancelled and null and void in the manner and within the time period set forth in this Paragraph 12, then this Agreement shall remain in full force and effect, except that Purchaser’s option to satisfy itself as to the above matters or to declare this Agreement cancelled and null and void shall be terminated and be of no force and effect.
- E. Purchaser’s satisfaction of itself of the matters set forth in this Paragraph 12 shall be done for Purchaser’s own account and not as a representative or agent of Seller. Further, Purchaser shall indemnify and hold harmless the Board of Education of Oak Park Elementary School District No. 97, its individual Board members, employees and agents from any losses, costs, damages, reasonable attorneys’ fees and all other expenses of any nature whatsoever of which the Board of Education of Oak Park Elementary School District No. 97, its individual Board members, employees and agents may suffer, expend or incur and which arise out of, relate to, or are caused by Purchaser’s entry onto the Real Estate, provided however, that the foregoing agreement to indemnify and hold harmless shall not apply to any liability or loss arising out of or related to the negligence or willful misconduct of Seller, its agents or employees.

13. **Notices.** Any notices and communications required to be given under this Agreement shall be in writing and, except as otherwise expressly provided, shall be (i) mailed by registered or certified mail, return receipt requested, postage prepaid, (ii) personally delivered by hand against receipt therefor, or (iii) sent by nationally recognized courier such as FedEx to the parties at their respective addresses set forth below, or at such other address as any party may designate to the others by notice hereunder. All such notices shall be deemed to have been received on the date of personal delivery, or if sent by courier or mailed, on the date of receipt.

If to Seller: Board of Education of Oak Park Elementary
School District No. 97
Attn: Superintendent
260 Madison Street
Oak Park, IL 60302

With a copy to: Kerry Burnet Pipal
Hodges, Loizzi, Eisenhammer, Rodick & Kohn, LLP
3030 Salt Creek Lane, Suite 202
Arlington Heights, Illinois 60005

If to Purchaser: Michael Valente
TLC 541 Madison, LLC
625 North Oak Park Avenue
Oak Park, IL 60302

With a copy to: Mark S. Litner
Jaffe & Berlin, LLC
111 W. Washington Street, Suite 900
Chicago, IL 60602

14. **Time.** Time is of the essence of this Agreement.

15. **Default.** In the event either Party fails to comply with any term or condition of this Agreement, the non-complying party shall remedy such non-compliance within five (5) business days of written notice of such non-compliance. Should the non-compliant party fail to remedy such non-compliance as required hereunder, the non-compliant party shall be in default of this Agreement and the non-defaulting party shall be entitled to any and all legal and equitable remedies available to ensure compliance with the terms of this Agreement. The prevailing party in any action related to a default of this Agreement shall be entitled to all fees, costs, and expenses (including reasonable legal and expert witness fees) associated with any breach of this Agreement.

16. **Governing Law and Interpretation.** This Agreement shall be governed by the laws of the State of Illinois. The terms "hereby," "hereof," "hereto," "herein," "hereunder," and any similar terms shall refer to this Agreement, and the term "hereafter" shall mean after, and the term "heretofore" shall mean before, the date of this Agreement. Words of the

masculine, feminine, or neuter gender shall mean and include the correlative words of other genders, and the words importing the singular number shall mean and include the plural number and vice versa. Words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations, joint ventures, and other legal entities, including public bodies, as well as natural persons. The terms "include," "including," and similar terms shall be construed as if followed by the phrase "without being limited to."

17. **Business Days.** If the date for Closing, or performance of an obligation falls on a Saturday, Sunday, or holiday, the date shall be deferred until the first business day following such a date. This Agreement contains the entire agreement between the parties hereto relative to the sale of the Real Estate and all prior and contemporaneous understandings and agreements heretofore entered into relating to such sale are merged into this Agreement, which alone fully and completely expresses the agreement of the parties. No amendments, modifications or changes shall be binding upon a party unless set forth in a duly executed document.
18. **Broker.** Seller hereby represents to Purchaser that Seller has not had any dealings with respect to the Real Estate and this Agreement with any broker or real estate dealer other than Michael Valente, and Seller will pay a broker's commission to Michael Valente in the amount of \$20,400.00 (2.5% of the Purchase Price less \$100.00 per the listing agreement in the MLS) at Closing in connection with the transaction contemplated under this Agreement.
19. **Waiver.** Purchaser and Seller reserve the right to waive any of the conditions precedent to their respective obligations hereunder. No such waiver, and no modification, amendment, discharge or change of this Agreement, except as otherwise provided herein, shall be valid unless the same is in writing and signed by the party against whom the enforcement of such waiver, modification, amendment, discharge, or change is sought.
20. **Binding Effect and Survival.** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective managers, members, heirs, executors, administrators, legal representatives, successors, and assigns.
21. **Captions.** The captions of this Agreement are inserted for convenience of reference only and in no way define, describe or limit the scope or intent of this Agreement or any of the provisions hereof.
22. **Counterparts.** This Agreement may be executed in several counterparts, and all so executed shall constitute one agreement, binding upon all of the parties hereto, notwithstanding that all of the parties are not signatories to the original or the same counterpart; provided, however, that this Agreement shall not be binding upon any party or signatory hereto until each person or entity which is to execute this Agreement has so executed a counterpart thereof.

23. **Entire Agreement.** This Agreement represents the entire Agreement between the parties to the subject matter hereof and supersedes any prior negotiations between the parties.
24. **Amendment.** This Agreement may only be amended by the written agreement of both parties.
25. **Incorporation of Recitals.** The recitals set forth above are true and correct and are hereby incorporated into this Agreement by reference.

SIGNATURE PAGE FOLLOWS

REAL ESTATE PURCHASE AGREEMENT EXHIBIT 1

LEGAL DESCRIPTION

LOTS 1, 2, 3, 4, 5 AND 6 IN BLOCK 2 IN POWER'S RESUBDIVISION OF LOTS 1 TO 28 INCLUSIVE IN BLOCK 1 AND LOTS 1 TO 28 INCLUSIVE IN BLOCK 2 OF THE CHICAGO HERALD ADDITION TO OAK PARK IN SECTION 18, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Permanent Index Number: 16-18-204-041-0000

Common Address: 541 Madison Street, Oak Park, Illinois, 60302

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