#### UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION

UNITED STATES SECURITIES AND EXCHANGE COMMISSION,	) )
Plaintiff,	Civil Action No. 18-cv-5587
v.	) Hon. John Z. Lee
EQUITYBUILD, INC., EQUITYBUILD FINANCE, LLC, JEROME H. COHEN, and SHAUN D. COHEN,	) Magistrate Judge Young B. Kim )
Defendants.	) )

#### **EXHIBITS TO RECEIVER'S**

(1) SECOND MOTION FOR RESTORATION OF FUNDS EXPENDED FOR THE BENEFIT OF OTHER PROPERTIES; AND (2) NINTH MOTION TO CONFIRM THE SALE OF CERTAIN REAL ESTATE AND FOR THE AVOIDANCE OF CERTAIN MORTGAGES, CLAIMS, LIENS, AND ENCUMBRANCES

#### UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION

	)
UNITED STATES SECURITIES	)
AND EXCHANGE COMMISSION,	)
*	Civil Action No. 18-CV-5587
Plaintiff,	)
<b>v.</b>	)
	) Hon. John Z. Lee
EQUITYBUILD, INC.,	)
<b>EQUITYBUILD FINANCE, LLC,</b>	
JEROME H. COHEN, and	) Magistrate Judge Young B. Kim
SHAUN D. COHEN,	)
	)
Defendants.	)
	)

#### DECLARATION OF KEVIN B. DUFF IN SUPPORT OF MOTION FOR RESTORATION OF FUNDS EXPENDED FOR THE BENEFIT OF OTHER PROPERTIES

- I, Kevin B. Duff, under oath, declare and state as follows:
- 1. I am the Court's appointed Receiver in the above-captioned action.
- 2. Since being appointed in this case, I have been responsible for preserving and maintaining 116 real estate properties with approximately 1,637 units, including approximately 79 multifamily properties and 37 single family residence properties (of 1-4 units).
- 3. A primary focus of my efforts has been to preserve, maintain, and protect the properties. Many of the properties face or have faced difficult circumstances, including crumbling walls and facades, porches falling off structures, inadequate heating systems, unpaid water and electric bills, unpaid real estate taxes, deferred maintenance, onsite or nearby gang or other illegal activity, and similar significant and substantial challenges. Some of the properties had high vacancy rates, due to their location, physical state, need for repairs, or other challenges. These

challenges were made manifest by enormous management and cost burdens, attributable largely to the state in which the properties were left by the Cohens. While some of the properties generate sufficient income to cover their costs (*e.g.*, taxes, property management, repairs, utilities, etc.), many did not or do not have enough income to do so. Indeed, when the Receivership commenced, the Cohens had drained out the cash, and as part of the fraud simply left many of the properties in a compromised state, so that many properties were unable to pay and/or had not been paying their own costs.

- 4. In addition, most of the properties are low-income properties in distressed neighborhoods of Chicago, and many benefit from government-subsidized housing programs. They are occupied by hundreds of Chicago families and individuals. Had the properties been shut down, vacated, boarded up, allowed to fall into disrepair, and abandoned, significant life and safety issues would have gone unaddressed and the value of the properties would have fallen markedly.
- 5. In the first few months of the Receivership, funds were used from other performing properties to preserve and maintain underperforming properties as necessary on a portfolio basis. However, on February 13, 2019, Magistrate Judge Kim ordered that rents were to be restored, if possible, to any properties from which rent was used for the benefit of other properties to the extent funds became available. Consistent with that ruling, I have been working since then to restore rent in this fashion by direct transfers of funds to the accounts for properties owed rent restoration and by payment of expenses relating to such properties from the Receivership account. Through the motion for which this affidavit is offered, the rent restoration process can be completed.
- 6. Since Judge Kim's February 13, 2019 order, I used net sale proceeds from properties identified and understood to be unencumbered (which were sold and their sales proceeds

used consistent with the Court's orders) and other recovered funds to preserve, maintain, and improve the benefited properties until they were sold.

- 7. In that regard, I have worked with its professionals including the property managers at the various properties in the effort to preserve and maintain the properties. As expenses arose in the case of properties that did not have sufficient operating income, the respective property managers would typically communicate to me the issues and expenses that needed to be addressed (including, for example, maintenance, repairs, and improvements to address health and safety issues, City notices of Code violations, and situations where property income was insufficient to pay operating expenses such as utilities). In these situations, the property managers advised me of the amounts needed to address such issues. As a matter of practice, I routinely worked with the property managers and other professionals to limit expenses and keep them reasonable.
- 8. For purposes of this motion, there are twenty-four (24) properties that have now been sold and had received funds either from the rent proceeds of other properties or from the Receiver's account for which restoration is now sought. All of the sales of these properties were presented to, and approved by the Court for sale, and net proceeds were placed in an escrow account. They are as follows:
  - a. 6160-6212 S. Martin Luther King
  - b. 7927-49 S. Essex
  - c. 7834-44 S. Ellis
  - d. 5955-59 S. Sacramento
  - e. 6001-05 S. Sacramento
  - f. 7026-42 S. Cornell
  - g. 701-13 S. 5th Avenue

- h. 7750-58 S. Muskegon
- i. 7748-52 S. Essex
- j. 7635-43 S. East End
- k. 8047-55 S. Manistee
- 1. 7749-59 S. Yates
- m. 7450 S. Luella
- n. 7546-48 S. Saginaw
- o. 8201 S. Kingston
- p. 8326-58 S. Ellis
- q. 5450-52 S. Indiana
- r. 6437-41 S. Kenwood
- s. 7760 S. Coles
- t. 8000-02 S. Justine
- u. 8107-09 S. Ellis
- v. 8214-16 S. Ingleside
- w. 11117-39 S. Longwood
- x. 8209-13 S. Ellis
- 9. From the beginning of the Receivership through March 31, 2020, each of these properties benefited either from the rent income of other properties or from other funds in the Receiver's account. Exhibit 2 to the motion provides a summary of the costs that have been advanced to the property managers or paid by me for each of the 24 benefited properties. This summary is based on the accounting records and expense documentation for each property. The covered expenses included property management costs, real estate taxes, and insurance costs.

Property management costs included but were not limited to property management fees, unit turns, utilities (gas, electric, water), garbage service, tenant and rental services, various repairs (labor and supplies), janitorial services, landscaping services, extermination services, supervising building access to outside vendors (such as locksmiths, plumbers, electricians, glass repairmen, utility company inspectors, etc.), asset reconciliation and accounting services, posting notices, eviction-related services, and permits.

- 10. These expenses were necessary and appropriate to address the preservation, maintenance, and improvement of the benefited properties. The amounts are reflected in the monthly reports for each property prepared by the BrookWeiner accounting firm based upon monthly profit and loss reports from the property managers, schedules maintained by the Receiver of expenditures per Property, and information provided by the insurance agent (Rosenthal Brothers) used to allocate the percentage of total insurance costs to each Property on a proportionate basis. These reports are provided monthly to the institutional lenders. The most recent reports for the 24 benefited properties from which reimbursement is sought are also attached to the motion as Exhibits 3-26 to the motion.
- 11. The reports are accompanied by an e-mail which includes (with limited variation) the following analysis and discussion of the information included in the reports, their components, and the terms used:

To assist in your review of these reports, please review carefully the summary below which describes the information and computations included in the reports. The Receiver expects the information below will facilitate understanding of the report, its components, and the terms used.

The report is organized in three sections.

#### 1. NOI - Net Operating Income

a. <u>Total Operating Income</u> is from the Income Statement for the Property prepared by the property manager.

- b. <u>Total Operating Expense</u> is from the Income Statement for the Property prepared by the property manager
- c. NOI Net Operating Income (Loss) is from the Income Statement for the Property prepared by the property manager. Net Operating Income (Loss) is included in the calculation of any Remaining Rents to be Restored to each property, as described below.

#### 2. Property Expenses Paid by Receivership

- a. <u>Property Taxes</u> reflects property taxes paid directly by the Receivership for the Property for the month in which paid. (Note, however, that Property Taxes paid for a property by the property manager are included in Total Operating Expense).
- b. <u>Insurance</u> reflects the Property's proportionate share of insurance premiums and related fees paid by the Receivership. The amount attributed to each Property was calculated by (i) determining the percentage of the annual premium for all properties represented by the annual premium for the Property and (ii) multiplying the Receivership's total insurance payments for each month by that percentage.
- Insurance Reconciliation Amount. The March 2020 accounting c. reports reflect an Insurance Reconciliation Amount for each property, which reflects reallocation of insurance expenditures to take into account sale of properties in the portfolio. Insurance premium costs were paid in advance in installments by the Receiver, and were allocated to properties based on the proportion of insurable value for each property to the total insurable value of all Receivership properties. Following sale of properties, refunds of prepaid premium amounts allocable to the sold properties were applied to reduce remaining installment payments of premium costs. Refunds from the insurers were received and applied in months later than the months in which properties were sold; the Insurance Reconciliation Amount has been calculated to true-up premium allocable to each sold property before its sale, and to adjust premium allocable to other properties accordingly.
- d. <u>Funds for Property Expenses Sent to Property Manager by Receivership</u> reflects funds sent by the Receivership to the property manager to pay, or reimburse the property manager, for expenses relating to the Property.
- e. <u>Total Property Expenses Paid by the Receivership</u> is the total of items 2(a), (b), and (c) described above. This amount is included in the calculation any Remaining Rents to be Restored to each property, as described below.

f. Total Net Income (Loss) is calculated by subtracting Total Property Expenses Paid by Receivership from Net Operating Income (Loss). Total Net Income (Loss) is not included in the calculation of any Remaining Rents to be Restored.

# 3. Calculation of Amounts of Rent (if any) Required to be Restored to the Property

Note that there are some differences in reporting for properties resulting from differences in the manner in which the property managers operated the properties and maintained their accounts.

Properties managed by WPD Management ("WPD") have been operated with separate accounts for each property (or, in limited circumstances, accounts for groups or tranches of properties that relate to loans of a single lender) throughout the Receivership.

Properties managed by Paper Street Realty ("PSR") were operated through January 2019 as a portfolio. Income and expense items were recorded for each property, as reflected in the monthly financial reporting PSR distributed to lenders. Subsequent to the February 2019 Order, the PSR-managed properties began operating on a stand alone basis.

As a result of this operational difference, some of the entries on the attached reports have been calculated differently depending on which property manager managed the Property. The differences are explained below.

#### a. <u>Distributions Out</u>

- For properties managed by WPD Management ("WPD"), amounts actually distributed by WPD from the Property's account to the Receivership are reflected as Distributions Out.
- ii. For properties managed by Paper Street Realty ("PSR"), the Net Operating Income (if any) for each month from August through January 2019 is reflected as a Distribution Out for that month.

#### b. Contributions In

- i. For properties managed by WPD, no amounts appear as Contributions In. Instead, funds were sent directly by the Receivership to WPD, as necessary, and are reflected (as described above) in Funds for Property Expenses Sent to Property Manager by Receivership.
- ii. For properties managed by PSR, the Net Operating Loss (if any) for each month from August through January 2019 is reflected as a Contribution In for that month.

#### c. <u>Inter Property Transfers Out</u>

- i. For WPD properties, Inter Property Transfers Out reflects amounts transferred from the Property's account to the account of one or more other properties.
- ii. For PSR properties, no amounts appear as Inter Property Transfers Out.

#### d. <u>Inter Property Transfers In</u>

- i. For WPD properties, reflects amounts transferred into the account of the Property from the account(s) of one or more other properties.
- ii. For PSR properties, no amounts appear as Inter Property Transfers In.
- e. <u>Total Property Expenses Paid by Receivership</u> is the same amount described in 2(d), above.
- f. Rents Restored to Property by Receiver shows amounts (if any) restored to the account for the Property by the Receiver.
- g. Remaining Amount to be Restored is the amount (if any) required to be restored to the Property by the Receiver, calculated as follows:

Distributions Out
minus Contributions In
plus Inter Property Transfers Out
minus Inter Property Transfers In
minus Total Property Expenses Paid by Receivership
minus Rents Restored to Property by Receiver
equals Remaining Amount to be Restored

If the calculation above results in a negative number, the Remaining Amount to be Restored is reflected as zero.

# 4. Calculation of Cumulative Amount (if any) Reimbursable from Property

For properties to which no rent restoration is due, the final line item on the report reflects the cumulative amount that has been expended for the benefit of the property from sources other than its operating income. These sources may include Contributions In, Inter Property Transfers In, and Property Expenses Paid by Receivership, as reflected on each such report. Please see the immediately preceding section for descriptions of those entries. The Receiver intends to seek Court approval to use proceeds from the sale of these properties (a) for the purpose of rent restoration in accordance with the Court's Order of February 13, 2019, and (b) to reimburse the Receivership for any remaining reimbursable amount in excess of such rent restoration.

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Please contact me if you have any questions after you have had a chance to

review the explanation above along with the attached reports.

12. If the Court grants the motion, I will transfer: (i) \$391,830.42, or such lesser amount

that equals the total rent restoration remaining due as of the date of transfer, to the separate

accounts for those properties to which rent restoration is due; and (ii) the remainder of the

Aggregate Restoration Amount (see Motion, ¶ 7), after completion of rent restoration, to the

Receiver's account. Consistent with the Court's prior orders, these amounts transferred to the

Receiver's account would then be available to pay ongoing expenses, which is critical for the

continued operations of the Receivership as articulated in prior submissions. It is imperative that

such reimbursement be approved as quickly as possible.

/s/ Kevin B. Duff

Kevin B. Duff, Receiver

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Exhibit         Property Address         Balance of Separate Account (as of 6/30/2020)         Remaining Amount to be Restored         Reimbursable from Property (thru 3/31/2020)           Benefited Properties (owing restoration)           3         6160-6212 S. Martin Luther K         \$497,195.97         \$69,003.13           4         7927-49 S. Essex         \$718,352.32         \$76,458.12           5         7834-44 S. Ellis         \$1,665,847.45         \$35,670.13           6         5955-59 S. Sacramento         \$500,476.30         \$52,169.06           7         6001-05 S. Sacramento         \$386,137.48         \$559,612.31           8         7026-42 S. Cornell         \$968,220.55         \$103,558.90           9         701-13 S. 5th         \$525,878.00         \$71,698.81           10         7750-58 S. Muskegon         \$600,808.89         \$192,999.00           11         7748-52 S. Essex         \$1,222,500.70         \$55,082.55           12         7635-43 S. East End         \$1,124,874.28         \$80,156.49           13         8047-55 S. Manistee         \$870,456.95         \$64,708.76           14         7749-59 S. Vates         \$785,940.70         \$133,933.84           15         7450 S. Luella         \$211,381.87         \$25,504.7					
Remaining Amount to be Restored   Remaining Amount to be Restored   Restore					Cumulative Amount
Benefited Property Address   Senefited Properties (owing restoration)					
Benefited Property Address   Senefited Properties (owing restoration)			Balance of Separate Account	Remaining Amount to be	Property
Benefited Properties (owing restoration)	Exhibit	Property Address	· ·	<u> </u>	•
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5         7834-44 S. Ellis         \$1,665,847.45         \$35,670.13           6         5955-59 S. Sacramento         \$500,476.30         \$52,169.06           7         6001-05 S. Sacramento         \$386,137.48         \$59,612.33           8         7026-42 S. Cornell         \$968,220.55         \$103,558.36           9         701-13 S. 5th         \$525,878.00         \$71,698.88           10         7750-58 S. Muskegon         \$600,808.89         \$192,999.06           11         7748-52 S. Essex         \$1,222,500.70         \$55,082.55           12         7635-43 S. East End         \$1,124,874.28         \$80,156.49           13         8047-55 S. Manistee         \$870,456.95         \$64,708.76           14         7749-59 S. Yates         \$785,940.70         \$139,383.71           15         7450 S. Luella         \$211,381.87         \$25,504.73           16         7546-48 S. Saginaw         \$537,269.97         \$27,330.94           17         8201 S. Kingston         \$313,457.38         \$34,630.20           18         8326-58 S. Ellis         \$1,403,416.73         \$95,837.14           19         5450-52 S. Indiana         \$1,656,669.04         \$8,679.15           20         6437-41 S. Kenwood	4		' '		
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8       7026-42 S. Cornell       \$968,220.55       \$103,558.90         9       701-13 S. 5th       \$525,878.00       \$71,698.88         10       7750-58 S. Muskegon       \$600,808.89       \$192,999.06         11       7748-52 S. Essex       \$1,222,500.70       \$55,082.55         12       7635-43 S. East End       \$1,124,874.28       \$80,156.45         13       8047-55 S. Manistee       \$870,456.95       \$64,708.76         14       7749-59 S. Yates       \$785,940.70       \$139,383.80         15       7450 S. Luella       \$211,381.87       \$25,504.73         16       7546-48 S. Saginaw       \$537,269.97       \$27,330.94         17       8201 S. Kingston       \$313,457.38       \$34,630.20         18       8326-58 S. Ellis       \$1,403,416.73       \$95,837.14         19       5450-52 S. Indiana       \$1,656,669.04       \$8,679.15         20       6437-41 S. Kenwood       \$1,317,367.39       \$1,794.26         21       7760 S. Coles       \$188,202.38       \$67,787.76         22       8000-02 S. Justine       \$297,782.37       \$113,597.64         24       8214-16 S. Ingleside       \$267,219.19       \$62,821.55         25       11117-39 S. Longwood					
9 701-13 S. 5th \$525,878.00 \$71,698.88 10 7750-58 S. Muskegon \$600,808.89 \$192,999.06 11 7748-52 S. Essex \$1,222,500.70 \$55,082.59 12 7635-43 S. East End \$1,124,874.28 \$80,156.49 13 8047-55 S. Manistee \$870,456.95 \$64,708.76 14 7749-59 S. Yates \$785,940.70 \$139,383.80 15 7450 S. Luella \$211,381.87 \$25,504.73 16 7546-48 S. Saginaw \$537,269.97 \$27,330.94 17 8201 S. Kingston \$313,457.38 \$34,630.20 18 8326-58 S. Ellis \$1,403,416.73 \$95,837.14 19 5450-52 S. Indiana \$1,656,669.04 \$8,679.12 20 6437-41 S. Kenwood \$1,317,367.39 \$57,877.62 21 7760 S. Coles \$188,202.38 \$67,787.76 22 8000-02 S. Justine \$297,782.37 \$113,597.66 23 8107-09 S. Ellis \$1,216,429.65 \$20,481.98	8	7026-42 S. Cornell			· · ·
10   7750-58 S. Muskegon   \$600,808.89   \$192,999.06     11   7748-52 S. Essex   \$1,222,500.70   \$55,082.55     12   7635-43 S. East End   \$1,124,874.28   \$80,156.45     13   8047-55 S. Manistee   \$870,456.95   \$64,708.76     14   7749-59 S. Yates   \$785,940.70   \$139,383.80     15   7450 S. Luella   \$211,381.87   \$25,504.73     16   7546-48 S. Saginaw   \$537,269.97   \$27,330.94     17   8201 S. Kingston   \$313,457.38   \$34,630.20     18   8326-58 S. Ellis   \$1,403,416.73   \$95,837.14     19   \$450-52 S. Indiana   \$1,656,669.04   \$8,679.15     20   6437-41 S. Kenwood   \$1,317,367.39   \$1,794.20     21   7760 S. Coles   \$188,202.38   \$67,787.76     22   8000-02 S. Justine   \$297,782.37   \$113,597.64     23   8107-09 S. Ellis   \$175,605.67   \$80,850.18     24   8214-16 S. Ingleside   \$267,219.19   \$62,821.55     25   11117-39 S. Longwood   \$1,599,854.81   \$12,684.43     26   8209-13 S. Ellis   \$308,848.22   \$55,846.86     Properties due rent restoration     5001-05 S. Drexel   \$2,664,509.30   \$50,975.22     7625-33 S. East End   \$1,216,429.65   \$20,481.98	9	701-13 S. 5th			·
11       7748-52 S. Essex       \$1,222,500.70       \$55,082.55         12       7635-43 S. East End       \$1,124,874.28       \$80,156.49         13       8047-55 S. Manistee       \$870,456.95       \$64,708.76         14       7749-59 S. Yates       \$785,940.70       \$139,383.80         15       7450 S. Luella       \$211,381.87       \$25,504.73         16       7546-48 S. Saginaw       \$537,269.97       \$27,330.94         17       8201 S. Kingston       \$313,457.38       \$34,630.20         18       8326-58 S. Ellis       \$1,403,416.73       \$95,837.14         19       5450-52 S. Indiana       \$1,656,669.04       \$8,679.15         20       6437-41 S. Kenwood       \$1,317,367.39       \$1,794.26         21       7760 S. Coles       \$188,202.38       \$67,787.76         22       8000-02 S. Justine       \$297,782.37       \$113,597.64         23       8107-09 S. Ellis       \$175,605.67       \$80,850.18         24       8214-16 S. Ingleside       \$267,219.19       \$62,821.55         25       11117-39 S. Longwood       \$1,599,854.81       \$12,684.43         26       8209-13 S. Ellis       \$308,848.22       \$55,846.86         Properties due rent re	10				\$192,999.06
12       7635-43 S. East End       \$1,124,874.28       \$80,156.49         13       8047-55 S. Manistee       \$870,456.95       \$64,708.76         14       7749-59 S. Yates       \$785,940.70       \$139,383.80         15       7450 S. Luella       \$211,381.87       \$25,504.73         16       7546-48 S. Saginaw       \$537,269.97       \$27,330.94         17       8201 S. Kingston       \$313,457.38       \$34,630.20         18       8326-58 S. Ellis       \$1,403,416.73       \$95,837.14         19       5450-52 S. Indiana       \$1,656,669.04       \$8,679.15         20       6437-41 S. Kenwood       \$1,317,367.39       \$1,794.26         21       7760 S. Coles       \$188,202.38       \$67,787.76         22       8000-02 S. Justine       \$297,782.37       \$113,597.64         23       8107-09 S. Ellis       \$175,605.67       \$80,850.18         24       8214-16 S. Ingleside       \$267,219.19       \$62,821.55         25       11117-39 S. Longwood       \$1,599,854.81       \$12,684.43         26       8209-13 S. Ellis       \$308,848.22       \$55,846.86         Properties due rent restoration         Froperties due rent restoration         50	11	<u> </u>			\$55,082.59
13       8047-55 S. Manistee       \$870,456.95       \$64,708.76         14       7749-59 S. Yates       \$785,940.70       \$139,383.86         15       7450 S. Luella       \$211,381.87       \$25,504.73         16       7546-48 S. Saginaw       \$537,269.97       \$27,330.94         17       8201 S. Kingston       \$313,457.38       \$34,630.20         18       8326-58 S. Ellis       \$1,403,416.73       \$95,837.14         19       5450-52 S. Indiana       \$1,656,669.04       \$8,679.15         20       6437-41 S. Kenwood       \$1,317,367.39       \$1,794.26         21       7760 S. Coles       \$188,202.38       \$67,787.76         22       8000-02 S. Justine       \$297,782.37       \$113,597.64         23       8107-09 S. Ellis       \$175,605.67       \$80,850.18         24       8214-16 S. Ingleside       \$267,219.19       \$62,821.55         25       11117-39 S. Longwood       \$1,599,854.81       \$12,684.43         26       8209-13 S. Ellis       \$308,848.22       \$55,846.86         Properties due rent restoration         5001-05 S. Drexel       \$2,664,509.30       \$50,975.22       \$55,846.86         Properties due rent restoration	12	7635-43 S. East End			\$80,156.49
14       7749-59 S. Yates       \$785,940.70       \$139,383.80         15       7450 S. Luella       \$211,381.87       \$25,504.73         16       7546-48 S. Saginaw       \$537,269.97       \$27,330.94         17       8201 S. Kingston       \$313,457.38       \$34,630.20         18       8326-58 S. Ellis       \$1,403,416.73       \$95,837.14         19       5450-52 S. Indiana       \$1,656,669.04       \$8,679.15         20       6437-41 S. Kenwood       \$1,317,367.39       \$1,794.26         21       7760 S. Coles       \$188,202.38       \$67,787.76         22       8000-02 S. Justine       \$297,782.37       \$113,597.64         23       8107-09 S. Ellis       \$175,605.67       \$80,850.18         24       8214-16 S. Ingleside       \$267,219.19       \$62,821.55         25       11117-39 S. Longwood       \$1,599,854.81       \$12,684.43         26       8209-13 S. Ellis       \$308,848.22       \$55,846.86         Properties due rent restoration         5001-05 S. Drexel       \$2,664,509.30       \$50,975.22         7625-33 S. East End       \$1,216,429.65       \$20,481.98	13	8047-55 S. Manistee			\$64,708.76
16       7546-48 S. Saginaw       \$537,269.97       \$27,330.94         17       8201 S. Kingston       \$313,457.38       \$34,630.20         18       8326-58 S. Ellis       \$1,403,416.73       \$95,837.14         19       5450-52 S. Indiana       \$1,656,669.04       \$8,679.15         20       6437-41 S. Kenwood       \$1,317,367.39       \$1,794.26         21       7760 S. Coles       \$188,202.38       \$67,787.76         22       8000-02 S. Justine       \$297,782.37       \$113,597.64         23       8107-09 S. Ellis       \$175,605.67       \$80,850.18         24       8214-16 S. Ingleside       \$267,219.19       \$62,821.55         25       11117-39 S. Longwood       \$1,599,854.81       \$12,684.43         26       8209-13 S. Ellis       \$308,848.22       \$55,846.86         Properties due rent restoration         5001-05 S. Drexel       \$2,664,509.30       \$50,975.22         7625-33 S. East End       \$1,216,429.65       \$20,481.98	14	7749-59 S. Yates			\$139,383.80
17       8201 S. Kingston       \$313,457.38       \$34,630.20         18       8326-58 S. Ellis       \$1,403,416.73       \$95,837.14         19       5450-52 S. Indiana       \$1,656,669.04       \$8,679.15         20       6437-41 S. Kenwood       \$1,317,367.39       \$1,794.26         21       7760 S. Coles       \$188,202.38       \$67,787.76         22       8000-02 S. Justine       \$297,782.37       \$113,597.64         23       8107-09 S. Ellis       \$175,605.67       \$80,850.18         24       8214-16 S. Ingleside       \$267,219.19       \$62,821.55         25       11117-39 S. Longwood       \$1,599,854.81       \$12,684.43         26       8209-13 S. Ellis       \$308,848.22       \$55,846.86         Properties due rent restoration         5001-05 S. Drexel       \$2,664,509.30       \$50,975.22         7625-33 S. East End       \$1,216,429.65       \$20,481.98	15	7450 S. Luella	\$211,381.87		\$25,504.73
18       8326-58 S. Ellis       \$1,403,416.73       \$95,837.14         19       5450-52 S. Indiana       \$1,656,669.04       \$8,679.15         20       6437-41 S. Kenwood       \$1,317,367.39       \$1,794.26         21       7760 S. Coles       \$188,202.38       \$67,787.76         22       8000-02 S. Justine       \$297,782.37       \$113,597.64         23       8107-09 S. Ellis       \$175,605.67       \$80,850.18         24       8214-16 S. Ingleside       \$267,219.19       \$62,821.59         25       11117-39 S. Longwood       \$1,599,854.81       \$12,684.43         26       8209-13 S. Ellis       \$308,848.22       \$55,846.86         Properties due rent restoration         5001-05 S. Drexel       \$2,664,509.30       \$50,975.22         7625-33 S. East End       \$1,216,429.65       \$20,481.98	16	7546-48 S. Saginaw	\$537,269.97		\$27,330.94
19	17	8201 S. Kingston	\$313,457.38		\$34,630.20
20       6437-41 S. Kenwood       \$1,317,367.39       \$1,794.26         21       7760 S. Coles       \$188,202.38       \$67,787.76         22       8000-02 S. Justine       \$297,782.37       \$113,597.64         23       8107-09 S. Ellis       \$175,605.67       \$80,850.18         24       8214-16 S. Ingleside       \$267,219.19       \$62,821.55         25       11117-39 S. Longwood       \$1,599,854.81       \$12,684.43         26       8209-13 S. Ellis       \$308,848.22       \$55,846.86         Properties due rent restoration         5001-05 S. Drexel       \$2,664,509.30       \$50,975.22         7625-33 S. East End       \$1,216,429.65       \$20,481.98	18	8326-58 S. Ellis	\$1,403,416.73		\$95,837.14
21       7760 S. Coles       \$188,202.38       \$67,787.76         22       8000-02 S. Justine       \$297,782.37       \$113,597.64         23       8107-09 S. Ellis       \$175,605.67       \$80,850.18         24       8214-16 S. Ingleside       \$267,219.19       \$62,821.55         25       11117-39 S. Longwood       \$1,599,854.81       \$12,684.43         26       8209-13 S. Ellis       \$308,848.22       \$55,846.86         Properties due rent restoration         5001-05 S. Drexel       \$2,664,509.30       \$50,975.22         7625-33 S. East End       \$1,216,429.65       \$20,481.98	19	5450-52 S. Indiana	\$1,656,669.04		\$8,679.15
22       8000-02 S. Justine       \$297,782.37       \$113,597.64         23       8107-09 S. Ellis       \$175,605.67       \$80,850.18         24       8214-16 S. Ingleside       \$267,219.19       \$62,821.55         25       11117-39 S. Longwood       \$1,599,854.81       \$12,684.43         26       8209-13 S. Ellis       \$308,848.22       \$55,846.86         Properties due rent restoration         5001-05 S. Drexel       \$2,664,509.30       \$50,975.22         7625-33 S. East End       \$1,216,429.65       \$20,481.98	20	6437-41 S. Kenwood	\$1,317,367.39		\$1,794.26
23       8107-09 S. Ellis       \$175,605.67       \$80,850.18         24       8214-16 S. Ingleside       \$267,219.19       \$62,821.59         25       11117-39 S. Longwood       \$1,599,854.81       \$12,684.43         26       8209-13 S. Ellis       \$308,848.22       \$55,846.86         Properties due rent restoration         5001-05 S. Drexel       \$2,664,509.30       \$50,975.22         7625-33 S. East End       \$1,216,429.65       \$20,481.98	21	7760 S. Coles	\$188,202.38		\$67,787.76
24       8214-16 S. Ingleside       \$267,219.19       \$62,821.55         25       11117-39 S. Longwood       \$1,599,854.81       \$12,684.43         26       8209-13 S. Ellis       \$308,848.22       \$55,846.86         Properties due rent restoration         5001-05 S. Drexel       \$2,664,509.30       \$50,975.22         7625-33 S. East End       \$1,216,429.65       \$20,481.98	22	8000-02 S. Justine	\$297,782.37		\$113,597.64
25       11117-39 S. Longwood       \$1,599,854.81       \$12,684.43         26       8209-13 S. Ellis       \$308,848.22       \$55,846.86         Properties due rent restoration         5001-05 S. Drexel       \$2,664,509.30       \$50,975.22         7625-33 S. East End       \$1,216,429.65       \$20,481.98	23	8107-09 S. Ellis	\$175,605.67		\$80,850.18
25       11117-39 S. Longwood       \$1,599,854.81       \$12,684.43         26       8209-13 S. Ellis       \$308,848.22       \$55,846.86         Properties due rent restoration         5001-05 S. Drexel       \$2,664,509.30       \$50,975.22         7625-33 S. East End       \$1,216,429.65       \$20,481.98	24	8214-16 S. Ingleside	\$267,219.19		\$62,821.55
26     8209-13 S. Ellis     \$308,848.22     \$55,846.86       Properties due rent restoration       5001-05 S. Drexel     \$2,664,509.30     \$50,975.22       7625-33 S. East End     \$1,216,429.65     \$20,481.98	25		\$1,599,854.81		\$12,684.43
5001-05 S. Drexel       \$2,664,509.30       \$50,975.22         7625-33 S. East End       \$1,216,429.65       \$20,481.98	26	1	\$308,848.22		\$55,846.86
7625-33 S. East End \$1,216,429.65 \$20,481.98			Properties due rent resto	ration	
		5001-05 S. Drexel	\$2,664,509.30	\$50,975.22	
6749-57 S. Merrill \$1,384,945.92 \$11,426.32		7625-33 S. East End	\$1,216,429.65	\$20,481.98	
		6749-57 S. Merrill	\$1,384,945.92	\$11,426.32	

4520-26 S. Drexel	\$5,815,756.49	\$60,392.70	
4533-37 S. Calumet		\$450.83	
1017 W. 102nd		\$4,493.30	
1516 E. 85th		\$2,901.81	
417 Oglesby		\$369.72	
7922 S. Luella		\$200.54	
7925 S. Kingston		\$2,054.72	
8030 S. Marquette		\$1,413.17	
8104 S. Kingston		\$2,646.02	
8403 S. Aberdeen		\$2,353.01	
8405 S. Marquette		\$1,944.48	
8529 S. Rhodes		\$935.07	
9212 S. Parnell		\$2,460.11	
10012 S. LaSalle		\$2,023.57	
11318 S. Church		\$1,159.21	
6554 S. Rhodes		\$1,086.01	
6825 S. Indiana		\$1,053.41	
7210 S. Vernon		\$224.08	
7712 S. Euclid		\$1,641.15	
8107 S. Kingston		\$367.31	
8346 S. Constance		\$1,470.86	
8432 S. Essex		\$393.26	
8517 S. Vernon		\$1,173.70	
2129 W. 71st		\$1,002.02	
9610 S. Woodlawn		\$2,328.96	
1401 W. 109th		\$2,367.16	
1139-41 E. 79th		\$3,703.56	
4611-17 S. Drexel		\$43,791.07	
6217-27 S. Dorchester		\$12,818.05	
6250 S. Mozart		\$19,656.89	
7255-57 S. Euclid		\$26,407.98	
7024-32 S. Paxton		\$45,127.06	
4317-19 S. Michigan		\$3,676.88	
7701-03 S. Essex		\$4,768.17	

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816-20 E. Marquette		\$5,080.56	
1422-24 E. 68th		\$1,822.00	
2800-06 E. 81st		\$5,397.56	
4750-52 S. Indiana		\$13,124.25	
5618-20 S. Martin Luther King		\$15,908.48	
7840-42 S. Yates		\$8,758.21	
TOTALS	\$29,225,405.97	\$391,830.42	\$1,587,866.14

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Receiver's Property Report													
6160-6212 S Martin Luther King Dr													
	19-Apr	19-May	19-Jun	19-Jul	19-Aug	19-Sep	19-Oct	19-Nov	19-Dec	20-Jan	20-Feb	20-Mar	Total
		TO May											
Total Operating Income	(2,875.00)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18,402.09
Total Operating Expense	29,981.87	(15,755.00)	0.00	0.00	23.15	35.16	0.00	0.00	78.75	0.00	0.00	0.00	100,626.22
NOI - Net Operating Income (Loss)	(32,856.87)	15,755.00	0.00	0.00	(23.15)	(35.16)	0.00	0.00	(78.75)	0.00	0.00	0.00	(82,224.13)
Property Expenses Paid by Receivership													
Property Taxes													0.00
Insurance													9,083.05
		(==										(== . =)	
Reimbursment for Water Bill from Closing Statement Payment of Final Water Bill		<b>(75,136.24)</b> 75,136.24										(79.62)	<b>(75,215.86)</b> <b>75,136.24</b>
Funds for Property Expenses Sent to Property Manager by Receivership from Sale Proceeds	60,000.00												60,000.00
													·
Total Property Expenses Paid by Receivership	60,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(79.62)	69,003.43
Total Net Income (Loss)	(92,856.87)	15,755.00	0.00	0.00	(23.15)	(35.16)	0.00	0.00	(78.75)	0.00	0.00	79.62	(151,227.56)
Distributions Out													0.00
Contributions In													54,102.21
Inter Property Transfers Out Inter Property Transfers In													0.00
inter Froperty Franciers III													0.00
Total Property Expenses Paid by Receivership													69,003.43
Rents Restored to Property by Receiver													0.00
Remaining Amount to be Restored													0.00
Cumulative Amount Reimbursable from Property													123,105.64
	Sold 4/30/19												
Amounts Reimbursed from Property													54,102.51
Remaining Reimbursable Amount													69,003.13

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Receiver's Property Report													
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7927-49 S Essex													
	19-Apr	19-May	19-Jun	19-Jul	19-Aug	19-Sep	19-Oct	19-Nov	19-Dec	20-Jan	20-Feb	20-Mar	Total
Total Operating Income	53,148.53	3,226.00	1,392.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	130,041.96
Total Operating Internet	00,110.00	0,220.00	1,072.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	100,011.70
Total Operating Expense	32,727.31	2,460.88	(154.08)	1,113.04	105.12	101.28	0.00	0.00	(61.78)	44.03	0.00	0.00	131,152.10
NOI - Net Operating Income (Loss)	20,421.22	765.12	1,546.08	(1,113.04)	(105.12)	(101.28)	0.00	0.00	61.78	(44.03)	0.00	0.00	(1,110.14)
Property Expenses Paid by Receivership													
December Torres													0.00
Property Taxes Insurance													7,729.86
insurance													1,127.00
Funds for Property Expenses Sent to Property Manager													
by Receivership	16,372.62						122.25					(128.51)	22,366.36
Total Property Expenses Paid by Receivership	16,372.62	0.00	0.00	0.00	0.00	0.00	122.25	0.00	0.00	0.00	0.00	(128.51)	30,096.22
Total Net Income (Loss)	4,048.60	765.12	1,546.08	(1,113.04)	(105.12)	(101.28)	(122.25)	0.00	61.78	(44.03)	0.00	128.51	(31,206.36)
Total Net Income (Loss)	4,046.00	700.12	1,340.06	(1,113.04)	(105.12)	(101.20)	(122.20)	0.00	01./0	(44.03)	0.00	120.01	(31,200.30)
Distributions Out													(1,966.53)
Contributions In	30,000.00												48,328.43
Inter Property Transfers Out													0.00
Inter Property Transfers In													0.00
Total Property Expenses Paid by Receivership													30,096.22
Don't Don't and the Done at the Done in the													0.00
Rents Restored to Property by Receiver		Sold 5/1/19											0.00
Remaining Amount to be Restored		JUIU 3/ 1/ 19											0.00
itemaning Anount to be itestored													0.00
Cumulative Amount Reimbursable from Property													76,458.12

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Receiver's Property Report													
7834-44 S. Ellis Ave													
	Apr-19	May-19	Jun-19	Jul-19	19-Aug	19-Sep	19-Oct	19-Nov	19-Dec	20-Jan	20-Feb	20-Mar	Total
Total Operating Income	13,949.00	12,981.00	11,986.00	14,133.00	12,323.00	9,209.00	9,496.00	8,189.00	0.00	0.00	0.00	0.00	214,023.00
Total Operating Expense	9,951.24	6,357.55	11,507.55	49,222.01	13,935.72	12,311.58	13,394.05	5,700.61	0.00	0.00	0.00	0.00	233,480.75
NOI - Net Operating Income (Loss)	3,997.76	6,623.45	478.45	(35,089.01)	(1,612.72)	(3,102.58)	(3,898.05)	2,488.39	0.00	0.00	0.00	0.00	(19,457.75)
Property Expenses Paid by Receivership													
Property Taxes	18,243.46												18,243.46
Insurance	.,	5,522.10	678.59	989.81	989.81	989.81	989.81	989.81	989.81	1,874.60			22,219.79
Insurance Reconciliation Amount												(3,722.25)	(3,722.25)
Funds for Property Expenses Sent to Property Manager by Receivership								5,000.00					6,000.00
Total Property Expenses Paid by Receivership	18,243.46	5,522.10	678.59	989.81	989.81	989.81	989.81	5,989.81	989.81	1,874.60	0.00	(3,722.25)	42,741.00
Total Net Income (Loss)	(14,245.70)	1,101.35	(200.14)	(36,078.82)	(2,602.53)	(4,092.39)	(4,887.86)	(3,501.42)	(989.81)	(1,874.60)	0.00	3,722.25	(62,198.75)
Distributions Out													(7,070.87)
Contributions In													0.00
Inter Property Transfers Out Inter Property Transfers In													0.00
inter Property Transfers in													0.00
Total Property Expenses Paid by Receivership													42,741.00
Rents Restored to Property by Receiver								Cold 11/4/10					0.00
Remaining Amount to be Restored								Sold 11/4/19					0.00
Cumulative Amount Reimbursable from Property													35,670.13

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Receiver's Property Report													
5955-59 S. Sacramento / 2948-56 W. 60th St.													
	19-Apr	19-May	19-Jun	19-Jul	19-Aug	19-Sep	19-Oct	19-Nov	19-Dec	20-Jan	20-Feb	20-Mar	Total
Total Operating Income	22,203.80	2,610.00	1,050.00	2,410.00	2,820.00	1,828.00	2,438.00	775.00	0.00	0.00	0.00	0.00	73,228.07
Total Operating Expense	10,580.71	(167.08)	7,760.56	3,967.29	2,839.38	1,350.70	5,981.35	2,817.30	8.26	1,890.67	120.24	0.00	71,383.37
NOI - Net Operating Income (Loss)	11,623.09	2,777.08	(6,710.56)	(1,557.29)	(19.38)	477.30	(3,543.35)	(2,042.30)	(8.26)	(1,890.67)	(120.24)	0.00	1,844.70
, , ,	·				, ,				, ,				
Property Expenses Paid by Receivership													
Property Taxes	16,537.68												16,537.68
Insurance		2,447.64	300.78	438.73	438.73	438.73	438.73	438.73	438.73	830.91			9,848.82
Insurance Reconciliation Amount												(1,634.25)	(1,634.25)
Funds for Property Expenses Sent to Property Manager by Receivership	18,433.80		2,172.67		1,025.53	2,571.53	18.79			1,496.22			25,718.54
Total Property Expenses Paid by Receivership	34.971.48	2,447.64	2,473.45	438.73	1.464.26	3.010.26	457.52	438.73	438.73	2.327.13	0.00	(1,634.25)	50,470.79
	5 1,11111				1,101120	272.23.23						(1,001.20)	
Total Net Income (Loss)	(23,348.39)	329.44	(9,184.01)	(1,996.02)	(1,483.64)	(2,532.96)	(4,000.87)	(2,481.03)	(446.99)	(4,217.80)	(120.24)	1,634.25	(48,626.09)
Distributions Out													(19,849.67)
Contributions In													21,547.94
Inter Property Transfers Out													0.00
Inter Property Transfers In													0.00
Rents restored to Property by Receiver													50,470.79
Rents Restored to Property by Receiver								0.1144555					0.00
Remaining Amout to be Restored								Sold 11/5/19					0.00
Cumulative Amount Reimbursable from Property													52,169.06

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Receiver's Property Report													
0004 05 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0													
6001 - 05 S. Sacramento / 2945-51 W. 60th St.													
	19-Apr	19-May	19-Jun	19-Jul	19-Aug	19-Sep	19-Oct	19-Nov	19-Dec	20-Jan	20-Feb	20-Mar	Total
	19-Api	13-Way	19-3411	13-341	13-Aug	13-3ер	19-001	13-1404	13-Dec	20-3411	20-1 65	20-IVIAI	Total
Total Operating Income	12,117.25	4,049.00	4,347.00	2,711.00	3,047.00	2,372.00	3,047.00	3,047.00	879.00	(879.00)	0.00	0.00	61,206.25
Total Operating Expense	6,923.93	2,734.44	8,306.97	3,974.20	3,235.84	1,619.31	2,914.72	2,635.03	11.93	491.39	(246.42)	0.00	65,521.87
NOI - Net Operating Income (Loss)	5,193.32	1,314.56	(3,959.97)	(1,263.20)	(188.84)	752.69	132.28	411.97	867.07	(1,370.39)	246.42	0.00	(4,315.62)
Property Expenses Paid by Receivership													
Property Taxes													18,311.70
Insurance		1,832.41	225.18	328.45	328.45	328.45	328.45	328.45	328.45	622.05			7,373.23
Insurance Reconciliation Amount												(1,224.41)	(1,224.41)
Funds for Property Expenses Sent to Property Manager by Receivership	8,783.25		11,021.25			2,193.87							21,998.37
Total Property Expenses Paid by Receivership	8,783.25	1,832.41	11,246.43	328.45	328.45	2,522.32	328.45	328.45	328.45	622.05	0.00	(1,224.41)	46,458.89
Total Net Income (Loss)	(3,589.93)	(517.85)	(15,206.40)	(1,591.65)	(517.29)	(1,769.63)	(196.17)	83.52	538.62	(1,992.44)	246.42	1,224.41	(50,774.51)
Distributions Out													(2,512.51)
Contributions In													15,666.00
Inter Property Transfers Out													0.00
Inter Property Transfers In													0.00
Total Property Expenses Paid by Receivership													46,458.89
Rents Restored to Property by Receiver								Cold 11/E/10					0.00
Remaining Amount to be Restored								Sold 11/5/19					0.00
Cumulative Amount Reimbursable from Property													59,612.38

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Receiver's Property Report													
7026-42S Cornell													
	19-Apr	19-May	19-Jun	19-Jul	19-Aug	19-Sep	19-Oct	19-Nov	19-Dec	20-Jan	20-Feb	20-Mar	Total
Total Operating Income	31,085.91	9,583.90	12,449.00	10,114.00	10,865.35	15,160.00	11,371.00	6,177.58	0.00	(225.00)	0.00	0.00	199,540.91
Total Operating Expense	21,620.20	6,930.92	13,232.14	22,674.92	11,972.39	10,889.69	9,141.56	5,555.48	1,396.00	254.54	(4.08)	0.00	225,977.20
NOI - Net Operating Income (Loss)	9,465.71	2,652.98	(783.14)	(12,560.92)	(1,107.04)	4,270.31	2,229.44	622.10	(1,396.00)	(479.54)	4.08	0.00	(26,436.29)
Property Expenses Paid by Receivership													
Property Taxes													13,622.68
Insurance Insurance Reconciliation Amount		2,130.73	261.84	381.92	381.92	381.92	381.92	381.92	381.92	723.33		(1,410.79)	8,573.60 (1,410.79)
Funds for Property Expenses Sent to Property Manager by Receivership	21,545.91	240.00	6,590.98			15,979.95							44,356.84
Total Property Expenses Paid by Receivership	21,545.91	2,370.73	6,852.82	381.92	381.92	16,361.87	381.92	381.92	381.92	723.33	0.00	(1,410.79)	65,142.33
Total Net Income (Loss)	(12,080.20)	282.25	(7,635.96)	(12,942.84)	(1,488.96)	(12,091.56)	1,847.52	240.18	(1,777.92)	(1,202.87)	4.08	1,410.79	(91,578.62)
Distributions Out													(7,162.65)
Contributions In													45,579.22
Inter Property Transfers Out Inter Property Transfers In													0.00
Total Property Expenses Paid by Receivership													65,142.33
Rents Restored to Property by Receiver								1-1 11 1/ /10					0.00
Remaining Amount to be Restored								sold 11/6/19					0.00
Cumulative Amount Reimbursable from Property													103,558.90

# Case: 1:18-cv-05587 Document #: 749-1 Filed: 07/24/20 Page 29 of 288 PageID #:15814

Receiver's Property Report													
414 Walnut/701 S 5th St.													
	19-Apr	19-May	19-Jun	19-Jul	19-Aug	19-Sep	19-Oct	19-Nov	19-Dec	20-Jan	20-Feb	20-Mar	Total
Total Operating Income	16,175.00	17,012.00	14,407.00	19,064.32	16,433.00	14,007.60	19,750.37	16,674.00	13,826.00	17,756.00	16,333.00	13,916.00	332,116.96
Total Operating Expense	37,190.22	6,941.66	5,656.58	7,093.14	6,710.98	9,022.83	56,533.18	7,087.06	10,371.51	12,495.79	23,552.60	13,877.67	300,265.09
NOI - Net Operating Income (Loss)	(21,015.22)	10,070.34	8,750.42	11,971.18	9,722.02	4,984.77	(36,782.81)	9,586.94	3,454.49	5,260.21	(7,219.60)	38.33	31,851.87
Property Expenses Paid by Receivership													
Property Taxes	72.018.73												72,018.73
Insurance	72,010.73	3,488.77	428.72	625.35	625.35	625.35	625.35	625.35	625.35	1,184.34		408.74	14,446.84
Insurance Reconciliation Amount										,		427.54	427.54
Village of Maywood Inspection							900.00	1,600.00					2,500.00
Total Property Expenses Paid by Receivership	72,018.73	3,488.77	428.72	625.35	625.35	625.35	1,525.35	2,225.35	625.35	1,184.34	0.00	836.28	89,393.11
Total Net Income (Loss)	(93,033.95)	6,581.57	8,321.70	11,345.83	9,096.67	4,359.42	(38,308.16)	7,361.59	2,829.14	4,075.87	(7,219.60)	(797.95)	(57,541.24)
Distributions Out													(31,429.58)
Contributions In													13,735.35
Inter Property Transfers Out													0.00
Inter Property Transfers In													0.00
Total Property Expenses Paid by Receivership													89,393.11
Rents Restored to Property by Receiver												C-14 2/24/22	0.00
Remaining Amount to be Restored												Sold 3/31/20	0.00
Cumulative Amount Reimbursable from Property													71,698.88

### Case: 1:18-cv-05587 Document #: 749-1 Filed: 07/24/20 Page 31 of 288 PageID #:15816

Receiver's Property Report														
7750-58 S. Muskegon/ 2818-36 E. 78th Street														
7750-56 S. Muskegoti/ 2616-56 E. 76til Street														
	Mar-19	Apr-19	May-19	Jun-19	Jul-19	19-Aug	19-Sep	19-Oct	19-Nov	19-Dec	20-Jan	20-Feb	20-Mar	Total
		•												
Total Operating Income	4,778.00	4,684.00	5,680.00	6,542.00	3,634.50	6,649.50	5,353.00	3,898.00	3,304.00	4,064.00	0.00	0.00	0.00	114,110.50
Total Operating Expense	12,275.69	8,387.24	41,428.55	16,623.37	10,303.82	20,485.47	20,901.33	12,550.27	15,883.97	12,102.20	1,950.37	(1,758.50)	0.00	270,470.42
NOI - Net Operating Income (Loss)	(7,497.69)	(3,703.24)	(35,748.55)	(10,081.37)	(6,669.32)	(13,835.97)	(15,548.33)	(8,652.27)	(12,579.97)	(8,038.20)	(1,950.37)	1,758.50	0.00	(156,359.92)
Property Expenses Paid by Receivership														
Property Taxes		18,058.79												18,058.79
Insurance			7,395.15	908.77	1,325.55	1,325.55	1,325.55	1,325.55	1,325.55	1,325.55	2,510.45			29,756.60
Insurance Reconciliation Amount													(3,066.33)	(3,066.33)
Funds for Property Expenses Sent to Property Manager by Receivership	17,000.00		45,000.00			20,000.00			15,000.00	5,000.00	22,000.00	7,000.00		143,250.00
Total Property Expenses Paid by Receivership	17,000.00	18,058.79	52,395.15	908.77	1,325.55	21,325.55	1,325.55	1,325.55	16,325.55	6,325.55	24,510.45	7,000.00	(3,066.33)	187,999.06
Total Net Income (Loss)	(24,497.69)	(21,762.03)	(88,143.70)	(10,990.14)	(7,994.87)	(35,161.52)	(16,873.88)	(9,977.82)	(28,905.52)	(14,363.75)	(26,460.82)	(5,241.50)	3,066.33	(344,358.98)
Distributions Out														0.00
Contributions In														0.00
Inter Property Transfers Out														0.00
Inter Property Transfers In														5,000.00
Total Property Expenses Paid by Receivership														187,999.06
Rents Restored to Property by Receiver														0.00
Remaining Amount to be Restored														0.00
Cumulative Amount Reimbursable from Property										Sold 12/18/19				192,999.06

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Receiver's Property Report													
7748-50 S Essex/ 2450-52 E 78th Street													
	19-Apr	19-May	19-Jun	19-Jul	19-Aug	19-Sep	19-Oct	19-Nov	19-Dec	20-Jan	20-Feb	20-Mar	Total
Total Operating Income	16,061.05	14,689.00	13,235.61	17,277.00	13,536.00	14,234.00	13,426.00	11,476.00	13,325.50	3,166.00	500.00	0.00	251,936.89
Total Operating Expense	22,589.34	15,598.88	11,331.56	10,007.69	7,290.90	13,006.30	20,098.42	11,930.18	7,096.77	1,063.56	(142.04)	68.78	264,150.83
NOI - Net Operating Income (Loss)	(6,528.29)	(909.88)	1,904.05	7,269.31	6,245.10	1,227.70	(6,672.42)	(454.18)	6,228.73	2,102.44	642.04	(68.78)	(12,213.94)
Property Expenses Paid by Receivership													
Property Taxes													0.00
Insurance		5,036.92	618.97	902.85	902.85	902.85	902.85	902.85	902.85	1,709.90			20,267.57
Insurance Reconciliation Amount												(2,088.51)	(2,088.51)
Funds for Property Expenses Sent to Property Manager by Receivership	10,667.91												10,667.91
Total Property Expenses Paid by Receivership	10,667.91	5,036.92	618.97	902.85	902.85	902.85	902.85	902.85	902.85	1,709.90	0.00	(2,088.51)	28,846.97
Total Net Income (Loss)	(17,196.20)	(5,946.80)	1,285.08	6,366.46	5,342.25	324.85	(7,575.27)	(1,357.03)	5,325.88	392.54	642.04	2,019.73	(41,060.91)
Distributions Out													(3,767.50)
Contributions In													30,003.12
Inter Property Transfers Out Inter Property Transfers In													0.00
Total Property Expenses Paid by Receivership													28,846.97
Rents Restored to Property by Receiver													0.00
Remaining Amount to be Restored										0.1140/00/17			0.00
Cumulative Amount Reimbursable from Property										Sold 12/28/19			55,082.59

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Receiver's Property Report													
7635 S East End Ave													
	Apr-19	May-19	Jun-19	Jul-19	19-Aug	19-Sep	19-Oct	19-Nov	19-Dec	20-Jan	20-Feb	20-Mar	Total
	Др. 10	may 10	ouii io	041.10	10 Aug	10 ССР	10 001	10 1101	10 500	20 0411	20 1 05	20 mai	Total
Total Operating Income	13,520.00	12,976.00	12,767.20	13,283.00	13,469.00	12,916.00	12,600.00	10,472.00	13,572.00	0.00	(1,677.00)	0.00	181,298.20
Total Operating Expense	10,414.99	9,142.02	10,036.63	32,175.99	8,216.52	5,552.37	7,101.74	10,692.82	6,219.96	1,349.94	0.00	0.00	223,452.76
NOI - Net Operating Income (Loss)	3,105.01	3,833.98	2,730.57	(18,892.99)	5,252.48	7,363.63	5,498.26	(220.82)	7,352.04	(1,349.94)	(1,677.00)	0.00	(42,154.56)
Property Expenses Paid by Receivership													
Property Taxes													0.00
Insurance		3,633.66	446.53	651.32	651.32	651.32	651.32	651.32	651.32	1,233.53			14,621.13
Insurance Reconciliation Amount												(1,464.64)	(1,464.64)
Funds for Property Expenses Sent to Property Manager by Receivership													36,000.00
Total Property Expenses Paid by Receivership	0.00	3,633.66	446.53	651.32	651.32	651.32	651.32	651.32	651.32	1,233.53	0.00	(1,464.64)	49,156.49
Total Net Income (Loss)	3,105.01	200.32	2,284.04	(19,544.31)	4,601.16	6,712.31	4,846.94	(872.14)	6,700.72	(2,583.47)	(1,677.00)	1,464.64	(91,311.05)
Distributions Out													0.00
Contributions In													0.00
Inter Property Transfers Out													0.00
Inter Property Transfers In													31,000.00
Total Property Expenses Paid by Receivership													49,156.49
Rents Restored to Property by Receiver													0.00
Remaining Amount to be Restored													0.00
Cumulative Amount Reimbursable from Property									Sold 12/28/19				80,156.49

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Receiver's Property Report													
8047 S Manistee													
	Apr-19	May-19	Jun-19	Jul-19	19-Aug	19-Sep	19-Oct	19-Nov	19-Dec	20-Jan	20-Feb	20-Mar	Total
Total Operating Income	7,849.39	8,634.10	11,659.90	8,531.50	7,940.50	7,542.00	7,045.00	7,252.80	5,149.00	7.110.00	2,329.00	582.00	161,110.79
Total Operating moone	7,047.37	0,004.10	11,037.70	0,001.00	7,740.30	7,042.00	7,043.00	7,232.00	3,147.00	7,110.00	2,327.00	302.00	101,110.77
Total Operating Expense	5,840.90	14,083.32	6,642.36	13,327.95	10,821.64	10,179.68	5,944.59	15,881.01	7,406.37	12,536.71	7,621.77	1,236.64	199,131.79
NOI - Net Operating Income (Loss)	2,008.49	(5,449.22)	5,017.54	(4,796.45)	(2,881.14)	(2,637.68)	1,100.41	(8,628.21)	(2,257.37)	(5,426.71)	(5,292.77)	(654.64)	(38,021.00)
Property Expenses Paid by Receivership													
	44 507 00												44.507.00
Property Taxes	11,506.00	4,145.99	509.49	743.15	743.15	743.15	743.15	743.15	743.15	1,407.45			11,506.00 16,682.63
Insurance		4,145.99	509.49	743.13	743.13	743.13	743.13	743.13	743.13	1,407.45			10,002.03
Funds for Property Expenses Sent to Property Manager													
by Receivership			8,000.00						2,000.00	8,000.00	10,000.00	4,000.00	40,500.00
			-,						,	-,		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	,
Total Property Expenses Paid by Receivership	11,506.00	4,145.99	8,509.49	743.15	743.15	743.15	743.15	743.15	2,743.15	9,407.45	10,000.00	4,000.00	68,688.63
	(0.407.54)	(0.505.04)	(0. 404.0E)	/F F00 (0)	(0. (0.1.00)	(0.000.00)	257.07	(0.074.04)	(5,000,50)	(4.4.00.4.4.()	(45,000,77)	(1.(51.(1)	(407.700.70)
Total Net Income (Loss)	(9,497.51)	(9,595.21)	(3,491.95)	(5,539.60)	(3,624.29)	(3,380.83)	357.26	(9,371.36)	(5,000.52)	(14,834.16)	(15,292.77)	(4,654.64)	(106,709.63)
Distributions Out													(7,979.87)
Contributions In													0.00
Inter Property Transfers Out													(2,000.00)
Inter Property Transfers In													6,000.00
Total Property Expenses Paid by Receivership													68,688.63
Rents Restored to Property by Receiver											C-1-1 2/E/20		0.00
Domeining Amount to be Doctored											Sold 2/5/20		0.00
Remaining Amount to be Restored	ZOUL DISTRICT	F-1-0046	W	Librardo Sa Ba									0.00
WPD transferred money without permission from 1131 E Cumulative Amount Reimbursable from Property	/9th Place in	reb 2019 wi	ili transferred	back in Mar	ch 2019								64 700 74
Cumulative Amount Reimbursable from Property													64,708.76

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Receiver's Property Report													
7749 S. Yates Blvd													
	Apr-19	May-19	Jun-19	Jul-19	19-Aug	19-Sep	19-Oct	19-Nov	19-Dec	20-Jan	20-Feb	20-Mar	Total
Total Operating Income	7,362.00	9,756.00	8,268.00	7,362.00	8,213.00	6,689.00	6,639.00	4,130.00	5,513.50	4,736.50	3,934.80	3,429.00	153,345.05
Total Operating Expense	7,947.73	9,830.36	22,748.67	7,947.73	18,990.89	7,924.15	10,843.80	28,123.78	9,068.85	29,787.04	18,695.24	11,881.89	278,136.35
NOI - Net Operating Income (Loss)	(585.73)	(74.36)	(14,480.67)	(585.73)	(10,777.89)	(1,235.15)	(4,204.80)	(23,993.78)	(3,555.35)	(25,050.54)	(14,760.44)	(8,452.89)	(124,791.30)
Property Expenses Paid by Receivership													
Property Taxes	13,973.55												13,973.55
Insurance		5,150.75	632.96	923.25	923.25	923.25	923.25	923.25	923.25	1,748.54		603.45	21,329.03
Insurance Reconciliation Amount												631.22	631.22
Funds for Property Expenses Sent to Property Manager by Receivership				20,000.00	10,000.00			15,000.00	5,000.00	24,000.00	15,950.00	2,500.00	95,950.00
Total Property Expenses Paid by Receivership	13,973.55	5,150.75	632.96	20,923.25	10,923.25	923.25	923.25	15,923.25	5,923.25	25,748.54	15,950.00	3,734.67	131,883.80
Total Net Income (Loss)	(14,559.28)	(5,225.11)	(15,113.63)	(21,508.98)	(21,701.14)	(2,158.40)	(5,128.05)	(39,917.03)	(9,478.60)	(50,799.08)	(30,710.44)	(12,187.56)	(256,675.10)
Distributions Out													0.00
Contributions In													0.00
Inter Property Transfers Out													0.00
Inter Property Transfers In													7,500.00
Total Property Expenses Paid by Receivership													131,883.80
Rents Restored to Property by Receiver													0.00
Remaining Amount to be Restored													0.00
Cumulative Amount Reimbursable from Property													139,383.80

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Receiver's Property Report													
2220-2226 East 75th Street / 7450 S Luella Ave													
				1.1.40	10.4	10.0	10.0	40.11	40.5			00.14	
	Apr-19	May-19	Jun-19	Jul-19	19-Aug	19-Sep	19-Oct	19-Nov	19-Dec	20-Jan	20-Feb	20-Mar	Total
Total Operating Income	6,175.00	7,106.00	4,570.75	5,990.25	5,659.00	5,852.50	6,605.75	4,040.25	4,114.00	4,075.00	6,423.28	4,897.40	113,349.93
Total Operating Expense	11,220.51	8,173.82	3,640.64	4,849.13	3,103.13	3,487.86	13,531.26	4,629.97	2,461.42	4,645.30	3,072.93	4,191.33	121,618.83
NOI - Net Operating Income (Loss)	(5,045.51)	(1,067.82)	930.11	1,141.12	2,555.87	2,364.64	(6,925.51)	(589.72)	1,652.58	(570.30)	3,350.35	706.07	(8,268.90)
Property Expenses Paid by Receivership													
Property Taxes													0.00
Insurance		3,403.87	418.29	610.13	610.13	610.13	610.13	610.13	610.13	1,155.52		398.79	14,095.27
Insurance Reconciliation Amount												417.15	417.15
Funds for Property Expenses Sent to Property Manager by Receivership		11,000.00											14,000.00
Total Property Expenses Paid by Receivership	0.00	14,403.87	418.29	610.13	610.13	610.13	610.13	610.13	610.13	1,155.52	0.00	815.94	28,512.42
Total Net Income (Loss)	(5,045.51)	(15,471.69)	511.82	530.99	1,945.74	1,754.51	(7,535.64)	(1,199.85)	1,042.45	(1,725.82)	3,350.35	(109.87)	(36,781.32)
Distributions Out													(3,007.69)
Contributions In													0.00
Inter Property Transfers Out													0.00
Inter Property Transfers In													0.00
Total Property Expenses Paid by Receivership													28,512.42
Rents Restored to Property by Receiver													0.00
Remaining Amount to be Restored													0.00
Cumulative Amount Reimbursable from Property													25,504.73

### Case: 1:18-cv-05587 Document #: 749-1 Filed: 07/24/20 Page 43 of 288 PageID #:15828

Receiver's Property Report													
7546-48 S Saginaw													
	19-Apr	19-May	19-Jun	19-Jul	19-Aug	19-Sep	19-Oct	19-Nov	19-Dec	20-Jan	20-Feb	20-Mar	Total
	19-Арі	19-Way	19-5411	19-301	19-Aug	13-3ер	19-001	19-1407	13-Dec	20-Jan	20-гер	20-Iviai	Total
Total Operating Income	8,508.00	5,530.00	9,950.00	8,425.00	8,321.00	9,415.00	10,362.00	8,308.00	9,175.77	10,049.73	7,758.00	8,200.00	187,125.83
Total Operating Expense	29,015.10	8,070.97	7,034.94	7,026.63	6,631.65	10,029.91	6,468.71	12,723.65	5,362.66	13,051.22	10,835.01	8,209.38	206,086.77
NOI - Net Operating Income (Loss)	(20,507.10)	(2,540.97)	2,915.06	1,398.37	1,689.35	(614.91)	3,893.29	(4,415.65)	3,813.11	(3,001.49)	(3,077.01)	(9.38)	(18,960.94)
Property Expenses Paid by Receivership													
Property Taxes													3,207.20
Insurance		2,283.87	280.66	409.38	409.38	409.38	409.38	409.38	409.38	775.31		267.57	9,457.43
Insurance Reconciliation Amount												279.90	279.90
Funds for Property Expenses Sent to Property Manager by Receivership	4,624.52				5,463.32								10,087.84
Total Property Expenses Paid by Receivership	4,624.52	2,283.87	280.66	409.38	5,872.70	409.38	409.38	409.38	409.38	775.31	0.00	547.47	23,032.37
Total Net Income (Loss)	(25,131.62)	(4,824.84)	2,634.40	988.99	(4,183.35)	(1,024.29)	3,483.91	(4,825.03)	3,403.73	(3,776.80)	(3,077.01)	(556.85)	(41,993.31)
Distributions Out													(8,240.75)
Contributions In													12,539.32
Inter Property Transfers Out													0.00
Inter Property Transfers In													0.00
Total Property Expenses Paid by Receivership													23,032.37
Rents Restored to Property by Receiver													0.00
Remaining Amount to be Restored													0.00
Cumulative Amount Reimbursable from Property													27,330.94

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Receiver's Property Report													
8201 S. Kingston													
	Apr-19	May-19	Jun-19	Jul-19	19-Aug	19-Sep	19-Oct	19-Nov	19-Dec	20-Jan	20-Feb	20-Mar	Total
Total Operating Income	2,960.00	2,580.00	1,780.00	2,008.00	1,850.00	720.00	1,790.00	2,650.00	6,840.00	3,062.00	1,950.00	2,120.00	61,037.75
Total Operating income	2,700.00	2,300.00	1,700.00	2,000.00	1,030.00	720.00	1,770.00	2,030.00	0,040.00	3,002.00	1,730.00	2,120.00	01,037.73
Total Operating Expense	4,247.86	9,280.72	2,219.79	2,486.50	3,497.72	2,322.47	2,810.90	3,011.55	3,098.67	3,729.46	3,489.96	4,029.26	91,222.77
Total Operating Expense	1,217.00	7,200.72	2,217.17	2,100.00	0,177.72	2,022.17	2,010.70	0,011.00	0,070.07	0,727.10	0,107.70	1,027.20	71,222.77
NOI - Net Operating Income (Loss)	(1,287.86)	(6,700.72)	(439.79)	(478.50)	(1,647.72)	(1,602.47)	(1,020.90)	(361.55)	3,741.33	(667.46)	(1,539.96)	(1,909.26)	(30,185.02)
		,	, ,	, ,						`			, ,
Property Expenses Paid by Receivership													
Property Taxes													0.00
Insurance		2,076.62	255.19	372.22	372.22	372.22	372.22	372.22	372.22	704.95		243.29	8,599.13
Insurance Reconciliation Amount												254.50	254.50
Funds for Property Expenses Sent to Property Manager													
by Receivership			8,000.00							1,000.00			17,000.00
Total Property Expenses Paid by Receivership	0.00	2,076.62	8,255.19	372.22	372.22	372.22	372.22	372.22	372.22	1,704.95	0.00	497.79	25,853.63
Total Net Income (Loss)	(1,287.86)	(8,777.34)	(8,694.98)	(850.72)	(2,019.94)	(1,974.69)	(1,393.12)	(733.77)	3,369.11	(2,372.41)	(1,539.96)	(2,407.05)	(56,038.65)
Total Net Income (Loss)	(1,207.00)	(0,111.34)	(0,094.90)	(000.72)	(2,019.94)	(1,974.09)	(1,393.12)	(733.77)	3,309.11	(2,372.41)	(1,339.90)	(2,407.03)	(50,036.05)
Distributions Out													(1.223.43)
Contributions In													0.00
Inter Property Transfers Out													0.00
Inter Property Transfers In													10,000.00
													.,
Total Property Expenses Paid by Receivership													25,853.63
Rents Restored to Property by Receiver													0.00
Remaining Amount to be Restored													0.00
Cumulative Amount Reimbursable from Property													34,630.20

### Case: 1:18-cv-05587 Document #: 749-1 Filed: 07/24/20 Page 47 of 288 PageID #:15832

Receiver's Property Report													
2000 0054 0 5111-													
8326-8354 S Ellis													
	19-Apr	19-May	19-Jun	19-Jul	19-Aug	19-Sep	19-Oct	19-Nov	19-Dec	20-Jan	20-Feb	20-Mar	Total
	107451	10 May	10 dan	10 041	10 Aug	10 оор	10 001	10 1101	10 200	20 0411	20100	20 11101	10101
Total Operating Income	28,261.00	26,706.00	26,052.00	23,915.00	25,504.25	26,681.00	24,719.00	16,630.00	21,484.00	24,996.00	21,754.00	20,868.75	505,099.03
Total Operating Expense	51,734.02	20,478.56	17,609.71	50,277.17	20,477.44	11,814.67	42,214.78	22,782.33	19,559.85	18,325.72	43,032.16	30,097.82	558,479.79
NOI - Net Operating Income (Loss)	(23,473.02)	6,227.44	8,442.29	(26,362.17)	5,026.81	14,866.33	(17,495.78)	(6,152.33)	1,924.15	6,670.28	(21,278.16)	(9,229.07)	(53,380.76)
Property Expenses Paid by Receivership													
Property Taxes	24,344.02												24,344.02
Insurance	24,344.02	7.287.38	895.52	1,306.23	1,306.23	1,306.23	1,306.23	1,306.23	1,306.23	2,473.87		853.77	30,176.71
Insurance Reconciliation Amount		77207100	070102	1,000.20	1,000.20	1,000.20	1,000.20	1,000.20	17000120	2,170107		893.06	893.06
Funds for Property Expenses Sent to Property Manager by Receivership	15,948.89										1,029.33	12,480.28	29,458.50
Total Property Expenses Paid by Receivership	40,292.91	7,287.38	895.52	1,306.23	1,306.23	1,306.23	1,306.23	1,306.23	1,306.23	2,473.87	1,029.33	14,227.11	84,872.29
Total Net Income (Loss)	(63,765.93)	(1,059.94)	7,546.77	(27,668.40)	3,720.58	13,560.10	(18,802.01)	(7,458.56)	617.92	4,196.41	(22,307.49)	(23,456.18)	(138,253.05)
Distributions Out													(2,418.88)
Contributions In													13,383.73
Inter Property Transfers Out Inter Property Transfers In													0.00
Total Property Expenses Paid by Receivership													84,872.29
Rents Restored to Property by Receiver													0.00
Remaining Amount to be Restored													0.00
Cumulative Amount Reimbursable from Property													95,837.14

### Case: 1:18-cv-05587 Document #: 749-1 Filed: 07/24/20 Page 49 of 288 PageID #:15834

Receiver's Property Report													
5450 S. Indiana Ave / 118-132 E Garfield													
	Apr-19	May-19	Jun-19	Jul-19	19-Aug	19-Sep	19-Oct	19-Nov	19-Dec	20-Jan	20-Feb	20-Mar	Total
Total Operating Income	22,553.00	26,317.00	21,653.50	22,553.00	23,188.49	23,062.00	22,168.00	24,334.00	21,980.00	23,612.00	22,702.49	21,380.50	490,305.38
Total Operating Expense	17,516.20	31,507.56	23,611.09	17,516.20	13,401.31	10,342.84	4,512.90	10,075.78	10,736.57	24,819.95	13,897.30	18,334.03	290,099.11
NOI - Net Operating Income (Loss)	5,036.80	(5,190.56)	(1,957.59)	5,036.80	9,787.18	12,719.16	17,655.10	14,258.22	11,243.43	(1,207.95)	8,805.19	3,046.47	200,206.27
Property Expenses Paid by Receivership													
Property Taxes													0.00
Insurance		5,296.19	650.83	949.32	949.32	949.32	949.32	949.32	949.32	1.797.91		620.49	21,931.29
Insurance Reconciliation Amount										,		649.04	649.04
Funds for Property Expenses Sent to Property Manager by Receivership													18,000.00
Total Property Expenses Paid by Receivership	0.00	5,296.19	650.83	949.32	949.32	949.32	949.32	949.32	949.32	1,797.91	0.00	1,269.53	40,580.33
Total Net Income (Loss)	5,036.80	(10,486.75)	(2,608.42)	4,087.48	8,837.86	11,769.84	16,705.78	13,308.90	10,294.11	(3,005.86)	8,805.19	1,776.94	159,625.94
Distributions Out													(31,909.46)
Contributions In													0.00
Inter Property Transfers Out													0.00
Inter Property Transfers In													0.00
Total Property Expenses Paid by Receivership													40,580.33
Rents Restored to Property by Receiver						8.28							8.28
Remaining Amount to be Restored													0.00
Cumulative Amount Reimbursable from Property													8,679.15

### Case: 1:18-cv-05587 Document #: 749-1 Filed: 07/24/20 Page 51 of 288 PageID #:15836

Receiver's Property Report													
6437 S. Kenwood Ave													
	Apr-19	May-19	Jun-19	Jul-19	19-Aug	19-Sep	19-Oct	19-Nov	19-Dec	20-Jan	20-Feb	20-Mar	Total
	Apr-19	May-19	Jun-19	Jul-19	19-Aug	19-5ep	19-000	19-NOV	19-Dec	20-Jan	20-Feb	20-Mar	Total
Total Operating Income	12,655.00	14,667.00	12,549.00	11,884.00	12,249.00	10,781.50	11,859.00	11,064.25	10,839.25	8,992.00	7,019.50	13,056.90	261,914.02
Total Operating Expense	14,659.20	24,776.95	5,384.41	15,359.75	6,701.63	7,877.38	9,326.07	10,303.98	8,565.89	11,323.72	14,767.15	7,223.59	239,456.54
NOI - Net Operating Income (Loss)	(2,004.20)	(10,109.95)	7,164.59	(3,475.75)	5,547.37	2,904.12	2,532.93	760.27	2,273.36	(2,331.72)	(7,747.65)	5,833.31	22,457.48
Property Expenses Paid by Receivership													
Property Taxes													0.00
Insurance		3.697.70	454.40	662.80	662.80	662.80	662.80	662.80	662.80	1,255.27		433.21	15,312.03
Insurance Reconciliation Amount										,		453.15	453.15
Funds for Property Expenses Sent to Property Manager by Receivership													2,000.00
Total Property Expenses Paid by Receivership	0.00	3,697.70	454.40	662.80	662.80	662.80	662.80	662.80	662.80	1,255.27	0.00	886.36	17,765.18
Total Net Income (Loss)	(2,004.20)	(13,807.65)	6,710.19	(4,138.55)	4,884.57	2,241.32	1,870.13	97.47	1,610.56	(3,586.99)	(7,747.65)	4,946.95	4,692.30
Distributions Out													(15,970.92)
Contributions In													0.00
Inter Property Transfers Out													0.00
Inter Property Transfers In													0.00
Total Property Expenses Paid by Receivership													17,765.18
Rents Restored to Property by Receiver													0.00
Remaining Amount to be Restored													0.00
Cumulative Amount Reimbursable from Property													1,794.26

### Case: 1:18-cv-05587 Document #: 749-1 Filed: 07/24/20 Page 53 of 288 PageID #:15838

Receiver's Property Report													
7760 S Coles													
1700 0 00103													
	19-Apr	19-May	19-Jun	19-Jul	19-Aug	19-Sep	19-Oct	19-Nov	19-Dec	20-Jan	20-Feb	20-Mar	Total
Total Operating Income	1,156.00	(1,560.00)	1,440.00	1,440.00	650.00	650.00	0.00	(1,300.00)	8,152.10	0.00	0.00	0.00	48,350.10
Total Operating Expense	7,908.85	3,554.14	2,317.43	3,560.03	6,289.15	2,977.04	1,270.55	11,658.52	491.21	4,239.08	1,352.77	1,664.76	80,694.10
NOI - Net Operating Income (Loss)	(6,752.85)	(5,114.14)	(877.43)	(2,120.03)	(5,639.15)	(2,327.04)	(1,270.55)	(12,958.52)	7,660.89	(4,239.08)	(1,352.77)	(1,664.76)	(32,344.00)
Property Expenses Paid by Receivership													
Property Taxes													0.00
Insurance		1,696.09	208.43	304.02	304.02	304.02	304.02	304.02	304.02	575.78		198.71	7,023.45
Insurance Reconciliation Amount												207.86	207.86
Funds for Property Expenses Sent to Property Manager by Receivership	5,601.70		9,307.20	35.45	1,721.56	2,009.63	7,619.16	10,895.53	8,116.65	70.90		868.00	63,225.78
Total Property Expenses Paid by Receivership	5,601.70	1,696.09	9,515.63	339.47	2,025.58	2,313.65	7,923.18	11,199.55	8,420.67	646.68	0.00	1,274.57	70,457.09
Total Net Income (Loss)	(12,354.55)	(6,810.23)	(10,393.06)	(2,459.50)	(7,664.73)	(4,640.69)	(9,193.73)	(24,158.07)	(759.78)	(4,885.76)	(1,352.77)	(2,939.33)	(102,801.09)
Distributions Out													(7,064.32)
Contributions In													4,394.99
Inter Property Transfers Out Inter Property Transfers In													0.00
Total Property Expenses Paid by Receivership													70,457.09
Rents Restored to Property by Receiver													0.00
Remaining Amount to be Restored													0.00
Cumulative Amount Reimbursable from Property													67,787.76

### Case: 1:18-cv-05587 Document #: 749-1 Filed: 07/24/20 Page 55 of 288 PageID #:15840

Receiver's Property Report												
8000-02 S Justine /1541 E 80th St												
	19-May	19-Jun	19-Jul	19-Aug	19-Sep	19-Oct	19-Nov	19-Dec	20-Jan	20-Feb	20-Mar	Total
Total Operating Income	1,350.00	3,400.00	2,445.00	3,972.00	1,845.00	5,859.00	250.00	10,484.41	3,423.00	6,165.00	2,938.00	82,486.41
Total Operating Expense	8,507.87	3,698.55	7,885.89	14,085.44	3,456.28	4,062.21	7,710.88	10,523.27	10,705.32	10,662.00	2,082.07	168,378.00
NOI - Net Operating Income (Loss)	(7,157.87)	(298.55)	(5,440.89)	(10,113.44)	(1,611.28)	1,796.79	(7,460.88)	(38.86)	(7,282.32)	(4,497.00)	855.93	(85,891.59)
Property Expenses Paid by Receivership												
Property Taxes												0.00
Insurance	1,804.53	221.75	323.45	323.45	323.45	323.45	323.45	323.45	612.59		211.41	7,472.45
Insurance Reconciliation Amount											221.14	221.14
Funds for Property Expenses Sent to Property Manager by Receivership		16,140.21	78.62	4,190.02	4,739.34	13,525.31	78.62	8,735.79	2,572.82	15,901.70		79,156.67
Total Property Expenses Paid by Receivership	1,804.53	16,361.96	402.07	4,513.47	5,062.79	13,848.76	402.07	9,059.24	3,185.41	15,901.70	432.55	86,850.26
Total Net Income (Loss)	(8,962.40)	(16,660.51)	(5,842.96)	(14,626.91)	(6,674.07)	(12,051.97)	(7,862.95)	(9,098.10)	(10,467.73)	(20,398.70)	423.38	(172,741.85)
Distributions Out												0.00
Contributions In												26,747.38
Inter Property Transfers Out												0.00
Inter Property Transfers In												0.00
Total Property Expenses Paid by Receivership												86,850.26
Rents Restored to Property by Receiver												0.00
Remaining Amount to be Restored												0.00
Cumulative Amount Reimbursable from Property												113,597.64

### Case: 1:18-cv-05587 Document #: 749-1 Filed: 07/24/20 Page 57 of 288 PageID #:15842

Receiver's Property Report													
2407.0.78													
8107 S Ellis													
	19-Apr	19-May	19-Jun	19-Jul	19-Aug	19-Sep	19-Oct	19-Nov	19-Dec	20-Jan	20-Feb	20-Mar	Total
	13-Api	13-May	13-0411	15-001	13-Aug	13-оср	13-001	13-1407	13-200	20-0411	20-1 CD	20-Mai	Total
Total Operating Income	7,942.00	332.00	2,912.00	3,828.00	6,312.00	5,653.00	6,268.00	11,483.00	5,996.00	7,378.00	5,836.00	10,013.00	125,814.30
Total Operating Expense	23,536.30	(7,369.19)	3,645.92	4,440.71	5,534.78	9,101.75	5,973.06	6,299.80	8,515.83	10,840.22	4,857.52	5,610.08	131,168.94
NOI - Net Operating Income (Loss)	(15,594.30)	7,701.19	(733.92)	(612.71)	777.22	(3,448.75)	294.94	5,183.20	(2,519.83)	(3,462.22)	978.48	4,402.92	(5,354.64)
Property Expenses Paid by Receivership													
Property Taxes													0.00
Insurance		1,889.07	232.14	338.61	338.61	338.61	338.61	338.61	338.61	641.29		221.32	7,822.57
Insurance Reconciliation Amount												231.51	231.51
Funds for Property Expenses Sent to Property Manager by Receivership	5,373.69	16,750.00	7,500.00	27,500.00			5,189.95						74,063.64
Total Property Expenses Paid by Receivership	5,373.69	18,639.07	7,732.14	27,838.61	338.61	338.61	5,528.56	338.61	338.61	641.29	0.00	452.83	82,117.72
Total Net Income (Loss)	(20,967.99)	(10,937.88)	(8,466.06)	(28,451.32)	438.61	(3,787.36)	(5,233.62)	4,844.59	(2,858.44)	(4,103.51)	978.48	3,950.09	(87,472.36)
Distributions Out													(5,127.09)
Contributions In													3,859.55
Inter Property Transfers Out													0.00
Inter Property Transfers In													0.00
Total Property Expenses Paid by Receivership													82,117.72
Rents Restored to Property by Receiver													0.00
Remaining Amount to be Restored													0.00
Cumulative Amount Reimbursable from Property													80,850.18

### Case: 1:18-cv-05587 Document #: 749-1 Filed: 07/24/20 Page 59 of 288 PageID #:15844

Receiver's Property Report													
8214 S Ingleside													
6214 5 Ingleside													
	19-Apr	19-May	19-Jun	19-Jul	19-Aug	19-Sep	19-Oct	19-Nov	19-Dec	20-Jan	20-Feb	20-Mar	Total
	10 / (p)	10 may	10 0411	10 041	10 Aug	.о оор	10 001	10 1101	10 200	20 0011	20.00	20 11101	- Otal
Total Operating Income	4,225.00	5,594.75	3,510.50	4,943.99	3,609.16	6,955.00	3,464.00	3,729.00	14,253.04	2,671.00	3,945.00	3,861.00	97,292.16
Total Operating Expense	12,540.79	9,386.17	6,585.46	4,225.23	5,891.57	6,610.45	7,447.18	10,981.57	4,143.74	4,808.83	11,105.46	8,651.51	147,294.77
NOI - Net Operating Income (Loss)	(8,315.79)	(3,791.42)	(3,074.96)	718.76	(2,282.41)	344.55	(3,983.18)	(7,252.57)	10,109.30	(2,137.83)	(7,160.46)	(4,790.51)	(50,002.61)
Property Expenses Paid by Receivership													
Property Taxes													0.00
Insurance		1.524.35	187.32	273.23	273.23	273.23	273.23	273.23	273.23	517.48		178.59	6,312.25
Insurance Reconciliation Amount												186.82	186.82
Funds for Property Expenses Sent to Property Manager by Receivership			10,643.92			3,161.79	3,485.57		9,580.04		6,383.58	3,275.00	36,529.90
Total Property Expenses Paid by Receivership	0.00	1,524.35	10,831.24	273.23	273.23	3,435.02	3,758.80	273.23	9,853.27	517.48	6,383.58	3,640.41	43,028.97
Total Net Income (Loss)	(8,315.79)	(5,315.77)	(13,906.20)	445.53	(2,555.64)	(3,090.47)	(7,741.98)	(7,525.80)	256.03	(2,655.31)	(13,544.04)	(8,430.92)	(93,031.58)
Distributions Out													(1,470.62)
Contributions In													21,263.20
Inter Property Transfers Out													0.00
Inter Property Transfers In													0.00
Total Property Expenses Paid by Receivership													43,028.97
Rents Restored to Property by Receiver													0.00
Remaining Amount to be Restored													0.00
Cumulative Amount Reimbursable from Property													62,821.55

## Case: 1:18-cv-05587 Document #: 749-1 Filed: 07/24/20 Page 61 of 288 PageID #:15846

Receiver's Property Report													
11117 S Longwood													
	19-Apr	19-May	19-Jun	19-Jul	19-Aug	19-Sep	19-Oct	19-Nov	19-Dec	20-Jan	20-Feb	20-Mar	Total
	10 7451	10 may	10 0411	10 041	10 7 (10	то сер	10 001	10 110 1	10 200	20 0411	20 1 00	20 mai	Total
Total Operating Income	27,627.00	27,272.16	26,856.00	29,336.00	30,804.00	26,126.00	33,034.50	26,269.00	30,980.00	29,829.00	27,771.00	32,612.50	608,144.09
Total Operating Expense	72,627.49	15,407.11	19,771.01	8,923.63	16,323.25	47,336.29	39,959.04	17,876.67	21,976.66	21,992.01	38,666.45	18,731.69	536,720.92
NOI - Net Operating Income (Loss)	(45,000.49)	11,865.05	7,084.99	20,412.37	14,480.75	(21,210.29)	(6,924.54)	8,392.33	9,003.34	7,836.99	(10,895.45)	13,880.81	71,423.17
Property Expenses Paid by Receivership													
Property Taxes													0.00
Insurance		5,416.63	665.63	970.91	970.91	970.91	970.91	970.91	970.91	1,838.80		634.60	22,430.03
Insurance Reconciliation Amount												663.81	663.81
Funds for Property Expenses Sent to Property Manager by Receivership	17,610.43		7,071.18										24,681.61
Total Property Expenses Paid by Receivership	17,610.43	5,416.63	7,736.81	970.91	970.91	970.91	970.91	970.91	970.91	1,838.80	0.00	1,298.41	47,775.45
Total Net Income (Loss)	(62,610.92)	6,448.42	(651.82)	19,441.46	13,509.84	(22,181.20)	(7,895.45)	7,421.42	8,032.43	5,998.19	(10,895.45)	12,582.40	23,647.72
Distributions Out													(55,647.07)
Contributions In													20,556.05
Inter Property Transfers Out													0.00
Inter Property Transfers In													0.00
Total Property Expenses Paid by Receivership													47,775.45
Rents Restored to Property by Receiver													0.00
Remaining Amount to be Restored													0.00
Cumulative Amount Reimbursable from Property													12,684.43

## Case: 1:18-cv-05587 Document #: 749-1 Filed: 07/24/20 Page 63 of 288 PageID #:15848

Receiver's Property Report													
8209 S Ellis													
	19-Apr	19-May	19-Jun	19-Jul	19-Aug	19-Sep	19-Oct	19-Nov	19-Dec	20-Jan	20-Feb	20-Mar	Total
Total Operating Income	5.302.00	5,257.00	5,321.50	7,377.65	4,753.00	6.510.00	2.264.00	5,678.00	11,202.91	4,654.00	6,613.00	7,495.00	112,616.24
Total Operating Income	3,302.00	3,237.00	3,321.30	7,577.05	4,733.00	0,310.00	2,204.00	3,070.00	11,202.71	4,034.00	0,013.00	7,473.00	112,010.24
Total Operating Expense	18,684.35	15,410.05	6,394.67	8,484.09	4,849.23	2,120.63	6,690.07	7,298.60	4,600.51	7,116.44	9,212.89	8,303.65	146,387.41
NOI - Net Operating Income (Loss)	(13,382.35)	(10,153.05)	(1,073.17)	(1,106.44)	(96.23)	4,389.37	(4,426.07)	(1,620.60)	6,602.40	(2,462.44)	(2,599.89)	(808.65)	(33,771.17)
Property Expenses Paid by Receivership													
Property Taxes													0.00
Insurance		2,301.58	282.83	412.55	412.55	412.55	412.55	412.55	412.55	781.32		269.65	9,530.73
Insurance Reconciliation Amount		2,301.30	202.00	412.00	412.00	712.00	712.00	412.00	412.55	701.32		282.06	282.06
Funds for Property Expenses Sent to Property Manager													
by Receivership	10,253.17	7,616.13	11,417.72						5,039.91			7,741.43	42,068.36
Total Property Expenses Paid by Receivership	10,253.17	9,917.71	11,700.55	412.55	412.55	412.55	412.55	412.55	5,452.46	781.32	0.00	8,293.14	51,881.15
Total Net Income (Loss)	(23,635.52)	(20,070.76)	(12,773.72)	(1,518.99)	(508.78)	3,976.82	(4,838.62)	(2,033.15)	1,149.94	(3,243.76)	(2,599.89)	(9,101.79)	(85,652.32)
	( 1,1111 )	( 2/2 2 2/	( , , , ,	( ) /	(222-2)	-,	( ), ,	( )	,	(2) 22 2)	( / /	( ) - /	(,,
Distributions Out													(2,505.14)
Contributions In													6,470.85
Inter Property Transfers Out													0.00
Inter Property Transfers In													0.00
Total Property Expenses Paid by Receivership													51,881.15
Total Froperty Expenses Palu by Receivership													31,001.13
Rents Restored to Property by Receiver													0.00
, , ,													
Remaining Amount to be Restored													0.00
Cumulative Amount Reimbursable from Property	<u>                                     </u>												55,846.86

RACHLIS DUFF PEEL & KAPLAN, LEC Page 65 of 288 PageID #:15850 Notice of Pub Sale of Real Est Chicago Sun-Times

ADORDERNUMBER: 0001103566-01

PO NUMBER: Notice of Pub Sale of Rea

**AMOUNT:** 500.00

NO OF AFFIDAVITS: 1

#### NOTICE OF PUBLIC SALE OF REAL ESTATE

Kevin B. Duff, Receiver for the Estate of EquityBuild, Inc., EquityBuild Finance, LLC, their affiliates, and the affiliate entities of Defendants Jerome Cohen and Shaun Cohen in the action styled U. S. Securities and Exchange Commission v. EquityBuild, Inc., et al., Civil Action No. 1:18-cv-05587, in the United States District Court for the Northern District of Illinois, Eastern Division, gives notice of his intent to sell the following real properties by sealed bid public sale:

7300-04 South St. Lawrence Avenue, Chicago, Illinois 60706 (PIN 20-27-219-018-0000)

7760 South Coles Avenue, Chicago, Illinois 60649 (PIN 21-30-403-015-0000)

8000 South Justine Street, Chicago, Illinois 60620 (PIN 20-32-108-019-0000)

8107-09 South Ellis Avenue, Chicago, Illinois 60619 (PIN 20-35-118-002-0000, 20-35-118-003-0000)

8209 South Ellis Avenue, Chicago, Illinois 60619 (PIN 20-35-124-002-0000)

8214-16 South Ingleside Avenue, Chicago, Illinois 60619 (PIN 20-35-122-020-0000)

1700-08 West Juneway Terrace, Chicago, Illinois 60626 (PIN 11-30-205-011-0000)

5450-52 South Indiana Avenue, Chicago, Illinois 60615 (PIN 20-10-310-056-0000)

6437-41 South Kenwood Avenue, Chicago, Illinois 60637 (PIN 20-23-213-009-0000)

11117-11119 South Longwood Drive, Chicago, Illinois 60643 (PIN 25-19-113-010-0000)

25-19-113-010-0000)

Good faith offers may be made on a cash basis or subject to a financing contingency, in the latter case by completing Rider A to the form Purchase And Sale Agreement to be supplied by the Seller, accompanied by a proof of funds. A good faith offer may also be submitted by credit bid in accordance with Paragraph 11, below. All offers, other than offers submitted by credit bid, shall be delivered to Jeffrey Baasch ("Broker"), SVN Commercial Real Estate, 940 West Adams, Suite 200, Chicago, IL 60607, leffrey, baasch@syn.com, by no later than 5:00 p.m. CST on March 31, 2020. Offers must be transmitted to the Broker by e-mail or enclosed in a sealed envelope and delivered by U.S. mail, nationally-recognized overnight courier, or hand. Untimely and non-conforming offers may be rejected at the sole discretion of the Broker. The Seller strongly recommends that prospective purchasers pre-quality for financing prior to submitting an offer. No liability shall attach to Seller, Broker, or any other party for failure to receive or open any offer.

The Receivership court afforded all lenders a right to make a credit bid on any property against which they hold a mortgage lien. (Docket No. 351) Special procedures regarding credit bids will be made available upon request.

ble upon request.

The winning bidder, if not a credit bidder, will be required to make an earnest money deposit in an amount equal to ten percent (10%) of the purchase price by wiring funds to a designated title company within three (3) business days after acceptance by the Receiver of the Purchase and Sale Agreement. The earnest money deposit shall become non-refundable at the expiration of the due diligence period (see Paragraph 6 below) and applied toward the purchase price at closing. Property tours will be available to all bidders at scheduler dimes, and Property may also be shown by appointment. Prospective bidders will be provided a set of bid materials, although the accuracy of the information contained in the bid materials cannot be guaranteed, and prospective bidders are therefore encouraged to complete any desired and non-invasive due diligence at their own sole cost and expense. The properties are being sold "as-is," with all faults, as of the closing date. The closing shall be held as soon as practicable after the Receivership Court grants the Receiver's motion to approve the sale, which motion will be filed at such time as the Receiver deems appropriate, but in no event prior to the expiration of any due diligence or financing contingencies contained in the Purchase And Sale Agreement. The Receiver reserves the right to reject any and all offers to purchase any of the properties being offered for sale.

Bidders must comply with the "Sealed Bid Public Sale of Real Estate Terms and Conditions" which have been approved in the Civil Action, a copy of which may be obtained upon request to the Receiver's Broker at: SVN Commercial Real Estate, Attn: Jeffrey Baasch, 940 West Adams, Suite 200, Chicago, IL 60607, jeffrey.baasch@svn.com

com. 2/27, 3/5, 3/12, 3/19/2020 #1103566

# **Certificate of Publication**

State of Illinois - County of Cook

Chicago Sun-Times, does hereby certify it has published the attached advertisments in the following secular newspapers. All newspapers meet Illinois Compiled Statue requirements for publication of Notices per Chapter 715 ILCS 5/0.01 et seq. R.S. 1874, P728 Sec 1, EFF. July 1, 1874. Amended by Laws 1959, P1494, EFF. July 17, 1959. Formerly III. Rev. Stat. 1991, CH100, Pl.

Note: Notice appeared in the following checked positions.

PUBLICATION DATE(S): 02/27/2020, 03/05/2020, 03/12/2020, 03/19/2020

Chicago Sun-Times

IN WITNESS WHEREOF, the undersigned, being duly authorized, has caused this Certificate to be signed

Lusan Quina

by

Susan Quinn Manager | Recruitment & Legals

This 19th Day of March 2020

RACHLIS DUFF PEEL & KAPLAN, LLC 542 S DEARBORN ST, STE 900 ATTN: NICOLE MIRJANICH CHICAGO, IL 60605

#### **PURCHASE & SALE AGREEMENT**

This Purchase & Sale Agreement ("Agreement") is made by and between the court-appointed federal equity receiver for 1700 Juneway LLC ("Seller") pursuant to that certain Order Appointing Receiver entered August 17, 2018 (Dkt. 16), as supplemented by that certain Order entered March 14, 2019 (Dkt. 290), in the case captioned *United States Securities and Exchange Commission v. EquityBuild, Inc., et al.*, United States District Court for the Northern District of Illinois, Eastern Division, Civil Action No. 1:18-cv-05587 (the "SEC Action"), and

Becovic Residential LLC	("Buyer"
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for the purchase and sale of that certain real property and all fixtures, equipment, and personal property appurtenant thereto (the "Property") located at 1700-08 West Juneway Terrace, Chicago, Illinois 60626 and legally described as follows:

The West 22 feet of Lot 6 and all of Lots 7 and 8 and the East 22 feet of Lot 9 in Block 2 in David P. O'Leary's Subdivision of part of the South Half of the Northeast Quarter of Section 30, Township 41 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Permanent Index No. 11-30-205-011-0000

#### **TERMS AND CONDITIONS**

The Seller agrees to sell the Property, and the Buyer agrees to purchase the Property, on the following terms and conditions:

- 1. Purchase Price. The purchase price for the Property shall be \$2,800,000\$ (the "Purchase Price"). The Buyer shall pay the Purchase Price as follows:
  - a. An earnest money deposit (the "Earnest Money") in an amount equal to ten percent (10%) of the Purchase Price within three (3) business days following the date of acceptance of the Agreement by the Seller (the "Acceptance Date").
  - b. The balance of the Purchase Price, subject to any applicable credits and prorations, at Closing.

[Note: If the Buyer desires to enter into this Agreement subject to a financing contingency, then Rider A should be completed. Otherwise, Rider A should be left blank.]

[Note: If the Buyer purports to hold a mortgage interest in the Property and tenders this Agreement in connection with a credit bid, then Rider B should be completed. Otherwise, Rider B should be left blank.]

- 2. <u>Earnest Money</u>. The Earnest Money shall be held by First American Title Company ("First American Title") in a segregated escrow account. In connection with said Earnest Money deposit, the Buyer shall execute and deliver to the Seller a copy of that certain strict joint order escrow agreement in the form attached hereto as Exhibit A.
- 3. <u>Court Approval</u>. As soon as practicable after the conclusion of the Inspection Period described in Paragraph 13 below, the Seller shall move before the Honorable John Z. Lee or any judge sitting in his stead or to whom he has made a referral in the SEC Action (the "Receivership Court") for approval of the sale of the Property pursuant to this Agreement. In the event that the Receivership Court does not issue the requisite approval, then the Agreement shall become null and void and all Earnest Money shall be promptly refunded to the Buyer.
- 4. **Escrow Closing**. This sale shall be closed through an escrow with First American Title in accordance with the general provisions of the usual form of deed and money escrow agreement then furnished and in use by said title company. Payment of the Purchase Price and delivery of the receiver's deed shall be made through the escrow. The cost of the escrow shall be divided equally between the Buyer and the Seller unless the Buyer acquires the Property with financing, in which event that portion of the cost of the escrow relating to the financing shall be borne by the Buyer. Unless otherwise specified herein, all other closing costs shall be paid in accordance with custom for apartment investment sales transactions in Cook County, Illinois.
- 5. <u>Irrevocable Offer</u>. This Agreement when executed by the Buyer and delivered to the Seller shall constitute an irrevocable offer to purchase the Property until <u>April 30, 2020</u> (the "Offer Expiration Date"). In the event that the offer is not accepted by the Seller before the Offer Expiration Date, then the offer shall be deemed withdrawn.
- 6. <u>Personal Property</u>. At Closing, the Seller shall tender to the Buyer a bill of sale for the personal property appurtenant to the Property (the "Personal Property") warranting only that Seller is the absolute owner of said Personalty, that said Personalty is free and clear of all liens, charges, and encumbrances, and that the Seller has the full right, power, and authority to sell said Personalty and to deliver the bill of sale. The Seller shall neither make nor adopt any warranty whatsoever with respect to the Personal Property and shall specifically disclaim any implied warranty of merchantability or fitness for a particular purpose. The price of the Personal Property shall be included in the Purchase Price, and the Buyer agrees to accept all such Personal Property in "as is" condition.
- 7. <u>The Closing Date</u>. The closing shall be held on a date (the "Closing Date") to be designated by the Seller after the Receivership Court approves the sale of the Property pursuant to this Agreement, provided, however, that the Buyer shall be entitled to ten business days' advance Notice of the Closing Date.
- 8. <u>Conveyance of Title</u>. At Closing, the Seller shall convey title to the Property by a recordable form receiver's deed subject only to (a) general real estate taxes not yet due and payable at the time of Closing; (b) covenants, conditions, restrictions, or building lines and

easements of record, if any; (c) public and utility easements; (d) applicable zoning and building laws and ordinances; (f) acts done by or suffered through Buyer or anyone claiming by, through, or under Buyer; (g) governmental actions or proceedings concerning or affecting the Property in which a judgement of liability has not yet been entered against the Seller; and (h) encroachments of a minor nature, if any, that can be insured over at closing (the "Permitted Exceptions"). The Seller agrees to surrender possession of the Property at the time of Closing.

- 9. Commitment For Title Insurance. Within ten (10) business days after the Acceptance Date, the Seller shall deliver to the Buyer evidence of merchantable title by delivering a commitment for title insurance with extended coverage from First American Title in the amount of the Purchase Price with a commitment date not earlier than March 16, 2020, subject only to general exceptions, the Permitted Exceptions, and exceptions pertaining to liens or encumbrances of a definite and ascertainable amount which may be removed by the payment of money by Seller, endorsed over by First American Title at the Seller's sole expense, or which will be extinguished by order of the Receivership Court. Such title commitment shall be conclusive evidence of good and merchantable title, subject only to the foregoing exceptions. If the commitment for title insurance discloses title exceptions other than the general exceptions, Permitted Exceptions, exceptions waivable through the payment of money or the issuance of an endorsement, or exceptions to be extinguished by Receivership Court order, the Seller shall have thirty (30) calendar days from the Closing Date to cure, or insure over, the unpermitted exceptions and the Closing shall be postponed until said unpermitted exceptions are cured or insured over. If the Seller fails to timely secure the removal of the unpermitted exceptions or obtain an endorsement insuring over the unpermitted exceptions, the Purchaser may terminate this Contract with a full refund of Earnest Money upon Notice to the Seller within ten (10) business days after the expiration of the thirty (30) day period. In such event, this Agreement shall become null and void and neither party shall thereafter have any rights against the other, and the Seller may not be held liable for direct, indirect, incidental, or consequential damages.
- 10. <u>Survey</u>. At least five (5) business days prior to the Closing Date, the Seller shall provide the Buyer with an ALTA/ACSM survey by a licensed land surveyor dated not more than six months prior to the date of Closing, indicating the present location of all improvements. If the Buyer or the Buyer's mortgagee desires a more recent or extensive survey, the survey shall be obtained at the Buyer's expense.
- 11. <u>Assignment And Assumption Of Leases</u>. At Closing, the Seller shall deliver to the Buyer, and the Seller and Buyer shall execute, an assignment and assumption of leases (in the form attached hereto as Exhibit B) pursuant to which the Seller shall convey all right, title, and interest in and to any leases in effect at the Property to the Buyer, and the Buyer shall agree to assume all of the Seller's obligations under said leases.
- 12. <u>Prorations</u>. Prepaid service contracts and other similar items shall be credited ratably at Closing. Any and all rents collected from or on behalf of tenants until the date of the Closing shall be applied by the Seller first to past due balances and then to currently scheduled monthly rent. Each tenant's scheduled monthly rent shall then be prorated for the month of Closing. To

the extent that any tenant has paid all rent through and including the month prior to the Closing, then all additional rent received from such tenant shall be applied by the Seller first to rent for the period between the first day of the month in which the Closing occurs and the date of the Closing, and the balance of said rent, if any, shall be paid to the Buyer. Any and all rents that remain delinquent as of the Closing Date shall belong to the Buyer upon collection. Notwithstanding the foregoing, real estate taxes associated with the ownership of the Property shall be prorated as of the Closing Date based on 105% of the most recently ascertainable tax bill.

- 13. <u>Inspection Period</u>. The Buyer acknowledges that it was afforded the opportunity to conduct a limited tour of the Property prior to submitting its offer. Within three (3) calendar days following the Acceptance Date, the Seller shall produce the following documents to the Buyer (the "Due Diligence Materials"):
  - a. <u>Current Rent Roll</u>. A current rent roll for the Property generated by the management company.
  - b. <u>Utility Bills</u>. Copies of all utility bills relating to the Property, to the extent available, for the twelve calendar months preceding the month of the Acceptance Date.
  - c. Leases. Copies of all existing leases affecting the Property.
  - d. <u>Profit & Loss Statement</u>. A current trailing twelve-month profit and loss statement reflecting all categories of operating income and expenses associated with the Property, as generated by the management company.
  - e. <u>Litigation Documents</u>. Copies of documents, including notices of violation, orders, judgments, and other pleadings, pertaining to any known litigation or proceedings currently affecting the Property.

In addition, the Seller shall allow the Buyer reasonable access to the Property for twenty days from and after the Acceptance Date (the "Inspection Period") for the purpose of conducting an inspection of the major structural and mechanical components of the Property. To the extent that the Buyer requires additional time to complete its inspection due to logistical obstacles associated with the COVID-19 virus, the Seller agrees to lengthen the Inspection Period by amendment to this Agreement. A major structural or mechanical component shall be deemed to be in acceptable operating condition if it substantially performs the function for which it is intended, regardless of age, and does not pose a threat to health or safety. In the event that the Buyer produces sound evidence that any major structural or mechanical component of the Property does not substantially perform the function for which it is intended, then the Buyer shall have the right to terminate this Agreement upon the delivery of Notice to the Seller on or before the conclusion of the Inspection Period, such notice to be accompanied by the relevant pages of an inspection report prepared by a licensed or certified inspector and identifying the defect justifying the termination. Upon receipt by the Seller of the notice of termination, this

Agreement shall be considered null and void and the parties shall be discharged of any and all obligations hereunder (except those obligations which survive termination) and First American Title shall release the Earnest Money to the Buyer. In the event that the Buyer does not terminate the Agreement on or prior to the conclusion of the Inspection Period, the Property shall be considered accepted by the Buyer and the Earnest Money shall thereafter be non-refundable. In connection with its inspection of the Property, the Buyer shall keep the Property free and clear of liens, shall indemnify and hold Seller harmless from any and all liability, loss, cost, damage, or expense relating to its inspection of the Property, and shall repair any and all damage arising from the inspection. These obligations shall survive termination of the Agreement.

- 14. Entry Into Or Renewal Of Contracts & Material Changes. After the Receivership Court grants the Seller's motion to confirm the sale of the Property pursuant to this Agreement, but prior to the closing, the Seller shall not without the prior written consent of the Buyer, said consent not to be unreasonably withheld, conditioned, or delayed, enter into or renew any service contract or lease affecting or concerning the Property. In addition, the Seller shall not make any material changes to the Property, perform or engage in any act, or enter into any agreement that materially changes the value of the Property or the rights of the Buyer relating to the Property.
- 15. Material Destruction. Risk of loss to the Property shall be borne by the Seller until title has been conveyed to Buyer. If, prior to Closing, a material portion of the Property shall be destroyed or materially damaged by fire or other casualty, then the Seller shall provide prompt notice of said fire or other casualty to the Buyer and this Agreement shall thereafter, at the option of the Buyer, exercised by Notice to the Seller within five (5) business days after receipt of notice of such material damage, be null and void, and all Earnest Money shall be refunded to the Buyer. Failure of the Buyer to provide timely notice shall constitute a waiver of the right to terminate.
- 16. Condition Of Property. The Buyer understands and agrees that the Property is being sold "as is" and "with all faults" and that neither the Seller nor any agent or attorney of the Seller, makes, or has made, any representation or warranty as to the physical condition or value of the Property or its suitability for the Buyer's intended use. The Seller has no obligation to repair or correct any alleged patent or latent defect at the Property, or to compensate the Buyer for any such defect, and, upon closing, the Buyer waives, releases, acquits, and forever discharges the Seller, and all of the Seller's agents and attorneys, to the maximum extent permitted by law, from any and all claims, actions, causes or action, demands, rights, liabilities, losses, damages, costs, or expenses, direct or indirect, known or unknown, foreseen or unforeseen, that it now has or which may arise in the future on account of or in any way arising from or relating to any alleged patent or latent defect at the Property.
- 17. <u>Buyer Default</u>. The Buyer and Seller agree that it would be difficult to ascertain the actual damages to be suffered by the Seller in the event of a default by the Buyer and that the amount of the Earnest Money deposited by the Buyer hereunder constitutes the parties'

reasonable estimate of the Seller's damages in the event of the Buyer's default, and that upon any such default not caused by the Seller, the Seller shall be entitled to retain the Earnest Money as liquidated damages, which shall constitute the Seller's sole and exclusive remedy in law or at equity in connection with said default.

- 18. Seller Default. In the event that the Seller shall fail to sell, transfer, and assign the Property to Purchaser in violation of the terms of this Agreement and/or fail to perform any other material obligation of Seller hereunder, then the Buyer may give Notice to the Seller specifying the nature of the default. The Seller shall thereafter have five (5) business days from receipt of said Notice, but in no event beyond the Closing Date, within which to cure the alleged default. If the Seller fails to cure the default within the cure period, then the Buyer shall be entitled to the return of all Earnest Money and (a) to declare the Agreement null and void and sue for reasonable out-of-pocket expenses incurred in connection with this Agreement prior to the alleged default or (b) to sue for specific performance, the parties recognizing that the Property is unique and that the Buyer otherwise lacks an adequate remedy at law. In the latter event, the Buyer is advised that Section VIII of the Order Appointing Receiver entered in the SEC Action enjoins the filing or prosecution of all civil proceedings against the Receiver, in his capacity as Receiver, until further order of the court.
- 19. **Representations and Warranties**. As a material inducement to the Buyer to enter into this Agreement, the Seller hereby makes the following representations and warranties, each of which shall remain true and correct as of the Closing Date:
  - a. The Seller has the full right, power, and authority to convey the Property to the Buyer as provided in this Agreement and to carry out its obligations hereunder. In addition, the individual executing this Agreement on behalf of the Seller has the legal right, power, and authority to bind the Seller to the terms hereof.
  - b. The Seller will not take any action affecting title to the Property following the Acceptance Date.
  - c. To the best of the Seller's knowledge, there are no actions, investigations, suits, or proceedings, pending or threatened, that affect the Property, or the ownership or operation thereof, other than the SEC Action and the following:

[None.]

- d. To the best of the Seller's knowledge, the Property is not in violation, nor has been under investigation for violation, of any federal, state, or local law, ordinance, or regulation regulating environmental conditions in, at, on, under, or about the Property, including but not limited to, soil and groundwater conditions.
- 20. <u>Notices</u>. All notices required or permitted under this Agreement shall be in writing and served by registered or certified United States mail, return receipt requested; nationally

recognized overnight mail courier (signature required); or electronic mail (evidenced by competent and authentic proof of transmission). Any notices given to the Seller shall be delivered to the Seller's counsel, at the following physical or e-mail addresses:

Andrew E. Porter
Porter Law Office
853 North Elston Avenue
Chicago, Illinois 60614
andrew@andrewporterlaw.com

Michael Rachlis Rachlis Duff & Peel, LLC 542 South Dearborn, Suite 900 Chicago, Illinois 60605 mrachlis@rdaplaw.net

Any such notices or demands given to the Buyer shall be delivered to the Buyer's counsel, at the following address physical or e-mail addresses:

Ashen | Faulkner

Ashen | Faulkner

217 North Jefferson, Suite 601

Chicago, IL 60661

- 21. <u>Like-Kind Exchange</u>. The Seller agrees to cooperate if the Buyer elects to acquire the Property as part of a like-kind exchange under Section 1031 of the Internal Revenue Code. The Buyer's contemplated exchange shall not impose upon the Seller any additional liability or financial obligation, and the Buyer agrees to hold the Seller harmless from any liability that might arise from such exchange. This Agreement is neither subject to nor contingent upon the Buyer's ability to dispose of its exchange property or to effectuate an exchange. In the event any exchange contemplated by the Buyer should fail to occur, for whatever reason, the sale of the Property shall nonetheless be consummated as provided herein.
- 22. **Real Estate Agents**. Purchaser represents and warrants that, other than Seller's Agent and Buyer's Agent, if any, no other putative real estate agent or broker was involved in submitting, showing, marketing, or selling the Property to the Buyer, and the Buyer agrees to indemnify and hold Seller, and its successors and assigns, harmless from and against any and all liability, loss, damages, cost, or expense, including reasonable attorneys' fees, arising from or relating to any claim for a commission, fee, or other form of payment or compensation asserted by a putative real estate agent or broker purporting to have procured the Buyer in connection with this Agreement.

- 23. <u>Foreign Investor Disclosure</u>. The Seller and the Buyer agree to execute and deliver any instrument, affidavit, or statement, and to perform any act reasonably necessary to carry out the provisions of the Foreign Investment in Real Property Tax Act and regulations promulgated thereunder. The Seller represents that the Seller is not a foreign person as defined in Section 1445 of the Internal Revenue Code.
- 24. <u>Merger</u>. This Agreement expresses the entire agreement of the parties and supersedes any and all previous agreements or understandings between them with regard to the Property. There are no other understandings, oral or written, which in any way alter or enlarge the terms of this Agreement, and there are no warranties or representations of any nature whatsoever, either express or implied, except as set forth herein. This Agreement may be modified only by a written instrument signed by the party to be charged.
- 25. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

\* \* \*

The undersigned Buyer hereby offers and agrees to purchase the Property upon the terms and conditions stated herein as of this 31st day of March, 2020. In addition, the individual signing below on behalf of the Buyer represents and warrants that s/he is authorized to execute this Agreement on behalf of the Buyer.

Buyer	Seller
	KEVIN B. DUFF, FEDERAL EQUITY RECEIVER FOR 1700 JUNEWAY LLC
	Rachlis Duff & Peel, LLC 542 South Dearborn Street, Suite 900 Chicago, Illinois 60605 (312) 733-3390
By: President	K. SM
Its: President	•
	Acceptance Date: 04/10/20
Buyer's Agent	Seller's Agent
	Jeffrey Baasch SVN Chicago Commercial 940 West Adams Street, Suite 200 Chicago, Illinois 60607 (312) 676-1866



# STRICT JOINT ORDER ESCROW AGREEMENT

Open Date:	Expected Release	e Date:	Escrow Number	<u>: 2985038</u>
Property Addres	1700-08 West Juneway Terrace, Chic	ago, Illinois 60626		
Deposit Amount Document(s) He		se: ☑ Earnest M ☐ Tax Escro		
oursuant to this St	eby deposited with First American Title Insu crict Joint Order Escrow Agreement (hereina only upon the joint written order of the unde	after referred to as	the Agreement). Said deposit shall be	e released and delivere
or corporation, but or decrees entered judgment or decrees compliance, notwith modified, annulled at any time becomes and attorneys shalf or on account the Escrowee upon deto allow for such attorneys shalf the such are such allow for such and the such allow for such and allow for such allows.	y expressly authorized to disregard, in its so the Escrowee is hereby expressly authorized or issued by any court with or without juries of any court it shall not be liable to any pathstanding any such order, judgment or deal, set aside or vacated. In case of any suit are a party, it shall have a lien on the contental be regularly retained or specially employed and it shall be entitled to reimburse it amand all such costs, fees and expenses so eimbursement.  The above mentioned deposits be surrendered assigns, or order of court as aforesaid.	ed to regard and to isdiction, and in cas party hereto or any coree being entered for proceeding regards hereof for any ared, and any other eself therefore out o incurred, to the ext	comply with and obey any and all or e the Escrowee obeys or complies with other person, firm or corporation by a without jurisdiction or being subseque ding the Agreement, to which the Es and all costs, and reasonable attorneys expenses which it may have incurred f said deposit, and the undersigned a ent the funds deposited hereunder si	rders, judgments ith any such order, reason of such ently reversed, crowee is or may s' fees, whether or become liable agree to pay the hall be insufficient
deposit all funds ro any funds, at any Unless otherwise t Fee in the amount	or other benefits, if any, earned or derived for the deceived hereunder to one or more of its gereatime, held by it pursuant to the terms of the defendence, the Escrowee is authorized to pay of \$200.00 (charged per annum beginning the Escrowee also reserves the right to add a	neral accounts. The e Agreement. or an Escrow Fee in to one year following	he amount of \$300.00, and thereafte the date of the Agreement) from the	invest or reinvest er a Maintenance
Purchaser: Signed:		Seller: Signed:	Kevin B. Duff, as Federal Equity Rec 1700 Juneway LLC	ceiver for
Print Name:	Sal Becovic	Print Name:	KJAK	
Address:	4520 N Clarendon Avenue	Address:	Rachlis Duff & Peel, LLC 542 S. Dearborn Street, Suite 900 Chicago, Illinois 60605	
Email:	sb@becovic.com	Email:	kduff@rdaplaw.net	•
Primary Phone:	773-569-8808	Primary Phone:	(312) 733-3390	_
Alternate Phone:		Alternate Phone:		
Primary Contact	(if other than above):			
Accepted: First An	nerican Title Insurance Company, Escrowee	Ву:		

# **Assignment And Assumption Of Leases**

B. Duff, as court-appointed federal equit Order Appointing Receiver entered Au entered March 14, 2019 (Dkt. 290), <i>Commission v. EquityBuild, Inc., et al.</i> , Eastern Division, Civil Action No. 1:18-cv conveys, and sets over to company, all of Assignor's right, title, an	e receipt and sufficiency of which are hereby acknowledged, Kevin by receiver for 1700 Juneway LLC ("Seller") pursuant to that certain gust 17, 2018 (Dkt. 16), as supplemented by that certain Order in the case captioned <i>United States Securities and Exchange</i> United States District Court for the Northern District of Illinois, 7-05587 ("Assignor"), hereby irrevocably grants, assigns, transfers, ("Assignee"), an Illinois limited liability d interest in and to the leases (collectively, the "Leases") attached orty commonly known as 1700-08 West Juneway Terrace, Chicago, ollows:
P. O'Leary's Subdivision of part o	Ill of Lots 7 and 8 and the East 22 feet of Lot 9 in Block 2 in David of the South Half of the Northeast Quarter of Section 30, Township Third Principal Meridian, in Cook County, Illinois.
from and after the date hereof. This As or warranty, except to the extent provide	gations imposed upon the Assignor under the Leases which accrue signment is made without any express or implied representation led in that certain Purchase And Sale Agreement, accepted by the 20, by and between Assignor and Assignee.
This Assignment shall be governed by an	nd construed in accordance with the laws of the State of Illinois.
IN WITNESS WHEREOF, the parties hav this day of March, 2020.	e executed this Assignment And Assumption Of Leases as of
	ASSIGNOR:
	Kevin B. Duff, Federal Equity Receiver for 1700 Juneway LLC
	ASSIGNEE:
	Ву:
	Name:
	Title:

# **PURCHASE & SALE AGREEMENT**

This Purchase & Sale Agreement ("Agreement") is made by and between Kevin B. Duff, courtappointed federal equity receiver for SSDF2 1139 E 79th LLC ("Seller") pursuant to that certain Order Appointing Receiver entered August 17, 2018 (Dkt. 16), as supplemented by Order dated March 14, 2019 (Dkt. 290), in the case captioned *United States Securities and Exchange Commission v. EquityBuild, Inc., et al.*, United States District Court for the Northern District of Illinois, Eastern Division, Civil Action No. 1:18-cv-05587 (the "SEC Action"), and

Longwood Develdment LLC ("Buyer")

for the purchase and sale of that certain real property and all fixtures, equipment, and personal property appurtenant thereto (the "Property") located at 1131-41 E 79th Place, Chicago, Illinois 60619 and legally described as follows:

LOTS 29 TO 34, BOTH INCLUSIVE, IN THE RESUBDIVISION OF BLOCK 108 IN CORNELL IN THE NORTH HALF OF SECTION 35, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Permanent Index No. 20-35-106-022-0000

# **TERMS AND CONDITIONS**

The Seller agrees to sell the Property, and the Buyer agrees to purchase the Property, on the following terms and conditions:



a. An earnest money deposit (the "Earnest Money") in an amount equal to 10 % of the Purchase Price within three (3) business days following the date of acceptance of the Agreement by the Seller (the "Acceptance Date").



b. The balance of the Purchase Price, subject to any applicable credits and prorations, at Closing.

[Note: If the Buyer desires to enter into this Agreement subject to a financing contingency, then Rider A should be completed. Otherwise, Rider A should be left blank.]

[Note: If the Buyer purports to hold a mortgage interest in the Property and tenders this Agreement in connection with a credit bid, then Rider B should be completed. Otherwise, Rider B should be left blank.]

- 2. <u>Earnest Money</u>. The Earnest Money shall be held by First American Title Company ("First American Title") in a segregated escrow account. In connection with said Earnest Money deposit, the Buyer shall execute and deliver to the Seller a copy of that certain strict joint order escrow agreement in the form attached hereto as Exhibit A.
- 3. <u>Court Approval</u>. As soon as practicable in consideration of the Seller's need to manage the sales of a tranche of properties, await the expiration of the respective due diligence periods, and avoid placing undue burden on the court in the SEC Action, the Seller shall move before the Honorable John Z. Lee or any judge sitting in his stead or to whom he has made a referral in the SEC Action (the "Receivership Court") for approval of the sale of the Property pursuant to this Agreement. In the event that the Receivership Court does not confirm the sale of the Property pursuant to this Agreement, then the Agreement shall become null and void and all Earnest Money shall be promptly refunded to the Buyer.
- 4. <u>Escrow Closing</u>. This sale shall be closed through an escrow with First American Title in accordance with the general provisions of the usual form of deed and money escrow agreement then furnished and in use by said title company. Payment of the Purchase Price and delivery of the receiver's deed shall be made through the escrow. The cost of the escrow shall be divided equally between the Buyer and the Seller unless the Buyer acquires the Property with financing, in which event that portion of the cost of the escrow relating to the financing shall be borne by the Buyer. Unless otherwise specified herein, all other closing costs shall be paid in accordance with custom for apartment investment sales transactions in Cook County, Illinois.
- 5. <u>Irrevocable Offer</u>. This Agreement when executed by the Buyer and delivered to the Seller shall constitute an irrevocable offer to purchase the Property until June 17, 2020 (the "Offer Expiration Date"). In the event that the offer is not accepted by the Seller before the Offer Expiration Date, then the offer may be withdrawn upon the delivery of notice to the Seller in accordance with Paragraph 20.
- 6. Personal Property. At Closing, the Seller shall tender to the Buyer a bill of sale for the personal property appurtenant to the Property (the "Personal Property") warranting only that the Seller is the absolute owner of said Personalty, that said Personalty is free and clear of all liens, charges, and encumbrances, and that the Seller has the full right, power, and authority to sell said Personalty and to deliver the bill of sale. The Seller shall neither make nor adopt any warranty whatsoever with respect to the Personal Property and shall specifically disclaim any implied warranty of merchantability or fitness for a particular purpose. The price of the Personal Property shall be included in the Purchase Price, and the Buyer agrees to accept all such Personal Property in "as is" condition.
- 7. <u>The Closing Date</u>. The closing shall be held on a date (the "Closing Date") to be designated by the Seller after the Receivership Court approves the sale of the Property pursuant to this Agreement, provided, however, that the Buyer shall be entitled to five business days' advance Notice of the Closing Date.

- 8. <u>Conveyance of Title</u>. At Closing, the Seller shall convey title to the Property by a recordable form receiver's deed subject to (a) general real estate taxes not yet due and payable at the time of Closing; (b) covenants, conditions, restrictions, or building lines and easements of record, if any; (c) public and utility easements; (d) applicable zoning and building laws and ordinances; (f) acts done by or suffered through Buyer or anyone claiming by, through, or under Buyer; (g) governmental actions or proceedings concerning or affecting the Property; and (h) encroachments of a minor nature, if any, that can be insured over at closing (the "Permitted Exceptions"). The Seller agrees to surrender possession of the Property at the time of Closing.
- 9. Commitment For Title Insurance. Within ten (10) business days after the Acceptance Date, the Seller shall deliver to the Buyer evidence of merchantable title by delivering a commitment for title insurance with extended coverage from First American Title in the amount of the Purchase Price with a commitment date not earlier than March 1, 2020, subject only to general exceptions, the Permitted Exceptions, and exceptions pertaining to liens or encumbrances of a definite and ascertainable amount which may be removed by the payment of money by Seller, endorsed over by First American Title at the Seller's sole expense, or which will be extinguished by order of the Receivership Court. Such title commitment shall be conclusive evidence of good and merchantable title, subject only to the foregoing exceptions. If the commitment for title insurance discloses title exceptions other than the general exceptions, Permitted Exceptions, exceptions waivable through the payment of money or the issuance of an endorsement, or exceptions capable of being extinguished by Receivership Court order, the Seller shall have thirty (30) calendar days from the Closing Date to cure, or insure over, the unpermitted exceptions and the Closing shall be postponed until said unpermitted exceptions are cured or insured over. If the Seller fails to timely secure the removal of the unpermitted exceptions or obtain an endorsement insuring over the unpermitted exceptions, the Purchaser may terminate this Contract with a full refund of Earnest Money upon Notice to the Seller within ten (10) business days after the expiration of the thirty (30) day period. In such event, this Agreement shall become null and void and neither party shall thereafter have any rights against the other, and the Seller may not be held liable for direct, indirect, incidental, or consequential damages.
- 10. **Survey**. At least five (5) business days prior to the Closing Date, the Seller shall provide the Buyer with a survey by Professionals Associated Survey, Inc. a licensed land surveyor, dated February 7, 2020, indicating the location of all improvements. If the Buyer or the Buyer's mortgagee desires an updated or more extensive survey, the survey shall be obtained at the Buyer's expense.
- 11. <u>Assignment And Assumption Of Leases</u>. At Closing, the Seller shall deliver to the Buyer, and the Seller and Buyer shall execute, an assignment and assumption of leases (in the form attached hereto as Exhibit B) pursuant to which the Seller shall convey all right, title, and interest in and to any leases in effect at the Property to the Buyer, and the Buyer shall agree to assume all of the Seller's obligations under said leases.

- 12. Prorations. Prepaid service contracts and other similar items shall be credited ratably at Closing. Any and all rents collected until the date of the Closing shall be applied by the Seller first to past due balances and then to currently scheduled monthly rent. Any rents collected by the Buyer after Closing shall be applied first to corresponding pre-Closing arrearages and remitted to the Seller within ten business days. Scheduled monthly rent shall be prorated for the month of Closing. To the extent that any tenant at the Property has paid less than the entirety of its scheduled rent for the month of Closing, then any rent received for said month shall not be prorated but instead paid first to the Seller in respect of each day in the month through and including the date of Closing, with any balance thereafter paid to the Buyer. In addition, real estate taxes associated with the ownership of the Property shall be prorated as of the Closing based on 105% of the most recently ascertainable tax bill.
- 13. <u>Inspection Period</u>. The Buyer acknowledges that it was afforded the opportunity to conduct a limited tour of the Property prior to submitting its offer. Within three (3) calendar days following the Acceptance Date, the Seller shall produce the following documents to the Buyer (the "Due Diligence Materials"):
  - a. <u>Current Rent Roll</u>. A current rent roll for the Property generated by the management company.
  - b. <u>Utility Bills</u>. Copies of all utility bills relating to the Property, to the extent available, for the twelve calendar months preceding the month of the Acceptance Date.
  - c. <u>Leases</u>. Copies of all existing leases affecting the Property.
  - d. <u>Profit & Loss Statement</u>. A current trailing twelve-month profit and loss statement reflecting all categories of operating income and expenses associated with the Property, as generated by the management company.
  - e. <u>Litigation Documents</u>. Copies of documents, including notices of violation, orders, judgments, and other pleadings, pertaining to any known litigation or proceedings currently affecting the Property.

In addition, the Seller shall allow the Buyer reasonable access to the Property for twenty days from and after the Acceptance Date (the "Inspection Period") for the purpose of conducting an inspection of the major structural and mechanical components of the Property. A major structural or mechanical component shall be deemed to be in acceptable operating condition if it substantially performs the function for which it is intended, regardless of age, and does not pose a threat to health or safety. In the event that the Buyer possesses sound evidence that any major structural or mechanical component of the Property does not substantially perform the function for which it is intended, then the Buyer shall have the right to terminate this Agreement upon the delivery of Notice to the Seller on or before the conclusion of the Inspection Period, such notice to be accompanied by the relevant pages of an inspection report prepared by a licensed or certified inspector and identifying the defect justifying the

termination. Upon receipt by the Seller of the notice of termination, this Agreement shall be considered null and void and the parties shall be discharged of any and all obligations hereunder (except those obligations which survive termination) and First American Title shall release the Earnest Money to the Buyer. In the event that the Buyer does not terminate the Agreement on or prior to the conclusion of the Inspection Period, the Property shall be considered accepted by the Buyer and the Earnest Money shall thereafter be non-refundable. In connection with its inspection of the Property, the Buyer shall keep the Property free and clear of liens, shall indemnify and hold Seller harmless from any and all liability, loss, cost, damage, or expense relating to its inspection of the Property, and shall repair any and all damage arising from the inspection. These obligations shall survive termination of the Agreement.

- 14. Entry Into Or Renewal Of Contracts & Material Changes. Following the expiration of the Inspection Period, the Seller shall not without the prior written consent of the Buyer, said consent not to be unreasonably withheld, conditioned, or delayed, enter into or renew any service contract or lease affecting or concerning the Property. In addition, the Seller shall not make any material changes to the Property, perform or engage in any act, or enter into any agreement that materially changes the value of the Property or the rights of the Buyer relating to the Property.
- 15. <u>Material Destruction</u>. Risk of loss to the Property shall be borne by the Seller until title has been conveyed to Buyer. If, prior to Closing, a material portion of the Property shall be destroyed or materially damaged by fire or other casualty, then the Seller shall provide prompt notice of said fire or other casualty to the Buyer and this Agreement shall thereafter, at the option of the Buyer, exercised by Notice to the Seller within five (5) business days after receipt of notice of such material damage, be null and void, and all Earnest Money shall be refunded to the Buyer. Failure of the Buyer to provide timely notice shall constitute a waiver of the right to terminate.
- 16. Condition Of Property. The Buyer understands and agrees that the Property is being sold "as is" and "with all faults" and that neither the Seller nor any agent or attorney of the Seller, makes, or has made, any representation or warranty as to the physical condition or value of the Property or its suitability for the Buyer's intended use. The Seller has no obligation to repair or correct any alleged patent or latent defect at the Property, or to compensate the Buyer for any such defect, and, upon closing, the Buyer waives, releases, acquits, and forever discharges the Seller, and all of the Seller's agents and attorneys, to the maximum extent permitted by law, from any and all claims, actions, causes or action, demands, rights, liabilities, losses, damages, costs, or expenses, direct or indirect, known or unknown, foreseen or unforeseen, that it now has or which may arise in the future on account of or in any way arising from or relating to any alleged patent or latent defect at the Property.
- 17. <u>Buyer Default</u>. The Buyer and Seller agree that it would be difficult to ascertain the actual damages to be suffered by the Seller in the event of a default by the Buyer and that the amount of the Earnest Money deposited by the Buyer hereunder constitutes the parties'

reasonable estimate of the Seller's damages in the event of the Buyer's default, and that upon any such default not caused by the Seller, the Seller shall be entitled to retain the Earnest Money as liquidated damages, which shall constitute the Seller's sole and exclusive remedy in law or at equity in connection with said default.

- 18. Seller Default. In the event that the Seller shall fail to sell, transfer, and assign the Property to Purchaser in violation of the terms of this Agreement and/or fail to perform any other material obligation of Seller hereunder, then the Buyer may give Notice to the Seller specifying the nature of the default. The Seller shall thereafter have five (5) business days from receipt of said Notice, but in no event beyond the Closing Date, within which to cure the alleged default. If the Seller fails to cure the default within the cure period, then the Buyer shall be entitled to the return of all Earnest Money and (a) to declare the Agreement null and void and sue for reasonable out-of-pocket expenses incurred in connection with this Agreement prior to the alleged default or (b) to sue for specific performance, the parties recognizing that the Property is unique and that the Buyer otherwise lacks an adequate remedy at law. In the latter event, the Buyer is advised that Section VIII of the Order Appointing Receiver entered in the SEC Action enjoins the filing or prosecution of all civil proceedings against the Receiver, in his capacity as Receiver, until further order of the court.
- 19. <u>Representations and Warranties</u>. As a material inducement to the Buyer to enter into this Agreement, the Seller hereby makes the following representations and warranties, each of which shall remain true and correct as of the Closing Date:
  - a. The Seller has the full right, power, and authority to convey the Property to the Buyer as provided in this Agreement and to carry out its obligations hereunder. In addition, the individual executing this Agreement on behalf of the Seller has the legal right, power, and authority to bind the Seller to the terms hereof.
  - b. The Seller will not take any action affecting title to the Property following the Acceptance Date.
  - c. To the best of the Seller's knowledge, there are no actions, investigations, suits, or proceedings, pending or threatened, that affect the Property, or the ownership or operation thereof, other than the SEC Action and the following:

[None.]

- d. To the best of the Seller's knowledge, the Property is not in violation, nor has been under investigation for violation, of any federal, state, or local law, ordinance, or regulation regulating environmental conditions in, at, on, under, or about the Property, including but not limited to, soil and groundwater conditions.
- 20. <u>Notices</u>. All notices required or permitted under this Agreement shall be in writing and served by registered or certified United States mail, return receipt requested; nationally

recognized overnight mail courier (signature required); or electronic mail (evidenced by competent and authentic proof of transmission). Any notices given to the Seller shall be delivered to the Seller's counsel, at the following physical or e-mail addresses:

> Andrew E. Porter Porter Law Office 853 North Elston Avenue Chicago, Illinois 60614 andrew@andrewporterlaw.com

Michael Rachlis Rachlis Duff & Peel LLC 542 South Dearborn, Suite 900 Chicago, Illinois 60605 mrachlis@rdaplaw.net

Any such notices or demands given to the Buyer shall be delivered to the Buyer's counsel, at the

following address physical or e-mail addresses:

Drund Respice Response Com

212-456-0376

- 21. Like-Kind Exchange. The Seller agrees to cooperate if the Buyer elects to acquire the Property as part of a like-kind exchange under Section 1031 of the Internal Revenue Code. The Buyer's contemplated exchange shall not impose upon the Seller any additional liability or financial obligation, and the Buyer agrees to hold the Seller harmless from any liability that might arise from such exchange. This Agreement is neither subject to nor contingent upon the Buyer's ability to dispose of its exchange property or to effectuate an exchange. In the event any exchange contemplated by the Buyer should fail to occur, for whatever reason, the sale of the Property shall nonetheless be consummated as provided herein.
- 22. Real Estate Agents. Purchaser represents and warrants that, other than Seller's Agent and Buyer's Agent, if any, no other putative real estate agent or broker was involved in submitting, showing, marketing, or selling the Property to the Buyer, and the Buyer agrees to indemnify and hold Seller, and its successors and assigns, harmless from and against any and all liability, loss, damages, cost, or expense, including reasonable attorneys' fees, arising from or relating to any claim for a commission, fee, or other form of payment or compensation asserted by a putative real estate agent or broker purporting to have procured the Buyer in connection with this Agreement.

- 23. <u>Foreign Investor Disclosure</u>. The Seller and the Buyer agree to execute and deliver any instrument, affidavit, or statement, and to perform any act reasonably necessary to carry out the provisions of the Foreign Investment in Real Property Tax Act and regulations promulgated thereunder. The Seller represents that the Seller is not a foreign person as defined in Section 1445 of the Internal Revenue Code.
- 24. <u>Merger</u>. This Agreement expresses the entire agreement of the parties and supersedes any and all previous agreements or understandings between them with regard to the Property. There are no other understandings, oral or written, which in any way alter or enlarge the terms of this Agreement, and there are no warranties or representations of any nature whatsoever, either express or implied, except as set forth herein. This Agreement may be modified only by a written instrument signed by the party to be charged.
- 25. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

\* \* \*

The undersigned Buyer hereby offers and agrees to purchase the Property upon the terms and conditions stated herein as of the 3rd day of June, 2020. In addition, the individual signing below on behalf of the Buyer represents and warrants that s/he is authorized to execute this Agreement on behalf of the Buyer.

Buyer	Seller
By: Consword Development LLC	KEVIN B. DUFF, FEDERAL EQUITY RECEIVER FOR SSDF2 1139 E 79th LLC
Its: Majagu	Rachlis Duff & Peel LLC 542 South Dearborn Street, Suite 900 Chicago, Illinois 60605 (312) 733-3390
	Acceptance Date: 06/18/20
Buyer's Agent	Seller's Agent
	Jeffrey Baasch SVN Chicago Commercial 940 West Adams Street, Suite 200 Chicago, Illinois 60607 (312) 676-1866

### RIDER A

\_\_\_\_ If the Buyer desires that the terms and provisions of this Rider be incorporated into the Purchase And Sale Agreement to which it is annexed, please initial this paragraph.

\* \* \*

This Agreement is contingent upon the Buyer securing, no later than 21 days following the Acceptance Date (the "Financing Contingency Deadline"), a firm written mortgage commitment for a fixed or adjustable rate mortgage from an established multifamily residential mortgage lender in the amount of \$\_\_\_\_\_\_\_, at an interest rate (or initial interest rate if an adjustable rate mortgage) not to exceed %\_\_\_\_\_\_, plus appraisal and credit report fees, if any. If the Buyer is unable to secure a firm written mortgage commitment as described herein within the referenced time period, then the Buyer may terminate this Agreement with a full refund of Earnest Money by providing notice to the Seller prior to the expiration of the Financing Contingency Deadline. If the Buyer does not provide the requisite notice to the Seller as provided herein, then the Buyer shall be deemed to have waived this financing contingency, and this Agreement shall remain in full force and effect.



RIDER I	В
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If the Buyer purports to hold a mortgage interest in the Property and tenders the Purchase And Sale Agreement to which this rider is annexed (the "Agreement") in connection with the submission of a credit bid, please initial this paragraph and provide the information and supply any additional terms and conditions to the Agreement, or modifications to the Agreement, as requested herein. Any such terms and conditions shall supersede any contrary or conflicting terms and conditions set forth in the Agreement itself. The Buyer consists of the following mortgagee or mortgagees purporting to hold a perfected and unreleased security interest in the Property:

[Using additional sheets, please indicate, for each mortgagee identified above, the total unpaid balance due under the promissory note secured by the corresponding mortgage and itemize each component of the current alleged loan balance, including, but not limited to, principal, interest, default rate interest, late fees, service fees, liquidation fees, protective advances, and other charges.]

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KBD

The Purchase Price shall be the amount of the credit bid submitted by the Buyer, and any requirement to make an earnest money deposit is deleted. Payment of the Purchase Price shall not be made through the escrow at closing.

In addition, the Buyer shall pay all closing costs approved by the Court, which may, subject to the Court's ruling, include, but not be limited to, owner's title insurance premiums, applicable transfer taxes, the survey invoice, property management fees accrued through the closing, due and unpaid real estate taxes, escrow fees, brokerage commissions, unpaid utilities, title commitment update fees, gap insurance premiums, State of Illinois policy fees, extended coverage premiums, the costs of closing protection coverage for the Seller, all other expenses required to be paid by the Seller at closing, all amounts advanced for the benefit of the Property which are required to be reimbursed and/or any amount required to discharge any Receiver's lien.

[Using additional sheets, set forth any other terms and conditions to be included in the Agreement, or any modifications to the Agreement, and to which your credit bid shall remain subject.]



# STRICT JOINT ORDER ESCROW AGREEMENT

and delivered

Open Date:	Expected Release D	)ate:	Escrow	Number: 2985814
Property Address: 1131-41 E	ast 79th Place, Chicago	, IL 60619		
Deposit Amount: \$ <u>115,000.0</u> Document(s) Held				
The above is hereby deposited with pursuant to this Strict Joint Order Es by the Escrowee only upon the joint	crow Agreement (hereinafte	r referred to as th	ne Agreement). Said depos	sit shall be released and deli-
Escrowee is hereby expressly author or corporation, but the Escrowee is here decrees entered or issued by any judgment or decree of any court it succompliance, notwithstanding any succompliance, notwithstanding any succondition of the compliance of the control	nereby expressly authorized court with or without jurisdi hall not be liable to any part ch order, judgment or decreated. In case of any suit or phave a lien on the contents lained or specially employed, be entitled to reimburse itself ts, fees and expenses so inc	to regard and to ction, and in case y hereto or any o e being entered woroceeding regard hereof for any and any other exf therefore out of urred, to the external ction, and the external control of the external ction, and t	comply with and obey any the Escrowee obeys or co ther person, firm or corpor ithout jurisdiction or beinging the Agreement, to whid all costs, and reasonable penses which it may have said deposit, and the undent the funds deposited her	and all orders, judgments omplies with any such order, ration by reason of such g subsequently reversed, ich the Escrowee is or may attorneys' fees, whether incurred or become liable ersigned agree to pay the reunder shall be insufficient
Interest, income or other benefits, if deposit all funds received hereunder any funds, at any time, held by it pu	to one or more of its general	al accounts. The I		
Unless otherwise tendered, the Escr Fee in the amount of \$200.00 (charg in this escrow. The Escrowee also re	ged per annum beginning on	e year following t	he date of the Agreement)	
Purchaser: Signed:  Print Name:  Address:  Charage		Print Name:	Kevin B. Duff, Federal Equ SSDF2 1139 E 79th LLC 542 South Dearborn, Suit Chicago, IL 60605	, 
Email: Fr.z Grev Primary Phone: 847-646	, SL 60637 10 W/D Manayar 4-5564		kduff@rdaplaw.net (312) 733-3390	
Alternate Phone:				
Primary Contact (if other than a	bove):			
Accepted: First American Title Insura		By:		

# **Assignment And Assumption Of Leases**

B. Duff, as court-appointed federal equity receiver for Scertain Order Appointing Receiver entered August 17 Order entered March 14, 2019 (Dkt. 290), in the case Commission v. EquityBuild, Inc., et al., United States Eastern Division, Civil Action No. 1:18-cv-05587 ("Assignonus, and sets over to	SSDF2 1139 E 79th LLC ("Seller"), pursuant to that 7, 2018 (Dkt. 16), as supplemented by that certain 8 captioned <i>United States Securities and Exchange</i> District Court for the Northern District of Illinois, (nor"), hereby irrevocably grants, assigns, transfers, ("Assignee"), an and interest in and to the leases (collectively, the
LOTS 29 TO 34, BOTH INCLUSIVE, IN THE RESUE NORTH HALF OF SECTION 35, TOWNSHIP 38 NOR MERIDIAN, IN COOK COUNTY, ILLINOIS.	
Assignee hereby assumes all of the obligations imposed from and after the date hereof. This Assignment is made in warranty, except to the extent provided in that cert seller on, by and between	ade without any express or implied representation ain Purchase And Sale Agreement, accepted by the
This Assignment shall be governed by and construed in	n accordance with the laws of the State of Illinois.
N WITNESS WHEREOF, the parties have executed this of, 2020.	Assignment And Assumption Of Leases as of this
ASSIGNOR:	ASSIGNEE:
Kevin B. Duff, Federal Equity Receiver for SSDF2 1139 E 79th LLC	
	Name: Manaze  Title: Manaze  Non Development LCC  By: Comment LCC  By: Com
	By: Cores
	Title: Manaz
	•

# **PURCHASE & SALE AGREEMENT**

This Purchase & Sale Agreement ("Agreement") is made by and between Kevin B. Duff, as courtappointed federal equity receiver for SSDF4 6250 S Mozart LLC ("Seller") pursuant to that certain Order Appointing Receiver entered August 17, 2018 (Dkt. 16), as supplemented by Order dated March 14, 2019 (Dkt. 290), in the case captioned *United States Securities and Exchange Commission v. EquityBuild, Inc., et al.*, United States District Court for the Northern District of Illinois, Eastern Division, Civil Action No. 1:18-cv-05587 (the "SEC Action"), and ("Buyer")

for the purchase and sale of that certain real property and all fixtures, equipment, and personal property appurtenant thereto (the "Property") located at 6250 S Mozart Street (also known as 2832-36 W 63rd Street), Chicago, Illinois 60637 and legally described as follows:

LOTS 16 AND 17 IN BLOCK 15 IN COBE AND MCKINNON'S 63RD STREET AND SACRAMENTO AVENUE SUBDIVISION OF THE EAST HALF OF THE SOUTHWEST QUARTER SECTION 13, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

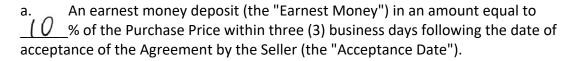
Permanent Index No. 19-13-330-038-0000.

# **TERMS AND CONDITIONS**

The Seller agrees to sell the Property, and the Buyer agrees to purchase the Property, on the following terms and conditions:

1. <u>Purchase Price</u>. The purchase price for the Property shall be \$ 925,000 (the "Purchase Price"). The Buyer shall pay the Purchase Price as follows:





b. The balance of the Purchase Price, subject to any applicable credits and prorations, at Closing.

[Note: If the Buyer desires to enter into this Agreement subject to a financing contingency, then Rider A should be completed. Otherwise, Rider A should be left blank.]

[Note: If the Buyer purports to hold a mortgage interest in the Property and tenders this Agreement in connection with a credit bid, then Rider B should be completed. Otherwise, Rider B should be left blank.]

- 2. <u>Earnest Money</u>. The Earnest Money shall be held by First American Title Company ("First American Title") in a segregated escrow account. In connection with said Earnest Money deposit, the Buyer shall execute and deliver to the Seller a copy of that certain strict joint order escrow agreement in the form attached hereto as Exhibit A.
- 3. <u>Court Approval</u>. As soon as practicable in consideration of the Seller's need to manage the sales of a tranche of properties, await the expiration of the respective due diligence periods, and avoid placing undue burden on the court in the SEC Action, the Seller shall move before the Honorable John Z. Lee or any judge sitting in his stead or to whom he has made a referral in the SEC Action (the "Receivership Court") for approval of the sale of the Property pursuant to this Agreement. In the event that the Receivership Court does not confirm the sale of the Property pursuant to this Agreement, then the Agreement shall become null and void and all Earnest Money shall be promptly refunded to the Buyer.
- 4. <u>Escrow Closing</u>. This sale shall be closed through an escrow with First American Title in accordance with the general provisions of the usual form of deed and money escrow agreement then furnished and in use by said title company. Payment of the Purchase Price and delivery of the receiver's deed shall be made through the escrow. The cost of the escrow shall be divided equally between the Buyer and the Seller unless the Buyer acquires the Property with financing, in which event that portion of the cost of the escrow relating to the financing shall be borne by the Buyer. Unless otherwise specified herein, all other closing costs shall be paid in accordance with custom for apartment investment sales transactions in Cook County, Illinois.
- 5. <u>Irrevocable Offer</u>. This Agreement when executed by the Buyer and delivered to the Seller shall constitute an irrevocable offer to purchase the Property until June 17, 2020 (the "Offer Expiration Date"). In the event that the offer is not accepted by the Seller before the Offer Expiration Date, then the offer may be withdrawn upon the delivery of notice to the Seller in accordance with Paragraph 20.
- 6. Personal Property. At Closing, the Seller shall tender to the Buyer a bill of sale for the personal property appurtenant to the Property (the "Personal Property") warranting only that the Seller is the absolute owner of said Personalty, that said Personalty is free and clear of all liens, charges, and encumbrances, and that the Seller has the full right, power, and authority to sell said Personalty and to deliver the bill of sale. The Seller shall neither make nor adopt any warranty whatsoever with respect to the Personal Property and shall specifically disclaim any implied warranty of merchantability or fitness for a particular purpose. The price of the Personal Property shall be included in the Purchase Price, and the Buyer agrees to accept all such Personal Property in "as is" condition.
- 7. <u>The Closing Date</u>. The closing shall be held on a date (the "Closing Date") to be designated by the Seller after the Receivership Court approves the sale of the Property pursuant to this Agreement, provided, however, that the Buyer shall be entitled to five business days' advance Notice of the Closing Date.

- 8. <u>Conveyance of Title</u>. At Closing, the Seller shall convey title to the Property by a recordable form receiver's deed subject to (a) general real estate taxes not yet due and payable at the time of Closing; (b) covenants, conditions, restrictions, or building lines and easements of record, if any; (c) public and utility easements; (d) applicable zoning and building laws and ordinances; (f) acts done by or suffered through Buyer or anyone claiming by, through, or under Buyer; (g) governmental actions or proceedings concerning or affecting the Property; and (h) encroachments of a minor nature, if any, that can be insured over at closing (the "Permitted Exceptions"). The Seller agrees to surrender possession of the Property at the time of Closing.
- 9. Commitment For Title Insurance. Within ten (10) business days after the Acceptance Date, the Seller shall deliver to the Buyer evidence of merchantable title by delivering a commitment for title insurance with extended coverage from First American Title in the amount of the Purchase Price with a commitment date not earlier than March 1, 2020, subject only to general exceptions, the Permitted Exceptions, and exceptions pertaining to liens or encumbrances of a definite and ascertainable amount which may be removed by the payment of money by Seller, endorsed over by First American Title at the Seller's sole expense, or which will be extinguished by order of the Receivership Court. Such title commitment shall be conclusive evidence of good and merchantable title, subject only to the foregoing exceptions. If the commitment for title insurance discloses title exceptions other than the general exceptions, Permitted Exceptions, exceptions waivable through the payment of money or the issuance of an endorsement, or exceptions capable of being extinguished by Receivership Court order, the Seller shall have thirty (30) calendar days from the Closing Date to cure, or insure over, the unpermitted exceptions and the Closing shall be postponed until said unpermitted exceptions are cured or insured over. If the Seller fails to timely secure the removal of the unpermitted exceptions or obtain an endorsement insuring over the unpermitted exceptions, the Purchaser may terminate this Contract with a full refund of Earnest Money upon Notice to the Seller within ten (10) business days after the expiration of the thirty (30) day period. In such event, this Agreement shall become null and void and neither party shall thereafter have any rights against the other, and the Seller may not be held liable for direct, indirect, incidental, or consequential damages.
- 10. **Survey**. At least five (5) business days prior to the Closing Date, the Seller shall provide the Buyer with a survey by Professionals Associated Survey, Inc., a licensed land surveyor, dated August 29, 2019, indicating the location of all improvements. If the Buyer or the Buyer's mortgagee desires an updated or more extensive survey, the survey shall be obtained at the Buyer's expense.
- 11. <u>Assignment And Assumption Of Leases</u>. At Closing, the Seller shall deliver to the Buyer, and the Seller and Buyer shall execute, an assignment and assumption of leases (in the form attached hereto as Exhibit B) pursuant to which the Seller shall convey all right, title, and interest in and to any leases in effect at the Property to the Buyer, and the Buyer shall agree to assume all of the Seller's obligations under said leases.

- 12. **Prorations**. Prepaid service contracts and other similar items shall be credited ratably at Closing. Any and all rents collected until the date of the Closing shall be applied by the Seller first to past due balances and then to currently scheduled monthly rent. Any rents collected by the Buyer after Closing shall be applied first to corresponding pre-Closing arrearages and remitted to the Seller within ten business days. Scheduled monthly rent shall be prorated for the month of Closing. To the extent that any tenant at the Property has paid less than the entirety of its scheduled rent for the month of Closing, then any rent received for said month shall not be prorated but instead paid first to the Seller in respect of each day in the month through and including the date of Closing, with any balance thereafter paid to the Buyer. In addition, real estate taxes associated with the ownership of the Property shall be prorated as of the Closing based on 105% of the most recently ascertainable tax bill.
- 13. <u>Inspection Period</u>. The Buyer acknowledges that it was afforded the opportunity to conduct a limited tour of the Property prior to submitting its offer. Within three (3) calendar days following the Acceptance Date, the Seller shall produce the following documents to the Buyer (the "Due Diligence Materials"):
  - a. <u>Current Rent Roll</u>. A current rent roll for the Property generated by the management company.
  - b. <u>Utility Bills</u>. Copies of all utility bills relating to the Property, to the extent available, for the twelve calendar months preceding the month of the Acceptance Date.
  - c. <u>Leases</u>. Copies of all existing leases affecting the Property.
  - d. <u>Profit & Loss Statement</u>. A current trailing twelve-month profit and loss statement reflecting all categories of operating income and expenses associated with the Property, as generated by the management company.
  - e. <u>Litigation Documents</u>. Copies of documents, including notices of violation, orders, judgments, and other pleadings, pertaining to any known litigation or proceedings currently affecting the Property.

In addition, the Seller shall allow the Buyer reasonable access to the Property for twenty days from and after the Acceptance Date (the "Inspection Period") for the purpose of conducting an inspection of the major structural and mechanical components of the Property. A major structural or mechanical component shall be deemed to be in acceptable operating condition if it substantially performs the function for which it is intended, regardless of age, and does not pose a threat to health or safety. In the event that the Buyer possesses sound evidence that any major structural or mechanical component of the Property does not substantially perform the function for which it is intended, then the Buyer shall have the right to terminate this Agreement upon the delivery of Notice to the Seller on or before the conclusion of the Inspection Period, such notice to be accompanied by the relevant pages of an inspection report prepared by a licensed or certified inspector and identifying the defect justifying the

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termination. Upon receipt by the Seller of the notice of termination, this Agreement shall be considered null and void and the parties shall be discharged of any and all obligations hereunder (except those obligations which survive termination) and First American Title shall release the Earnest Money to the Buyer. In the event that the Buyer does not terminate the Agreement on or prior to the conclusion of the Inspection Period, the Property shall be considered accepted by the Buyer and the Earnest Money shall thereafter be non-refundable. In connection with its inspection of the Property, the Buyer shall keep the Property free and clear of liens, shall indemnify and hold Seller harmless from any and all liability, loss, cost, damage, or expense relating to its inspection of the Property, and shall repair any and all damage arising from the inspection. These obligations shall survive termination of the Agreement.

- 14. Entry Into Or Renewal Of Contracts & Material Changes. Following the expiration of the Inspection Period, the Seller shall not without the prior written consent of the Buyer, said consent not to be unreasonably withheld, conditioned, or delayed, enter into or renew any service contract or lease affecting or concerning the Property. In addition, the Seller shall not make any material changes to the Property, perform or engage in any act, or enter into any agreement that materially changes the value of the Property or the rights of the Buyer relating to the Property.
- 15. <u>Material Destruction</u>. Risk of loss to the Property shall be borne by the Seller until title has been conveyed to Buyer. If, prior to Closing, a material portion of the Property shall be destroyed or materially damaged by fire or other casualty, then the Seller shall provide prompt notice of said fire or other casualty to the Buyer and this Agreement shall thereafter, at the option of the Buyer, exercised by Notice to the Seller within five (5) business days after receipt of notice of such material damage, be null and void, and all Earnest Money shall be refunded to the Buyer. Failure of the Buyer to provide timely notice shall constitute a waiver of the right to terminate.
- 16. Condition Of Property. The Buyer understands and agrees that the Property is being sold "as is" and "with all faults" and that neither the Seller nor any agent or attorney of the Seller, makes, or has made, any representation or warranty as to the physical condition or value of the Property or its suitability for the Buyer's intended use. The Seller has no obligation to repair or correct any alleged patent or latent defect at the Property, or to compensate the Buyer for any such defect, and, upon closing, the Buyer waives, releases, acquits, and forever discharges the Seller, and all of the Seller's agents and attorneys, to the maximum extent permitted by law, from any and all claims, actions, causes or action, demands, rights, liabilities, losses, damages, costs, or expenses, direct or indirect, known or unknown, foreseen or unforeseen, that it now has or which may arise in the future on account of or in any way arising from or relating to any alleged patent or latent defect at the Property.
- 17. <u>Buyer Default</u>. The Buyer and Seller agree that it would be difficult to ascertain the actual damages to be suffered by the Seller in the event of a default by the Buyer and that the amount of the Earnest Money deposited by the Buyer hereunder constitutes the parties'

reasonable estimate of the Seller's damages in the event of the Buyer's default, and that upon any such default not caused by the Seller, the Seller shall be entitled to retain the Earnest Money as liquidated damages, which shall constitute the Seller's sole and exclusive remedy in law or at equity in connection with said default.

- 18. Seller Default. In the event that the Seller shall fail to sell, transfer, and assign the Property to Purchaser in violation of the terms of this Agreement and/or fail to perform any other material obligation of Seller hereunder, then the Buyer may give Notice to the Seller specifying the nature of the default. The Seller shall thereafter have five (5) business days from receipt of said Notice, but in no event beyond the Closing Date, within which to cure the alleged default. If the Seller fails to cure the default within the cure period, then the Buyer shall be entitled to the return of all Earnest Money and (a) to declare the Agreement null and void and sue for reasonable out-of-pocket expenses incurred in connection with this Agreement prior to the alleged default or (b) to sue for specific performance, the parties recognizing that the Property is unique and that the Buyer otherwise lacks an adequate remedy at law. In the latter event, the Buyer is advised that Section VIII of the Order Appointing Receiver entered in the SEC Action enjoins the filing or prosecution of all civil proceedings against the Receiver, in his capacity as Receiver, until further order of the court.
- 19. <u>Representations and Warranties</u>. As a material inducement to the Buyer to enter into this Agreement, the Seller hereby makes the following representations and warranties, each of which shall remain true and correct as of the Closing Date:
  - a. The Seller has the full right, power, and authority to convey the Property to the Buyer as provided in this Agreement and to carry out its obligations hereunder. In addition, the individual executing this Agreement on behalf of the Seller has the legal right, power, and authority to bind the Seller to the terms hereof.
  - b. The Seller will not take any action affecting title to the Property following the Acceptance Date.
  - c. To the best of the Seller's knowledge, there are no actions, investigations, suits, or proceedings, pending or threatened, that affect the Property, or the ownership or operation thereof, other than the SEC Action.
  - d. To the best of the Seller's knowledge, the Property is not in violation, nor has been under investigation for violation, of any federal, state, or local law, ordinance, or regulation regulating environmental conditions in, at, on, under, or about the Property, including but not limited to, soil and groundwater conditions.
- 20. <u>Notices</u>. All notices required or permitted under this Agreement shall be in writing and served by registered or certified United States mail, return receipt requested; nationally recognized overnight mail courier (signature required); or electronic mail (evidenced by

competent and authentic proof of transmission). Any notices given to the Seller shall be delivered to the Seller's counsel, at the following physical or e-mail addresses:

Andrew E. Porter
Porter Law Office
853 North Elston Avenue
Chicago, Illinois 60614
andrew@andrewporterlaw.com

Michael Rachlis Rachlis Duff & Peel LLC 542 South Dearborn, Suite 900 Chicago, Illinois 60605 mrachlis@rdaplaw.net

Any such notices or demands given to the Buyer shall be delivered to the Buyer's counsel, at the following address physical or e-mail addresses:

David Resnick Dresnick@RS/Law.com 312-456-0376

- 21. <u>Like-Kind Exchange</u>. The Seller agrees to cooperate if the Buyer elects to acquire the Property as part of a like-kind exchange under Section 1031 of the Internal Revenue Code. The Buyer's contemplated exchange shall not impose upon the Seller any additional liability or financial obligation, and the Buyer agrees to hold the Seller harmless from any liability that might arise from such exchange. This Agreement is neither subject to nor contingent upon the Buyer's ability to dispose of its exchange property or to effectuate an exchange. In the event any exchange contemplated by the Buyer should fail to occur, for whatever reason, the sale of the Property shall nonetheless be consummated as provided herein.
- 22. **Real Estate Agents**. Purchaser represents and warrants that, other than Seller's Agent and Buyer's Agent, if any, no other putative real estate agent or broker was involved in submitting, showing, marketing, or selling the Property to the Buyer, and the Buyer agrees to indemnify and hold Seller, and its successors and assigns, harmless from and against any and all liability, loss, damages, cost, or expense, including reasonable attorneys' fees, arising from or relating to any claim for a commission, fee, or other form of payment or compensation asserted by a putative real estate agent or broker purporting to have procured the Buyer in connection with this Agreement.

- 23. <u>Foreign Investor Disclosure</u>. The Seller and the Buyer agree to execute and deliver any instrument, affidavit, or statement, and to perform any act reasonably necessary to carry out the provisions of the Foreign Investment in Real Property Tax Act and regulations promulgated thereunder. The Seller represents that the Seller is not a foreign person as defined in Section 1445 of the Internal Revenue Code.
- 24. <u>Merger</u>. This Agreement expresses the entire agreement of the parties and supersedes any and all previous agreements or understandings between them with regard to the Property. There are no other understandings, oral or written, which in any way alter or enlarge the terms of this Agreement, and there are no warranties or representations of any nature whatsoever, either express or implied, except as set forth herein. This Agreement may be modified only by a written instrument signed by the party to be charged.
- 25. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

\* \* \*

The undersigned Buyer hereby offers and agrees to purchase the Property upon the terms and conditions stated herein as of the 3rd day of June, 2020. In addition, the individual signing below on behalf of the Buyer represents and warrants that s/he is authorized to execute this Agreement on behalf of the Buyer.

**Buyer** 

By: Nanager R

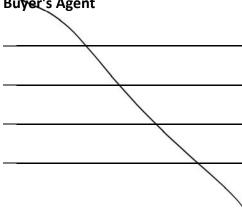
Seller

KEVIN B. DUFF, FEDERAL EQUITY RECEIVER FOR SSDF4 6250 S MOZART LLC

Rachlis Duff & Peel LLC 542 South Dearborn Street, Suite 900 Chicago, Illinois 60605 (312) 733-3390

Acceptance Date: 07/07/20

Buyer's Agent



Seller's Agent

Jeffrey Baasch **SVN Chicago Commercial** 940 West Adams Street, Suite 200 Chicago, Illinois 60607 (312) 676-1866

# **RIDER A**

\_\_\_\_\_ If the Buyer desires that the terms and provisions of this Rider be incorporated into the Purchase And Sale Agreement to which it is annexed, please initial this paragraph.

This Agreement is contingent upon the Buyer securing, no later than 21 days following the Acceptance Date (the "Financing Contingency Deadline"), a firm written mortgage commitment for a fixed or adjustable rate mortgage from an established multifamily residential mortgage lender in the amount of \$\_\_\_\_\_\_\_, at an interest rate (or initial interest rate if an adjustable rate mortgage) not to exceed %\_\_\_\_\_\_ per annum, amortized over \_\_\_\_\_\_ years, payable monthly, with a loan origination fee not to exceed %\_\_\_\_\_\_ plus appraisal and credit report fees, if any. If the Buyer is unable to secure a firm written mortgage commitment as described herein within the referenced time period, then the Buyer may terminate this Agreement with a full refund of Earnest Money by providing notice to the Seller prior to the expiration of the Financing Contingency Deadline. If the Buyer does not provide the requisite notice to the Seller as provided herein, then the Buyer shall be deemed to have waived this financing contingency, and this Agreement shall remain in full force and effect.



# RIDER B If the Buyer purports to hold a mortgage interest in the Property and tenders the Purchase And Sale Agreement to which this rider is annexed (the "Agreement") in connection with the submission of a credit bid, please initial this paragraph and provide the information and supply any additional terms and conditions to the Agreement, or modifications to the Agreement, as requested herein. Any such terms and conditions shall supersede any contrary or conflicting terms and conditions set forth in the Agreement itself. The Buyer consists of the following mortgagee or mortgagees purporting to hold a perfected and unreleased security interest in the Property:

[Using additional sheets, please indicate, for each mortgagee identified above, the total unpaid balance due under the promissory note secured by the corresponding mortgage and itemize each component of the current alleged loan balance, including, but not limited to, principal, interest, default rate interest, late fees, service fees, liquidation fees, protective advances, and other charges.]

The Purchase Price shall be the amount of the credit bid submitted by the Buyer, and any requirement to make an earnest money deposit is deleted. Payment of the Purchase Price shall not be made through the escrow at closing.

In addition, the Buyer shall pay all closing costs approved by the Court, which may, subject to the Court's ruling, include, but not be limited to, owner's title insurance premiums, applicable transfer taxes, the survey invoice, property management fees accrued through the closing, due and unpaid real estate taxes, escrow fees, brokerage commissions, unpaid utilities, title commitment update fees, gap insurance premiums, State of Illinois policy fees, extended coverage premiums, the costs of closing protection coverage for the Seller, all other expenses required to be paid by the Seller at closing, all amounts advanced for the benefit of the Property which are required to be reimbursed and/or any amount required to discharge any Receiver's lien.

[Using additional sheets, set forth any other terms and conditions to be included in the Agreement, or any modifications to the Agreement, and to which your credit bid shall remain subject.]

KIN KBD



## STRICT JOINT ORDER ESCROW AGREEMENT

Open Date:	Expected Release	se Date:	Escrow Number: 2985083
Property Address:	6250 South Mozart Avenue, C	hicago, IL 60629	
Deposit Amount: \$ Document(s) Held	92,500.00 Purpo	ose: 🔯 Earnest Mo ☐ Tax Escro	
pursuant to this Strict	Joint Order Escrow Agreement (herein	after referred to as t	Escrowee (hereinafter referred to as the Escrowee) the Agreement). Said deposit shall be released and delivered pective legal representatives or assigns.
or corporation, but the or decrees entered or judgment or decree of compliance, notwithst modified, annulled, se at any time become a such attorneys shall befor on account thereof Escrowee upon demarto allow for such reim. In no case shall the algrepresentatives or assume Interest, income or ot deposit all funds received.	e Escrowee is hereby expressly authoricissued by any court with or without jurf any court it shall not be liable to any anding any such order, judgment or dest aside or vacated. In case of any suit party, it shall have a lien on the content of eregularly retained or specially employs, and it shall be entitled to reimburse in all such costs, fees and expenses so bursement.  Showe mentioned deposits be surrendered igns, or order of court as aforesaid.  The benefits, if any, earned or derived wed hereunder to one or more of its get, held by it pursuant to the terms of the	zed to regard and to risdiction, and in cas party hereto or any ecree being entered or proceeding regarnts hereof for any aryed, and any other estable therefore out or incurred, to the extended except on an order from the funds depote the Agreement.	and all notices or warnings given by any other person comply with and obey any and all orders, judgments in the Escrowee obeys or complies with any such order, other person, firm or corporation by reason of such without jurisdiction or being subsequently reversed, ding the Agreement, to which the Escrowee is or may and all costs, and reasonable attorneys' fees, whether expenses which it may have incurred or become liable if said deposit, and the undersigned agree to pay the ent the funds deposited hereunder shall be insufficient er signed by the parties hereto, their respective legal sited shall belong to the Escrowee. The Escrowee may Escrowee shall be under no duty to invest or reinvest
Fee in the amount of		g one year following	he amount of \$300.00, and thereafter a Maintenance the date of the Agreement) from the funds deposited tion fees at its discretion.
Purchaser: Signed:	an	<b>Seller:</b> Signed:	K.S.W.
Print Name:	eric breen	Print Name:	Kevin B. Duff, Federal Equity Receiver for
Address:	765 TS 694 PT Chicayo , IL 6063 NZ Gren @ WPD Man	Address:	SSDF4 6250 S Mozart LLC 542 South Dearborn, Suite 900 Chicago, IL 60605
Email:	1.7 Gren @ WPD Man	age Muh. Con	kduff@rdaplaw.net
Primary Phone:	147-644-5564		(312) 733-3390
Alternate Phone:		Alternate Phone:	
Primary Contact (if	other than above):		
Accepted: First Americ	can Title Insurance Company, Escrowe	e By:	

# **Assignment And Assumption Of Leases**

_	•	SSDF4 6250 S Mozart LLC ("Seller"), pursuant to
		ist 17, 2018 (Dkt. 16), as supplemented by that
	_	the case captioned <i>United States Securities and</i>
		States District Court for the Northern District of
		("Assignor"), hereby irrevocably grants, assigns,
		("Assignee"), an
		title, and interest in and to the leases (collectively,
		Property commonly known as 6250 South Mozart
(also known as 2832-36 W 63	rd Street), Chicago, Illino	pis 60629.
LOTS 16 AND 17 IN BLOCK	15 IN COBE AND MC	KINNON'S 63RD STREET AND SACRAMENTO
<b>AVENUE SUBDIVISION OF TH</b>	IE EAST HALF OF THE SC	OUTHWEST QUARTER SECTION 13, TOWNSHIP
38 NORTH, RANGE 13, EAST	OF THE THIRD PRINCIP	AL MERIDIAN, IN COOK COUNTY, ILLINOIS.
Assignee hereby assumes all o	the obligations imposed	upon the Assignor under the Leases which accrue
	_	de without any express or implied representation
		in Purchase And Sale Agreement, accepted by the
Seller on	, by and betwee	en Assignor and Assignee.
This Assignment shall be gover	ned by and construed in	accordance with the laws of the State of Illinois.
		Assignment And Assumption Of Leases as of this
of	_, 2020.	
ASSIGNOR:		ASSIGNEE:
Kevin B. Duff, Federal Equity R	eceiver for	
SSDF4 6250 S Mozart LLC	Sective 101	
		Lorswood Development LLC
		0 01 /00000 1200 10
		By: am
		Name: Eric Green
		LONGWOOD DEVELOPMENT LLC  By: Comme: Eric Green  Title: Manager
		<del></del>

## **PURCHASE & SALE AGREEMENT**

This Purchase & Sale Agreement ("Agreement") is made by and between Kevin B. Duff, courtappointed federal equity receiver for SSDF5 Portfolio 1 LLC ("Seller") pursuant to that certain Order Appointing Receiver entered August 17, 2018 (Dkt. 16), as supplemented by Order dated March 14, 2019 (Dkt. 290), in the case captioned United States Securities and Exchange Commission v. EquityBuild, Inc., et al., United States District Court for the Northern District of Illinois, Eastern Division, Civil Action No. 1:18-cv-05587 (the "SEC Action"), and

Deve lopment UC DAGWODS

for the purchase and sale of that certain real property and all fixtures, equipment, and personal property appurtenant thereto (the "Property") located at 3074 East Cheltenham Place (also known as 7836 South Shore Drive), Chicago, Illinois 60649 and legally described as follows:

THE EASTERLY 120 FEET OF LOT 114, IN DIVISION ONE OF WESTFALL'S SUBDIVISION OF 208 ACRES, BEING THE EAST HALF OF THE SOUTHWEST QUARTER AND THE SOUTHEAST FRACTIONAL QUARTER OF SECTION 30, TOWNSHIP 38 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Permanent Index No. 21-30-414-040-0000

### **TERMS AND CONDITIONS**

The Seller agrees to sell the Property, and the Buyer agrees to purchase the Property, on the following terms and conditions:

Purchase Price. The purchase price for the Property shall be \$\_/. 060, 000 "Purchase Price"). The Buyer shall pay the Purchase Price as follows:



An earnest money deposit (the "Earnest Money") in an amount equal to [0] % of the Purchase Price within three (3) business days following the date of acceptance of the Agreement by the Seller (the "Acceptance Date").



The balance of the Purchase Price, subject to any applicable credits and b. prorations, at Closing.

[Note: If the Buyer desires to enter into this Agreement subject to a financing contingency, then Rider A should be completed. Otherwise, Rider A should be left blank.]

[Note: If the Buyer purports to hold a mortgage interest in the Property and tenders this Agreement in connection with a credit bid, then Rider B should be completed. Otherwise, Rider B should be left blank.]

- 2. <u>Earnest Money</u>. The Earnest Money shall be held by First American Title Company ("First American Title") in a segregated escrow account. In connection with said Earnest Money deposit, the Buyer shall execute and deliver to the Seller a copy of that certain strict joint order escrow agreement in the form attached hereto as Exhibit A.
- 3. <u>Court Approval</u>. As soon as practicable in consideration of the Seller's need to manage the sales of a tranche of properties, await the expiration of the respective due diligence periods, and avoid placing undue burden on the court in the SEC Action, the Seller shall move before the Honorable John Z. Lee or any judge sitting in his stead or to whom he has made a referral in the SEC Action (the "Receivership Court") for approval of the sale of the Property pursuant to this Agreement. In the event that the Receivership Court does not confirm the sale of the Property pursuant to this Agreement, then the Agreement shall become null and void and all Earnest Money shall be promptly refunded to the Buyer.
- 4. **Escrow Closing**. This sale shall be closed through an escrow with First American Title in accordance with the general provisions of the usual form of deed and money escrow agreement then furnished and in use by said title company. Payment of the Purchase Price and delivery of the receiver's deed shall be made through the escrow. The cost of the escrow shall be divided equally between the Buyer and the Seller unless the Buyer acquires the Property with financing, in which event that portion of the cost of the escrow relating to the financing shall be borne by the Buyer. Unless otherwise specified herein, all other closing costs shall be paid in accordance with custom for apartment investment sales transactions in Cook County, Illinois.
- 5. <u>Irrevocable Offer</u>. This Agreement when executed by the Buyer and delivered to the Seller shall constitute an irrevocable offer to purchase the Property until June 17, 2020 (the "Offer Expiration Date"). In the event that the offer is not accepted by the Seller before the Offer Expiration Date, then the offer may be withdrawn upon the delivery of notice to the Seller in accordance with Paragraph 20.
- 6. Personal Property. At Closing, the Seller shall tender to the Buyer a bill of sale for the personal property appurtenant to the Property (the "Personal Property") warranting only that the Seller is the absolute owner of said Personalty, that said Personalty is free and clear of all liens, charges, and encumbrances, and that the Seller has the full right, power, and authority to sell said Personalty and to deliver the bill of sale. The Seller shall neither make nor adopt any warranty whatsoever with respect to the Personal Property and shall specifically disclaim any implied warranty of merchantability or fitness for a particular purpose. The price of the Personal Property shall be included in the Purchase Price, and the Buyer agrees to accept all such Personal Property in "as is" condition.
- 7. <u>The Closing Date</u>. The closing shall be held on a date (the "Closing Date") to be designated by the Seller after the Receivership Court approves the sale of the Property pursuant to this Agreement, provided, however, that the Buyer shall be entitled to five business days' advance Notice of the Closing Date.

- 8. Conveyance of Title. At Closing, the Seller shall convey title to the Property by a recordable form receiver's deed subject to (a) general real estate taxes not yet due and payable at the time of Closing; (b) covenants, conditions, restrictions, or building lines and easements of record, if any; (c) public and utility easements; (d) applicable zoning and building laws and ordinances; (f) acts done by or suffered through Buyer or anyone claiming by, through, or under Buyer; (g) governmental actions or proceedings concerning or affecting the Property; and (h) encroachments of a minor nature, if any, that can be insured over at closing (the "Permitted Exceptions"). The Seller agrees to surrender possession of the Property at the time of Closing.
- 9. Commitment For Title Insurance. Within ten (10) business days after the Acceptance Date, the Seller shall deliver to the Buyer evidence of merchantable title by delivering a commitment for title insurance with extended coverage from First American Title in the amount of the Purchase Price with a commitment date not earlier than March 1, 2020, subject only to general exceptions, the Permitted Exceptions, and exceptions pertaining to liens or encumbrances of a definite and ascertainable amount which may be removed by the payment of money by Seller, endorsed over by First American Title at the Seller's sole expense, or which will be extinguished by order of the Receivership Court. Such title commitment shall be conclusive evidence of good and merchantable title, subject only to the foregoing exceptions. If the commitment for title insurance discloses title exceptions other than the general exceptions, Permitted Exceptions, exceptions waivable through the payment of money or the issuance of an endorsement, or exceptions capable of being extinguished by Receivership Court order, the Seller shall have thirty (30) calendar days from the Closing Date to cure, or insure over, the unpermitted exceptions and the Closing shall be postponed until said unpermitted exceptions are cured or insured over. If the Seller fails to timely secure the removal of the unpermitted exceptions or obtain an endorsement insuring over the unpermitted exceptions, the Purchaser may terminate this Contract with a full refund of Earnest Money upon Notice to the Seller within ten (10) business days after the expiration of the thirty (30) day period. In such event, this Agreement shall become null and void and neither party shall thereafter have any rights against the other, and the Seller may not be held liable for direct, indirect, incidental, or consequential damages.
- 10. <u>Survey</u>. At least five (5) business days prior to the Closing Date, the Seller shall provide the Buyer with a survey by Professionals Associated Survey, Inc., a licensed land surveyor, dated March 4, 2020. If the Buyer or the Buyer's mortgagee desires an updated or more extensive survey, the survey shall be obtained at the Buyer's expense.
- 11. <u>Assignment And Assumption Of Leases</u>. At Closing, the Seller shall deliver to the Buyer, and the Seller and Buyer shall execute, an assignment and assumption of leases (in the form attached hereto as Exhibit B) pursuant to which the Seller shall convey all right, title, and interest in and to any leases in effect at the Property to the Buyer, and the Buyer shall agree to assume all of the Seller's obligations under said leases.
- 12. **Prorations**. Prepaid service contracts and other similar items shall be credited ratably at Closing. Any and all rents collected until the date of the Closing shall be applied by the Seller

first to past due balances and then to currently scheduled monthly rent. Any rents collected by the Buyer after Closing shall be applied first to corresponding pre-Closing arrearages and remitted to the Seller within ten business days. Scheduled monthly rent shall be prorated for the month of Closing. To the extent that any tenant at the Property has paid less than the entirety of its scheduled rent for the month of Closing, then any rent received for said month shall not be prorated but instead paid first to the Seller in respect of each day in the month through and including the date of Closing, with any balance thereafter paid to the Buyer. In addition, real estate taxes associated with the ownership of the Property shall be prorated as of the Closing based on 105% of the most recently ascertainable tax bill.

- 13. <u>Inspection Period</u>. The Buyer acknowledges that it was afforded the opportunity to conduct a limited tour of the Property prior to submitting its offer. Within three (3) calendar days following the Acceptance Date, the Seller shall produce the following documents to the Buyer (the "Due Diligence Materials"):
  - a. <u>Current Rent Roll</u>. A current rent roll for the Property generated by the management company.
  - b. <u>Utility Bills</u>. Copies of all utility bills relating to the Property, to the extent available, for the twelve calendar months preceding the month of the Acceptance Date.
  - c. <u>Leases</u>. Copies of all existing leases affecting the Property.
  - d. <u>Profit & Loss Statement</u>. A current trailing twelve-month profit and loss statement reflecting all categories of operating income and expenses associated with the Property, as generated by the management company.
  - e. <u>Litigation Documents</u>. Copies of documents, including notices of violation, orders, judgments, and other pleadings, pertaining to any known litigation or proceedings currently affecting the Property.

In addition, the Seller shall allow the Buyer reasonable access to the Property for twenty days from and after the Acceptance Date (the "Inspection Period") for the purpose of conducting an inspection of the major structural and mechanical components of the Property. A major structural or mechanical component shall be deemed to be in acceptable operating condition if it substantially performs the function for which it is intended, regardless of age, and does not pose a threat to health or safety. In the event that the Buyer possesses sound evidence that any major structural or mechanical component of the Property does not substantially perform the function for which it is intended, then the Buyer shall have the right to terminate this Agreement upon the delivery of Notice to the Seller on or before the conclusion of the Inspection Period, such notice to be accompanied by the relevant pages of an inspection report prepared by a licensed or certified inspector and identifying the defect justifying the termination. Upon receipt by the Seller of the notice of termination, this Agreement shall be considered null and void and the parties shall be discharged of any and all obligations

hereunder (except those obligations which survive termination) and First American Title shall release the Earnest Money to the Buyer. In the event that the Buyer does not terminate the Agreement on or prior to the conclusion of the Inspection Period, the Property shall be considered accepted by the Buyer and the Earnest Money shall thereafter be non-refundable. In connection with its inspection of the Property, the Buyer shall keep the Property free and clear of liens, shall indemnify and hold Seller harmless from any and all liability, loss, cost, damage, or expense relating to its inspection of the Property, and shall repair any and all damage arising from the inspection. These obligations shall survive termination of the Agreement.

- 14. Entry Into Or Renewal Of Contracts & Material Changes. Following the expiration of the Inspection Period, the Seller shall not without the prior written consent of the Buyer, said consent not to be unreasonably withheld, conditioned, or delayed, enter into or renew any service contract or lease affecting or concerning the Property. In addition, the Seller shall not make any material changes to the Property, perform or engage in any act, or enter into any agreement that materially changes the value of the Property or the rights of the Buyer relating to the Property.
- 15. <u>Material Destruction</u>. Risk of loss to the Property shall be borne by the Seller until title has been conveyed to Buyer. If, prior to Closing, a material portion of the Property shall be destroyed or materially damaged by fire or other casualty, then the Seller shall provide prompt notice of said fire or other casualty to the Buyer and this Agreement shall thereafter, at the option of the Buyer, exercised by Notice to the Seller within five (5) business days after receipt of notice of such material damage, be null and void, and all Earnest Money shall be refunded to the Buyer. Failure of the Buyer to provide timely notice shall constitute a waiver of the right to terminate.
- 16. Condition Of Property. The Buyer understands and agrees that the Property is being sold "as is" and "with all faults" and that neither the Seller nor any agent or attorney of the Seller, makes, or has made, any representation or warranty as to the physical condition or value of the Property or its suitability for the Buyer's intended use. The Seller has no obligation to repair or correct any alleged patent or latent defect at the Property, or to compensate the Buyer for any such defect, and, upon closing, the Buyer waives, releases, acquits, and forever discharges the Seller, and all of the Seller's agents and attorneys, to the maximum extent permitted by law, from any and all claims, actions, causes or action, demands, rights, liabilities, losses, damages, costs, or expenses, direct or indirect, known or unknown, foreseen or unforeseen, that it now has or which may arise in the future on account of or in any way arising from or relating to any alleged patent or latent defect at the Property.
- 17. <u>Buyer Default</u>. The Buyer and Seller agree that it would be difficult to ascertain the actual damages to be suffered by the Seller in the event of a default by the Buyer and that the amount of the Earnest Money deposited by the Buyer hereunder constitutes the parties' reasonable estimate of the Seller's damages in the event of the Buyer's default, and that upon any such default not caused by the Seller, the Seller shall be entitled to retain the Earnest

Money as liquidated damages, which shall constitute the Seller's sole and exclusive remedy in law or at equity in connection with said default.

- 18. Seller Default. In the event that the Seller shall fail to sell, transfer, and assign the Property to Purchaser in violation of the terms of this Agreement and/or fail to perform any other material obligation of Seller hereunder, then the Buyer may give Notice to the Seller specifying the nature of the default. The Seller shall thereafter have five (5) business days from receipt of said Notice, but in no event beyond the Closing Date, within which to cure the alleged default. If the Seller fails to cure the default within the cure period, then the Buyer shall be entitled to the return of all Earnest Money and (a) to declare the Agreement null and void and sue for reasonable out-of-pocket expenses incurred in connection with this Agreement prior to the alleged default or (b) to sue for specific performance, the parties recognizing that the Property is unique and that the Buyer otherwise lacks an adequate remedy at law. In the latter event, the Buyer is advised that Section VIII of the Order Appointing Receiver entered in the SEC Action enjoins the filing or prosecution of all civil proceedings against the Receiver, in his capacity as Receiver, until further order of the court.
- 19. **Representations and Warranties**. As a material inducement to the Buyer to enter into this Agreement, the Seller hereby makes the following representations and warranties, each of which shall remain true and correct as of the Closing Date:
  - a. The Seller has the full right, power, and authority to convey the Property to the Buyer as provided in this Agreement and to carry out its obligations hereunder. In addition, the individual executing this Agreement on behalf of the Seller has the legal right, power, and authority to bind the Seller to the terms hereof.
  - b. The Seller will not take any action affecting title to the Property following the Acceptance Date.
  - c. To the best of the Seller's knowledge, there are no actions, investigations, suits, or proceedings, pending or threatened, that affect the Property, or the ownership or operation thereof, other than the SEC Action and the following:

[None.]

- d. To the best of the Seller's knowledge, the Property is not in violation, nor has been under investigation for violation, of any federal, state, or local law, ordinance, or regulation regulating environmental conditions in, at, on, under, or about the Property, including but not limited to, soil and groundwater conditions.
- 20. <u>Notices</u>. All notices required or permitted under this Agreement shall be in writing and served by registered or certified United States mail, return receipt requested; nationally recognized overnight mail courier (signature required); or electronic mail (evidenced by

competent and authentic proof of transmission). Any notices given to the Seller shall be delivered to the Seller's counsel, at the following physical or e-mail addresses:

Andrew E. Porter
Porter Law Office
853 North Elston Avenue
Chicago, Illinois 60614
andrew@andrewporterlaw.com

Michael Rachlis Rachlis Duff & Peel LLC 542 South Dearborn, Suite 900 Chicago, Illinois 60605 <u>mrachlis@rdaplaw.net</u>

Any such notices or demands given to the Buyer shall be delivered to the Buyer's counsel, at the following address physical or e-mail addresses:

David Resnick DRESNICK @ RSPLAW, CON 312-456-0376

- 21. <u>Like-Kind Exchange</u>. The Seller agrees to cooperate if the Buyer elects to acquire the Property as part of a like-kind exchange under Section 1031 of the Internal Revenue Code. The Buyer's contemplated exchange shall not impose upon the Seller any additional liability or financial obligation, and the Buyer agrees to hold the Seller harmless from any liability that might arise from such exchange. This Agreement is neither subject to nor contingent upon the Buyer's ability to dispose of its exchange property or to effectuate an exchange. In the event any exchange contemplated by the Buyer should fail to occur, for whatever reason, the sale of the Property shall nonetheless be consummated as provided herein.
- 22. Real Estate Agents. Purchaser represents and warrants that, other than Seller's Agent and Buyer's Agent, if any, no other putative real estate agent or broker was involved in submitting, showing, marketing, or selling the Property to the Buyer, and the Buyer agrees to indemnify and hold Seller, and its successors and assigns, harmless from and against any and all liability, loss, damages, cost, or expense, including reasonable attorneys' fees, arising from or relating to any claim for a commission, fee, or other form of payment or compensation asserted by a putative real estate agent or broker purporting to have procured the Buyer in connection with this Agreement.

- 23. <u>Foreign Investor Disclosure</u>. The Seller and the Buyer agree to execute and deliver any instrument, affidavit, or statement, and to perform any act reasonably necessary to carry out the provisions of the Foreign Investment in Real Property Tax Act and regulations promulgated thereunder. The Seller represents that the Seller is not a foreign person as defined in Section 1445 of the Internal Revenue Code.
- 24. <u>Merger</u>. This Agreement expresses the entire agreement of the parties and supersedes any and all previous agreements or understandings between them with regard to the Property. There are no other understandings, oral or written, which in any way alter or enlarge the terms of this Agreement, and there are no warranties or representations of any nature whatsoever, either express or implied, except as set forth herein. This Agreement may be modified only by a written instrument signed by the party to be charged.
- 25. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

\* \* \*

The undersigned Buyer hereby offers and agrees to purchase the Property upon the terms and conditions stated herein as of the 3rd day of June, 2020. In addition, the individual signing below on behalf of the Buyer represents and warrants that s/he is authorized to execute this Agreement on behalf of the Buyer.

Buyer	Seller
Longwood Development LL	KEVIN B. DUFF,
By: Cru	FEDERAL EQUITY RECEIVER FOR SSDF5 PORTFOLIO 1 LLC
lts: Managn	Rachlis Duff & Peel LLC 542 South Dearborn Street, Suite 900 Chicago, Illinois 60605 (312) 733-3390
	Acceptance Date: 06/18/20
Buyer's Agent	Seller's Agent
	Jeffrey Baasch SVN Chicago Commercial 940 West Adams Street, Suite 200 Chicago, Illinois 60607 (312) 676-1866

## **RIDER A**

\_\_\_\_\_ If the Buyer desires that the terms and provisions of this Rider be incorporated into the Purchase And Sale Agreement to which it is annexed, please initial this paragraph.

KBD

This Agreement is contingent upon the Buyer securing, no later than 21 days following the Acceptance Date (the "Financing Contingency Deadline"), a firm written mortgage commitment for a fixed or adjustable rate mortgage from an established multifamily residential mortgage lender in the amount of \$\_\_\_\_\_\_\_\_, at an interest rate (or initial interest rate if an adjustable rate mortgage) not to exceed %\_\_\_\_\_\_\_ per annum, amortized over \_\_\_\_\_\_\_ years, payable monthly, with a loan origination fee not to exceed %\_\_\_\_\_\_, plus appraisal and credit report fees, if any. If the Buyer is unable to secure a firm written mortgage commitment as described herein within the referenced time period, then the Buyer may terminate this Agreement with a full refund of Earnest Money by providing notice to the Seller prior to the expiration of the Financing Contingency Deadline. If the Buyer does not provide the requisite notice to the Seller as provided herein, then the Buyer shall be deemed to have waived this financing contingency, and this Agreement shall remain in full force and effect.

	RIDER B	
Purchase And Sale Agreement to which with the submission of a credit bid, pland supply any additional terms and decided the supply and supply a	a mortgage interest in the Property and tenders the ch this rider is annexed (the "Agreement") in connection lease initial this paragraph and provide the information conditions to the Agreement, or modifications to the such terms and conditions shall supersede any contrary of forth in the Agreement itself.	,
	* * *	
The Buyer consists of the following mand unreleased security interest in th	ortgagee or mortgagees purporting to hold a perfected e Property:	
		_
		_
		_
		_

[Using additional sheets, please indicate, for each mortgagee identified above, the total unpaid balance due under the promissory note secured by the corresponding mortgage and itemize each component of the current alleged loan balance, including, but not limited to, principal, interest, default rate interest, late fees, service fees, liquidation fees, protective advances, and other charges.]

The Purchase Price shall be the amount of the credit bid submitted by the Buyer, and any requirement to make an earnest money deposit is deleted. Payment of the Purchase Price shall not be made through the escrow at closing.

In addition, the Buyer shall pay all closing costs approved by the Court, which may, subject to the Court's ruling, include, but not be limited to, owner's title insurance premiums, applicable transfer taxes, the survey invoice, property management fees accrued through the closing, due and unpaid real estate taxes, escrow fees, brokerage commissions, unpaid utilities, title commitment update fees, gap insurance premiums, State of Illinois policy fees, extended coverage premiums, the costs of closing protection coverage for the Seller, all other expenses required to be paid by the Seller at closing, all amounts advanced for the benefit of the Property which are required to be reimbursed and/or any amount required to discharge any Receiver's lien.

[Using additional sheets, set forth any other terms and conditions to be included in the Agreement, or any modifications to the Agreement, and to which your credit bid shall remain subject.]





## STRICT JOINT ORDER ESCROW AGREEMENT

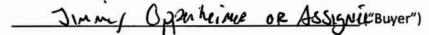
Open Date:	Expected Release Date:		Escrow Number: 2985817		
Property Addre	ess: 3074 East Cheltenham Place, C	Chicago, IL 60649	l		
	ht: \$ _106,000.00 Purpo	ese: 💢 Earnest Mo		☐ Repairs: ☐ Other:	
oursuant to this S	reby deposited with First American Title Insu Strict Joint Order Escrow Agreement (hereina only upon the joint written order of the und	after referred to as t	the Agree	ment). Said deposit shall be	released and delivered
or corporation, but decrees entered independent or decrees entered independent or decrees entered independent or decrees entered independent of decrees entered in the second entered entered in the second entered in the second entered entered in the second entered entere	by expressly authorized to disregard, in its sut the Escrowee is hereby expressly authorized or issued by any court with or without jurgee of any court it shall not be liable to any pointhstanding any such order, judgment or dead, set aside or vacated. In case of any suit me a party, it shall have a lien on the conternall be regularly retained or specially employ hereof, and it shall be entitled to reimburse it lemand all such costs, fees and expenses so reimbursement.	zed to regard and to risdiction, and in cas party hereto or any of proceeding regarnts hereof for any arged, and any other estimated, to the extended or to the extended of th	comply of the Esconther per without juding the all cos expenses of said depend and the following the	with and obey any and all or rowee obeys or complies wit son, firm or corporation by rurisdiction or being subseque Agreement, to which the Est, and reasonable attorneys which it may have incurred cosit, and the undersigned a unds deposited hereunder sh	ders, judgments th any such order, eason of such ently reversed, crowee is or may fees, whether or become liable gree to pay the hall be insufficient
Interest, income deposit all funds any funds, at any Unless otherwise	or other benefits, if any, earned or derived for received hereunder to one or more of its get, time, held by it pursuant to the terms of the tendered, the Escrowee is authorized to pay	neral accounts. The ne Agreement. y an Escrow Fee in t	Escrowe he amou	e shall be under no duty to i nt of \$300.00, and thereafte	nvest or reinvest r a Maintenance
	nt of \$200.00 (charged per annum beginning ne Escrowee also reserves the right to add a				funds deposited
Purchaser: Signed: Print Name: Address:	Con Gren 765 E 692 PI	Seller: Signed: Print Name: Address:	Kevin B. SSDF5 P	Duff, Federal Equity Receiv ortfolio 1 LLC uth Dearborn, Suite 900	er for
	Chicajo, IL 606];	COM		o, IL 60605	
Email: Primary Phone:	847-644-5564			rdaplaw.net 33-3390	
,		Primary Phone:			_
	ct (if other than above):				
-	merican Title Insurance Company, Escrowee				

# **Assignment And Assumption Of Leases**

_	eceipt and sufficiency of which are hereby acknowledged, Kevin
• • • • • • • • • • • • • • • • • • • •	receiver for SSDF5 Portfolio 1 LLC ("Seller"), pursuant to that
, , —	ed August 17, 2018 (Dkt. 16), as supplemented by that certain
	, in the case captioned <i>United States Securities and Exchange</i>
	nited States District Court for the Northern District of Illinois,
Eastern Division, Civil Action No. 1:18-cv-0	5587 ("Assignor"), hereby irrevocably grants, assigns, transfers,
conveys, and sets over to	("Assignee"), an
limited liability company, all of Assignor's	right, title, and interest in and to the leases (collectively, the
"Leases") attached hereto, which leases ru	n with the Property commonly known as 3074 East Cheltenham
Place (also known as 7836 South Shore Dr	ive), Chicago, Illinois 60649.
THE EASTERLY 120 FEET OF LOT 114,	IN DIVISION ONE OF WESTFALL'S SUBDIVISION OF 208
ACRES, BEING THE EAST HALF OF THE S	SOUTHWEST QUARTER AND THE SOUTHEAST FRACTIONAL
QUARTER OF SECTION 30, TOWNSHIP	P 38 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL
MERIDIAN, IN COOK COUNTY, ILLINOIS	
Assignee hereby assumes all of the obligat	ions imposed upon the Assignor under the Leases which accrue
from and after the date hereof. This Assig	nment is made without any express or implied representation
or warranty, except to the extent provided	d in that certain Purchase And Sale Agreement, accepted by the
Seller on, I	
This Assignment shall be governed by and	construed in accordance with the laws of the State of Illinois.
	xecuted this Assignment And Assumption Of Leases as of this
of 2020.	
ASSIGNOR:	ASSIGNEE:
Kevin B. Duff, Federal Equity Receiver for	
SSDF5 Portfolio 1 LLC	
	Languard Development LLC
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	Name: ISNZ Green Title: Manaz
	ENZ losees
	Name: 10 10 10 10 10 10 10 10 10 10 10 10 10
	Title: Manazv

## **PURCHASE & SALE AGREEMENT**

This Purchase & Sale Agreement ("Agreement") is made by and between Kevin B. Duff, court-appointed federal equity receiver for SSDF5 Portfolio 1 LLC ("Seller") pursuant to that certain Order Appointing Receiver entered August 17, 2018 (Dkt. 16), as supplemented by Order dated March 14, 2019 (Dkt. 290), in the case captioned *United States Securities and Exchange Commission v. EquityBuild, Inc., et al.*, United States District Court for the Northern District of Illinois, Eastern Division, Civil Action No. 1:18-cv-05587 (the "SEC Action"), and



for the purchase and sale of that certain real property and all fixtures, equipment, and personal property appurtenant thereto (the "Property") located at 7201 S Constance Avenue (also known as 1825-31 E 72nd Street), Chicago, Illinois 60649 and legally described as follows:

LOTS 13 AND 14 (EXCEPT SOUTH 6 INCHES THEREOF) IN CHRISTOPHER COLUMBUS ADDITION TO JACKSON PARK, A SUBDIVISION OF THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 25, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Permanent Index No. 20-25-119-001-0000

### **TERMS AND CONDITIONS**

The Seller agrees to sell the Property, and the Buyer agrees to purchase the Property, on the following terms and conditions:

- 1. <u>Purchase Price</u>. The purchase price for the Property shall be \$ 1, 100,000 (the Purchase Price). The Buyer shall pay the Purchase Price as follows:



b. The balance of the Purchase Price, subject to any applicable credits and prorations, at Closing.

[Note: If the Buyer desires to enter into this Agreement subject to a financing contingency, then Rider A should be completed. Otherwise, Rider A should be left blank.]

[Note: If the Buyer purports to hold a mortgage interest in the Property and tenders this Agreement in connection with a credit bid, then Rider B should be completed. Otherwise, Rider B should be left blank.]

- 2. <u>Earnest Money</u>. The Earnest Money shall be held by First American Title Company ("First American Title") in a segregated escrow account. In connection with said Earnest Money deposit, the Buyer shall execute and deliver to the Seller a copy of that certain strict joint order escrow agreement in the form attached hereto as Exhibit A.
- 3. <u>Court Approval</u>. As soon as practicable in consideration of the Seller's need to manage the sales of a tranche of properties, await the expiration of the respective due diligence periods, and avoid placing undue burden on the court in the SEC Action, the Seller shall move before the Honorable John Z. Lee or any judge sitting in his stead or to whom he has made a referral in the SEC Action (the "Receivership Court") for approval of the sale of the Property pursuant to this Agreement. In the event that the Receivership Court does not confirm the sale of the Property pursuant to this Agreement, then the Agreement shall become null and void and all Earnest Money shall be promptly refunded to the Buyer.
- 4. <u>Escrow Closing</u>. This sale shall be closed through an escrow with First American Title in accordance with the general provisions of the usual form of deed and money escrow agreement then furnished and in use by said title company. Payment of the Purchase Price and delivery of the receiver's deed shall be made through the escrow. The cost of the escrow shall be divided equally between the Buyer and the Seller unless the Buyer acquires the Property with financing, in which event that portion of the cost of the escrow relating to the financing shall be borne by the Buyer. Unless otherwise specified herein, all other closing costs shall be paid in accordance with custom for apartment investment sales transactions in Cook County, Illinois.
- 5. <u>Irrevocable Offer</u>. This Agreement when executed by the Buyer and delivered to the Seller shall constitute an irrevocable offer to purchase the Property until June 17, 2020 (the "Offer Expiration Date"). In the event that the offer is not accepted by the Seller before the Offer Expiration Date, then the offer may be withdrawn upon the delivery of notice to the Seller in accordance with Paragraph 20.
- 6. Personal Property. At Closing, the Seller shall tender to the Buyer a bill of sale for the personal property appurtenant to the Property (the "Personal Property") warranting only that the Seller is the absolute owner of said Personalty, that said Personalty is free and clear of all liens, charges, and encumbrances, and that the Seller has the full right, power, and authority to sell said Personalty and to deliver the bill of sale. The Seller shall neither make nor adopt any warranty whatsoever with respect to the Personal Property and shall specifically disclaim any implied warranty of merchantability or fitness for a particular purpose. The price of the Personal Property shall be included in the Purchase Price, and the Buyer agrees to accept all such Personal Property in "as is" condition.
- 7. The Closing Date. The closing shall be held on a date (the "Closing Date") to be designated by the Seller after the Receivership Court approves the sale of the Property pursuant to this Agreement, provided, however, that the Buyer shall be entitled to five business days' advance Notice of the Closing Date.

- 8. <u>Conveyance of Title</u>. At Closing, the Seller shall convey title to the Property by a recordable form receiver's deed subject to (a) general real estate taxes not yet due and payable at the time of Closing; (b) covenants, conditions, restrictions, or building lines and easements of record, if any; (c) public and utility easements; (d) applicable zoning and building laws and ordinances; (f) acts done by or suffered through Buyer or anyone claiming by, through, or under Buyer; (g) governmental actions or proceedings concerning or affecting the Property; and (h) encroachments of a minor nature, if any, that can be insured over at closing (the "Permitted Exceptions"). The Seller agrees to surrender possession of the Property at the time of Closing.
- Commitment For Title Insurance. Within ten (10) business days after the Acceptance 9. Date, the Seller shall deliver to the Buyer evidence of merchantable title by delivering a commitment for title insurance with extended coverage from First American Title in the amount of the Purchase Price with a commitment date not earlier than March 1, 2020, subject only to general exceptions, the Permitted Exceptions, and exceptions pertaining to liens or encumbrances of a definite and ascertainable amount which may be removed by the payment of money by Seller, endorsed over by First American Title at the Seller's sole expense, or which will be extinguished by order of the Receivership Court. Such title commitment shall be conclusive evidence of good and merchantable title, subject only to the foregoing exceptions. If the commitment for title insurance discloses title exceptions other than the general exceptions, Permitted Exceptions, exceptions waivable through the payment of money or the issuance of an endorsement, or exceptions capable of being extinguished by Receivership Court order, the Seller shall have thirty (30) calendar days from the Closing Date to cure, or insure over, the unpermitted exceptions and the Closing shall be postponed until said unpermitted exceptions are cured or insured over. If the Seller fails to timely secure the removal of the unpermitted exceptions or obtain an endorsement insuring over the unpermitted exceptions, the Purchaser may terminate this Contract with a full refund of Earnest Money upon Notice to the Seller within ten (10) business days after the expiration of the thirty (30) day period. In such event, this Agreement shall become null and void and neither party shall thereafter have any rights against the other, and the Seller may not be held liable for direct, indirect, incidental, or consequential damages.
- 10. <u>Survey</u>. At least five (5) business days prior to the Closing Date, the Seller shall provide the Buyer with a survey by Professionals Associated Survey, Inc., a licensed land surveyor, dated January 28, 2020, indicating the location of all improvements. If the Buyer or the Buyer's mortgagee desires an updated or extensive survey, the survey shall be obtained at the Buyer's expense.
- 11. <u>Assignment And Assumption Of Leases</u>. At Closing, the Seller shall deliver to the Buyer, and the Seller and Buyer shall execute, an assignment and assumption of leases (in the form attached hereto as Exhibit B) pursuant to which the Seller shall convey all right, title, and interest in and to any leases in effect at the Property to the Buyer, and the Buyer shall agree to assume all of the Seller's obligations under said leases.

- 12. Prorations. Prepald service contracts and other similar items shall be credited ratably at Closing. Any and all rents collected until the date of the Closing shall be applied by the Seller first to past due balances and then to currently scheduled monthly rent. Any rents collected by the Buyer after Closing shall be applied first to corresponding pre-Closing arrearages and remitted to the Seller within ten business days. Scheduled monthly rent shall be prorated for the month of Closing. To the extent that any tenant at the Property has paid less than the entirety of its scheduled rent for the month of Closing, then any rent received for said month shall not be prorated but instead paid first to the Seller in respect of each day in the month through and including the date of Closing, with any balance thereafter paid to the Buyer. In addition, real estate taxes associated with the ownership of the Property shall be prorated as of the Closing based on 105% of the most recently ascertainable tax bill.
- 13. <u>Inspection Period</u>. The Buyer acknowledges that it was afforded the opportunity to conduct a limited tour of the Property prior to submitting its offer. Within three (3) calendar days following the Acceptance Date, the Seller shall produce the following documents to the Buyer (the "Due Diligence Materials"):
  - a. <u>Current Rent Roll</u>. A current rent roll for the Property generated by the management company.
  - b. <u>Utility Bills</u>. Copies of all utility bills relating to the Property, to the extent available, for the twelve calendar months preceding the month of the Acceptance Date.
  - c. <u>Leases</u>. Copies of all existing leases affecting the Property.
  - d. <u>Profit & Loss Statement</u>. A current trailing twelve-month profit and loss statement reflecting all categories of operating income and expenses associated with the Property, as generated by the management company.
  - <u>Litigation Documents</u>. Copies of documents, including notices of violation, orders, judgments, and other pleadings, pertaining to any known litigation or proceedings currently affecting the Property.

In addition, the Seller shall allow the Buyer reasonable access to the Property for twenty days from and after the Acceptance Date (the "Inspection Period") for the purpose of conducting an inspection of the major structural and mechanical components of the Property. A major structural or mechanical component shall be deemed to be in acceptable operating condition if it substantially performs the function for which it is intended, regardless of age, and does not pose a threat to health or safety. In the event that the Buyer possesses sound evidence that any major structural or mechanical component of the Property does not substantially perform the function for which it is intended, then the Buyer shall have the right to terminate this Agreement upon the delivery of Notice to the Seller on or before the conclusion of the Inspection Period, such notice to be accompanied by the relevant pages of an inspection report prepared by a licensed or certified inspector and identifying the defect justifying the

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termination. Upon receipt by the Seller of the notice of termination, this Agreement shall be considered null and void and the parties shall be discharged of any and all obligations hereunder (except those obligations which survive termination) and First American Title shall release the Earnest Money to the Buyer. In the event that the buyer does not terminate the Agreement on or prior to the conclusion of the Inspection Period, the Property shall be considered accepted by the Buyer and the Farnest Money shall thereafter be non-refundable. In connection with its inspection of the Property, the buyer shall keep the Property free and clear of liens, shall indemnify and hold Seller harmless from any and all liability, loss, cost, damage, or expense relating to its inspection of the Property, and shall repair any and all damage arising from the inspection. These obligations shall survive termination of the Agreement.

- 14. Entry Into Or Renewal Of Contracts & Material Changes. Following the expiration of the Inspection Period, the Seller shall not without the prior written consent of the Buyer, said consent not to be unreasonably withheld, conditioned, or delayed, enter into or renew any service contract or lease affecting or concerning the Property. In addition, the Seller shall not make any material changes to the Property, perform or engage in any act, or enter into any agreement that materially changes the value of the Property or the rights of the Buyer relating to the Property.
- 15. <u>Material Destruction</u>. Risk of loss to the Property shall be borne by the Seller until title has been conveyed to Buyer. If, prior to Closing, a material portion of the Property shall be destroyed or materially damaged by fire or other casualty, then the Seller shall provide prompt notice of said fire or other casualty to the Buyer and this Agreement shall thereafter, at the option of the Buyer, exercised by Notice to the Seller within five (5) business days after receipt of notice of such material damage, be null and void, and all Earnest Money shall be refunded to the Buyer. Failure of the Buyer to provide timely notice shall constitute a waiver of the right to terminate.
- 16. Condition Of Property. The Buyer understands and agrees that the Property is being sold "as is" and "with all faults" and that neither the Seller nor any agent or attorney of the Seller, makes, or has made, any representation or warranty as to the physical condition or value of the Property or its suitability for the Buyer's intended use. The Seller has no obligation to repair or correct any alleged patent or latent defect at the Property, or to compensate the Buyer for any such defect, and, upon closing, the Buyer waives, releases, acquits, and forever discharges the Seller, and all of the Seller's agents and attorneys, to the maximum extent permitted by law, from any and all claims, actions, causes or action, demands, rights, liabilities, losses, damages, costs, or expenses, direct or indirect, known or unknown, foreseen or unforeseen, that it now has or which may arise in the future on account of or in any way arising from or relating to any alleged patent or latent defect at the Property.
- 17. <u>Buyer Default</u>. The Buyer and Seller agree that it would be difficult to ascertain the actual damages to be suffered by the Seller in the event of a default by the Buyer and that the amount of the Earnest Money deposited by the Buyer hereunder constitutes the parties'

reasonable estimate of the Seller's damages in the event of the Buyer's default, and that upon any such default not caused by the Seller, the Seller shall be entitled to retain the Earnest Money as liquidated damages, which shall constitute the Seller's sole and exclusive remedy in law or at equity in connection with said default.

- 18. Seller Default. In the event that the Seller shall fail to sell, transfer, and assign the Property to Purchaser in violation of the terms of this Agreement and/or fail to perform any other material obligation of Seller hereunder, then the Buyer may give Notice to the Seller specifying the nature of the default. The Seller shall thereafter have five (5) business days from receipt of said Notice, but in no event beyond the Closing Date, within which to cure the alleged default. If the Seller fails to cure the default within the cure period, then the Buyer shall be entitled to the return of all Earnest Money and (a) to declare the Agreement null and void and sue for reasonable out-of-pocket expenses incurred in connection with this Agreement prior to the alleged default or (b) to sue for specific performance, the parties recognizing that the Property is unique and that the Buyer otherwise lacks an adequate remedy at law. In the latter event, the Buyer is advised that Section VIII of the Order Appointing Receiver entered in the SEC Action enjoins the filing or prosecution of all civil proceedings against the Receiver, in his capacity as Receiver, until further order of the court.
- 19. <u>Representations and Warranties</u>. As a material inducement to the Buyer to enter into this Agreement, the Seller hereby makes the following representations and warranties, each of which shall remain true and correct as of the Closing Date:
  - a. The Seller has the full right, power, and authority to convey the Property to the Buyer as provided in this Agreement and to carry out its obligations hereunder. In addition, the individual executing this Agreement on behalf of the Seller has the legal right, power, and authority to bind the Seller to the terms hereof.
  - b. The Seller will not take any action affecting title to the Property following the Acceptance Date.
  - c. To the best of the Seller's knowledge, there are no actions, investigations, suits, or proceedings, pending or threatened, that affect the Property, or the ownership or operation thereof, other than the SEC Action and the following:
    - City of Chicago v. SSDF5 Portfolio 1 LLC, Circuit Court of Cook County, Case No. 19M1-402334
  - d. To the best of the Seller's knowledge, the Property is not in violation, nor has been under investigation for violation, of any federal, state, or local law, ordinance, or regulation regulating environmental conditions in, at, on, under, or about the Property, including but not limited to, soil and groundwater conditions.

20. <u>Notices</u>. All notices required or permitted under this Agreement shall be in writing and served by registered or certified United States mail, return receipt requested; nationally recognized overnight mail courier (signature required); or electronic mail (evidenced by competent and authentic proof of transmission). Any notices given to the Seller shall be delivered to the Seller's counsel, at the following physical or e-mail addresses:

Andrew E. Porter
Porter Law Office
853 North Elston Avenue
Chicago, Illinois 60614
andrew@andrewporterlaw.com

Michael Rachlis Rachlis Duff & Peel LLC 542 South Dearborn, Suite 900 Chicago, Illinois 60605 mrachlis@rdaplaw.net

Any such notices or demands given to the Buyer shall be delivered to the Buyer's counsel, at the following address physical or e-mail addresses:

Kevin Cahill

101 N. Wacker Dr. 4611

Chicago JL 60606

312 641 - 6105

- 21. <u>Like-Kind Exchange</u>. The Seller agrees to cooperate if the Buyer elects to acquire the Property as part of a like-kind exchange under Section 1031 of the Internal Revenue Code. The Buyer's contemplated exchange shall not impose upon the Seller any additional liability or financial obligation, and the Buyer agrees to hold the Seller harmless from any liability that might arise from such exchange. This Agreement is neither subject to nor contingent upon the Buyer's ability to dispose of its exchange property or to effectuate an exchange. In the event any exchange contemplated by the Buyer should fail to occur, for whatever reason, the sale of the Property shall nonetheless be consummated as provided herein.
- 22. Real Estate Agents. Purchaser represents and warrants that, other than Seller's Agent and Buyer's Agent, if any, no other putative real estate agent or broker was involved in submitting, showing, marketing, or selling the Property to the Buyer, and the Buyer agrees to indemnify and hold Seller, and its successors and assigns, harmless from and against any and all liability, loss, damages, cost, or expense, including reasonable attorneys' fees, arising from or relating to any claim for a commission, fee, or other form of payment or compensation asserted

by a putative real estate agent or broker purporting to have procured the Buyer in connection with this Agreement.

- 23. <u>Foreign Investor Disclosure</u>. The Seller and the Buyer agree to execute and deliver any instrument, affidavit, or statement, and to perform any act reasonably necessary to carry out the provisions of the Foreign Investment in Real Property Tax Act and regulations promulgated thereunder. The Seller represents that the Seller is not a foreign person as defined in Section 1445 of the Internal Revenue Code.
- 24. <u>Merger</u>. This Agreement expresses the entire agreement of the parties and supersedes any and all previous agreements or understandings between them with regard to the Property. There are no other understandings, oral or written, which in any way alter or enlarge the terms of this Agreement, and there are no warranties or representations of any nature whatsoever, either express or implied, except as set forth herein. This Agreement may be modified only by a written instrument signed by the party to be charged.
- 25. <u>Governing Law.</u> This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

\* \* \*

The undersigned Buyer hereby offers and agrees to purchase the Property upon the terms and conditions stated herein as of the 3rd day of June, 2020. In addition, the individual signing below on behalf of the Buyer represents and warrants that s/he is authorized to execute this Agreement on behalf of the Buyer.

Buyer	Seller
By: Owner.	KEVIN B. DUFF, FEDERAL EQUITY RECEIVER FOR SSDF5 PORTFOLIO 1 LLC
lts:	Rachlis Duff & Peel LLC 542 South Dearborn Street, Suite 900 Chicago, Illinois 60605 (312) 733-3390
	K.BM
	Acceptance Date: 06/18/20
Buyer's Agent	Seller's Agent
SVN Chiaso Connecciól.  A40 Work ADAMS St. 4200	Jeffrey Baasch SVN Chicago Commercial 940 West Adams Street, Suite 200 Chicago, Illinois 60607 (312) 676-1866

#### RIDER A

\_\_\_\_\_ If the Buyer desires that the terms and provisions of this Rider be incorporated into the Purchase And Sale Agreement to which it is annexed, please initial this paragraph.

This Agreement is contingent upon the Buyer securing, no later than 21 days following the Acceptance Date (the "Financing Contingency Deadline"), a firm written mortgage commitment for a fixed or adjustable rate mortgage from an established multifamily residential mortgage lender in the amount of \$\_\_\_\_\_\_\_\_, at an interest rate (or initial interest rate if an adjustable rate mortgage) not to exceed %\_\_\_\_\_\_\_\_ per annum, amortized over \_\_\_\_\_\_\_ years, payable monthly, with a loan origination fee not to exceed %\_\_\_\_\_\_\_, plus appraisal and credit report fees, if any. If the Buyer is unable to secure a firm written mortgage commitment as described herein within the referenced time period, then the Buyer may terminate this Agreement with a full refund of Earnest Money by providing notice to the Seller prior to the expiration of the Financing Contingency Deadline. If the Buyer does not provide the requisite notice to the Seller as provided herein, then the Buyer shall be deemed to have waived this financing contingency, and this Agreement shall remain in full force and effect.

## RIDER B

If the Buyer purports to hold a mortgage interest in the Property and tenders the Purchase And Sale Agreement to which this rider is annexed (the "Agreement") in connection with the submission of a credit bid, please initial this paragraph and provide the information and supply any additional terms and conditions to the Agreement, or modifications to the Agreement, as requested herein. Any such terms and conditions shall supersede any contrary or conflicting terms and conditions set forth in the Agreement itself.	<i>\</i> / <i>0</i> 1
* * *	KDI
The Buyer consists of the following mortgagee or mortgagees purporting to hold a perfected and unreleased security interest in the Property:	
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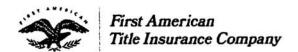
[Using additional sheets, please indicate, for each mortgagee identified above, the total unpaid balance due under the promissory note secured by the corresponding mortgage and itemize each component of the current alleged loan balance, including, but not limited to, principal, interest, default rate interest, late fees, service fees, liquidation fees, protective advances, and other charges.]

The Purchase Price shall be the amount of the credit bid submitted by the Buyer, and any requirement to make an earnest money deposit is deleted. Payment of the Purchase Price shall not be made through the escrow at closing.

In addition, the Buyer shall pay all closing costs approved by the Court, which may, subject to the Court's ruling, include, but not be limited to, owner's title insurance premiums, applicable transfer taxes, the survey invoice, property management fees accrued through the closing, due and unpaid real estate taxes, escrow fees, brokerage commissions, unpaid utilities, title commitment update fees, gap insurance premiums, State of Illinois policy fees, extended coverage premiums, the costs of closing protection coverage for the Seller, all other expenses required to be paid by the Seller at closing, all amounts advanced for the benefit of the Property which are required to be reimbursed and/or any amount required to discharge any Receiver's lien.

[Using additional sheets, set forth any other terms and conditions to be included in the Agreement, or any modifications to the Agreement, and to which your credit bid shall remain subject.]

**EXHIBIT A** 



### STRICT JOINT ORDER ESCROW AGREEMENT

Open Date: \_\_\_\_\_ Expected Release Date: \_\_\_\_\_

Escrow Number: 2985821

Property Address: _7201 South Constance Ave	enue, Cl	nicago, IL 606	49		
Deposit Amount: \$110,000.00 P	urpose:	Earnest Mo     Tax Escro		☐ Repairs: ☐ Other:	
The above is hereby deposited with First American Title pursuant to this Strict Joint Order Escrow Agreement (he by the Escrowee only upon the joint written order of the	ereinafte	r referred to as t	he Agree	ment). Said deposit shall be released a	vee) and delivered
Escrowee is hereby expressly authorized to disregard, in or corporation, but the Escrowee is hereby expressly autor decrees entered or issued by any court with or without judgment or decree of any court it shall not be liable to compliance, notwithstanding any such order, judgment modified, annulled, set aside or vacated. In case of any at any time become a party, it shall have a lien on the count attorneys shall be regularly retained or specially enfor on account thereof, and it shall be entitled to reimbut Escrowee upon demand all such costs, fees and expense to allow for such reimbursement.	thorized I ut jurisdic any party or decree suit or p contents h nployed, urse itself	to regard and to ction, and in cas y hereto or any of being entered or proceeding regar hereof for any ar and any other e therefore out of	comply very the Escripther person without juding the Andread all cost expenses very said dep	with and obey any and all orders, judging tower obeys or complies with any suction, firm or corporation by reason of surisdiction or being subsequently revertigated and reasonable attorneys' fees, which it may have incurred or become osit, and the undersigned agree to pa	ments h order, such sed, or may ether liable y the
In no case shall the above mentioned deposits be surrer representatives or assigns, or order of court as aforesaid		cept on an orde	er signed l	by the parties hereto, their respective	legal
Interest, income or other benefits, if any, earned or derideposit all funds received hereunder to one or more of i any funds, at any time, held by it pursuant to the terms	its genera	al accounts. The			
Unless otherwise tendered, the Escrowee is authorized to Fee in the amount of \$200.00 (charged per annum begins in this escrow. The Escrowee also reserves the right to a	inning on	e year following	the date	of the Agreement) from the funds dep	
Purchaser: Signed:  Print Name:  0: niny 0000444	4 <i>6</i> 0 p	Seller: igned: rint Name:	SSDF5 Po	Duff, Federal Equity Receiver for ortfolio 1 LLC	
Address: 189 St. Call	, , A	ddress:		th Dearborn, Suite 900	
2 - O and and bu	7. pes	Ļ	UTA PONTANI	, IL 60605	
		mail:		rdaplaw.net	
Primary Phone: 113 612 3820		initially intended	(312) 73	·	
Alternate Phone:					
Primary Contact (if other than above):					
Accepted: First American Title Insurance Company, Escr	rowee	Ву:			
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## **Assignment And Assumption Of Leases**

B. Duff, as court-appointed federal equity receiver for certain Order Appointing Receiver entered August Order entered March 14, 2019 (Dkt. 290), in the cat Commission v. EquityBuild, Inc., et al., United State Eastern Division, Civil Action No. 1:18-cv-05587 ("Assonveys, and sets over to limited liability company, all of Assignor's right, title "Leases") attached hereto, which leases run with the Avenue (also known as 1825-31 E 72nd Street), Churt 13 AND 14 (EXCEPT SOUTH 6 INCHES THER JACKSON PARK, A SUBDIVISION OF THE EAST H.	REOF) IN CHRISTOPHER COLUMBUS ADDITION TO ALF OF THE NORTHWEST QUARTER OF SECTION
25, TOWNSHIP 38 NORTH, RANGE 14 EAST ( COUNTY, ILLINOIS.	OF THE THIRD PRINCIPAL MERIDIAN, IN COOK
from and after the date hereof. This Assignment is	sed upon the Assignor under the Leases which accrue made without any express or implied representation ertain Purchase And Sale Agreement, accepted by the tween Assignor and Assignee.
This Assignment shall be governed by and construed	I in accordance with the laws of the State of Illinois.
N WITNESS WHEREOF, the parties have executed th	is Assignment And Assumption Of Leases as of this
ASSIGNOR:	ASSIGNEE:
Kevin B. Duff, Federal Equity Receiver for SSDF5 Portfolio 1 LLC	
	Ву:
	Name:
	Title:

#### **PURCHASE & SALE AGREEMENT**

This Purchase & Sale Agreement ("Agreement") is made by and between the court-appointed federal equity receiver for SSDF7 Portfolio 1 LLC ("Seller") pursuant to that certain Order Appointing Receiver entered August 17, 2018 (Dkt. 16), as supplemented by Order dated March 14, 2019 (Dkt. 290), in the case captioned United States Securities and Exchange Commission v. EquityBuild, Inc., et al., United States District Court for the Northern District of Illinois, Eastern Division, Civil Action No. 1:18-cv-05587 (the "SEC Action"), and

Leo Kremer or Nominee

for the purchase and sale of that certain real property and all fixtures, equipment, and personal property appurtenant thereto (the "Property") located at 2736-44 W 64th Street, Chicago, Illinois 60629 and legally described as follows:

LOT 15 (EXCEPT THE NORTH 10 FEET THEREOF), IN MOREAU AND DEJONG'S RESUBDIVISION OF LOTS 30 TO 48, INCLUSIVE, IN BLOCK 16, IN AVONDALE ADDITION TO CHICAGO, BEING A SUBDIVISIONOF THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Permanent Index No. 19-24-200-029-0000

#### TERMS AND CONDITIONS

The Seller agrees to sell the Property, and the Buyer agrees to purchase the Property on the following terms and conditions:

418,000 Purchase Price. The purchase price for the Property shall be \$ 1. "Purchase Price"). The Buyer shall pay the Purchase Price as follows:





- An earnest money deposit (the "Earnest Money") in an amount equal to % of the Purchase Price within three (3) business days following the date of acceptance of the Agreement by the Seller (the "Acceptance Date").
- The balance of the Purchase Price, subject to any applicable credits and b. prorations, at Closing.

[Note: If the Buyer desires to enter into this Agreement subject to a financing contingency, then Rider A should be completed. Otherwise, Rider A should be left blank.]

[Note: If the Buyer purports to hold a mortgage interest in the Property and tenders this Agreement in connection with a credit bid, then Rider B should be completed. Otherwise, Rider B should be left blank.]

- 2. <u>Earnest Money</u>. The Earnest Money shall be held by First American Title Company ("First American Title") in a segregated escrow account. In connection with said Earnest Money deposit, the Buyer shall execute and deliver to the Seller a copy of that certain strict joint order escrow agreement in the form attached hereto as Exhibit A.
- 3. <u>Court Approval</u>. As soon as practicable in consideration of the Seller's need to manage the sales of a tranche of properties, await the expiration of the respective due diligence periods, and avoid placing undue burden on the court in the SEC Action, the Seller shall move before the Honorable John Z. Lee or any judge sitting in his stead or to whom he has made a referral in the SEC Action (the "Receivership Court") for approval of the sale of the Property pursuant to this Agreement. In the event that the Receivership Court does not confirm the sale of the Property pursuant to this Agreement, then the Agreement shall become null and void and all Earnest Money shall be promptly refunded to the Buyer.
- 4. Escrow Closing. This sale shall be closed through an escrow with First American Title in accordance with the general provisions of the usual form of deed and money escrow agreement then furnished and in use by said title company. Payment of the Purchase Price and delivery of the receiver's deed shall be made through the escrow. The cost of the escrow shall be divided equally between the Buyer and the Seller unless the Buyer acquires the Property with financing, in which event that portion of the cost of the escrow relating to the financing shall be borne by the Buyer. Unless otherwise specified herein, all other closing costs shall be paid in accordance with custom for apartment investment sales transactions in Cook County, Illinois.
- 5. <u>Irrevocable Offer</u>. This Agreement when executed by the Buyer and delivered to the Seller shall constitute an irrevocable offer to purchase the Property until June 17, 2020 (the "Offer Expiration Date"). In the event that the offer is not accepted by the Seller before the Offer Expiration Date, then the offer may be withdrawn upon the delivery of notice to the Seller in accordance with Paragraph 20.
- 6. Personal Property. At Closing, the Seller shall tender to the Buyer a bill of sale for the personal property appurtenant to the Property (the "Personal Property") warranting only that the Seller is the absolute owner of said Personalty, that said Personalty is free and clear of all liens, charges, and encumbrances, and that the Seller has the full right, power, and authority to sell said Personalty and to deliver the bill of sale. The Seller shall neither make nor adopt any warranty whatsoever with respect to the Personal Property and shall specifically disclaim any implied warranty of merchantability or fitness for a particular purpose. The price of the Personal Property shall be included in the Purchase Price, and the Buyer agrees to accept all such Personal Property in "as is" condition.
- 7. The Closing Date. The closing shall be held on a date (the "Closing Date") to be designated by the Seller after the Receivership Court approves the sale of the Property pursuant to this Agreement, provided, however, that the Buyer shall be entitled to five business days' advance Notice of the Closing Date.

- 8. Conveyance of Title. At Closing, the Seller shall convey title to the Property by a recordable form receiver's deed subject to (a) general real estate taxes not yet due and payable at the time of Closing; (b) covenants, conditions, restrictions, or building lines and easements of record, if any; (c) public and utility easements; (d) applicable zoning and building laws and ordinances; (f) acts done by or suffered through Buyer or anyone claiming by, through, or under Buyer; (g) governmental actions or proceedings concerning or affecting the Property; and (h) encroachments of a minor nature, if any, that can be insured over at closing (the "Permitted Exceptions"). The Seller agrees to surrender possession of the Property at the time of Closing.
- Commitment For Title Insurance. Within ten (10) business days after the Acceptance 9. Date, the Seller shall deliver to the Buyer evidence of merchantable title by delivering a commitment for title insurance with extended coverage from First American Title in the amount of the Purchase Price with a commitment date not earlier than March 1, 2020, subject only to general exceptions, the Permitted Exceptions, and exceptions pertaining to liens or encumbrances of a definite and ascertainable amount which may be removed by the payment of money by Seller, endorsed over by First American Title at the Seller's sole expense, or which will be extinguished by order of the Receivership Court. Such title commitment shall be conclusive evidence of good and merchantable title, subject only to the foregoing exceptions. If the commitment for title insurance discloses title exceptions other than the general exceptions, Permitted Exceptions, exceptions waivable through the payment of money or the issuance of an endorsement, or exceptions capable of being extinguished by Receivership Court order, the Seller shall have thirty (30) calendar days from the Closing Date to cure, or insure over, the unpermitted exceptions and the Closing shall be postponed until said unpermitted exceptions are cured or insured over. If the Seller fails to timely secure the removal of the unpermitted exceptions or obtain an endorsement insuring over the unpermitted exceptions, the Purchaser may terminate this Contract with a full refund of Earnest Money upon Notice to the Seller within ten (10) business days after the expiration of the thirty (30) day period. In such event, this Agreement shall become null and void and neither party shall thereafter have any rights against the other, and the Seller may not be held liable for direct, indirect, incidental, or consequential damages.
- 10. <u>Survey</u>. At least five (5) business days prior to the Closing Date, the Seller shall provide the Buyer with a survey by Professionals Associated Survey, Inc., a licensed land surveyor, dated November 26, 2019. If the Buyer or the Buyer's mortgagee desires an updated or more extensive survey, the survey shall be obtained at the Buyer's expense.
- 11. Assignment And Assumption Of Leases. At Closing, the Seller shall deliver to the Buyer, and the Seller and Buyer shall execute, an assignment and assumption of leases (in the form attached hereto as Exhibit B) pursuant to which the Seller shall convey all right, title, and interest in and to any leases in effect at the Property to the Buyer, and the Buyer shall agree to assume all of the Seller's obligations under said leases.
- 12. <u>Prorations</u>. Prepaid service contracts and other similar items shall be credited ratably at Closing. Any and all rents collected until the date of the Closing shall be applied by the Seller

first to past due balances and then to currently scheduled monthly rent. Any rents collected by the Buyer after Closing shall be applied first to corresponding pre-Closing arrearages and remitted to the Seller within ten business days. Scheduled monthly rent shall be prorated for the month of Closing. To the extent that any tenant at the Property has paid less than the entirety of its scheduled rent for the month of Closing, then any rent received for said month shall not be prorated but instead paid first to the Seller in respect of each day in the month through and including the date of Closing, with any balance thereafter paid to the Buyer. In addition, real estate taxes associated with the ownership of the Property shall be prorated as of the Closing based on 105% of the most recently ascertainable tax bill.

- 13. <u>Inspection Period</u>. The Buyer acknowledges that it was afforded the opportunity to conduct a limited tour of the Property prior to submitting its offer. Within three (3) calendar days following the Acceptance Date, the Seller shall produce the following documents to the Buyer (the "Due Diligence Materials"):
  - a. <u>Current Rent Roll</u>. A current rent roll for the Property generated by the management company.
  - <u>Utility Bills</u>. Copies of all utility bills relating to the Property, to the extent available, for the twelve calendar months preceding the month of the Acceptance Date.
  - Leases. Copies of all existing leases affecting the Property.
  - d. <u>Profit & Loss Statement</u>. A current trailing twelve-month profit and loss statement reflecting all categories of operating income and expenses associated with the Property, as generated by the management company.
  - <u>Litigation Documents</u>. Copies of documents, including notices of violation, orders, judgments, and other pleadings, pertaining to any known litigation or proceedings currently affecting the Property.









- 14. Entry Into Or Renewal Of Contracts & Material Changes. Following the expiration of the Inspection Period, the Seller shall not without the prior written consent of the Buyer, said consent not to be unreasonably withheld, conditioned, or delayed, enter into or renew any service contract or lease affecting or concerning the Property. In addition, the Seller shall not make any material changes to the Property, perform or engage in any act, or enter into any agreement that materially changes the value of the Property or the rights of the Buyer relating to the Property.
- 15. <u>Material Destruction</u>. Risk of loss to the Property shall be borne by the Seller until title has been conveyed to Buyer. If, prior to Closing, a material portion of the Property shall be destroyed or materially damaged by fire or other casualty, then the Seller shall provide prompt notice of said fire or other casualty to the Buyer and this Agreement shall thereafter, at the option of the Buyer, exercised by Notice to the Seller within five (5) business days after receipt of notice of such material damage, be null and void, and all Earnest Money shall be refunded to the Buyer. Failure of the Buyer to provide timely notice shall constitute a waiver of the right to terminate.
- Condition Of Property. The Buyer understands and agrees that the Property is being sold "as is" and "with all faults" and that neither the Seller nor any agent or attorney of the Seller, makes, or has made, any representation or warranty as to the physical condition or value of the Property or its suitability for the Buyer's intended use. The Seller has no obligation to repair or correct any alleged patent or latent defect at the Property, or to compensate the Buyer for any such defect, and, upon closing, the Buyer waives, releases, acquits, and forever discharges the Seller, and all of the Seller's agents and attorneys, to the maximum extent permitted by law, from any and all claims, actions, causes or action, demands, rights, liabilities, losses, damages, costs, or expenses, direct or indirect, known or unknown, foreseen or unforeseen, that it now has or which may arise in the future on account of or in any way arising from or relating to any alleged patent or latent defect at the Property.
- 17. <u>Buyer Default</u>. The Buyer and Seller agree that it would be difficult to ascertain the actual damages to be suffered by the Seller in the event of a default by the Buyer and that the amount of the Earnest Money deposited by the Buyer hereunder constitutes the parties' reasonable estimate of the Seller's damages in the event of the Buyer's default, and that upon any such default not caused by the Seller, the Seller shall be entitled to retain the Earnest

Money as liquidated damages, which shall constitute the Seller's sole and exclusive remedy in law or at equity in connection with said default.

- 18. Seller Default. In the event that the Seller shall fail to sell, transfer, and assign the Property to Purchaser in violation of the terms of this Agreement and/or fail to perform any other material obligation of Seller hereunder, then the Buyer may give Notice to the Seller specifying the nature of the default. The Seller shall thereafter have five (5) business days from receipt of said Notice, but in no event beyond the Closing Date, within which to cure the alleged default. If the Seller fails to cure the default within the cure period, then the Buyer shall be entitled to the return of all Earnest Money and (a) to declare the Agreement null and void and sue for reasonable out-of-pocket expenses incurred in connection with this Agreement prior to the alleged default or (b) to sue for specific performance, the parties recognizing that the Property is unique and that the Buyer otherwise lacks an adequate remedy at law. In the latter event, the Buyer is advised that Section VIII of the Order Appointing Receiver entered in the SEC Action enjoins the filing or prosecution of all civil proceedings against the Receiver, in his capacity as Receiver, until further order of the court.
- 19. <u>Representations and Warranties</u>. As a material inducement to the Buyer to enter into this Agreement, the Seller hereby makes the following representations and warranties, each of which shall remain true and correct as of the Closing Date:
  - a. The Seller has the full right, power, and authority to convey the Property to the Buyer as provided in this Agreement and to carry out its obligations hereunder. In addition, the individual executing this Agreement on behalf of the Seller has the legal right, power, and authority to bind the Seller to the terms hereof.
  - The Seller will not take any action affecting title to the Property following the Acceptance Date.
  - c. To the best of the Seller's knowledge, there are no actions, investigations, suits, or proceedings, pending or threatened, that affect the Property, or the ownership or operation thereof, other than the SEC Action and the following:
    - City of Chicago Department of Buildings v. SSDF7 Portfolio 1 LLC, Docket No. 520WO616450.
  - d. To the best of the Seller's knowledge, the Property is not in violation, nor has been under investigation for violation, of any federal, state, or local law, ordinance, or regulation regulating environmental conditions in, at, on, under, or about the Property, including but not limited to, soil and groundwater conditions.
- 20. <u>Notices</u>. All notices required or permitted under this Agreement shall be in writing and served by registered or certified United States mail, return receipt requested; nationally recognized overnight mail courier (signature required); or electronic mail (evidenced by

competent and authentic proof of transmission). Any notices given to the Seller shall be delivered to the Seller's counsel, at the following physical or e-mail addresses:

Andrew E. Porter
Porter Law Office
853 North Elston Avenue
Chicago, Illinois 60614
andrew@andrewporterlaw.com

Michael Rachlis Rachlis Duff & Peel LLC 542 South Dearborn, Suite 900 Chicago, Illinois 60605 mrachlis@rdaplaw.net

Any such notices or demands given to the Buyer shall be delivered to the Buyer's counsel, at the following address physical or e-mail addresses:

Graham E. Congtser Zabel Luw LLC (312) 201-1434 graham @ Zabellav cm

- 21. <u>Like-Kind Exchange</u>. The Seller agrees to cooperate if the Buyer elects to acquire the Property as part of a like-kind exchange under Section 1031 of the Internal Revenue Code. The Buyer's contemplated exchange shall not impose upon the Seller any additional liability or financial obligation, and the Buyer agrees to hold the Seller harmless from any liability that might arise from such exchange. This Agreement is neither subject to nor contingent upon the Buyer's ability to dispose of its exchange property or to effectuate an exchange. In the event any exchange contemplated by the Buyer should fail to occur, for whatever reason, the sale of the Property shall nonetheless be consummated as provided herein.
- 22. Real Estate Agents. Purchaser represents and warrants that, other than Seller's Agent and Buyer's Agent, if any, no other putative real estate agent or broker was involved in submitting, showing, marketing, or selling the Property to the Buyer, and the Buyer agrees to indemnify and hold Seller, and its successors and assigns, harmless from and against any and all liability, loss, damages, cost, or expense, including reasonable attorneys' fees, arising from or relating to any claim for a commission, fee, or other form of payment or compensation asserted by a putative real estate agent or broker purporting to have procured the Buyer in connection with this Agreement.

- 23. <u>Foreign Investor Disclosure</u>. The Seller and the Buyer agree to execute and deliver any instrument, affidavit, or statement, and to perform any act reasonably necessary to carry out the provisions of the Foreign Investment in Real Property Tax Act and regulations promulgated thereunder. The Seller represents that the Seller is not a foreign person as defined in Section 1445 of the Internal Revenue Code.
- 24. Merger. This Agreement expresses the entire agreement of the parties and supersedes any and all previous agreements or understandings between them with regard to the Property. There are no other understandings, oral or written, which in any way alter or enlarge the terms of this Agreement, and there are no warranties or representations of any nature whatsoever, either express or implied, except as set forth herein. This Agreement may be modified only by a written instrument signed by the party to be charged.
- 25. <u>Governing Law.</u> This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

\* \* \*

The undersigned Buyer hereby offers and agrees to purchase the Property upon the terms and conditions stated herein as of the 3rd day of June, 2020. In addition, the individual signing below on behalf of the Buyer represents and warrants that s/he is authorized to execute this Agreement on behalf of the Buyer.

Buyer	leo kremer
	50A4F4EB5A3E473
Ву:	Leo Kremer or Nominee
	Manager
Its:	

Seller

KEVIN B. DUFF, FEDERAL EQUITY RECEIVER FOR SSDF7 PORTFOLIO 1 LLC

Rachlis Duff & Peel LLC 542 South Dearborn Street, Suite 900 Chicago, Illinois 60605 (312) 733-3390

Acceptance Date: 06/29/20

Buyer's Agent

Edward Blueme Atlas Asset Management 1347 W WAShington 430-709-3581

Seller's Agent

Jeffrey Baasch SVN Chicago Commercial 940 West Adams Street, Suite 200 Chicago, Illinois 60607 (312) 676-1866

## RIDER A

If the Buyer desires that the terms and provisions of this Rider be incorporated into the Purchase And Sale Agreement to which it is annexed, please initial this paragraph.
* * *
This Agreement is contingent upon the Buyer securing, no later than 21 days following the
Acceptance Date (the "Financing Contingency Deadline"), a firm written mortgage commitment
for a fixed or adjustable rate mortgage from an established multifamily residential mortgage
lender in the amount of \$, at an interest rate (or initial interest rate if an adjustable
rate mortgage) not to exceed %per annum, amortized over years, payable monthly,
with a loan origination fee not to exceed %, plus appraisal and credit report fees, if any. If
the Buyer is unable to secure a firm written mortgage commitment as described herein within
the referenced time period, then the Buyer may terminate this Agreement with a full refund of
Earnest Money by providing notice to the Seller prior to the expiration of the Financing
Contingency Deadline. If the Buyer does not provide the requisite notice to the Seller as
provided herein, then the Buyer shall be deemed to have waived this financing contingency,
and this Agreement shall remain in full force and effect.

#### RIDER B

	ns set forth *	*	*	
he Buyer consists of the followi nd unreleased security interest	ng mortgag in the Prop	ee or mo erty:	rtgage	ees purporting to hold a perfected
	_			
	_			
	-			
	_		-	
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lusing additional sheets, please indicate, for each mortgagee identified above, the total unpaid balance due under the promissory note secured by the corresponding mortgage and itemize each component of the current alleged loan balance, including, but not limited to, principal, interest, default rate interest, late fees, service fees, liquidation fees, protective advances, and other charges.]

The Purchase Price shall be the amount of the credit bid submitted by the Buyer, and any requirement to make an earnest money deposit is deleted. Payment of the Purchase Price shall not be made through the escrow at closing.

In addition, the Buyer shall pay all closing costs approved by the Court, which may, subject to the Court's ruling, include, but not be limited to, owner's title insurance premiums, applicable transfer taxes, the survey invoice, property management fees accrued through the closing, due and unpaid real estate taxes, escrow fees, brokerage commissions, unpaid utilities, title commitment update fees, gap insurance premiums, State of Illinois policy fees, extended coverage premiums, the costs of closing protection coverage for the Seller, all other expenses required to be paid by the Seller at closing, all amounts advanced for the benefit of the Property which are required to be reimbursed and/or any amount required to discharge any Receiver's lien.

[Using additional sheets, set forth any other terms and conditions to be included in the Agreement, or any modifications to the Agreement, and to which your credit bid shall remain subject.]

**EXHIBIT A** 



## STRICT JOINT ORDER ESCROW AGREEMENT

		Expected Release Date:	Escrow Number:
roperty Addr	ess:2736-44 W.	64th Street, Chicago, II	_ 60629
eposit Amou ocument(s) h	nt: \$ 41,800 Held	Purpose: XX Earnest	
ISUDIIL W LIIS	Strict Joint Order Escrow	Agreement (hereinafter referred to a	as Escrowee (hereinafter referred to as the Escrowee) is the Agreement). Said deposit shall be released and deliving respective legal representatives or assigns.
decrees entended decree	ed or issued by any court ree of any court it shall n withstanding any such orded, set aside or vacated, ome a party, it shall have hall be regularly retained nereof, and it shall be ent	by expressly authorized to regard and t with or without jurisdiction, and in come to liable to any party hereto or an der, judgment or decree being entered In case of any suit or proceeding regard a lien on the contents hereof for any or specially employed, and any other titled to reimburse itself therefore out	y and all notices or warnings given by any other person to comply with and obey any and all orders, judgments ase the Escrowee obeys or complies with any such order, y other person, firm or corporation by reason of such d without jurisdiction or being subsequently reversed, larding the Agreement, to which the Escrowee is or may and all costs, and reasonable attorneys' fees, whether expenses which it may have incurred or become liable of said deposit, and the undersigned agree to pay the xtent the funds deposited hereunder shall be insufficient
resentatives o	assigns, or order or cor	art as aforesaid.	der signed by the parties hereto, their respective legal
Source all Turido	received lielenings for or	te of filore of its deneral accounts in	posited shall belong to the Escrowee. The Escrowee may be Escrowee shall be under no duty to invest or reinvest
funds, at any less otherwise in the amoun	/ time, held by it pursuan tendered, the Escrowee at of \$200.00 (charged pene Escrowee also reserves	it to the terms of the Agreement.	the amount of \$300.00, and thereafter a Maintenance
ess otherwise in the amounthis escrow. The rchaser:	/ time, held by it pursuan tendered, the Escrowee at of \$200.00 (charged pe	it to the terms of the Agreement.  is authorized to pay an Escrow Fee in er annum beginning one year following the right to add applicable administration of the right to add applicable administration.  Seller Signed:	the amount of \$300.00, and thereafter a Maintenance g the date of the Agreement) from the funds deposited ration fees at its discretion.  Kevin B. Duff, Federal Equity Receiver for
funds, at any ess otherwise in the amoun nis escrow. The chaser: ned: t Name:	tendered, the Escrowee of \$200.00 (charged per Escrowee also reserves Docusigned by:  WEYLING 50A4F4EB5A3E473	is authorized to pay an Escrow Fee in er annum beginning one year followings the right to add applicable administration Seller Signed:  Print Name:	the amount of \$300.00, and thereafter a Maintenance g the date of the Agreement) from the funds deposited ration fees at its discretion.  Kevin B. Duff, Federal Equity Receiver for SSDF7 Portfolio 1 LLC
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y funds, at any less otherwise in the amoun this escrow. The rchaser: ned:  ht Name: dress;  ail: hary Phone:	tendered, the Escrowee at of \$200.00 (charged pent of \$200.00 (charged	is authorized to pay an Escrow Fee in er annum beginning one year followin is the right to add applicable administration Seller:  Signed:  Print Name:  Address:  705  D1e.com  Email:  Primary Phone:	the amount of \$300.00, and thereafter a Maintenance g the date of the Agreement) from the funds deposited ration fees at its discretion.  Kevin B. Duff, Federal Equity Receiver for SSDF7 Portfolio 1 LLC  542 South Dearborn, Suite 900  Chicago, IL 60605  kduff@rdaplaw.net  (312) 733-3390
ny funds, at any nless otherwise ee in the amoun this escrow. Th  urchaser: gned: int Name: ddress: mail: imary Phone: ternate Phone;	tendered, the Escrowee of \$200.00 (charged pene Escrowee also reserves to 500.00 (charged pene Escrowee also reserves t	is authorized to pay an Escrow Fee in er annum beginning one year followin is the right to add applicable administration Seller:  Signed:  Print Name:  Address:  705  Ole.com  Email:  Primary Phone:  Alternate Phone:	the amount of \$300.00, and thereafter a Maintenance g the date of the Agreement) from the funds deposited ration fees at its discretion.  Kevin B. Duff, Federal Equity Receiver for SSDF7 Portfolio 1 LLC  542 South Dearborn, Suite 900  Chicago, IL 60605  kduff@rdaplaw.net  (312) 733-3390

27775 Diehl Road, Ste 200, Warrenville, IL 60555 TEL 877-295-4328 · FAX 866-525-5530 titleindemnity.warrenville.il@firstam.com

**EXHIBIT B** 

## Assignment And Assumption Of Leases

3. Duff, as court-appointed federal equity receiver for certain Order Appointing Receiver entered August 2 Order entered March 14, 2019 (Dkt. 290), in the cat Commission v. EquityBuild, Inc., et al., United States Eastern Division, Civil Action No. 1:18-cv-05587 ("Assoconveys, and sets over tolimited liability company, all of Assignor's right, title "Leases") attached hereto, which leases run with the	sufficiency of which are hereby acknowledged, Revinor SSDF7 Portfolio 1 LLC ("Seller"), pursuant to that 17, 2018 (Dkt. 16), as supplemented by that certain se captioned <i>United States Securities and Exchange</i> is District Court for the Northern District of Illinois, signor"), hereby irrevocably grants, assigns, transfers, ("Assignee"), an
Street, Chicago, Illinois 60629.	
LOTS 30 TO 48 INCLUSIVE, IN BLOCK 16, IN	, IN MOREAU AND DEJONG'S RESUBDIVISION OF AVONDALE ADDITION TO CHICAGO, BEING A HEAST QUARTER OF SECTION 24, TOWNSHIP 38 AL MERIDIAN, IN COOK COUNTY, ILLINOIS.
from and after the date hereof. This Assignment is	used upon the Assignor under the Leases which accrue made without any express or implied representation ertain Purchase And Sale Agreement, accepted by the tween Assignor and Assignee.
This Assignment shall be governed by and construe	d in accordance with the laws of the State of Illinois.
	his Assignment And Assumption Of Leases as of this
ASSIGNOR:	ASSIGNEE:
Kevin B. Duff, Federal Equity Receiver for SSDF7 Portfolio 1 LLC	
	By:
	Name:
	Title:

#### **PURCHASE & SALE AGREEMENT**

This Purchase & Sale Agreement ("Agreement") is made by and between the court-appointed federal equity receiver for SSDF7 Portfolio 1 LLC ("Seller") pursuant to that certain Order Appointing Receiver entered August 17, 2018 (Dkt. 16), as supplemented by Order dated March 14, 2019 (Dkt. 290), in the case captioned *United States Securities and Exchange Commission v. EquityBuild, Inc., et al.*, United States District Court for the Northern District of Illinois, Eastern Division, Civil Action No. 1:18-cv-05587 (the "SEC Action"), and

# Leo Kremer or Nominee ("Buyer")

for the purchase and sale of that certain real property and all fixtures, equipment, and personal property appurtenant thereto (the "Property") located at 6355-59 S Talman Avenue (also known as 2616-22 W 64th Street), Chicago, Illinois 60629 and legally described as follows:

LOTS 28 AND 29 IN BLOCK 1 IN AVONDALE, A SUBDIVISION OF THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Permanent Index No. 19-24-203-023-0000

#### TERMS AND CONDITIONS

The Seller agrees to sell the Property, and the Buyer agrees to purchase the Property of the following terms and conditions:

Purchase Price. The purchase price for the Property shall be \$ 577,000 (the "Purchase Price"). The Buyer shall pay the Purchase Price as follows:







- a. An earnest money deposit (the "Earnest Money") in an amount equal to \(\frac{10}{0}\) % of the Purchase Price within three (3) business days following the date of acceptance of the Agreement by the Seller (the "Acceptance Date").
- b. The balance of the Purchase Price, subject to any applicable credits and prorations, at Closing.

[Note: If the Buyer desires to enter into this Agreement subject to a financing contingency, then Rider A should be completed. Otherwise, Rider A should be left blank.]

[Note: If the Buyer purports to hold a mortgage interest in the Property and tenders this Agreement in connection with a credit bid, then Rider B should be completed. Otherwise, Rider B should be left blank.]

- 2. <u>Earnest Money</u>. The Earnest Money shall be held by First American Title Company ("First American Title") in a segregated escrow account. In connection with said Earnest Money deposit, the Buyer shall execute and deliver to the Seller a copy of that certain strict joint order escrow agreement in the form attached hereto as Exhibit A.
- 3. <u>Court Approval</u>. As soon as practicable in consideration of the Seller's need to manage the sales of a tranche of properties, await the expiration of the respective due diligence periods, and avoid placing undue burden on the court in the SEC Action, the Seller shall move before the Honorable John Z. Lee or any judge sitting in his stead or to whom he has made a referral in the SEC Action (the "Receivership Court") for approval of the sale of the Property pursuant to this Agreement. In the event that the Receivership Court does not confirm the sale of the Property pursuant to this Agreement, then the Agreement shall become null and void and all Earnest Money shall be promptly refunded to the Buyer.
- 4. Escrow Closing. This sale shall be closed through an escrow with First American Title in accordance with the general provisions of the usual form of deed and money escrow agreement then furnished and in use by said title company. Payment of the Purchase Price and delivery of the receiver's deed shall be made through the escrow. The cost of the escrow shall be divided equally between the Buyer and the Seller unless the Buyer acquires the Property with financing, in which event that portion of the cost of the escrow relating to the financing shall be borne by the Buyer. Unless otherwise specified herein, all other closing costs shall be paid in accordance with custom for apartment investment sales transactions in Cook County, Illinois.
- 5. <u>Irrevocable Offer</u>. This Agreement when executed by the Buyer and delivered to the Seller shall constitute an irrevocable offer to purchase the Property until June 17, 2020 (the "Offer Expiration Date"). In the event that the offer is not accepted by the Seller before the Offer Expiration Date, then the offer may be withdrawn upon the delivery of notice to the Seller in accordance with Paragraph 20.
- 6. Personal Property. At Closing, the Seller shall tender to the Buyer a bill of sale for the personal property appurtenant to the Property (the "Personal Property") warranting only that the Seller is the absolute owner of said Personalty, that said Personalty is free and clear of all liens, charges, and encumbrances, and that the Seller has the full right, power, and authority to sell said Personalty and to deliver the bill of sale. The Seller shall neither make nor adopt any warranty whatsoever with respect to the Personal Property and shall specifically disclaim any implied warranty of merchantability or fitness for a particular purpose. The price of the Personal Property shall be included in the Purchase Price, and the Buyer agrees to accept all such Personal Property in "as is" condition.
- 7. The Closing Date. The closing shall be held on a date (the "Closing Date") to be designated by the Seller after the Receivership Court approves the sale of the Property pursuant to this Agreement, provided, however, that the Buyer shall be entitled to five business days' advance Notice of the Closing Date.

- 8. Conveyance of Title. At Closing, the Seller shall convey title to the Property by a recordable form receiver's deed subject to (a) general real estate taxes not yet due and payable at the time of Closing; (b) covenants, conditions, restrictions, or building lines and easements of record, if any; (c) public and utility easements; (d) applicable zoning and building laws and ordinances; (f) acts done by or suffered through Buyer or anyone claiming by, through, or under Buyer; (g) governmental actions or proceedings concerning or affecting the Property; and (h) encroachments of a minor nature, if any, that can be insured over at closing (the "Permitted Exceptions"). The Seller agrees to surrender possession of the Property at the time of Closing.
- Commitment For Title Insurance. Within ten (10) business days after the Acceptance 9. Date, the Seller shall deliver to the Buyer evidence of merchantable title by delivering a commitment for title insurance with extended coverage from First American Title in the amount of the Purchase Price with a commitment date not earlier than March 1, 2020, subject only to general exceptions, the Permitted Exceptions, and exceptions pertaining to liens or encumbrances of a definite and ascertainable amount which may be removed by the payment of money by Seller, endorsed over by First American Title at the Seller's sole expense, or which will be extinguished by order of the Receivership Court. Such title commitment shall be conclusive evidence of good and merchantable title, subject only to the foregoing exceptions. If the commitment for title insurance discloses title exceptions other than the general exceptions, Permitted Exceptions, exceptions waivable through the payment of money or the issuance of an endorsement, or exceptions capable of being extinguished by Receivership Court order, the Seller shall have thirty (30) calendar days from the Closing Date to cure, or insure over, the unpermitted exceptions and the Closing shall be postponed until said unpermitted exceptions are cured or insured over. If the Seller fails to timely secure the removal of the unpermitted exceptions or obtain an endorsement insuring over the unpermitted exceptions, the Purchaser may terminate this Contract with a full refund of Earnest Money upon Notice to the Seller within ten (10) business days after the expiration of the thirty (30) day period. In such event, this Agreement shall become null and void and neither party shall thereafter have any rights against the other, and the Seller may not be held liable for direct, indirect, incidental, or consequential damages.
- 10. <u>Survey</u>. At least five (5) business days prior to the Closing Date, the Seller shall provide the Buyer with a survey by Professionals Associated Survey, Inc., a licensed land surveyor, dated September 11, 2019. If the Buyer or the Buyer's mortgagee desires an updated or more extensive survey, the survey shall be obtained at the Buyer's expense.
- 11. <u>Assignment And Assumption Of Leases</u>. At Closing, the Seller shall deliver to the Buyer, and the Seller and Buyer shall execute, an assignment and assumption of leases (in the form attached hereto as Exhibit B) pursuant to which the Seller shall convey all right, title, and interest in and to any leases in effect at the Property to the Buyer, and the Buyer shall agree to assume all of the Seller's obligations under said leases.
- 12. <u>Prorations.</u> Prepaid service contracts and other similar items shall be credited ratably at Closing. Any and all rents collected until the date of the Closing shall be applied by the Seller

first to past due balances and then to currently scheduled monthly rent. Any rents collected by the Buyer after Closing shall be applied first to corresponding pre-Closing arrearages and remitted to the Seller within ten business days. Scheduled monthly rent shall be prorated for the month of Closing. To the extent that any tenant at the Property has paid less than the entirety of its scheduled rent for the month of Closing, then any rent received for said month shall not be prorated but instead paid first to the Seller in respect of each day in the month through and including the date of Closing, with any balance thereafter paid to the Buyer. In addition, real estate taxes associated with the ownership of the Property shall be prorated as of the Closing based on 105% of the most recently ascertainable tax bill.

- 13. <u>Inspection Period</u>. The Buyer acknowledges that it was afforded the opportunity to conduct a limited tour of the Property prior to submitting its offer. Within three (3) calendar days following the Acceptance Date, the Seller shall produce the following documents to the Buyer (the "Due Diligence Materials"):
  - a. <u>Current Rent Roll</u>. A current rent roll for the Property generated by the management company.
  - <u>Utility Bills</u>. Copies of all utility bills relating to the Property, to the extent available, for the twelve calendar months preceding the month of the Acceptance Date.
  - c. <u>Leases</u>. Copies of all existing leases affecting the Property.
  - d. <u>Profit & Loss Statement</u>. A current trailing twelve-month profit and loss statement reflecting all categories of operating income and expenses associated with the Property, as generated by the management company.
    - <u>Litigation Documents</u>. Copies of documents, including notices of violation, orders, judgments, and other pleadings, pertaining to any known litigation or proceedings currently affecting the Property.









- 14. Entry Into Or Renewal Of Contracts & Material Changes. Following the expiration of the Inspection Period, the Seller shall not without the prior written consent of the Buyer, said consent not to be unreasonably withheld, conditioned, or delayed, enter into or renew any service contract or lease affecting or concerning the Property. In addition, the Seller shall not make any material changes to the Property, perform or engage in any act, or enter into any agreement that materially changes the value of the Property or the rights of the Buyer relating to the Property.
- 15. <u>Material Destruction</u>. Risk of loss to the Property shall be borne by the Seller until title has been conveyed to Buyer. If, prior to Closing, a material portion of the Property shall be destroyed or materially damaged by fire or other casualty, then the Seller shall provide prompt notice of said fire or other casualty to the Buyer and this Agreement shall thereafter, at the option of the Buyer, exercised by Notice to the Seller within five (5) business days after receipt of notice of such material damage, be null and void, and all Earnest Money shall be refunded to the Buyer. Failure of the Buyer to provide timely notice shall constitute a waiver of the right to terminate.
- Condition Of Property. The Buyer understands and agrees that the Property is being sold "as is" and "with all faults" and that neither the Seller nor any agent or attorney of the Seller, makes, or has made, any representation or warranty as to the physical condition or value of the Property or its suitability for the Buyer's intended use. The Seller has no obligation to repair or correct any alleged patent or latent defect at the Property, or to compensate the Buyer for any such defect, and, upon closing, the Buyer waives, releases, acquits, and forever discharges the Seller, and all of the Seller's agents and attorneys, to the maximum extent permitted by law, from any and all claims, actions, causes or action, demands, rights, liabilities, losses, damages, costs, or expenses, direct or indirect, known or unknown, foreseen or unforeseen, that it now has or which may arise in the future on account of or in any way arising from or relating to any alleged patent or latent defect at the Property.
- 17. <u>Buyer Default</u>. The Buyer and Seller agree that it would be difficult to ascertain the actual damages to be suffered by the Seller in the event of a default by the Buyer and that the amount of the Earnest Money deposited by the Buyer hereunder constitutes the parties' reasonable estimate of the Seller's damages in the event of the Buyer's default, and that upon any such default not caused by the Seller, the Seller shall be entitled to retain the Earnest

Money as liquidated damages, which shall constitute the Seller's sole and exclusive remedy in law or at equity in connection with said default.

- 18. Seller Default. In the event that the Seller shall fail to sell, transfer, and assign the Property to Purchaser in violation of the terms of this Agreement and/or fail to perform any other material obligation of Seller hereunder, then the Buyer may give Notice to the Seller specifying the nature of the default. The Seller shall thereafter have five (5) business days from receipt of said Notice, but in no event beyond the Closing Date, within which to cure the alleged default. If the Seller fails to cure the default within the cure period, then the Buyer shall be entitled to the return of all Earnest Money and (a) to declare the Agreement null and void and sue for reasonable out-of-pocket expenses incurred in connection with this Agreement prior to the alleged default or (b) to sue for specific performance, the parties recognizing that the Property is unique and that the Buyer otherwise lacks an adequate remedy at law. In the latter event, the Buyer is advised that Section VIII of the Order Appointing Receiver entered in the SEC Action enjoins the filing or prosecution of all civil proceedings against the Receiver, in his capacity as Receiver, until further order of the court.
- 19. <u>Representations and Warranties</u>. As a material inducement to the Buyer to enter into this Agreement, the Seller hereby makes the following representations and warranties, each of which shall remain true and correct as of the Closing Date:
  - a. The Seller has the full right, power, and authority to convey the Property to the Buyer as provided in this Agreement and to carry out its obligations hereunder. In addition, the individual executing this Agreement on behalf of the Seller has the legal right, power, and authority to bind the Seller to the terms hereof.
  - The Seller will not take any action affecting title to the Property following the Acceptance Date.
  - c. To the best of the Seller's knowledge, there are no actions, investigations, suits, or proceedings, pending or threatened, that affect the Property, or the ownership or operation thereof, other than the SEC Action and the following:

[None.]

- d. To the best of the Seller's knowledge, the Property is not in violation, nor has been under investigation for violation, of any federal, state, or local law, ordinance, or regulation regulating environmental conditions in, at, on, under, or about the Property, including but not limited to, soil and groundwater conditions.
- 20. <u>Notices</u>. All notices required or permitted under this Agreement shall be in writing and served by registered or certified United States mail, return receipt requested; nationally recognized overnight mail courier (signature required); or electronic mail (evidenced by

competent and authentic proof of transmission). Any notices given to the Seller shall be delivered to the Seller's counsel, at the following physical or e-mail addresses:

Andrew E. Porter
Porter Law Office
853 North Elston Avenue
Chicago, Illinois 60614
andrew@andrewporterlaw.com

Michael Rachlis Rachlis Duff & Peel LLC 542 South Dearborn, Suite 900 Chicago, Illinois 60605 mrachlis@rdaplaw.net

Any such notices or demands given to the Buyer shall be delivered to the Buyer's counsel, at the following address physical or e-mail addresses:

Graham E Conaster

Zabel law LLC

(312) 201-1434

graham e zabellaw com

- 21. <u>Like-Kind Exchange</u>. The Seller agrees to cooperate if the Buyer elects to acquire the Property as part of a like-kind exchange under Section 1031 of the Internal Revenue Code. The Buyer's contemplated exchange shall not impose upon the Seller any additional liability or financial obligation, and the Buyer agrees to hold the Seller harmless from any liability that might arise from such exchange. This Agreement is neither subject to nor contingent upon the Buyer's ability to dispose of its exchange property or to effectuate an exchange. In the event any exchange contemplated by the Buyer should fail to occur, for whatever reason, the sale of the Property shall nonetheless be consummated as provided herein.
- 22. **Real Estate Agents**. Purchaser represents and warrants that, other than Seller's Agent and Buyer's Agent, if any, no other putative real estate agent or broker was involved in submitting, showing, marketing, or selling the Property to the Buyer, and the Buyer agrees to indemnify and hold Seller, and its successors and assigns, harmless from and against any and all liability, loss, damages, cost, or expense, including reasonable attorneys' fees, arising from or relating to any claim for a commission, fee, or other form of payment or compensation asserted by a putative real estate agent or broker purporting to have procured the Buyer in connection with this Agreement.

- 23. <u>Foreign Investor Disclosure</u>. The Seller and the Buyer agree to execute and deliver any instrument, affidavit, or statement, and to perform any act reasonably necessary to carry out the provisions of the Foreign Investment in Real Property Tax Act and regulations promulgated thereunder. The Seller represents that the Seller is not a foreign person as defined in Section 1445 of the Internal Revenue Code.
- 24. <u>Merger</u>. This Agreement expresses the entire agreement of the parties and supersedes any and all previous agreements or understandings between them with regard to the Property. There are no other understandings, oral or written, which in any way alter or enlarge the terms of this Agreement, and there are no warranties or representations of any nature whatsoever, either express or implied, except as set forth herein. This Agreement may be modified only by a written instrument signed by the party to be charged.
- 25. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

\* \* \*

The undersigned Buyer hereby offers and agrees to purchase the Property upon the terms and conditions stated herein as of the 3rd day of June, 2020. In addition, the individual signing below on behalf of the Buyer represents and warrants that s/he is authorized to execute this Agreement on behalf of the Buyer.

Buyer Docusigned by:

Leo Kremer or Nominee

By:

Manager

Its:

Seller

KEVIN B. DUFF, FEDERAL EQUITY RECEIVER FOR SSDF7 PORTFOLIO 1 LLC

Rachlis Duff & Peel LLC 542 South Dearborn Street, Suite 900 Chicago, Illinois 60605 (312) 733-3390

Assentance Date:

Acceptance Date: 06/29/20

Buyer's Agent

Edward Bluemr (
Atlas Asset Management
1347 W WASHINGEN = 4B
(630) 709-3581

Seller's Agent

Jeffrey Baasch SVN Chicago Commercial 940 West Adams Street, Suite 200 Chicago, Illinois 60607 (312) 676-1866

### RIDER A

If the Buyer desires that the terms and provisions of this Rider be incorporated into the Purchase And Sale Agreement to which it is annexed, please initial this paragraph.
* * *
This Agreement is contingent upon the Buyer securing, no later than 21 days following the
Acceptance Date (the "Financing Contingency Deadline"), a firm written mortgage commitment
for a fixed or adjustable rate mortgage from an established multifamily residential mortgage
lender in the amount of \$, at an interest rate (or initial interest rate if an adjustable
rate mortgage) not to exceed %per annum, amortized over years, payable monthly,
with a loan origination fee not to exceed %, plus appraisal and credit report fees, if any. If
the Buyer is unable to secure a firm written mortgage commitment as described herein within
the referenced time period, then the Buyer may terminate this Agreement with a full refund of
Earnest Money by providing notice to the Seller prior to the expiration of the Financing
Contingency Deadline. If the Buyer does not provide the requisite notice to the Seller as
provided herein, then the Buyer shall be deemed to have waived this financing contingency,
and this Agreement shall remain in full force and effect.

#### RIDER B

If the Buyer purports to hold	a mortgage in	nterest in the Pro	operty and tenders the
Purchase And Sale Agreement to wh	ich this rider i	s annexed (the "	Agreement") in connection
with the submission of a credit bid, p	lease initial th	nis paragraph an	d provide the information
and supply any additional terms and			
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Agreement, as requested herein. An	V - AAA AAA AAAA AAAA AAAA		
or conflicting terms and conditions s	et forth in the	Agreement itse	lf.
	* *	*	
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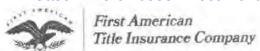
[Using additional sheets, please indicate, for each mortgagee identified above, the total unpaid balance due under the promissory note secured by the corresponding mortgage and itemize each component of the current alleged loan balance, including, but not limited to, principal, interest, default rate interest, late fees, service fees, liquidation fees, protective advances, and other charges.]

The Purchase Price shall be the amount of the credit bid submitted by the Buyer, and any requirement to make an earnest money deposit is deleted. Payment of the Purchase Price shall not be made through the escrow at closing.

In addition, the Buyer shall pay all closing costs approved by the Court, which may, subject to the Court's ruling, include, but not be limited to, owner's title insurance premiums, applicable transfer taxes, the survey invoice, property management fees accrued through the closing, due and unpaid real estate taxes, escrow fees, brokerage commissions, unpaid utilities, title commitment update fees, gap insurance premiums, State of Illinois policy fees, extended coverage premiums, the costs of closing protection coverage for the Seller, all other expenses required to be paid by the Seller at closing, all amounts advanced for the benefit of the Property which are required to be reimbursed and/or any amount required to discharge any Receiver's lien.

[Using additional sheets, set forth any other terms and conditions to be included in the Agreement, or any modifications to the Agreement, and to which your credit bid shall remain subject.]

**EXHIBIT A** 



#### STRICT JOINT ORDER ESCROW AGREEMENT

					Escrow Numb	0.0
operty Address:	6355-59 South	Talman Avenue, C	hicago, IL 606	29		
eposit Amount: \$ ocument(s) Held	57,700	Purpose:	Earnest Mo		pairs: her:	
remant to this Stric	t Joint Order Escrow	American Title Insuranc Agreement (hereinafter en order of the undersig	referred to as t	ne Agreement).	Salu deposit silali	De leieaseu allu ucily
corporation, but the decrees entered of decrees entered of degree of mpliance, notwiths odified, annulled, so any time become ich attorneys shall to an account there.	ne Escrowee is hereby it issued by any court of any court it shall restanding any such ore et aside or vacated. It is party, it shall have be regularly retained of, and it shall be en and all such costs, fe	to disregard, in its sole of a control of the control of the liable to any party der, judgment or decreed in case of any suit or party a lien on the contents hor specially employed, titled to reimburse itself es and expenses so incompared.	to regard and to ction, and in case, hereto or any of being entered to proceeding regar- nereof for any ar- and any other e	comply with an the Escrowee ther person, fir vithout jurisdict ding the Agreer d all costs, and epenses which it said deposit, a	d obey any and all obeys or complies in or corporation to in or being subsement, to which the reasonable attornit may have incurrend the undersigned	with any such order, by reason of such equently reversed, Escrowee is or may neys' fees, whether ed or become liable and agree to pay the
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posit all funds rece	eived hereunder to o	ne or more of its genera	al accounts. The	Escrowee shall	be under no duty	to invest or reinvest
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27775 Diehl Road, Ste 200, Warrenville, IL 60555 TEL 877-295-4328 FAX 866-525-5530 titleindemnity.warrenville.il@firstam.com

**EXHIBIT B** 

## Assignment And Assumption Of Leases

For good and valuable consideration  B. Duff, as court-appointed federal 6	, the receipt and sufficiency of which are hereby acknowledged, Kevin equity receiver for SSDF7 Portfolio 1 LLC ("Seller"), pursuant to that
certain Order Appointing Receiver of Order entered March 14, 2019 (Dkt Commission v. EquityBuild, Inc., et	entered August 17, 2018 (Dkt. 16), as supplemented by that certain t. 290), in the case captioned <i>United States Securities and Exchange al.</i> , United States District Court for the Northern District of Illinois,
Eastern Division, Civil Action No. 1:1 conveys, and sets over to	8-cv-05587 ("Assignor"), hereby irrevocably grants, assigns, transfers,  ("Assignee"), an
limited liability company, all of Assi "Leases") attached hereto, which lea	ignor's right, title, and interest in and to the leases (collectively, the ases run with the Property commonly known as 6355-59 South Talman st 64th Street), Chicago, Illinois 60629.
	IN AVONDALE, A SUBDIVISION OF THE WEST HALF OF THE ON 24, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD COUNTY, ILLINOIS.
from and after the date hereof. Thi or warranty, except to the extent pr	obligations imposed upon the Assignor under the Leases which accrue is Assignment is made without any express or implied representation rovided in that certain Purchase And Sale Agreement, accepted by the, by and between Assignor and Assignee.
This Assignment shall be governed by	by and construed in accordance with the laws of the State of Illinois.
IN WITNESS WHEREOF, the parties of, 20	have executed this Assignment And Assumption Of Leases as of this 220.
ASSIGNOR:	ASSIGNEE:
Kevin B. Duff, Federal Equity Receiv SSDF7 Portfolio 1 LLC	rer for
	Ву:
	Name:
	Title;

# **PURCHASE & SALE AGREEMENT**

This Purchase & Sale Agreement ("Agreement") is made by and between the court-appointed federal equity receiver for SSDF7 Portfolio 1 LLC ("Seller") pursuant to that certain Order Appointing Receiver entered August 17, 2018 (Dkt. 16), as supplemented by Order dated March 14, 2019 (Dkt. 290), in the case captioned *United States Securities and Exchange Commission v. EquityBuild, Inc., et al.*, United States District Court for the Northern District of Illinois, Eastern Division, Civil Action No. 1:18-cv-05587 (the "SEC Action"), and

# <u>Leo Kremer or Nominee</u> ("Buyer")

for the purchase and sale of that certain real property and all fixtures, equipment, and personal property appurtenant thereto (the "Property") located at 6356 South California Avenue (also known as 2804 West 64th Street), Chicago, Illinois 60629 and legally described as follows:

LOTS 26 AND 27 IN BLOCK 1 IN JOHN BAIN'S SUBDIVISION OF THE EAST HALF OF THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Permanent Index No. 19-24-107-037-0000

#### TERMS AND CONDITIONS

The Seller agrees to sell the Property, and the Buyer agrees to purchase the Property the following terms and conditions:

1. <u>Purchase Price</u>. The purchase price for the Property shall be \$\_ 375,000 \_\_\_ (the "Purchase Price"). The Buyer shall pay the Purchase Price as follows:





- a. An earnest money deposit (the "Earnest Money") in an amount equal to
  % of the Purchase Price within three (3) business days following the date of acceptance of the Agreement by the Seller (the "Acceptance Date").
- b. The balance of the Purchase Price, subject to any applicable credits and prorations, at Closing.

[Note: If the Buyer desires to enter into this Agreement subject to a financing contingency, then Rider A should be completed. Otherwise, Rider A should be left blank.]

[Note: If the Buyer purports to hold a mortgage interest in the Property and tenders this Agreement in connection with a credit bid, then Rider B should be completed. Otherwise, Rider B should be left blank.]

- 2. <u>Earnest Money</u>. The Earnest Money shall be held by First American Title Company ("First American Title") in a segregated escrow account. In connection with said Earnest Money deposit, the Buyer shall execute and deliver to the Seller a copy of that certain strict joint order escrow agreement in the form attached hereto as Exhibit A.
- 3. <u>Court Approval</u>. As soon as practicable in consideration of the Seller's need to manage the sales of a tranche of properties, await the expiration of the respective due diligence periods, and avoid placing undue burden on the court in the SEC Action, the Seller shall move before the Honorable John Z. Lee or any judge sitting in his stead or to whom he has made a referral in the SEC Action (the "Receivership Court") for approval of the sale of the Property pursuant to this Agreement. In the event that the Receivership Court does not confirm the sale of the Property pursuant to this Agreement, then the Agreement shall become null and void and all Earnest Money shall be promptly refunded to the Buyer.
- 4. Escrow Closing. This sale shall be closed through an escrow with First American Title in accordance with the general provisions of the usual form of deed and money escrow agreement then furnished and in use by said title company. Payment of the Purchase Price and delivery of the receiver's deed shall be made through the escrow. The cost of the escrow shall be divided equally between the Buyer and the Seller unless the Buyer acquires the Property with financing, in which event that portion of the cost of the escrow relating to the financing shall be borne by the Buyer. Unless otherwise specified herein, all other closing costs shall be paid in accordance with custom for apartment investment sales transactions in Cook County, Illinois.
- 5. <u>Irrevocable Offer</u>. This Agreement when executed by the Buyer and delivered to the Seller shall constitute an irrevocable offer to purchase the Property until June 17, 2020 (the "Offer Expiration Date"). In the event that the offer is not accepted by the Seller before the Offer Expiration Date, then the offer may be withdrawn upon the delivery of notice to the Seller in accordance with Paragraph 20.
- 6. Personal Property. At Closing, the Seller shall tender to the Buyer a bill of sale for the personal property appurtenant to the Property (the "Personal Property") warranting only that the Seller is the absolute owner of said Personalty, that said Personalty is free and clear of all liens, charges, and encumbrances, and that the Seller has the full right, power, and authority to sell said Personalty and to deliver the bill of sale. The Seller shall neither make nor adopt any warranty whatsoever with respect to the Personal Property and shall specifically disclaim any implied warranty of merchantability or fitness for a particular purpose. The price of the Personal Property shall be included in the Purchase Price, and the Buyer agrees to accept all such Personal Property in "as is" condition.
- 7. The Closing Date. The closing shall be held on a date (the "Closing Date") to be designated by the Seller after the Receivership Court approves the sale of the Property pursuant to this Agreement, provided, however, that the Buyer shall be entitled to five business days' advance Notice of the Closing Date.

- 8. <u>Conveyance of Title</u>. At Closing, the Seller shall convey title to the Property by a recordable form receiver's deed subject to (a) general real estate taxes not yet due and payable at the time of Closing; (b) covenants, conditions, restrictions, or building lines and easements of record, if any; (c) public and utility easements; (d) applicable zoning and building laws and ordinances; (f) acts done by or suffered through Buyer or anyone claiming by, through, or under Buyer; (g) governmental actions or proceedings concerning or affecting the Property; and (h) encroachments of a minor nature, if any, that can be insured over at closing (the "Permitted Exceptions"). The Seller agrees to surrender possession of the Property at the time of Closing.
- Commitment For Title Insurance. Within ten (10) business days after the Acceptance 9. Date, the Seller shall deliver to the Buyer evidence of merchantable title by delivering a commitment for title insurance with extended coverage from First American Title in the amount of the Purchase Price with a commitment date not earlier than March 1, 2020, subject only to general exceptions, the Permitted Exceptions, and exceptions pertaining to liens or encumbrances of a definite and ascertainable amount which may be removed by the payment of money by Seller, endorsed over by First American Title at the Seller's sole expense, or which will be extinguished by order of the Receivership Court. Such title commitment shall be conclusive evidence of good and merchantable title, subject only to the foregoing exceptions. If the commitment for title insurance discloses title exceptions other than the general exceptions, Permitted Exceptions, exceptions waivable through the payment of money or the issuance of an endorsement, or exceptions capable of being extinguished by Receivership Court order, the Seller shall have thirty (30) calendar days from the Closing Date to cure, or insure over, the unpermitted exceptions and the Closing shall be postponed until said unpermitted exceptions are cured or insured over. If the Seller fails to timely secure the removal of the unpermitted exceptions or obtain an endorsement insuring over the unpermitted exceptions, the Purchaser may terminate this Contract with a full refund of Earnest Money upon Notice to the Seller within ten (10) business days after the expiration of the thirty (30) day period. In such event, this Agreement shall become null and void and neither party shall thereafter have any rights against the other, and the Seller may not be held liable for direct, indirect, incidental, or consequential damages.
- 10. <u>Survey</u>. At least five (5) business days prior to the Closing Date, the Seller shall provide the Buyer with a survey by Professionals Associated Survey, Inc., a licensed land surveyor, dated November 27, 2019. If the Buyer or the Buyer's mortgagee desires an updated or more extensive survey, the survey shall be obtained at the Buyer's expense.
- 11. <u>Assignment And Assumption Of Leases</u>. At Closing, the Seller shall deliver to the Buyer, and the Seller and Buyer shall execute, an assignment and assumption of leases (in the form attached hereto as Exhibit B) pursuant to which the Seller shall convey all right, title, and interest in and to any leases in effect at the Property to the Buyer, and the Buyer shall agree to assume all of the Seller's obligations under said leases.
- 12. <u>Prorations</u>. Prepaid service contracts and other similar items shall be credited ratably at Closing. Any and all rents collected until the date of the Closing shall be applied by the Seller

first to past due balances and then to currently scheduled monthly rent. Any rents collected by the Buyer after Closing shall be applied first to corresponding pre-Closing arrearages and remitted to the Seller within ten business days. Scheduled monthly rent shall be prorated for the month of Closing. To the extent that any tenant at the Property has paid less than the entirety of its scheduled rent for the month of Closing, then any rent received for said month shall not be prorated but instead paid first to the Seller in respect of each day in the month through and including the date of Closing, with any balance thereafter paid to the Buyer. In addition, real estate taxes associated with the ownership of the Property shall be prorated as of the Closing based on 105% of the most recently ascertainable tax bill.

- 13. <u>Inspection Period</u>. The Buyer acknowledges that it was afforded the opportunity to conduct a limited tour of the Property prior to submitting its offer. Within three (3) calendar days following the Acceptance Date, the Seller shall produce the following documents to the Buyer (the "Due Diligence Materials"):
  - a. <u>Current Rent Roll</u>. A current rent roll for the Property generated by the management company.
  - b. <u>Utility Bills</u>. Copies of all utility bills relating to the Property, to the extent available, for the twelve calendar months preceding the month of the Acceptance Date.
  - Leases. Copies of all existing leases affecting the Property.
  - d. <u>Profit & Loss Statement</u>. A current trailing twelve-month profit and loss statement reflecting all categories of operating income and expenses associated with the Property, as generated by the management company.
  - <u>Litigation Documents</u>. Copies of documents, including notices of violation, orders, judgments, and other pleadings, pertaining to any known litigation or proceedings currently affecting the Property.









- 14. Entry Into Or Renewal Of Contracts & Material Changes. Following the expiration of the Inspection Period, the Seller shall not without the prior written consent of the Buyer, said consent not to be unreasonably withheld, conditioned, or delayed, enter into or renew any service contract or lease affecting or concerning the Property. In addition, the Seller shall not make any material changes to the Property, perform or engage in any act, or enter into any agreement that materially changes the value of the Property or the rights of the Buyer relating to the Property.
- 15. <u>Material Destruction</u>. Risk of loss to the Property shall be borne by the Seller until title has been conveyed to Buyer. If, prior to Closing, a material portion of the Property shall be destroyed or materially damaged by fire or other casualty, then the Seller shall provide prompt notice of said fire or other casualty to the Buyer and this Agreement shall thereafter, at the option of the Buyer, exercised by Notice to the Seller within five (5) business days after receipt of notice of such material damage, be null and void, and all Earnest Money shall be refunded to the Buyer. Failure of the Buyer to provide timely notice shall constitute a waiver of the right to terminate.
- Condition Of Property. The Buyer understands and agrees that the Property is being sold "as is" and "with all faults" and that neither the Seller nor any agent or attorney of the Seller, makes, or has made, any representation or warranty as to the physical condition or value of the Property or its suitability for the Buyer's intended use. The Seller has no obligation to repair or correct any alleged patent or latent defect at the Property, or to compensate the Buyer for any such defect, and, upon closing, the Buyer waives, releases, acquits, and forever discharges the Seller, and all of the Seller's agents and attorneys, to the maximum extent permitted by law, from any and all claims, actions, causes or action, demands, rights, liabilities, losses, damages, costs, or expenses, direct or indirect, known or unknown, foreseen or unforeseen, that it now has or which may arise in the future on account of or in any way arising from or relating to any alleged patent or latent defect at the Property.
- 17. <u>Buyer Default</u>. The Buyer and Seller agree that it would be difficult to ascertain the actual damages to be suffered by the Seller in the event of a default by the Buyer and that the amount of the Earnest Money deposited by the Buyer hereunder constitutes the parties' reasonable estimate of the Seller's damages in the event of the Buyer's default, and that upon any such default not caused by the Seller, the Seller shall be entitled to retain the Earnest

Money as liquidated damages, which shall constitute the Seller's sole and exclusive remedy in law or at equity in connection with said default.

- 18. Seller Default. In the event that the Seller shall fail to sell, transfer, and assign the Property to Purchaser in violation of the terms of this Agreement and/or fail to perform any other material obligation of Seller hereunder, then the Buyer may give Notice to the Seller specifying the nature of the default. The Seller shall thereafter have five (5) business days from receipt of said Notice, but in no event beyond the Closing Date, within which to cure the alleged default. If the Seller fails to cure the default within the cure period, then the Buyer shall be entitled to the return of all Earnest Money and (a) to declare the Agreement null and void and sue for reasonable out-of-pocket expenses incurred in connection with this Agreement prior to the alleged default or (b) to sue for specific performance, the parties recognizing that the Property is unique and that the Buyer otherwise lacks an adequate remedy at law. In the latter event, the Buyer is advised that Section VIII of the Order Appointing Receiver entered in the SEC Action enjoins the filing or prosecution of all civil proceedings against the Receiver, in his capacity as Receiver, until further order of the court.
- 19. **Representations and Warranties**. As a material inducement to the Buyer to enter into this Agreement, the Seller hereby makes the following representations and warranties, each of which shall remain true and correct as of the Closing Date:
  - a. The Seller has the full right, power, and authority to convey the Property to the Buyer as provided in this Agreement and to carry out its obligations hereunder. In addition, the individual executing this Agreement on behalf of the Seller has the legal right, power, and authority to bind the Seller to the terms hereof.
  - The Seller will not take any action affecting title to the Property following the Acceptance Date.
  - c. To the best of the Seller's knowledge, there are no actions, investigations, suits, or proceedings, pending or threatened, that affect the Property, or the ownership or operation thereof, other than the SEC Action.
  - d. To the best of the Seller's knowledge, the Property is not in violation, nor has been under investigation for violation, of any federal, state, or local law, ordinance, or regulation regulating environmental conditions in, at, on, under, or about the Property, including but not limited to, soil and groundwater conditions.
- 20. <u>Notices</u>. All notices required or permitted under this Agreement shall be in writing and served by registered or certified United States mail, return receipt requested; nationally recognized overnight mail courier (signature required); or electronic mail (evidenced by competent and authentic proof of transmission). Any notices given to the Seller shall be delivered to the Seller's counsel, at the following physical or e-mail addresses:

Buyer	Docusigned by:  LO EXPLINEY  50A4F4EB5A3E473				
	50A4F4EB5A	3E473			
	Leo Kremer	or Nominee			
Ву:					
	Manager				
Its:					

Seller

KEVIN B. DUFF, FEDERAL EQUITY RECEIVER FOR SSDF7 PORTFOLIO 1 LLC

Rachlis Duff & Peel LLC 542 South Dearborn Street, Suite 900 Chicago, Illinois 60605 (312) 733-3390

Acceptance Date:

06/29/20

Buyer's Agent

Edward Blumel

Atlas Asset Management

1347 W WAShing to HIB

(L30) 709-3551

Seller's Agent

Jeffrey Baasch SVN Chicago Commercial 940 West Adams Street, Suite 200 Chicago, Illinois 60607 (312) 676-1866

# RIDER A

If the Buyer desires that the terms and provisions of this Rider be incorporated into the
Purchase And Sale Agreement to which it is annexed, please initial this paragraph.
* * *
This Agreement is contingent upon the Buyer securing, no later than 21 days following the
Acceptance Date (the "Financing Contingency Deadline"), a firm written mortgage commitment
for a fixed or adjustable rate mortgage from an established multifamily residential mortgage
lender in the amount of \$, at an interest rate (or initial interest rate if an adjustable
rate mortgage) not to exceed %per annum, amortized over years, payable monthly,
with a loan origination fee not to exceed %, plus appraisal and credit report fees, if any. If
the Buyer is unable to secure a firm written mortgage commitment as described herein within
the referenced time period, then the Buyer may terminate this Agreement with a full refund of
Earnest Money by providing notice to the Seller prior to the expiration of the Financing
Contingency Deadline. If the Buyer does not provide the requisite notice to the Seller as
provided herein, then the Buyer shall be deemed to have waived this financing contingency,
and this Agreement shall remain in full force and effect.

### RIDER B

urchase And Sale Agreement	to which this	rider is a	nnexed (t	the "Agreement") in connection
ith the submission of a credi	t bid, please ir	nitial this	paragrap	h and provide the information
nd supply any additional tern	ns and condition	ons to the	e Agreem	ent, or modifications to the
greement, as requested here	in. Any such t	erms and	conditio	ns shall supersede any contrary
conflicting terms and condi	tions set forth	in the Ag	reement	itself.
	*	*	*	
he Buyer consists of the follo	wing mortgag	ee or mo	rtgagees	purporting to hold a perfected
nd unreleased security intere	est in the Prop	erty:		
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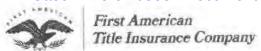
[Using additional sheets, please indicate, for each mortgagee identified above, the total unpaid balance due under the promissory note secured by the corresponding mortgage and itemize each component of the current alleged loan balance, including, but not limited to, principal, interest, default rate interest, late fees, service fees, liquidation fees, protective advances, and other charges.]

The Purchase Price shall be the amount of the credit bid submitted by the Buyer, and any requirement to make an earnest money deposit is deleted. Payment of the Purchase Price shall not be made through the escrow at closing.

In addition, the Buyer shall pay all closing costs approved by the Court, which may, subject to the Court's ruling, include, but not be limited to, owner's title insurance premiums, applicable transfer taxes, the survey invoice, property management fees accrued through the closing, due and unpaid real estate taxes, escrow fees, brokerage commissions, unpaid utilities, title commitment update fees, gap insurance premiums, State of Illinois policy fees, extended coverage premiums, the costs of closing protection coverage for the Seller, all other expenses required to be paid by the Seller at closing, all amounts advanced for the benefit of the Property which are required to be reimbursed and/or any amount required to discharge any Receiver's lien.

[Using additional sheets, set forth any other terms and conditions to be included in the Agreement, or any modifications to the Agreement, and to which your credit bid shall remain subject.]

**EXHIBIT A** 



# STRICT JOINT ORDER ESCROW AGREEMENT

Open Date:		Expected Release Date:			Escrow Number:	2303130
roperty Address	: 6356 South C	alifornia Avenue, Ch	icago, IL 6062	.9		_
Deposit Amount: Document(s) Held		Purpose:	Earnest Mo     Tax Escrov	COLUMN TO THE REAL PROPERTY.	epairs: ther:	
prepant to this Stri	ict Joint Order Escrov	t American Title Insurand V Agreement (hereinafter ten order of the undersig	r referred to as t	he Agreement)	. Said deposit shall be	released and delive
or corporation, but or decrees entered udgment or decree compliance, notwith nodified, annulled, at any time become such attorneys shall	the Escrowee is here or issued by any cou e of any court it shall estanding any such o set aside or vacated e a party, it shall have I be regularly retaine eof, and it shall be en and all such costs, f	to disregard, in its sole by expressly authorized of the with or without jurisding not be liable to any particle, judgment or decreed. In case of any suit or perail or specially employed, nittled to reimburse itself ees and expenses so income.	to regard and to ction, and in case whereto or any of the being entered whered the coceeding regardereof for any arrand any other efficiency to the common to the common that the common that and the common that the common t	comply with an e the Escrowee other person, fi without jurisdict ding the Agree and all costs, and expenses which f said deposit, and	nd obey any and all or e obeys or complies will rm or corporation by r tion or being subseque ment, to which the Est d reasonable attorneys it may have incurred of and the undersigned a	th any such order, reason of such ently reversed, crowee is or may s' fees, whether or become liable agree to pay the
epresentatives or a	assigns, or order of c	/. earned or derived from	n the funds depo	sited shall belo	ong to the Escrowee. T	he Escrowee may
ny funds, at any ti	ime, held by it pursua	one or more of its generant to the terms of the A e is authorized to pay ar	greement.			
ee in the amount	of \$200.00 (charged	per annum beginning on es the right to add appli	e year following	the date of the	e Agreement) from the	e funds deposited
Purchaser: Signed:	Leo Eremer		Seller: Signed:	Kevin B. Duff,	Federal Equity Receiv	ver for
rint Name:		F	Print Name:	SSDF7 Portfo	lio 1 LLC	
ddress:	22 Bridge Rd		Address:	542 South D	earborn, Suite 900	
	Berkeley, CA 9	4705		Chicago, IL 6	0605	
- 1	eo@founders-ta	ble.com	mail:	kduff@rdap	law.net	
mail:	(F10) 200 F20	7	Primary Phone:	(312) 733-33	90	
-mail;	(510) 290-5207		illiary Phone.			-
Email:  Primary Phone:  Alternate Phone:	(203) 644-099	F	Alternate Phone:			-

27775 Diehl Road, Ste 200, Warrenville, IL 60555 T E L 877-295-4328 · F A X 866-525-5530 titleindemnity.warrenville.il@firstam.com

**EXHIBIT B** 

# Assignment And Assumption Of Leases

For good and valuable	consideration, the receipt a	and sufficiency of which are hereby acknowledged, kevin
B. Duff, as court-appoi	nted federal equity receive	r for SSDF7 Portfolio 1 LLC ("Seller"), pursuant to that
certain Order Appoint	ing Receiver entered Augu	st 17, 2018 (Dkt. 16), as supplemented by that certain
Order entered March	14, 2019 (Dkt. 290), in the	case captioned United States Securities and Exchange
Commission v. FauityF	Build Inc. et al., United St	ates District Court for the Northern District of Illinois,
Eastern Division Civil A	action No. 1:18-cv-05587 ("	Assignor"), hereby irrevocably grants, assigns, transfers,
convoys and sets over	to	("Assignee"), an
limited liability compa	ny all of Assignor's right	title, and interest in and to the leases (collectively, the
"I asses") attached her	ento which leases run with	the Property commonly known as 6356 South California
Augus (also known a	s 2804 West 64th Street), C	hicago Illinois 60617
Avenue (also known as	, 2004 West Outil Street, C	incago, minors doctr.
LOTS 26 AND 27 IN B	SLOCK 1 IN JOHN BAIN'S	SUBDIVISION OF THE EAST HALF OF THE EAST HALF
OF THE NORTHWEST	QUARTER OF SECTION :	24, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE
	ERIDIAN, IN COOK COUN	
Time internet		
Assignee hereby assun	nes all of the obligations im	posed upon the Assignor under the Leases which accrue
from and after the dat	te hereof. This Assignment	is made without any express or implied representation
or warranty, except to	the extent provided in tha	t certain Purchase And Sale Agreement, accepted by the
Seller on	, by and	between Assignor and Assignee.
IN WITNESS WHEREOF		ued in accordance with the laws of the State of Illinois.  d this Assignment And Assumption Of Leases as of this
ASSIGNOR:		ASSIGNEE:
ASSIGNON.		ASSIGNEE
Kevin B. Duff, Federal SSDF7 Portfolio 1 LLC	Equity Receiver for	
		Ву:
		Name:
		Title:

## **PURCHASE & SALE AGREEMENT**

This Purchase & Sale Agreement ("Agreement") is made by and between Kevin B. Duff, courtappointed federal equity receiver for SSDF7 Portfolio 1 LLC ("Seller") pursuant to that certain Order Appointing Receiver entered August 17, 2018 (Dkt. 16), as supplemented by Order dated March 14, 2019 (Dkt. 290), in the case captioned *United States Securities and Exchange Commission v. EquityBuild, Inc., et al.*, United States District Court for the Northern District of Illinois, Eastern Division, Civil Action No. 1:18-cv-05587 (the "SEC Action"), and

7051 LLC ("I	Bu <sub>\</sub>	/er"
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for the purchase and sale of that certain real property and all fixtures, equipment, and personal property appurtenant thereto (the "Property") located at 7051 S Bennett Avenue, Chicago, Illinois 60649 and legally described as follows:

LOT 13 (EXCEPT THE SOUTH 22 FEET THEREOF) AND LOT 14 (EXCEPT THE NORTH 8 FEET THEREOF) IN BLOCK 15 IN JACKSON PARK HIGHLANDS, IN THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Permanent Index No. 20-24-328-011-0000

TERMS AND CONDITIONS

The Seller agrees to sell the Property, and the Buyer agrees to purchase the Property, on the following terms and conditions:

- 1. <u>Purchase Price</u>. The purchase price for the Property shall be \$\frac{600,000.00}{200} (the "Purchase Price"). The Buyer shall pay the Purchase Price as follows:
  - a. An earnest money deposit (the "Earnest Money") in an amount equal to 10 % of the Purchase Price within three (3) business days following the date of acceptance of the Agreement by the Seller (the "Acceptance Date").
  - b. The balance of the Purchase Price, subject to any applicable credits and prorations, at Closing.

[Note: If the Buyer desires to enter into this Agreement subject to a financing contingency, then Rider A should be completed. Otherwise, Rider A should be left blank.]

[Note: If the Buyer purports to hold a mortgage interest in the Property and tenders this Agreement in connection with a credit bid, then Rider B should be completed. Otherwise, Rider B should be left blank.]

- 2. <u>Earnest Money</u>. The Earnest Money shall be held by First American Title Company ("First American Title") in a segregated escrow account. In connection with said Earnest Money deposit, the Buyer shall execute and deliver to the Seller a copy of that certain strict joint order escrow agreement in the form attached hereto as Exhibit A.
- 3. <u>Court Approval</u>. As soon as practicable in consideration of the Seller's need to manage the sales of a tranche of properties, await the expiration of the respective due diligence periods, and avoid placing undue burden on the court in the SEC Action, the Seller shall move before the Honorable John Z. Lee or any judge sitting in his stead or to whom he has made a referral in the SEC Action (the "Receivership Court") for approval of the sale of the Property pursuant to this Agreement. In the event that the Receivership Court does not confirm the sale of the Property pursuant to this Agreement, then the Agreement shall become null and void and all Earnest Money shall be promptly refunded to the Buyer.
- 4. **Escrow Closing**. This sale shall be closed through an escrow with First American Title in accordance with the general provisions of the usual form of deed and money escrow agreement then furnished and in use by said title company. Payment of the Purchase Price and delivery of the receiver's deed shall be made through the escrow. The cost of the escrow shall be divided equally between the Buyer and the Seller unless the Buyer acquires the Property with financing, in which event that portion of the cost of the escrow relating to the financing shall be borne by the Buyer. Unless otherwise specified herein, all other closing costs shall be paid in accordance with custom for apartment investment sales transactions in Cook County, Illinois.
- 5. <u>Irrevocable Offer</u>. This Agreement when executed by the Buyer and delivered to the Seller shall constitute an irrevocable offer to purchase the Property until June 17, 2020 (the "Offer Expiration Date"). In the event that the offer is not accepted by the Seller before the Offer Expiration Date, then the offer may be withdrawn upon the delivery of notice to the Seller in accordance with Paragraph 20.
- 6. Personal Property. At Closing, the Seller shall tender to the Buyer a bill of sale for the personal property appurtenant to the Property (the "Personal Property") warranting only that the Seller is the absolute owner of said Personalty, that said Personalty is free and clear of all liens, charges, and encumbrances, and that the Seller has the full right, power, and authority to sell said Personalty and to deliver the bill of sale. The Seller shall neither make nor adopt any warranty whatsoever with respect to the Personal Property and shall specifically disclaim any implied warranty of merchantability or fitness for a particular purpose. The price of the Personal Property shall be included in the Purchase Price, and the Buyer agrees to accept all such Personal Property in "as is" condition.
- 7. <u>The Closing Date</u>. The closing shall be held on a date (the "Closing Date") to be designated by the Seller after the Receivership Court approves the sale of the Property pursuant to this Agreement, provided, however, that the Buyer shall be entitled to five business days' advance Notice of the Closing Date.

- 8. Conveyance of Title. At Closing, the Seller shall convey title to the Property by a recordable form receiver's deed subject to (a) general real estate taxes not yet due and payable at the time of Closing; (b) covenants, conditions, restrictions, or building lines and easements of record, if any; (c) public and utility easements; (d) applicable zoning and building laws and ordinances; (f) acts done by or suffered through Buyer or anyone claiming by, through, or under Buyer; (g) governmental actions or proceedings concerning or affecting the Property; and (h) encroachments of a minor nature, if any, that can be insured over at closing (the "Permitted Exceptions"). The Seller agrees to surrender possession of the Property at the time of Closing.
- 9. Commitment For Title Insurance. Within ten (10) business days after the Acceptance Date, the Seller shall deliver to the Buyer evidence of merchantable title by delivering a commitment for title insurance with extended coverage from First American Title in the amount of the Purchase Price with a commitment date not earlier than March 1, 2020, subject only to general exceptions, the Permitted Exceptions, and exceptions pertaining to liens or encumbrances of a definite and ascertainable amount which may be removed by the payment of money by Seller, endorsed over by First American Title at the Seller's sole expense, or which will be extinguished by order of the Receivership Court. Such title commitment shall be conclusive evidence of good and merchantable title, subject only to the foregoing exceptions. If the commitment for title insurance discloses title exceptions other than the general exceptions, Permitted Exceptions, exceptions waivable through the payment of money or the issuance of an endorsement, or exceptions capable of being extinguished by Receivership Court order, the Seller shall have thirty (30) calendar days from the Closing Date to cure, or insure over, the unpermitted exceptions and the Closing shall be postponed until said unpermitted exceptions are cured or insured over. If the Seller fails to timely secure the removal of the unpermitted exceptions or obtain an endorsement insuring over the unpermitted exceptions, the Purchaser may terminate this Contract with a full refund of Earnest Money upon Notice to the Seller within ten (10) business days after the expiration of the thirty (30) day period. In such event, this Agreement shall become null and void and neither party shall thereafter have any rights against the other, and the Seller may not be held liable for direct, indirect, incidental, or consequential damages.
- 10. <u>Survey</u>. At least five (5) business days prior to the Closing Date, the Seller shall provide the Buyer with a survey by Professionals Associated Survey, Inc., a licensed land surveyor, dated December 17, 2019, indicating the present location of all improvements. If the Buyer or the Buyer's mortgagee desires an updated or more extensive survey, the survey shall be obtained at the Buyer's expense.
- 11. <u>Assignment And Assumption Of Leases</u>. At Closing, the Seller shall deliver to the Buyer, and the Seller and Buyer shall execute, an assignment and assumption of leases (in the form attached hereto as Exhibit B) pursuant to which the Seller shall convey all right, title, and interest in and to any leases in effect at the Property to the Buyer, and the Buyer shall agree to assume all of the Seller's obligations under said leases.

- 12. Prorations. Prepaid service contracts and other similar items shall be credited ratably at Closing. Any and all rents collected until the date of the Closing shall be applied by the Seller first to past due balances and then to currently scheduled monthly rent. Any rents collected by the Buyer after Closing shall be applied first to corresponding pre-Closing arrearages and remitted to the Seller within ten business days. Scheduled monthly rent shall be prorated for the month of Closing. To the extent that any tenant at the Property has paid less than the entirety of its scheduled rent for the month of Closing, then any rent received for said month shall not be prorated but instead paid first to the Seller in respect of each day in the month through and including the date of Closing, with any balance thereafter paid to the Buyer. In addition, real estate taxes associated with the ownership of the Property shall be prorated as of the Closing based on 105% of the most recently ascertainable tax bill.
- 13. <u>Inspection Period</u>. The Buyer acknowledges that it was afforded the opportunity to conduct a limited tour of the Property prior to submitting its offer. Within three (3) calendar days following the Acceptance Date, the Seller shall produce the following documents to the Buyer (the "Due Diligence Materials"):
  - a. <u>Current Rent Roll</u>. A current rent roll for the Property generated by the management company.
  - b. <u>Utility Bills</u>. Copies of all utility bills relating to the Property, to the extent available, for the twelve calendar months preceding the month of the Acceptance Date.
  - c. <u>Leases</u>. Copies of all existing leases affecting the Property.
  - d. <u>Profit & Loss Statement</u>. A current trailing twelve-month profit and loss statement reflecting all categories of operating income and expenses associated with the Property, as generated by the management company.
  - e. <u>Litigation Documents</u>. Copies of documents, including notices of violation, orders, judgments, and other pleadings, pertaining to any known litigation or proceedings currently affecting the Property.

In addition, the Seller shall allow the Buyer reasonable access to the Property for twenty days from and after the Acceptance Date (the "Inspection Period") for the purpose of conducting an inspection of the major structural and mechanical components of the Property. A major structural or mechanical component shall be deemed to be in acceptable operating condition if it substantially performs the function for which it is intended, regardless of age, and does not pose a threat to health or safety. In the event that the Buyer possesses sound evidence that any major structural or mechanical component of the Property does not substantially perform the function for which it is intended, then the Buyer shall have the right to terminate this Agreement upon the delivery of Notice to the Seller on or before the conclusion of the Inspection Period, such notice to be accompanied by the relevant pages of an inspection report prepared by a licensed or certified inspector and identifying the defect justifying the

termination. Upon receipt by the Seller of the notice of termination, this Agreement shall be considered null and void and the parties shall be discharged of any and all obligations hereunder (except those obligations which survive termination) and First American Title shall release the Earnest Money to the Buyer. In the event that the Buyer does not terminate the Agreement on or prior to the conclusion of the Inspection Period, the Property shall be considered accepted by the Buyer and the Earnest Money shall thereafter be non-refundable. In connection with its inspection of the Property, the Buyer shall keep the Property free and clear of liens, shall indemnify and hold Seller harmless from any and all liability, loss, cost, damage, or expense relating to its inspection of the Property, and shall repair any and all damage arising from the inspection. These obligations shall survive termination of the Agreement.

- 14. Entry Into Or Renewal Of Contracts & Material Changes. Following the expiration of the Inspection Period, the Seller shall not without the prior written consent of the Buyer, said consent not to be unreasonably withheld, conditioned, or delayed, enter into or renew any service contract or lease affecting or concerning the Property. In addition, the Seller shall not make any material changes to the Property, perform or engage in any act, or enter into any agreement that materially changes the value of the Property or the rights of the Buyer relating to the Property.
- 15. <u>Material Destruction</u>. Risk of loss to the Property shall be borne by the Seller until title has been conveyed to Buyer. If, prior to Closing, a material portion of the Property shall be destroyed or materially damaged by fire or other casualty, then the Seller shall provide prompt notice of said fire or other casualty to the Buyer and this Agreement shall thereafter, at the option of the Buyer, exercised by Notice to the Seller within five (5) business days after receipt of notice of such material damage, be null and void, and all Earnest Money shall be refunded to the Buyer. Failure of the Buyer to provide timely notice shall constitute a waiver of the right to terminate.
- 16. Condition Of Property. The Buyer understands and agrees that the Property is being sold "as is" and "with all faults" and that neither the Seller nor any agent or attorney of the Seller, makes, or has made, any representation or warranty as to the physical condition or value of the Property or its suitability for the Buyer's intended use. The Seller has no obligation to repair or correct any alleged patent or latent defect at the Property, or to compensate the Buyer for any such defect, and, upon closing, the Buyer waives, releases, acquits, and forever discharges the Seller, and all of the Seller's agents and attorneys, to the maximum extent permitted by law, from any and all claims, actions, causes or action, demands, rights, liabilities, losses, damages, costs, or expenses, direct or indirect, known or unknown, foreseen or unforeseen, that it now has or which may arise in the future on account of or in any way arising from or relating to any alleged patent or latent defect at the Property.
- 17. <u>Buyer Default</u>. The Buyer and Seller agree that it would be difficult to ascertain the actual damages to be suffered by the Seller in the event of a default by the Buyer and that the amount of the Earnest Money deposited by the Buyer hereunder constitutes the parties'

reasonable estimate of the Seller's damages in the event of the Buyer's default, and that upon any such default not caused by the Seller, the Seller shall be entitled to retain the Earnest Money as liquidated damages, which shall constitute the Seller's sole and exclusive remedy in law or at equity in connection with said default.

- 18. Seller Default. In the event that the Seller shall fail to sell, transfer, and assign the Property to Purchaser in violation of the terms of this Agreement and/or fail to perform any other material obligation of Seller hereunder, then the Buyer may give Notice to the Seller specifying the nature of the default. The Seller shall thereafter have five (5) business days from receipt of said Notice, but in no event beyond the Closing Date, within which to cure the alleged default. If the Seller fails to cure the default within the cure period, then the Buyer shall be entitled to the return of all Earnest Money and (a) to declare the Agreement null and void and sue for reasonable out-of-pocket expenses incurred in connection with this Agreement prior to the alleged default or (b) to sue for specific performance, the parties recognizing that the Property is unique and that the Buyer otherwise lacks an adequate remedy at law. In the latter event, the Buyer is advised that Section VIII of the Order Appointing Receiver entered in the SEC Action enjoins the filing or prosecution of all civil proceedings against the Receiver, in his capacity as Receiver, until further order of the court.
- 19. **Representations and Warranties**. As a material inducement to the Buyer to enter into this Agreement, the Seller hereby makes the following representations and warranties, each of which shall remain true and correct as of the Closing Date:
  - a. The Seller has the full right, power, and authority to convey the Property to the Buyer as provided in this Agreement and to carry out its obligations hereunder. In addition, the individual executing this Agreement on behalf of the Seller has the legal right, power, and authority to bind the Seller to the terms hereof.
  - b. The Seller will not take any action affecting title to the Property following the Acceptance Date.
  - c. To the best of the Seller's knowledge, there are no actions, investigations, suits, or proceedings, pending or threatened, that affect the Property, or the ownership or operation thereof, other than the SEC Action.
  - d. To the best of the Seller's knowledge, the Property is not in violation, nor has been under investigation for violation, of any federal, state, or local law, ordinance, or regulation regulating environmental conditions in, at, on, under, or about the Property, including but not limited to, soil and groundwater conditions.
- 20. <u>Notices</u>. All notices required or permitted under this Agreement shall be in writing and served by registered or certified United States mail, return receipt requested; nationally recognized overnight mail courier (signature required); or electronic mail (evidenced by

competent and authentic proof of transmission). Any notices given to the Seller shall be delivered to the Seller's counsel, at the following physical or e-mail addresses:

Andrew E. Porter
Porter Law Office
853 North Elston Avenue
Chicago, Illinois 60614
andrew@andrewporterlaw.com

Michael Rachlis Rachlis Duff & Peel LLC 542 South Dearborn, Suite 900 Chicago, Illinois 60605 mrachlis@rdaplaw.net

Any such notices or demands given to the Buyer shall be delivered to the Buyer's counsel, at the following address physical or e-mail addresses:

Michael Kelley, Organizer
mjkelley00@gmail.com

- 21. <u>Like-Kind Exchange</u>. The Seller agrees to cooperate if the Buyer elects to acquire the Property as part of a like-kind exchange under Section 1031 of the Internal Revenue Code. The Buyer's contemplated exchange shall not impose upon the Seller any additional liability or financial obligation, and the Buyer agrees to hold the Seller harmless from any liability that might arise from such exchange. This Agreement is neither subject to nor contingent upon the Buyer's ability to dispose of its exchange property or to effectuate an exchange. In the event any exchange contemplated by the Buyer should fail to occur, for whatever reason, the sale of the Property shall nonetheless be consummated as provided herein.
- 22. Real Estate Agents. Purchaser represents and warrants that, other than Seller's Agent and Buyer's Agent, if any, no other putative real estate agent or broker was involved in submitting, showing, marketing, or selling the Property to the Buyer, and the Buyer agrees to indemnify and hold Seller, and its successors and assigns, harmless from and against any and all liability, loss, damages, cost, or expense, including reasonable attorneys' fees, arising from or relating to any claim for a commission, fee, or other form of payment or compensation asserted by a putative real estate agent or broker purporting to have procured the Buyer in connection with this Agreement.

- 23. **Foreign Investor Disclosure**. The Seller and the Buyer agree to execute and deliver any instrument, affidavit, or statement, and to perform any act reasonably necessary to carry out the provisions of the Foreign Investment in Real Property Tax Act and regulations promulgated thereunder. The Seller represents that the Seller is not a foreign person as defined in Section 1445 of the Internal Revenue Code.
- 24. <u>Merger</u>. This Agreement expresses the entire agreement of the parties and supersedes any and all previous agreements or understandings between them with regard to the Property. There are no other understandings, oral or written, which in any way alter or enlarge the terms of this Agreement, and there are no warranties or representations of any nature whatsoever, either express or implied, except as set forth herein. This Agreement may be modified only by a written instrument signed by the party to be charged.
- 25. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

\* \* \*

The undersigned Buyer hereby offers and agrees to purchase the Property upon the terms and conditions stated herein as of the 3rd day of June, 2020. In addition, the individual signing below on behalf of the Buyer represents and warrants that s/he is authorized to execute this Agreement on behalf of the Buyer.

Buyer	Seller
By: 7051 LLC	KEVIN B. DUFF, FEDERAL EQUITY RECEIVER FOR SSDF7 PORTFOLIO 1 LLC
Its: Organizer	Rachlis Duff & Peel LLC 542 South Dearborn Street, Suite 900 Chicago, Illinois 60605 (312)/733-3390  Acceptance Date: 06/19/20
Buyer's Agent	Seller's Agent  Jeffrey Baasch SVN Chicago Commercial 940 West Adams Street, Suite 200 Chicago, Illinois 60607 (312) 676-1866



## STRICT JOINT ORDER ESCROW AGREEMENT

Open Date:	Expected	Release D	ate:		_ Escrow Number: _	2985134
Property Addre	ess: 7051 South Bennett Ave	enue, Chic	ago, IL 60649			
	nt: \$ _60,000.00		<b>⊠</b> Earnest Mo		Repairs:Other:	
oursuant to this	reby deposited with First American T Strict Joint Order Escrow Agreement only upon the joint written order of	(hereinafter	r referred to as t	he Agreemer	nt). Said deposit shall be re	eleased and delivere
or corporation, bor decrees enter udgment or decrees enter udgment or decrempliance, not modified, annulied any time becours attorneys so or on account the enterest of the course of allow for such an no case shall epresentatives of the course of the cour	by expressly authorized to disregard but the Escrowee is hereby expressly ed or issued by any court with or with ree of any court it shall not be liable withstanding any such order, judgmend, set aside or vacated. In case of a set as a party, it shall have a lien on the hall be regularly retained or specially nereof, and it shall be entitled to reimdemand all such costs, fees and expereimbursement.  The above mentioned deposits be sure assigns, or order of court as aforest or other benefits, if any, earned or or received hereunder to one or more of y time, held by it pursuant to the term	authorized thout jurisdict to any party and or decreed any suit or personal contents had been suit on the employed, aburse itself anses so incurrendered examples and the employed from the empl	to regard and to ction, and in casty hereto or any of the being entered ware eding regard and any other eatherefore out of the extended of the funds deposit accounts. The	comply with the the Escrow other person, without jurisc ding the Agrand all costs, a expenses which said deposite the funds or signed by the sited shall be stressed as the funds of the fu	and obey any and all orde ee obeys or complies with firm or corporation by rea diction or being subsequent eement, to which the Escre and reasonable attorneys' firsh it may have incurred or and the undersigned agrees deposited hereunder shall the parties hereto, their reseatons to the Escrowee. The	ers, judgments any such order, ason of such tly reversed, owee is or may ees, whether become liable ee to pay the I be insufficient  spective legal
ee in the amou	e tendered, the Escrowee is authorize nt of \$200.00 (charged per annum be he Escrowee also reserves the right t	eginning on	e year following	the date of t	he Agreement) from the fu	
Purchaser: Bigned: Print Name:	Michael Kelley on behalf of 7051 LLC		Seller: igned:	Kevin B. Duf SSDF7 Portf	f, Federal Equal Receiver	for
Address:	1653 S Blue Island Ave	_ A	ddress:	542 South	Dearborn, Suite 900	
	Chicago, IL 60608	_		Chicago, IL	60605	
Email:	mjkelley00@gmail.com	_ E	mail:	kduff@rda	plaw.net	
Primary Phone:	773.759.2657	P	rimary Phone:	(312) 733-3	3390	
Alternate Phone:		_ A	Iternate Phone:			
Primary Conta	ct (if other than above):					_
Accented: First A	merican Title Insurance Company, E	scrowee	Ву:			

# **Assignment And Assumption Of Leases**

_	·	ufficiency of which are hereby acknowledged, Kevir
		SSDF7 Portfolio 1 LLC ("Seller"), pursuant to tha
	•	, 2018 (Dkt. 16), as supplemented by that certain
		e captioned <i>United States Securities and Exchange</i>
		District Court for the Northern District of Illinois
	_	nor"), hereby irrevocably grants, assigns, transfers
limited liability company all of	Assignar's right title	("Assignee"), an Illinois and interest in and to the leases (collectively, the
		Property commonly known as 7051 South Bennet
Avenue, Chicago, Illinois 60649.		Troperty commonly known as 7051 South Bennet
Averide, emedgo, minois 00045.		
LOT 13 (EXCEPT THE SOUTH 2	2 FEET THEREOF) ANI	D LOT 14 (EXCEPT THE NORTH 8 FEET THEREOF
•	•	E EAST HALF OF THE SOUTHWEST QUARTER OF
		EAST OF THE THIRD PRINCIPAL MERIDIAN, IN
COOK COUNTY, ILLINOIS.	- , - ,	,
,		
Assignee hereby assumes all of t	he obligations imposed	d upon the Assignor under the Leases which accrue
	_	ade without any express or implied representation
or warranty, except to the exter	it provided in that cert	ain Purchase And Sale Agreement, accepted by the
Seller on	, by and betwe	een Assignor and Assignee.
This Assignment shall be govern	ed by and construed ir	n accordance with the laws of the State of Illinois.
IN WITNESS WHEREOF the part	ies have executed this	Assignment And Assumption Of Leases as of this
of		Assignment And Assumption of Leases as of this
	,	
ASSIGNOR:		ASSIGNEE:
Kevin B. Duff, Federal Equity Re	ceiver for	
SSDF7 Portfolio 1 LLC	Jeiver 101	
332171 31113113 1 1 1 1 1		1
		My My
		By:
		Name: Michael Kelley
		Title: Organizer
		TILLE. DI GALIIZEI

### **PURCHASE & SALE AGREEMENT**

This Purchase & Sale Agreement ("Agreement") is made by and between the court-appointed federal equity receiver for SSDF7 Portfolio 1 LLC ("Seller") pursuant to that certain Order Appointing Receiver entered August 17, 2018 (Dkt. 16), as supplemented by Order dated March 14, 2019 (Dkt. 290), in the case captioned *United States Securities and Exchange Commission v. EquityBuild, Inc., et al.*, United States District Court for the Northern District of Illinois, Eastern Division, Civil Action No. 1:18-cv-05587 (the "SEC Action"), and

FC REALTY LLC SERIES DORCHESTER ("Buyer"

for the purchase and sale of that certain real property and all fixtures, equipment, and personal property appurtenant thereto (the "Property") located at 7201-07 S Dorchester Avenue (also known as 1401 E 72nd Street) Chicago, Illinois 60619 and legally described as follows:

LOTS 14 AND 15 IN BLOCK 10 IN JOHN G. SHORTALL TRUSTEE'S SUBDIVISION OF THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 26, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Permanent Index No. 20-26-210-001-0000

### **TERMS AND CONDITIONS**

The Seller agrees to sell the Property, and the Buyer agrees to purchase the Property, on the following terms and conditions:

1. <u>Purchase Price</u>. The purchase price for the Property shall be \$ 495,000 Cash (the "Purchase Price"). The Buyer shall pay the Purchase Price as follows:

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ac.

a. An earnest money deposit (the "Earnest Money") in an amount equal to
 10 % of the Purchase Price within three (3) business days following the date of acceptance of the Agreement by the Seller (the "Acceptance Date").

/CBD OC

b. The balance of the Purchase Price, subject to any applicable credits and prorations, at Closing.

[Note: If the Buyer desires to enter into this Agreement subject to a financing contingency, then Rider A should be completed. Otherwise, Rider A should be left blank.]

[Note: If the Buyer purports to hold a mortgage interest in the Property and tenders this Agreement in connection with a credit bid, then Rider B should be completed. Otherwise, Rider B should be left blank.]

- 2. <u>Earnest Money</u>. The Earnest Money shall be held by First American Title Company ("First American Title") in a segregated escrow account. In connection with said Earnest Money deposit, the Buyer shall execute and deliver to the Seller a copy of that certain strict joint order escrow agreement in the form attached hereto as Exhibit A.
- 3. <u>Court Approval</u>. As soon as practicable in consideration of the Seller's need to manage the sales of a tranche of properties, await the expiration of the respective due diligence periods, and avoid placing undue burden on the court in the SEC Action, the Seller shall move before the Honorable John Z. Lee or any judge sitting in his stead or to whom he has made a referral in the SEC Action (the "Receivership Court") for approval of the sale of the Property pursuant to this Agreement. In the event that the Receivership Court does not confirm the sale of the Property pursuant to this Agreement, then the Agreement shall become null and void and all Earnest Money shall be promptly refunded to the Buyer.
- 4. <u>Escrow Closing</u>. This sale shall be closed through an escrow with First American Title in accordance with the general provisions of the usual form of deed and money escrow agreement then furnished and in use by said title company. Payment of the Purchase Price and delivery of the receiver's deed shall be made through the escrow. The cost of the escrow shall be divided equally between the Buyer and the Seller unless the Buyer acquires the Property with financing, in which event that portion of the cost of the escrow relating to the financing shall be borne by the Buyer. Unless otherwise specified herein, all other closing costs shall be paid in accordance with custom for apartment investment sales transactions in Cook County, Illinois.
- 5. <u>Irrevocable Offer</u>. This Agreement when executed by the Buyer and delivered to the Seller shall constitute an irrevocable offer to purchase the Property until June 17, 2020 (the "Offer Expiration Date"). In the event that the offer is not accepted by the Seller before the Offer Expiration Date, then the offer may be withdrawn upon the delivery of notice to the Seller in accordance with Paragraph 20.
- 6. Personal Property. At Closing, the Seller shall tender to the Buyer a bill of sale for the personal property appurtenant to the Property (the "Personal Property") warranting only that the Seller is the absolute owner of said Personalty, that said Personalty is free and clear of all liens, charges, and encumbrances, and that the Seller has the full right, power, and authority to sell said Personalty and to deliver the bill of sale. The Seller shall neither make nor adopt any warranty whatsoever with respect to the Personal Property and shall specifically disclaim any implied warranty of merchantability or fitness for a particular purpose. The price of the Personal Property shall be included in the Purchase Price, and the Buyer agrees to accept all such Personal Property in "as is" condition.
- 7. The Closing Date. The closing shall be held on a date (the "Closing Date") to be designated by the Seller after the Receivership Court approves the sale of the Property pursuant to this Agreement, provided, however, that the Buyer shall be entitled to five business days' advance Notice of the Closing Date.

- 8. Conveyance of Title. At Closing, the Seller shall convey title to the Property by a recordable form receiver's deed subject to (a) general real estate taxes not yet due and payable at the time of Closing; (b) covenants, conditions, restrictions, or building lines and easements of record, if any; (c) public and utility easements; (d) applicable zoning and building laws and ordinances; (f) acts done by or suffered through Buyer or anyone claiming by, through, or under Buyer; (g) governmental actions or proceedings concerning or affecting the Property; and (h) encroachments of a minor nature, if any, that can be insured over at closing (the "Permitted Exceptions"). The Seller agrees to surrender possession of the Property at the time of Closing.
- Commitment For Title Insurance. Within ten (10) business days after the Acceptance 9. Date, the Seller shall deliver to the Buyer evidence of merchantable title by delivering a commitment for title insurance with extended coverage from First American Title in the amount of the Purchase Price with a commitment date not earlier than March 1, 2020, subject only to general exceptions, the Permitted Exceptions, and exceptions pertaining to liens or encumbrances of a definite and ascertainable amount which may be removed by the payment of money by Seller, endorsed over by First American Title at the Seller's sole expense, or which will be extinguished by order of the Receivership Court. Such title commitment shall be conclusive evidence of good and merchantable title, subject only to the foregoing exceptions. If the commitment for title insurance discloses title exceptions other than the general exceptions, Permitted Exceptions, exceptions waivable through the payment of money or the issuance of an endorsement, or exceptions capable of being extinguished by Receivership Court order, the Seller shall have thirty (30) calendar days from the Closing Date to cure, or insure over, the unpermitted exceptions and the Closing shall be postponed until said unpermitted exceptions are cured or insured over. If the Seller fails to timely secure the removal of the unpermitted exceptions or obtain an endorsement insuring over the unpermitted exceptions, the Purchaser may terminate this Contract with a full refund of Earnest Money upon Notice to the Seller within ten (10) business days after the expiration of the thirty (30) day period. In such event, this Agreement shall become null and void and neither party shall thereafter have any rights against the other, and the Seller may not be held liable for direct, indirect, incidental, or consequential damages.
- 10. <u>Survey</u>. At least five (5) business days prior to the Closing Date, the Seller shall provide the Buyer with a survey by Professionals Associated Survey, Inc., a licensed land surveyor, dated January 21, 2020. If the Buyer or the Buyer's mortgagee desires an updated or more extensive survey, the survey shall be obtained at the Buyer's expense.
- 11. <u>Assignment And Assumption Of Leases</u>. At Closing, the Seller shall deliver to the Buyer, and the Seller and Buyer shall execute, an assignment and assumption of leases (in the form attached hereto as Exhibit B) pursuant to which the Seller shall convey all right, title, and interest in and to any leases in effect at the Property to the Buyer, and the Buyer shall agree to assume all of the Seller's obligations under said leases.
- 12. <u>Prorations</u>. Prepaid service contracts and other similar items shall be credited ratably at Closing. Any and all rents collected until the date of the Closing shall be applied by the Seller

first to past due balances and then to currently scheduled monthly rent. Any rents collected by the Buyer after Closing shall be applied first to corresponding pre-Closing arrearages and remitted to the Seller within ten business days. Scheduled monthly rent shall be prorated for the month of Closing. To the extent that any tenant at the Property has paid less than the entirety of its scheduled rent for the month of Closing, then any rent received for said month shall not be prorated but instead paid first to the Seller in respect of each day in the month through and including the date of Closing, with any balance thereafter paid to the Buyer. In addition, real estate taxes associated with the ownership of the Property shall be prorated as of the Closing based on 105% of the most recently ascertainable tax bill.

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- Buyer is waiving section 13. Section 13 is stricken.

  13. Inspection Period. The Buyer acknowledges that it was afforded the opportunity to conduct a limited tour of the Property prior to submitting its offer. Within three (3) calendar days following the Acceptance Date, the Seller shall produce the following documents to the Buyer (the "Due Diligence Materials"):
  - a. <u>Current Rent Roll</u>. A current rent roll for the Property generated by the management company.
  - b. <u>Utility Bills</u>. Copies of all utility bills relating to the Property, to the extent available, for the twelve calendar months preceding the month of the Acceptance Date.
  - Leases. Copies of all existing leases affecting the Property.
  - d. <u>Profit & Loss Statement</u>. A current trailing twelve-month profit and loss statement reflecting all categories of operating income and expenses associated with the Property, as generated by the management company.
  - <u>Litigation Documents</u>. Copies of documents, including notices of violation, orders, judgments, and other pleadings, pertaining to any known litigation or proceedings currently affecting the Property.

In addition, the Seller shall allow the Buyer reasonable access to the Property for twenty days from and after the Acceptance Date (the "Inspection Period") for the purpose of conducting an inspection of the major structural and mechanical components of the Property. A major structural or mechanical component shall be deemed to be in acceptable operating condition if it substantially performs the function for which it is intended, regardless of age, and does not pose a threat to health or safety. In the event that the Buyer possesses sound evidence that any major structural or mechanical component of the Property does not substantially perform the function for which it is intended, then the Buyer shall have the right to terminate this Agreement upon the delivery of Notice to the Seller on or before the conclusion of the Inspection Period, such notice to be accompanied by the relevant pages of an inspection report prepared by a licensed or certified inspector and identifying the defect justifying the termination. Upon receipt by the Seller of the notice of termination, this Agreement shall be considered null and void and the parties shall be discharged of any and all obligations

hereunder (except those obligations which survive termination) and First American Title shall release the Earnest Money to the Buyer. In the event that the Buyer does not terminate the Agreement on or prior to the conclusion of the Inspection Period, the Property shall be considered accepted by the Buyer and the Earnest Money shall thereafter be non-refundable. In connection with its inspection of the Property, the Buyer shall keep the Property free and clear of liens, shall indemnify and hold Seller harmless from any and all liability, loss, cost, damage, or expense relating to its inspection of the Property, and shall repair any and all damage arising from the inspection. These obligations shall survive termination of the Agreement.

- 14. Entry Into Or Renewal Of Contracts & Material Changes. Following the expiration of the Inspection Period, the Seller shall not without the prior written consent of the Buyer, said consent not to be unreasonably withheld, conditioned, or delayed, enter into or renew any service contract or lease affecting or concerning the Property. In addition, the Seller shall not make any material changes to the Property, perform or engage in any act, or enter into any agreement that materially changes the value of the Property or the rights of the Buyer relating to the Property.
- 15. <u>Material Destruction</u>. Risk of loss to the Property shall be borne by the Seller until title has been conveyed to Buyer. If, prior to Closing, a material portion of the Property shall be destroyed or materially damaged by fire or other casualty, then the Seller shall provide prompt notice of said fire or other casualty to the Buyer and this Agreement shall thereafter, at the option of the Buyer, exercised by Notice to the Seller within five (5) business days after receipt of notice of such material damage, be null and void, and all Earnest Money shall be refunded to the Buyer. Failure of the Buyer to provide timely notice shall constitute a waiver of the right to terminate.
- 16. Condition Of Property. The Buyer understands and agrees that the Property is being sold "as is" and "with all faults" and that neither the Seller nor any agent or attorney of the Seller, makes, or has made, any representation or warranty as to the physical condition or value of the Property or its suitability for the Buyer's intended use. The Seller has no obligation to repair or correct any alleged patent or latent defect at the Property, or to compensate the Buyer for any such defect, and, upon closing, the Buyer waives, releases, acquits, and forever discharges the Seller, and all of the Seller's agents and attorneys, to the maximum extent permitted by law, from any and all claims, actions, causes or action, demands, rights, liabilities, losses, damages, costs, or expenses, direct or indirect, known or unknown, foreseen or unforeseen, that it now has or which may arise in the future on account of or in any way arising from or relating to any alleged patent or latent defect at the Property.
- 17. <u>Buyer Default</u>. The Buyer and Seller agree that it would be difficult to ascertain the actual damages to be suffered by the Seller in the event of a default by the Buyer and that the amount of the Earnest Money deposited by the Buyer hereunder constitutes the parties' reasonable estimate of the Seller's damages in the event of the Buyer's default, and that upon any such default not caused by the Seller, the Seller shall be entitled to retain the Earnest

Money as liquidated damages, which shall constitute the Seller's sole and exclusive remedy in law or at equity in connection with said default.

- 18. Seller Default. In the event that the Seller shall fail to sell, transfer, and assign the Property to Purchaser in violation of the terms of this Agreement and/or fail to perform any other material obligation of Seller hereunder, then the Buyer may give Notice to the Seller specifying the nature of the default. The Seller shall thereafter have five (5) business days from receipt of said Notice, but in no event beyond the Closing Date, within which to cure the alleged default. If the Seller fails to cure the default within the cure period, then the Buyer shall be entitled to the return of all Earnest Money and (a) to declare the Agreement null and void and sue for reasonable out-of-pocket expenses incurred in connection with this Agreement prior to the alleged default or (b) to sue for specific performance, the parties recognizing that the Property is unique and that the Buyer otherwise lacks an adequate remedy at law. In the latter event, the Buyer is advised that Section VIII of the Order Appointing Receiver entered in the SEC Action enjoins the filing or prosecution of all civil proceedings against the Receiver, in his capacity as Receiver, until further order of the court.
- 19. <u>Representations and Warranties</u>. As a material inducement to the Buyer to enter into this Agreement, the Seller hereby makes the following representations and warranties, each of which shall remain true and correct as of the Closing Date:
  - a. The Seller has the full right, power, and authority to convey the Property to the Buyer as provided in this Agreement and to carry out its obligations hereunder. In addition, the individual executing this Agreement on behalf of the Seller has the legal right, power, and authority to bind the Seller to the terms hereof.
  - b. The Seller will not take any action affecting title to the Property following the Acceptance Date.
  - c. To the best of the Seller's knowledge, there are no actions, investigations, suits, or proceedings, pending or threatened, that affect the Property, or the ownership or operation thereof, other than the SEC Action and the following:

[None]

- d. To the best of the Seller's knowledge, the Property is not in violation, nor has been under investigation for violation, of any federal, state, or local law, ordinance, or regulation regulating environmental conditions in, at, on, under, or about the Property, including but not limited to, soil and groundwater conditions.
- 20. <u>Notices</u>. All notices required or permitted under this Agreement shall be in writing and served by registered or certified United States mail, return receipt requested; nationally recognized overnight mail courier (signature required); or electronic mail (evidenced by

competent and authentic proof of transmission). Any notices given to the Seller shall be delivered to the Seller's counsel, at the following physical or e-mail addresses:

Andrew E. Porter
Porter Law Office
853 North Elston Avenue
Chicago, Illinois 60614
andrew@andrewporterlaw.com

Michael Rachlis Rachlis Duff & Peel LLC 542 South Dearborn, Suite 900 Chicago, Illinois 60605 mrachlis@rdaplaw.net

Any such notices or demands given to the Buyer shall be delivered to the Buyer's counsel, at the following address physical or e-mail addresses:

Ashen|Faulkner

217 N. Jefferson St.

Chicago, IL 60661

(312) 506-4518

icf@ashenlaw.com

- 21. <u>Like-Kind Exchange</u>. The Seller agrees to cooperate if the Buyer elects to acquire the Property as part of a like-kind exchange under Section 1031 of the Internal Revenue Code. The Buyer's contemplated exchange shall not impose upon the Seller any additional liability or financial obligation, and the Buyer agrees to hold the Seller harmless from any liability that might arise from such exchange. This Agreement is neither subject to nor contingent upon the Buyer's ability to dispose of its exchange property or to effectuate an exchange. In the event any exchange contemplated by the Buyer should fail to occur, for whatever reason, the sale of the Property shall nonetheless be consummated as provided herein.
- 22. Real Estate Agents. Purchaser represents and warrants that, other than Seller's Agent and Buyer's Agent, if any, no other putative real estate agent or broker was involved in submitting, showing, marketing, or selling the Property to the Buyer, and the Buyer agrees to indemnify and hold Seller, and its successors and assigns, harmless from and against any and all liability, loss, damages, cost, or expense, including reasonable attorneys' fees, arising from or relating to any claim for a commission, fee, or other form of payment or compensation asserted by a putative real estate agent or broker purporting to have procured the Buyer in connection with this Agreement.

- 23. <u>Foreign Investor Disclosure</u>. The Seller and the Buyer agree to execute and deliver any instrument, affidavit, or statement, and to perform any act reasonably necessary to carry out the provisions of the Foreign Investment in Real Property Tax Act and regulations promulgated thereunder. The Seller represents that the Seller is not a foreign person as defined in Section 1445 of the Internal Revenue Code.
- 24. <u>Merger</u>. This Agreement expresses the entire agreement of the parties and supersedes any and all previous agreements or understandings between them with regard to the Property. There are no other understandings, oral or written, which in any way alter or enlarge the terms of this Agreement, and there are no warranties or representations of any nature whatsoever, either express or implied, except as set forth herein. This Agreement may be modified only by a written instrument signed by the party to be charged.
- 25. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

\* \* \*

The undersigned Buyer hereby offers and agrees to purchase the Property upon the terms and conditions stated herein as of the 3rd day of June, 2020. In addition, the individual signing below on behalf of the Buyer represents and warrants that s/he is authorized to execute this Agreement on behalf of the Buyer.

Buyer	Seller
— Docusigned by:  Andrew Calcutt	KEVIN B. DUFF,
c160AE08191948B_ or Assignee	FEDERAL EQUITY RECEIVER FOR
By: FC Realty LLC Series Dorchester	SSDF7 PORTFOLIO 1 LLC
Its: Manager	Rachlis Duff & Peel LLC
	542 South Dearborn Street, Suite 900
	Chicago, Illinois 60605
	(312) 733-3390
	Acceptance Date: 6/18/2020
Buyer's Agent	Seller's Agent
None	Jeffrey Baasch
	SVN Chicago Commercial
	940 West Adams Street, Suite 200
	Chicago, Illinois 60607
	(312) 676-1866

# RIDER A

If the Buyer desires that the terms and provisions of this Rider be incorporated into the
Purchase And Sale Agreement to which it is annexed, please initial this paragraph.
* * *
This Agreement is contingent upon the Buyer securing, no later than 21 days following the
Acceptance Date (the "Financing Contingency Deadline"), a firm written mortgage commitme
for a fixed or adjustable rate mortgage from an established multifamily residential mortgage
lender in the amount of \$, at an interest rate (or initial interest rate if an adjustable
rate mortgage) not to exceed %per annum, amortized over years, payable monthly
with a loan origination fee not to exceed %, plus appraisal and credit report fees, if any.
the Buyer is unable to secure a firm written mortgage commitment as described herein within
the referenced time period, then the Buyer may terminate this Agreement with a full refund o
Earnest Money by providing notice to the Seller prior to the expiration of the Financing
Contingency Deadline. If the Buyer does not provide the requisite notice to the Seller as
provided herein, then the Buyer shall be deemed to have waived this financing contingency,
and this Agreement shall remain in full force and effect.

	E	RIDER B		
If the Buyer purports to hold Purchase And Sale Agreement to whi with the submission of a credit bid, p and supply any additional terms and Agreement, as requested herein. Any or conflicting terms and conditions see	ch this r lease ini conditio such te	ider is a itial this ins to th irms an	annexe paragi ne Agre d condi	raph and provide the information ement, or modifications to the itions shall supersede any contrary
	*	*	*	
The Buyer consists of the following mand unreleased security interest in the			ortgage	es purporting to hold a perfected
_				
V				

[Using additional sheets, please indicate, for each mortgagee identified above, the total unpaid balance due under the promissory note secured by the corresponding mortgage and itemize each component of the current alleged loan balance, including, but not limited to, principal, interest, default rate interest, late fees, service fees, liquidation fees, protective advances, and other charges.]

The Purchase Price shall be the amount of the credit bid submitted by the Buyer, and any requirement to make an earnest money deposit is deleted. Payment of the Purchase Price shall not be made through the escrow at closing.

In addition, the Buyer shall pay all closing costs approved by the Court, which may, subject to the Court's ruling, include, but not be limited to, owner's title insurance premiums, applicable transfer taxes, the survey invoice, property management fees accrued through the closing, due and unpaid real estate taxes, escrow fees, brokerage commissions, unpaid utilities, title commitment update fees, gap insurance premiums, State of Illinois policy fees, extended coverage premiums, the costs of closing protection coverage for the Seller, all other expenses required to be paid by the Seller at closing, all amounts advanced for the benefit of the Property which are required to be reimbursed and/or any amount required to discharge any Receiver's lien.

[Using additional sheets, set forth any other terms and conditions to be included in the Agreement, or any modifications to the Agreement, and to which your credit bid shall remain subject.]



	2002	T JOINT ORDER ESCROW AGRE	EMENT
	STRIC	CT JOINT ORDER ESCRETATION	
10.000.20.400	Expec	ted Release Date:	Escrow Number: 2985828
Open Date:		ter Avenue, Chicago, IL 60619	
		Purpose:  Earnest Mone	. Denairs:
	t: \$ <u>49,500</u> eld	Tax Escrow	Dogic.
by the Escrowee	only upon the joint written orde	r of the undersigned or their respect	rowee (hereinafter referred to as the Escrowee) Agreement). Said deposit shall be released and delitive legal representatives or assigns.  All notices or warnings given by any other person apply with and obey any and all orders, judgments and one or complies with any such order,
or corporation, by or decrees entered judgment or automatical entered judgment en	and the Escrower is the Escrower is the Escrower is any court with or see of any court it shall not be like in this transfer and such order, judy d, set aside or vacated. In case me a party, it shall have a lien of all be regularly retained or specereof, and it shall be entitled to emand all such costs, fees and or reimbursement.	r without jurisdiction, and in case the able to any party hereto or any other gment or decree being entered withon of any suit or proceeding regarding in the contents hereof for any and all cially employed, and any other expen reimburse itself therefore out of said expenses so incurred, to the extent to the said the said to expense to any other expen expenses so incurred, to the extent to the said the said the said the expense so incurred, to the extent to the said the said the said the said the said the the said the said the said the said the said the the said the s	all notices or warnings given by any and all orders, judgments e Escrowee obeys or complies with any such order, r person, firm or corporation by reason of such out jurisdiction or being subsequently reversed, the Agreement, to which the Escrowee is or may il costs, and reasonable attorneys' fees, whether all costs, and the undersigned agree to pay the the funds deposited hereunder shall be insufficient gned by the parties hereto, their respective legal
Interest, income	or other benefits, if any, eamed received hereunder to one or mo time, held by it pursuant to the	or derived from the funds deposited ore of its general accounts. The Escr e terms of the Agreement.	d shall belong to the Escrowee. The Escrowee may rowee shall be under no duty to invest or reinvest
any lulius, at all	tendered, the Escrowee is author		mount of \$300.00, and thereafter a Maintenance date of the Agreement) from the funds deposited fees at its discretion.
Unless otherwise	it of \$200.00 (charged per affili ne Escrowee also reserves the ri	gnt to add applicable administration	1/ 0.11
Unless otherwise		Seller:	12-32/1
Unless otherwise Fee in the amour in this escrow. The Purchaser:	of \$200.00 (charged per annu- ne Escrowee also reserves the rig Docusigned by: Ondrew Calcutt	Seller: Signed:	vin B. Duff, Federal Equity Receiver for DF7 Portfolio 1 LLC
Unless otherwise Fee in the amour in this escrow. The Purchaser: Signed:	of \$200.00 (charged per annu- ne Escrowee also reserves the rig Docusigned by: Ondrew Calcutt	Seller: Signed: Kev Print Name: SSD	rin B. Duff, Federal Equity Receiver for
Unless otherwise Fee in the amour in this escrow. The Purchaser: Signed: Print Name:	Docusigned by: Ondrew Calcutt  Andrew Calcutt  1 W. Monroe St.	Seller: Signed: Kev Print Name: SSD Address: 542	rin B. Duff, Federal Equity Receiver for DF7 Portfolio 1 LLC
Unless otherwise Fee in the amour in this escrow. Th Purchaser: Signed: Print Name: Address:	Docusigned by: Ondrew Calcutt  Andrew Calcutt  1 W. Monroe St.  Chicago, IL 60603	Seller: Signed: Frint Name: SSD Address: Chi	vin B. Duff, Federal Equity Receiver for DF7 Portfolio 1 LLC 2 South Dearborn, Suite 900
Unless otherwise Fee in the amour in this escrow. The Purchaser: Signed: Print Name: Address:	Docusigned by: Ondrew Calcutt  1 W. Monroe St. Chicago, IL 60603 acalcutt@sleepingb	Seller: Signed: Frint Name: SSD Address: Chi	vin B. Duff, Federal Equity Receiver for DF7 Portfolio 1 LLC 2 South Dearborn, Suite 900 iicago, IL 60605
Unless otherwise Fee in the amour in this escrow. Th  Purchaser: Signed: Print Name: Address: Email: Primary Phone:	Docusigned by: Ondrew Calcutt  Andrew Calcutt  1 W. Monroe St.  Chicago, IL 60603	Seller: Signed: Frint Name: SSD Address: Chi	vin B. Duff, Federal Equity Receiver for DF7 Portfolio 1 LLC 2 South Dearborn, Suite 900 vicago, IL 60605 uff@rdaplaw.net

27775 Diehl Road, Ste 200, Warrenville, IL 60555 TEL 877-295-4328 · FAX 866-525-5530 titleindemnity.warrenville.il@firstam.com

**EXHIBIT B** 

# **Assignment And Assumption Of Leases**

B. Duff, as court-appointed federal equity receivertain Order Appointing Receiver entered Aug Order entered March 14, 2019 (Dkt. 290), in the Commission v. EquityBuild, Inc., et al., United	ver for SSDF7 Portfolio 1 LLC ("Seller"), pursuant to that gust 17, 2018 (Dkt. 16), as supplemented by that certain ne case captioned <i>United States Securities and Exchange</i> States District Court for the Northern District of Illinois, ("Assignor"), hereby irrevocably grants, assigns, transfers,
conveys, and sets over to	("Assignee"), an
limited liability company, all of Assignor's right "Leases") attached hereto, which leases run Dorchester (also known as 1401 East 72nd Str	("Assignee"), an, title, and interest in and to the leases (collectively, the with the Property commonly known as 7201-07 South eet), Chicago, Illinois 60619.
	ORTALL TRUSTEE'S SUBDIVISION OF THE NORTH HALF 26, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE NTY, ILLINOIS.
from and after the date hereof. This Assignmen	mposed upon the Assignor under the Leases which accrue nt is made without any express or implied representation nat certain Purchase And Sale Agreement, accepted by the d between Assignor and Assignee.
This Assignment shall be governed by and const	trued in accordance with the laws of the State of Illinois.
	ed this Assignment And Assumption Of Leases as of this
ASSIGNOR:	ASSIGNEE:
Kevin B. Duff, Federal Equity Receiver for SSDF7 Portfolio 1 LLC	
	Ву:
	Name:
	Title:

#### **PURCHASE & SALE AGREEMENT**

This Purchase & Sale Agreement ("Agreement") is made by and between the court-appointed federal equity receiver for SSDF7 Portfolio 1 LLC ("Seller") pursuant to that certain Order Appointing Receiver entered August 17, 2018 (Dkt. 16), as supplemented by Order dated March 14, 2019 (Dkt. 290), in the case captioned *United States Securities and Exchange Commission v. EquityBuild, Inc., et al.*, United States District Court for the Northern District of Illinois, Eastern Division, Civil Action No. 1:18-cv-05587 (the "SEC Action"), and

University Property Holdings LLC ("Buyer")

for the purchase and sale of that certain real property and all fixtures, equipment, and personal property appurtenant thereto (the "Property") located at 7508 S Essex Avenue (also known as 2453-59 E 75th Street), Chicago, Illinois 60649 and legally described as follows:

LOT 1 AND THE EAST 18 FEET OF LOT 2, IN BLOCK 3, IN SOUTH SHORE PARK, BEING A SUBDIVISION OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 30, TOWNSHIP 38 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Permanent Index No. 21-30-301-030-0000

#### **TERMS AND CONDITIONS**

The Seller agrees to sell the Property, and the Buyer agrees to purchase the Property, on the following terms and conditions:

- 1. <u>Purchase Price</u>. The purchase price for the Property shall be \$ "Purchase Price"). The Buyer shall pay the Purchase Price as follows:
  - a. An earnest money deposit (the "Earnest Money") in an amount equal to 10% of the Purchase Price within three (3) business days following the date of acceptance of the Agreement by the Seller (the "Acceptance Date").
  - b. The balance of the Purchase Price, subject to any applicable credits and prorations, at Closing.

[Note: If the Buyer desires to enter into this Agreement subject to a financing contingency, then Rider A should be completed. Otherwise, Rider A should be left blank.]

[Note: If the Buyer purports to hold a mortgage interest in the Property and tenders this Agreement in connection with a credit bid, then Rider B should be completed. Otherwise, Rider B should be left blank.]

- 2. <u>Earnest Money.</u> The Earnest Money shall be held by First American Title Company ("First American Title") in a segregated escrow account. In connection with said Earnest Money deposit, the Buyer shall execute and deliver to the Seller a copy of that certain strict joint order escrow agreement in the form attached hereto as Exhibit A.
- 3. <u>Court Approval.</u> As soon as practicable in consideration of the Seller's need to manage the sales of a tranche of properties, await the expiration of the respective due diligence periods, and avoid placing undue burden on the court in the SEC Action, the Seller shall move before the Honorable John Z. Lee or any judge sitting in his stead or to whom he has made a referral in the SEC Action (the "Receivership Court") for approval of the sale of the Property pursuant to this Agreement. In the event that the Receivership Court does not confirm the sale of the Property pursuant to this Agreement, then the Agreement shall become null and void and all Earnest Money shall be promptly refunded to the Buyer.
- 4. <u>Escrow Closing.</u> This sale shall be closed through an escrow with First American Title in accordance with the general provisions of the usual form of deed and money escrow agreement then furnished and in use by said title company. Payment of the Purchase Price and delivery of the receiver's deed shall be made through the escrow. The cost of the escrow shall be divided equally between the Buyer and the Seller unless the Buyer acquires the Property with financing, in which event that portion of the cost of the escrow relating to the financing shall be borne by the Buyer. Unless otherwise specified herein, all other closing costs shall be paid in accordance with custom for apartment investment sales transactions in Cook County, Illinois.
- 5. Irrevocable Offer. This Agreement when executed by the Buyer and delivered to the Seller shall constitute an irrevocable offer to purchase the Property until June 17, 2020 (the "Offer Expiration Date"). In the event that the offer is not accepted by the Seller before the Offer Expiration Date, then the offer may be withdrawn upon the delivery of notice to the Seller in accordance with Paragraph 20.
- 6. Personal Property. At Closing, the Seller shall tender to the Buyer a bill of sale for the personal property appurtenant to the Property (the "Personal Property") warranting only that the Seller is the absolute owner of said Personalty, that said Personalty is free and clear of all liens, charges, and encumbrances, and that the Seller has the full right, power, and authority to sell said Personalty and to deliver the bill of sale. The Seller shall neither make nor adopt any warranty whatsoever with respect to the Personal Property and shall specifically disclaim any implied warranty of merchantability or fitness for a particular purpose. The price of the Personal Property shall be included in the Purchase Price, and the Buyer agrees to accept all such Personal Property in "as is" condition.
- 7. <u>The Closing Date</u>. The closing shall be held on a date (the "Closing Date") to be designated by the Seller after the Receivership Court approves the sale of the Property pursuant to this Agreement, provided, however, that the Buyer shall be entitled to five business days' advance Notice of the Closing Date.

8. <u>Conveyance of Title.</u> At Closing, the Seller shall convey title to the Property by a recordable form receiver's deed subject to (a) general real estate taxes not yet due and payable at the time of Closing; (b) covenants, conditions, restrictions, or building lines and easements of record, if any; (c) public and utility easements; (d) applicable zoning and building laws and ordinances; (f) acts done by or suffered through Buyer or anyone claiming by, through, or under Buyer; (g) governmental actions or proceedings concerning or affecting the Property; and (h) encroachments of a minor nature, if any, that can be insured over at closing (the "Permitted Exceptions"). The Seller agrees to surrender possession of the Property at the time of Closing.

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- 9. Commitment For Title Insurance. Within ten (10) business days after the Acceptance Date, the Seller shall deliver to the Buyer evidence of merchantable title by delivering a commitment for title insurance with extended coverage from First American Title in the amount of the Purchase Price with a commitment date not earlier than March 1, 2020, subject only to general exceptions, the Permitted Exceptions, and exceptions pertaining to liens or encumbrances of a definite and ascertainable amount which may be removed by the payment of money by Seller, endorsed over by First American Title at the Seller's sole expense, or which will be extinguished by order of the Receivership Court. Such title commitment shall be conclusive evidence of good and merchantable title, subject only to the foregoing exceptions. If the commitment for title insurance discloses title exceptions other than the general exceptions, Permitted Exceptions, exceptions waivable through the payment of money or the issuance of an endorsement, or exceptions capable of being extinguished by Receivership Court order, the Seller shall have thirty (30) calendar days from the Closing Date to cure, or insure over, the unpermitted exceptions and the Closing shall be postponed until said unpermitted exceptions are cured or insured over. If the Seller fails to timely secure the removal of the unpermitted exceptions or obtain an endorsement insuring over the unpermitted exceptions, the Purchaser may terminate this Contract with a full refund of Earnest Money upon Notice to the Seller within ten (10) business days after the expiration of the thirty (30) day period. In such event, this Agreement shall become null and void and neither party shall thereafter have any rights against the other, and the Seller may not be held liable for direct, indirect, incidental, or consequential damages.
- 10. <u>Survey</u>. At least five (5) business days prior to the Closing Date, the Seller shall provide the Buyer with a survey by Professionals Associated Survey, Inc., a licensed land surveyor, dated January 29, 2020. If the Buyer or the Buyer's mortgagee desires an updated or more extensive survey, the survey shall be obtained at the Buyer's expense.
- 11. <u>Assignment And Assumption Of Leases</u>. At Closing, the Seller shall deliver to the Buyer, and the Seller and Buyer shall execute, an assignment and assumption of leases (in the form attached hereto as Exhibit B) pursuant to which the Seller shall convey all right, title, and interest in and to any leases in effect at the Property to the Buyer, and the Buyer shall agree to assume all of the Seller's obligations under said leases.
- 12. <u>Prorations.</u> Prepaid service contracts and other similar items shall be credited ratably at Closing. Any and all rents collected until the date of the Closing shall be applied by the Seller

first to past due balances and then to currently scheduled monthly rent. Any rents collected by the Buyer after Closing shall be applied first to corresponding pre-Closing arrearages and remitted to the Seller within ten business days. Scheduled monthly rent shall be prorated for the month of Closing. To the extent that any tenant at the Property has paid less than the entirety of its scheduled rent for the month of Closing, then any rent received for said month shall not be prorated but instead paid first to the Seller în respect of each day in the month through and including the date of Closing, with any balance thereafter paid to the Buyer. In addition, real estate taxes associated with the ownership of the Property shall be prorated as of the Closing based on 105% of the most recently ascertainable tax bill.

- 13. <u>Inspection Period.</u> The Buyer acknowledges that it was afforded the opportunity to conduct a limited tour of the Property prior to submitting its offer. Within three (3) calendar days following the Acceptance Date, the Seller shall produce the following documents to the Buyer (the "Due Diligence Materials"):
  - a. <u>Current Rent Roll.</u> A current rent roll for the Property generated by the management company.
  - b. <u>Utility Bills.</u> Copies of all utility bills relating to the Property, to the extent available, for the twelve calendar months preceding the month of the Acceptance Date.
  - c. <u>Leases.</u> Copies of all existing leases affecting the Property.
  - d. <u>Profit & Loss Statement.</u> A current trailing twelve-month profit and loss statement reflecting all categories of operating income and expenses associated with the Property, as generated by the management company.
  - e. <u>Litigation Documents</u>. Copies of documents, including notices of violation, orders, judgments, and other pleadings, pertaining to any known litigation or proceedings currently affecting the Property.

In addition, the Seller shall allow the Buyer reasonable access to the Property for twenty days from and after the Acceptance Date (the "Inspection Period") for the purpose of conducting an inspection of the major structural and mechanical components of the Property. A major structural or mechanical component shall be deemed to be in acceptable operating condition if it substantially performs the function for which it is intended, regardless of age, and does not pose a threat to health or safety. In the event that the Buyer possesses sound evidence that any major structural or mechanical component of the Property does not substantially perform the function for which it is intended, then the Buyer shall have the right to terminate this Agreement upon the delivery of Notice to the Seller on or before the conclusion of the Inspection Period, such notice to be accompanied by the relevant pages of an inspection report prepared by a licensed or certified inspector and identifying the defect justifying the termination. Upon receipt by the Seller of the notice of termination, this Agreement shall be considered null and void and the parties shall be discharged of any and all obligations

hereunder (except those obligations which survive termination) and First American Title shall release the Earnest Money to the Buyer. In the event that the Buyer does not terminate the Agreement on or prior to the conclusion of the Inspection Period, the Property shall be considered accepted by the Buyer and the Earnest Money shall thereafter be non-refundable. In connection with its inspection of the Property, the Buyer shall keep the Property free and clear of liens, shall indemnify and hold Seller harmless from any and all liability, loss, cost, damage, or expense relating to its inspection of the Property, and shall repair any and all damage arising from the inspection. These obligations shall survive termination of the Agreement.

- 14. <u>Entry Into Or Renewal Of Contracts & Material Changes.</u> Following the expiration of the Inspection Period, the Seller shall not without the prior written consent of the Buyer, said consent not to be unreasonably withheld, conditioned, or delayed, enter into or renew any service contract or lease affecting or concerning the Property. In addition, the Seller shall not make any material changes to the Property, perform or engage in any act, or enter into any agreement that materially changes the value of the Property or the rights of the Buyer relating to the Property.
- 15. <u>Material Destruction.</u> Risk of loss to the Property shall be borne by the Seller until title has been conveyed to Buyer. If, prior to Closing, a material portion of the Property shall be destroyed or materially damaged by fire or other casualty, then the Seller shall provide prompt notice of said fire or other casualty to the Buyer and this Agreement shall thereafter, at the option of the Buyer, exercised by Notice to the Seller within five (5) business days after receipt of notice of such material damage, be null and void, and all Earnest Money shall be refunded to the Buyer. Failure of the Buyer to provide timely notice shall constitute a waiver of the right to terminate.
- 16. Condition Of Property. The Buyer understands and agrees that the Property is being sold "as is" and "with all faults" and that neither the Seller nor any agent or attorney of the Seller, makes, or has made, any representation or warranty as to the physical condition or value of the Property or its suitability for the Buyer's intended use. The Seller has no obligation to repair or correct any alleged patent or latent defect at the Property, or to compensate the Buyer for any such defect, and, upon closing, the Buyer waives, releases, acquits, and forever discharges the Seller, and all of the Seller's agents and attorneys, to the maximum extent permitted by law, from any and all claims, actions, causes or action, demands, rights, liabilities, losses, damages, costs, or expenses, direct or indirect, known or unknown, foreseen or unforeseen, that it now has or which may arise in the future on account of or in any way arising from or relating to any alleged patent or latent defect at the Property.
- 17. <u>Buyer Default.</u> The Buyer and Seller agree that it would be difficult to ascertain the actual damages to be suffered by the Seller in the event of a default by the Buyer and that the amount of the Earnest Money deposited by the Buyer hereunder constitutes the parties' reasonable estimate of the Seller's damages in the event of the Buyer's default, and that upon any such default not caused by the Seller, the Seller shall be entitled to retain the Earnest

Money as liquidated damages, which shall constitute the Seller's sole and exclusive remedy in law or at equity in connection with said default.

- 18. Seller Default. In the event that the Seller shall fail to sell, transfer, and assign the Property to Purchaser in violation of the terms of this Agreement and/or fail to perform any other material obligation of Seller hereunder, then the Buyer may give Notice to the Seller specifying the nature of the default. The Seller shall thereafter have five (5) business days from receipt of said Notice, but in no event beyond the Closing Date, within which to cure the alleged default. If the Seller fails to cure the default within the cure period, then the Buyer shall be entitled to the return of all Earnest Money and (a) to declare the Agreement null and void and sue for reasonable out-of-pocket expenses incurred in connection with this Agreement prior to the alleged default or (b) to sue for specific performance, the parties recognizing that the Property is unique and that the Buyer otherwise lacks an adequate remedy at law. In the latter event, the Buyer is advised that Section VIII of the Order Appointing Receiver entered in the SEC Action enjoins the filing or prosecution of all civil proceedings against the Receiver, in his capacity as Receiver, until further order of the court.
- 19. <u>Representations and Warranties.</u> As a material inducement to the Buyer to enter into this Agreement, the Seller hereby makes the following representations and warranties, each of which shall remain true and correct as of the Closing Date:
  - a. The Seller has the full right, power, and authority to convey the Property to the Buyer as provided in this Agreement and to carry out its obligations hereunder. In addition, the individual executing this Agreement on behalf of the Seller has the legal right, power, and authority to bind the Seller to the terms hereof.
  - b. The Seller will not take any action affecting title to the Property following the Acceptance Date.
  - c. To the best of the Seller's knowledge, there are no actions, investigations, suits, or proceedings, pending or threatened, that affect the Property, or the ownership or operation thereof, other than the SEC Action and the following:

[None]

- d. To the best of the Seller's knowledge, the Property is not in violation, nor has been under investigation for violation, of any federal, state, or local law, ordinance, or regulation regulating environmental conditions in, at, on, under, or about the Property, including but not limited to, soil and groundwater conditions.
- 20. <u>Notices.</u> All notices required or permitted under this Agreement shall be in writing and served by registered or certified United States mail, return receipt requested; nationally recognized overnight mail courier (signature required); or electronic mail (evidenced by

competent and authentic proof of transmission). Any notices given to the Seller shall be delivered to the Seller's counsel, at the following physical or e-mail addresses:

Andrew E. Porter
Porter Law Office
853 North Elston Avenue
Chicago, Illinois 60614
andrew@andrewporterlaw.com

Michael Rachlis Rachlis Duff & Peel LLC 542 South Dearborn, Suite 900 Chicago, Illinois 60605 mrachlis@rdaplaw.net

Any such notices or demands given to the Buyer shall be delivered to the Buyer's counsel, at the following address physical or e-mail addresses:

Alena Jotkus

222 S. Riverside Plaza #2100

Chicas IL 60606

alena.jotkus OSFNR.com

- 21. <u>Like-Kind Exchange</u>. The Seller agrees to cooperate if the Buyer elects to acquire the Property as part of a like-kind exchange under Section 1031 of the Internal Revenue Code. The Buyer's contemplated exchange shall not impose upon the Seller any additional liability or financial obligation, and the Buyer agrees to hold the Seller harmless from any liability that might arise from such exchange. This Agreement is neither subject to nor contingent upon the Buyer's ability to dispose of its exchange property or to effectuate an exchange. In the event any exchange contemplated by the Buyer should fail to occur, for whatever reason, the sale of the Property shall nonetheless be consummated as provided herein.
- 22. Real Estate Agents. Purchaser represents and warrants that, other than Seller's Agent and Buyer's Agent, if any, no other putative real estate agent or broker was involved in submitting, showing, marketing, or selling the Property to the Buyer, and the Buyer agrees to indemnify and hold Seller, and its successors and assigns, harmless from and against any and all liability, loss, damages, cost, or expense, including reasonable attorneys' fees, arising from or relating to any claim for a commission, fee, or other form of payment or compensation asserted by a putative real estate agent or broker purporting to have procured the Buyer in connection with this Agreement.

- 23. <u>Foreign Investor Disclosure</u>. The Seller and the Buyer agree to execute and deliver any instrument, affidavit, or statement, and to perform any act reasonably necessary to carry out the provisions of the Foreign Investment in Real Property Tax Act and regulations promulgated thereunder. The Seller represents that the Seller is not a foreign person as defined in Section 1445 of the Internal Revenue Code.
- 24. <u>Merger.</u> This Agreement expresses the entire agreement of the parties and supersedes any and all previous agreements or understandings between them with regard to the Property. There are no other understandings, oral or written, which in any way alter or enlarge the terms of this Agreement, and there are no warranties or representations of any nature whatsoever, either express or implied, except as set forth herein. This Agreement may be modified only by a written instrument signed by the party to be charged.
- 25. <u>Governing Law.</u> This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

The undersigned Buyer hereby offers and agrees to purchase the Property upon the terms and conditions stated herein as of the 3rd day of June, 2020. In addition, the individual signing below on behalf of the Buyer represents and warrants that s/he is authorized to execute this Agreement on behalf of the Buyer.

Buyer	Seller
University Property Holdings UC	KEVIN B. DUFF, FEDERAL EQUITY RECEIVER FOR SSDF7 PORTFOLIO 1 LLC
Its: ucing if wender	Rachlis Duff & Peel LLC 542 South Dearborn Street, Suite 900 Chicago, Illinois 60605 (312) 733-3390
	K-SH
Buyer's Agent	Acceptance Date: 6/19/2020 Seller's Agent
	Jeffrey Baasch SVN Chicago Commercial
	940 West Adams Street, Suite 200 Chicago, Illinois 60607 (312) 676-1866
•	



Open Date:

# STRICT JOINT ORDER ESCROW AGREEMENT

Escrow Number: 2985833

**Expected Release Date:** 

Property Address:	7508 South Essex Avenu	ie, Chicag	o, IL 60649		
Deposit Amount: \$ Document(s) Held	75,500.00	Purpose:	☑ Earnest Mo     ☐ Tax Escrow		Repairs:Other:
pursuant to this Strict		(hereinafter	referred to as th	he Agreer	(hereinafter referred to as the Escrowee) nent). Said deposit shall be released and delivered gal representatives or assigns.
or corporation, but the or decrees entered or judgment or decree of compliance, notwithst modified, annulled, seat any time become a such attorneys shall be for on account thereof	e Escrowee is hereby expressly a issued by any court with or with if any court it shall not be liable to tanding any such order, judgment at a side or vacated. In case of a party, it shall have a lien on the pe regularly retained or specially of, and it shall be entitled to reim and all such costs, fees and expe	authorized ( hout jurisdicto any party nt or decree any sult or pe contents h employed, aburse itself	to regard and to oction, and in case of hereto or any octions the being entered worceeding regardnereof for any and any other extended.	comply we the Escripther person without junding the And all costs expenses we said deposit of the Escription of the Escr	ces or warnings given by any other person ith and obey any and all orders, judgments owee obeys or complies with any such order, on, firm or corporation by reason of such risdiction or being subsequently reversed, greement, to which the Escrowee is or may s, and reasonable attorneys' fees, whether which it may have incurred or become liable osit, and the undersigned agree to pay the ends deposited hereunder shall be insufficient
	above mentioned deposits be sur signs, or order of court as afores		xcept on an order	r signed b	y the parties hereto, their respective legal
deposit all funds rece		of its genera	al accounts. The I		belong to the Escrowee. The Escrowee may shall be under no duty to invest or reinvest
Fee in the amount of		eginning on	e year following t	the date	t of \$300.00, and thereafter a Maintenance of the Agreement) from the funds deposited at its discretion.
Purchaser: Signed:	the full	> s	Seller: ligned:	Vauin B.	Duff, Federal Equity Receiver for
Print Name: Ale	ex Vlyguer L		rint Name:		ortfolio 1 LLC
Address: 40	of Similwewhere	#160	ddress:	542 Sou	th Dearborn, Suite 900
W	heely IL box	900		Chicago	IL 60605
Email: M.	to cobblestonered	ts.we	1 Email:	kduff@i	daplaw.net
Primary Phone:	847-322-6428	3_ P	rimary Phone:	(312) 73	3-3390
Alternate Phone:			lternate Phone: _		
Primary Contact (i	f other than above):				
Accepted: First Amer	ican Title Insurance Company, E	scrowee	Ву:		
	27775 Diehl Road	Ste 200	Warrenville II	60555	

27775 Diehl Road, Ste 200, Warrenville, IL 60555 T E L 877-295-4328 · F A X 866-525-5530 titleindemnity.warrenville.il@firstam.com

# **Assignment And Assumption Of Leases**

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Kevin
B. Duff, as court-appointed federal equity receiver for SSDF7 Portfolio 1 LLC ("Seller"), pursuant to that
certain Order Appointing Receiver entered August 17, 2018 (Dkt. 16), as supplemented by that certain
Order entered March 14, 2019 (Dkt. 290), in the case captioned United States Securities and Exchange
Commission v. EquityBuild, Inc., et al., United States District Court for the Northern District of Illinois,
Eastern Division, Civil Action No. 1:18-cv-05587 ("Assignor"), hereby irrevocably grants, assigns, transfers, conveys, and sets over to University Grapel h. Kodins ("Assignee"), an\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\
limited liability company, all of Assignor's right, title, and interest in and to the leases (collectively, the
"Leases") attached hereto, which leases run with the Property commonly known as 7508 South Essex (also
known as 2453-59 East 75th Street), Chicago, Illinois 60649.

LOT 1 AND THE EAST 18 FEET OF LOT 2, IN BLOCK 3, IN SOUTH SHORE PARK, BEING A SUBDIVISION OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 30, TOWNSHIP 38 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

from and after the date hereof	the obligations imposed upon the Assignor under the Leases which accrue  This Assignment is made without any express or implied representation  t provided in that certain Purchase And Sale Agreement, accepted by the
	, by and between Assignor and Assignee.
This Assignment shall be govern	ned by and construed in accordance with the laws of the State of Illinois.
IN WITNESS WHEREOF, the part	ties have executed this Assignment And Assumption Of Leases as of this 2020.
ASSIGNOR:	ASSIGNEE:
Kevin B. Duff, Federal Equity Re SSDF7 Portfolio 1 LLC	ceiver for
	Duiversily Property Holdings LLC  By: Mex Vly and
	Title: wemany were

#### **PURCHASE & SALE AGREEMENT**

This Purchase & Sale Agreement ("Agreement") is made by and between the court-appointed federal equity receiver for SSDF7 Portfolio 1 LLC ("Seller") pursuant to that certain Order Appointing Receiver entered August 17, 2018 (Dkt. 16), as supplemented by Order dated March 14, 2019 (Dkt. 290), in the case captioned *United States Securities and Exchange* Commission v. EquityBuild, Inc., et al., United States District Court for the Northern District of Illinois, Eastern Division, Civil Action No. 1:18-cv-05587 (the "SEC Action"), and

OR HSSIGNCE ("Buyer")

for the purchase and sale of that certain real property and all fixtures, equipment, and personal property appurtenant thereto (the "Property") located at 7953-59 S Marquette Road (also known as 2708-10 E 80th Street), Chicago, Illinois 60617 and legally described as follows:

LOTS 29 AND 30 IN THE SUBDIVISION OF BLOCK 6 OF CIRCUIT COURT PARTITION OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER AND THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 31, TOWNSHIP 38 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

Permanent Index No. 21-31-106-024-0000

7936ESSEX LLC

**KBD** 

DA

**TERMS AND CONDITIONS** 

The Seller agrees to sell the Property, and the Buyer agrees to purchase the Property, on the

following terms and conditions:

Purchase Price. The purchase price for the Property shall be \$\_ "Purchase Price"). The Buyer shall pay the Purchase Price as follows:

An earnest money deposit (the "Earnest Money") in an amount equal to a. % of the Purchase Price within three (3) business days following the date of acceptance of the Agreement by the Seller (the "Acceptance Date").

The balance of the Purchase Price, subject to any applicable credits and b. prorations, at Closing.

[Note: If the Buyer desires to enter into this Agreement subject to a financing contingency, then Rider A should be completed. Otherwise, Rider A should be left blank.]

[Note: If the Buyer purports to hold a mortgage interest in the Property and tenders this Agreement in connection with a credit bid, then Rider B should be completed. Otherwise, Rider B should be left blank.]

- 2. <u>Earnest Money</u>. The Earnest Money shall be held by First American Title Company ("First American Title") in a segregated escrow account. In connection with said Earnest Money deposit, the Buyer shall execute and deliver to the Seller a copy of that certain strict joint order escrow agreement in the form attached hereto as Exhibit A.
- 3. <u>Court Approval</u>. As soon as practicable in consideration of the Seller's need to manage the sales of a tranche of properties, await the expiration of the respective due diligence periods, and avoid placing undue burden on the court in the SEC Action, the Seller shall move before the Honorable John Z. Lee or any judge sitting in his stead or to whom he has made a referral in the SEC Action (the "Receivership Court") for approval of the sale of the Property pursuant to this Agreement. In the event that the Receivership Court does not confirm the sale of the Property pursuant to this Agreement, then the Agreement shall become null and void and all Earnest Money shall be promptly refunded to the Buyer.
- 4. **Escrow Closing**. This sale shall be closed through an escrow with First American Title in accordance with the general provisions of the usual form of deed and money escrow agreement then furnished and in use by said title company. Payment of the Purchase Price and delivery of the receiver's deed shall be made through the escrow. The cost of the escrow shall be divided equally between the Buyer and the Seller unless the Buyer acquires the Property with financing, in which event that portion of the cost of the escrow relating to the financing shall be borne by the Buyer. Unless otherwise specified herein, all other closing costs shall be paid in accordance with custom for apartment investment sales transactions in Cook County, Illinois.
- 5. <u>Irrevocable Offer</u>. This Agreement when executed by the Buyer and delivered to the Seller shall constitute an irrevocable offer to purchase the Property until June 17, 2020 (the "Offer Expiration Date"). In the event that the offer is not accepted by the Seller before the Offer Expiration Date, then the offer may be withdrawn upon the delivery of notice to the Seller in accordance with Paragraph 20.
- 6. Personal Property. At Closing, the Seller shall tender to the Buyer a bill of sale for the personal property appurtenant to the Property (the "Personal Property") warranting only that the Seller is the absolute owner of said Personalty, that said Personalty is free and clear of all liens, charges, and encumbrances, and that the Seller has the full right, power, and authority to sell said Personalty and to deliver the bill of sale. The Seller shall neither make nor adopt any warranty whatsoever with respect to the Personal Property and shall specifically disclaim any implied warranty of merchantability or fitness for a particular purpose. The price of the Personal Property shall be included in the Purchase Price, and the Buyer agrees to accept all such Personal Property in "as is" condition.
- 7. <u>The Closing Date</u>. The closing shall be held on a date (the "Closing Date") to be designated by the Seller after the Receivership Court approves the sale of the Property pursuant to this Agreement, provided, however, that the Buyer shall be entitled to five business days' advance Notice of the Closing Date.

- 8. Conveyance of Title. At Closing, the Seller shall convey title to the Property by a recordable form receiver's deed subject to (a) general real estate taxes not yet due and payable at the time of Closing; (b) covenants, conditions, restrictions, or building lines and easements of record, if any; (c) public and utility easements; (d) applicable zoning and building laws and ordinances; (f) acts done by or suffered through Buyer or anyone claiming by, through, or under Buyer; (g) governmental actions or proceedings concerning or affecting the Property; and (h) encroachments of a minor nature, if any, that can be insured over at closing (the "Permitted Exceptions"). The Seller agrees to surrender possession of the Property at the time of Closing.
- 9. Commitment For Title Insurance. Within ten (10) business days after the Acceptance Date, the Seller shall deliver to the Buyer evidence of merchantable title by delivering a commitment for title insurance with extended coverage from First American Title in the amount of the Purchase Price with a commitment date not earlier than March 1, 2020, subject only to general exceptions, the Permitted Exceptions, and exceptions pertaining to liens or encumbrances of a definite and ascertainable amount which may be removed by the payment of money by Seller, endorsed over by First American Title at the Seller's sole expense, or which will be extinguished by order of the Receivership Court. Such title commitment shall be conclusive evidence of good and merchantable title, subject only to the foregoing exceptions. If the commitment for title insurance discloses title exceptions other than the general exceptions, Permitted Exceptions, exceptions waivable through the payment of money or the issuance of an endorsement, or exceptions capable of being extinguished by Receivership Court order, the Seller shall have thirty (30) calendar days from the Closing Date to cure, or insure over, the unpermitted exceptions and the Closing shall be postponed until said unpermitted exceptions are cured or insured over. If the Seller fails to timely secure the removal of the unpermitted exceptions or obtain an endorsement insuring over the unpermitted exceptions, the Purchaser may terminate this Contract with a full refund of Earnest Money upon Notice to the Seller within ten (10) business days after the expiration of the thirty (30) day period. In such event, this Agreement shall become null and void and neither party shall thereafter have any rights against the other, and the Seller may not be held liable for direct, indirect, incidental, or consequential damages.
- 10. <u>Survey</u>. At least five (5) business days prior to the Closing Date, the Seller shall provide the Buyer with a survey by Professionals Associated Survey, Inc., a licensed land surveyor, dated January 29, 2020. If the Buyer or the Buyer's mortgagee desires an updated or more extensive survey, the survey shall be obtained at the Buyer's expense.
- 11. <u>Assignment And Assumption Of Leases</u>. At Closing, the Seller shall deliver to the Buyer, and the Seller and Buyer shall execute, an assignment and assumption of leases (in the form attached hereto as Exhibit B) pursuant to which the Seller shall convey all right, title, and interest in and to any leases in effect at the Property to the Buyer, and the Buyer shall agree to assume all of the Seller's obligations under said leases.
- 12. **Prorations**. Prepaid service contracts and other similar items shall be credited ratably at Closing. Any and all rents collected until the date of the Closing shall be applied by the Seller

first to past due balances and then to currently scheduled monthly rent. Any rents collected by the Buyer after Closing shall be applied first to corresponding pre-Closing arrearages and remitted to the Seller within ten business days. Scheduled monthly rent shall be prorated for the month of Closing. To the extent that any tenant at the Property has paid less than the entirety of its scheduled rent for the month of Closing, then any rent received for said month shall not be prorated but instead paid first to the Seller in respect of each day in the month through and including the date of Closing, with any balance thereafter paid to the Buyer. In addition, real estate taxes associated with the ownership of the Property shall be prorated as of the Closing based on 105% of the most recently ascertainable tax bill.

- 13. <u>Inspection Period</u>. The Buyer acknowledges that it was afforded the opportunity to conduct a limited tour of the Property prior to submitting its offer. Within three (3) calendar days following the Acceptance Date, the Seller shall produce the following documents to the Buyer (the "Due Diligence Materials"):
  - a. <u>Current Rent Roll</u>. A current rent roll for the Property generated by the management company.
  - b. <u>Utility Bills</u>. Copies of all utility bills relating to the Property, to the extent available, for the twelve calendar months preceding the month of the Acceptance Date.
  - c. <u>Leases</u>. Copies of all existing leases affecting the Property.
  - d. <u>Profit & Loss Statement</u>. A current trailing twelve-month profit and loss statement reflecting all categories of operating income and expenses associated with the Property, as generated by the management company.
  - e. <u>Litigation Documents</u>. Copies of documents, including notices of violation, orders, judgments, and other pleadings, pertaining to any known litigation or proceedings currently affecting the Property.

In addition, the Seller shall allow the Buyer reasonable access to the Property for twenty days from and after the Acceptance Date (the "Inspection Period") for the purpose of conducting an inspection of the major structural and mechanical components of the Property. A major structural or mechanical component shall be deemed to be in acceptable operating condition if it substantially performs the function for which it is intended, regardless of age, and does not pose a threat to health or safety. In the event that the Buyer possesses sound evidence that any major structural or mechanical component of the Property does not substantially perform the function for which it is intended, then the Buyer shall have the right to terminate this Agreement upon the delivery of Notice to the Seller on or before the conclusion of the Inspection Period, such notice to be accompanied by the relevant pages of an inspection report prepared by a licensed or certified inspector and identifying the defect justifying the termination. Upon receipt by the Seller of the notice of termination, this Agreement shall be considered null and void and the parties shall be discharged of any and all obligations

hereunder (except those obligations which survive termination) and First American Title shall release the Earnest Money to the Buyer. In the event that the Buyer does not terminate the Agreement on or prior to the conclusion of the Inspection Period, the Property shall be considered accepted by the Buyer and the Earnest Money shall thereafter be non-refundable. In connection with its inspection of the Property, the Buyer shall keep the Property free and clear of liens, shall indemnify and hold Seller harmless from any and all liability, loss, cost, damage, or expense relating to its inspection of the Property, and shall repair any and all damage arising from the inspection. These obligations shall survive termination of the Agreement.

- 14. Entry Into Or Renewal Of Contracts & Material Changes. Following the expiration of the Inspection Period, the Seller shall not without the prior written consent of the Buyer, said consent not to be unreasonably withheld, conditioned, or delayed, enter into or renew any service contract or lease affecting or concerning the Property. In addition, the Seller shall not make any material changes to the Property, perform or engage in any act, or enter into any agreement that materially changes the value of the Property or the rights of the Buyer relating to the Property.
- 15. <u>Material Destruction</u>. Risk of loss to the Property shall be borne by the Seller until title has been conveyed to Buyer. If, prior to Closing, a material portion of the Property shall be destroyed or materially damaged by fire or other casualty, then the Seller shall provide prompt notice of said fire or other casualty to the Buyer and this Agreement shall thereafter, at the option of the Buyer, exercised by Notice to the Seller within five (5) business days after receipt of notice of such material damage, be null and void, and all Earnest Money shall be refunded to the Buyer. Failure of the Buyer to provide timely notice shall constitute a waiver of the right to terminate.
- 16. Condition Of Property. The Buyer understands and agrees that the Property is being sold "as is" and "with all faults" and that neither the Seller nor any agent or attorney of the Seller, makes, or has made, any representation or warranty as to the physical condition or value of the Property or its suitability for the Buyer's intended use. The Seller has no obligation to repair or correct any alleged patent or latent defect at the Property, or to compensate the Buyer for any such defect, and, upon closing, the Buyer waives, releases, acquits, and forever discharges the Seller, and all of the Seller's agents and attorneys, to the maximum extent permitted by law, from any and all claims, actions, causes or action, demands, rights, liabilities, losses, damages, costs, or expenses, direct or indirect, known or unknown, foreseen or unforeseen, that it now has or which may arise in the future on account of or in any way arising from or relating to any alleged patent or latent defect at the Property.
- 17. <u>Buyer Default</u>. The Buyer and Seller agree that it would be difficult to ascertain the actual damages to be suffered by the Seller in the event of a default by the Buyer and that the amount of the Earnest Money deposited by the Buyer hereunder constitutes the parties' reasonable estimate of the Seller's damages in the event of the Buyer's default, and that upon any such default not caused by the Seller, the Seller shall be entitled to retain the Earnest

Money as liquidated damages, which shall constitute the Seller's sole and exclusive remedy in law or at equity in connection with said default.

- 18. Seller Default. In the event that the Seller shall fail to sell, transfer, and assign the Property to Purchaser in violation of the terms of this Agreement and/or fail to perform any other material obligation of Seller hereunder, then the Buyer may give Notice to the Seller specifying the nature of the default. The Seller shall thereafter have five (5) business days from receipt of said Notice, but in no event beyond the Closing Date, within which to cure the alleged default. If the Seller fails to cure the default within the cure period, then the Buyer shall be entitled to the return of all Earnest Money and (a) to declare the Agreement null and void and sue for reasonable out-of-pocket expenses incurred in connection with this Agreement prior to the alleged default or (b) to sue for specific performance, the parties recognizing that the Property is unique and that the Buyer otherwise lacks an adequate remedy at law. In the latter event, the Buyer is advised that Section VIII of the Order Appointing Receiver entered in the SEC Action enjoins the filing or prosecution of all civil proceedings against the Receiver, in his capacity as Receiver, until further order of the court.
- 19. **Representations and Warranties**. As a material inducement to the Buyer to enter into this Agreement, the Seller hereby makes the following representations and warranties, each of which shall remain true and correct as of the Closing Date:
  - a. The Seller has the full right, power, and authority to convey the Property to the Buyer as provided in this Agreement and to carry out its obligations hereunder. In addition, the individual executing this Agreement on behalf of the Seller has the legal right, power, and authority to bind the Seller to the terms hereof.
  - b. The Seller will not take any action affecting title to the Property following the Acceptance Date.
  - c. To the best of the Seller's knowledge, there are no actions, investigations, suits, or proceedings, pending or threatened, that affect the Property, or the ownership or operation thereof, other than the SEC Action and the following:
    - City of Chicago v. SSDF7 Portfolio 1 LLC, Department Of Administrative Hearings, Docket 18-WM-000055.
  - d. To the best of the Seller's knowledge, the Property is not in violation, nor has been under investigation for violation, of any federal, state, or local law, ordinance, or regulation regulating environmental conditions in, at, on, under, or about the Property, including but not limited to, soil and groundwater conditions.
- 20. <u>Notices</u>. All notices required or permitted under this Agreement shall be in writing and served by registered or certified United States mail, return receipt requested; nationally recognized overnight mail courier (signature required); or electronic mail (evidenced by

competent and authentic proof of transmission). Any notices given to the Seller shall be delivered to the Seller's counsel, at the following physical or e-mail addresses:

Andrew E. Porter
Porter Law Office
853 North Elston Avenue
Chicago, Illinois 60614
andrew@andrewporterlaw.com

Michael Rachlis Rachlis Duff & Peel LLC 542 South Dearborn, Suite 900 Chicago, Illinois 60605 <u>mrachlis@rdaplaw.net</u>

Any such notices or demands given to the Buyer shall be delivered to the Buyer's counsel, at the following address physical or e-mail addresses:

John GONNElla
Attorney JTG 3/Ahoo.com

- 21. <u>Like-Kind Exchange</u>. The Seller agrees to cooperate if the Buyer elects to acquire the Property as part of a like-kind exchange under Section 1031 of the Internal Revenue Code. The Buyer's contemplated exchange shall not impose upon the Seller any additional liability or financial obligation, and the Buyer agrees to hold the Seller harmless from any liability that might arise from such exchange. This Agreement is neither subject to nor contingent upon the Buyer's ability to dispose of its exchange property or to effectuate an exchange. In the event any exchange contemplated by the Buyer should fail to occur, for whatever reason, the sale of the Property shall nonetheless be consummated as provided herein.
- 22. **Real Estate Agents**. Purchaser represents and warrants that, other than Seller's Agent and Buyer's Agent, if any, no other putative real estate agent or broker was involved in submitting, showing, marketing, or selling the Property to the Buyer, and the Buyer agrees to indemnify and hold Seller, and its successors and assigns, harmless from and against any and all liability, loss, damages, cost, or expense, including reasonable attorneys' fees, arising from or relating to any claim for a commission, fee, or other form of payment or compensation asserted by a putative real estate agent or broker purporting to have procured the Buyer in connection with this Agreement.

- 23. **Foreign Investor Disclosure**. The Seller and the Buyer agree to execute and deliver any instrument, affidavit, or statement, and to perform any act reasonably necessary to carry out the provisions of the Foreign Investment in Real Property Tax Act and regulations promulgated thereunder. The Seller represents that the Seller is not a foreign person as defined in Section 1445 of the Internal Revenue Code.
- 24. <u>Merger</u>. This Agreement expresses the entire agreement of the parties and supersedes any and all previous agreements or understandings between them with regard to the Property. There are no other understandings, oral or written, which in any way alter or enlarge the terms of this Agreement, and there are no warranties or representations of any nature whatsoever, either express or implied, except as set forth herein. This Agreement may be modified only by a written instrument signed by the party to be charged.
- 25. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

\* \* \*

The undersigned Buyer hereby offers and agrees to purchase the Property upon the terms and conditions stated herein as of the 3rd day of June, 2020. In addition, the individual signing below on behalf of the Buyer represents and warrants that s/he is authorized to execute this Agreement on behalf of the Buyer.

Buyer /	Seller
By: DAND ARRVILLA	KEVIN B. DUFF, FEDERAL EQUITY RECEIVER FOR SSDF7 PORTFOLIO 1 LLC
Its: MANAGER	Rachlis Duff & Peel LLC 542 South Dearborn Street, Suite 900 Chicago, Illinois 60605 (312) 733-3390
	K. BU
	Acceptance Date: 06/18/20
Buyer's Agent	Seller's Agent
	Jeffrey Baasch SVN Chicago Commercial 940 West Adams Street, Suite 200 Chicago, Illinois 60607 (312) 676-1866

#### **RIDER A**

If the Buyer desires that the terms and provisions of this Rider be incorporated into the Purchase And Sale Agreement to which it is annexed, please initial this paragraph.

\* \* \*

This Agreement is contingent upon the Buyer securing, no later than 21 days following the Acceptance Date (the "Financing Contingency Deadline"), a firm written mortgage commitment for a fixed or adjustable rate mortgage from an established multifamily residential mortgage lender in the amount of \$\_\_\_\_\_\_\_\_, at an interest rate (or initial interest rate if an adjustable rate mortgage) not to exceed %\_\_\_\_\_\_\_ per annum, amortized over \_\_\_\_\_\_ years, payable monthly, with a loan origination fee not to exceed %\_\_\_\_\_\_, plus appraisal and credit report fees, if any. If the Buyer is unable to secure a firm written mortgage commitment as described herein within the referenced time period, then the Buyer may terminate this Agreement with a full refund of Earnest Money by providing notice to the Seller prior to the expiration of the Financing Contingency Deadline. If the Buyer does not provide the requisite notice to the Seller as provided herein, then the Buyer shall be deemed to have waived this financing contingency, and this Agreement shall remain in full force and effect.

	<u>R</u>	RIDER B		
If the Buyer purports to hold Purchase And Sale Agreement to whi with the submission of a credit bid, p and supply any additional terms and Agreement, as requested herein. Any or conflicting terms and conditions so	ich this r lease ini conditio / such te et forth i	ider is a tial this ns to the rms and	nnexe paragi e Agre condi greeme	raph and provide the information ement, or modifications to the tions shall supersede any contrary
	*	*	*	
The Buyer consists of the following mand unreleased security interest in the			rtgage	es purporting to hold a perfected
	-			
	-			
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	-			

[Using additional sheets, please indicate, for each mortgagee identified above, the total unpaid balance due under the promissory note secured by the corresponding mortgage and itemize each component of the current alleged loan balance, including, but not limited to, principal, interest, default rate interest, late fees, service fees, liquidation fees, protective advances, and other charges.]

The Purchase Price shall be the amount of the credit bid submitted by the Buyer, and any requirement to make an earnest money deposit is deleted. Payment of the Purchase Price shall not be made through the escrow at closing.

In addition, the Buyer shall pay all closing costs approved by the Court, which may, subject to the Court's ruling, include, but not be limited to, owner's title insurance premiums, applicable transfer taxes, the survey invoice, property management fees accrued through the closing, due and unpaid real estate taxes, escrow fees, brokerage commissions, unpaid utilities, title commitment update fees, gap insurance premiums, State of Illinois policy fees, extended coverage premiums, the costs of closing protection coverage for the Seller, all other expenses required to be paid by the Seller at closing, all amounts advanced for the benefit of the Property which are required to be reimbursed and/or any amount required to discharge any Receiver's lien.

[Using additional sheets, set forth any other terms and conditions to be included in the Agreement, or any modifications to the Agreement, and to which your credit bid shall remain subject.]



# STRICT JOINT ORDER ESCROW AGREEMENT

Open Date:	Expected Release	e Date:		Escrow Number:	2985838
Property Addre	ess:7953-59 South Marquette Roa	d, Chicago, IL 60	617		_
Deposit Amour Document(s) H	nt: \$ <u>35, 100</u> Purpos leld	se: ሺ Earnest Mo		epairs: her:	
oursuant to this :	reby deposited with First American Title Insur Strict Joint Order Escrow Agreement (hereina only upon the joint written order of the unde	fter referred to as t	he Agreement)	Said deposit shall be re	eleased and delivered
or corporation, bor decrees entered indgment or decident of decide	by expressly authorized to disregard, in its so ut the Escrowee is hereby expressly authorize ed or issued by any court with or without juri- ree of any court it shall not be liable to any p withstanding any such order, judgment or dec ed, set aside or vacated. In case of any suit of me a party, it shall have a lien on the conten- nall be regularly retained or specially employed hereof, and it shall be entitled to reimburse its demand all such costs, fees and expenses so it reimbursement.	ed to regard and to sdiction, and in case arty hereto or any caree being entered wor proceeding regards hereof for any ared, and any other exself therefore out of	comply with are the Escrowee other person, fin without jurisdict ding the Agreer all costs, and expenses which is said deposit, as	nd obey any and all order obeys or complies with a mor corporation by reason or being subsequent to which the Escripterasonable attorneys' to the may have incurred or not the undersigned agr	ers, judgments any such order, ason of such tly reversed, owee is or may fees, whether become liable ree to pay the
	the above mentioned deposits be surrendered as aforesaid.	d except on an orde	r signed by the	parties hereto, their re-	spective legal
deposit all funds	or other benefits, if any, earned or derived fr received hereunder to one or more of its ger time, held by it pursuant to the terms of the	neral accounts. The			
Fee in the amour	tendered, the Escrowee is authorized to pay nt of \$200.00 (charged per annum beginning ne Escrowee also reserves the right to add ar	one year following	the date of the	Agreement) from the for	
Purchaser: Signed:	List All.	<b>Seller:</b> Signed:	Keyin R. Duff	Support Secretary Receiver	for
Print Name:	David Aravilla	Print Name:	SSDF7 Portfoli	o 1 LLC	101
Address:	3301 NE 15 AVE PH 15	Address:	542 South De	arborn, Suite 900	
	Miami, FL 33137		Chicago, IL 60	605	
Email:	ARQUILLA D GMAIL, COM	Email:	kduff@rdapla	w.net	
Primary Phone:	312-969-2100	Primary Phone:	(312) 733-339	0	
Alternate Phone:		Alternate Phone:		<u>-</u>	
Primary Contac	ct (if other than above):				
Accepted: First A	merican Title Insurance Company, Escrowee	Ву:			

### **Assignment And Assumption Of Leases**

-	ot and sufficiency of which are hereby acknowledged, Kevin
· · · · · · · · · · · · · · · · · · ·	eiver for SSDF7 Portfolio 1 LLC ("Seller"), pursuant to that ugust 17, 2018 (Dkt. 16), as supplemented by that certain
	the case captioned <i>United States Securities and Exchange</i>
	I States District Court for the Northern District of Illinois,
	7 ("Assignor"), hereby irrevocably grants, assigns, transfers,
•	
limited liability company all of Assignar's righ	("Assignee"), an nt, title, and interest in and to the leases (collectively, the
	with the Property commonly known as 7953-59 South
Marquette Road (also known as 2708-10 East 8	, ,
ivial quette hoad (also kilowil as 2708-10 East a	outi Street), Chicago, illinois odo17.
LOTS 29 AND 30 IN THE SUBDIVISION C	OF BLOCK 6 OF CIRCUIT COURT PARTITION OF THE
	ST QUARTER AND THE NORTHEAST QUARTER OF THE
	OWNSHIP 38 NORTH, RANGE 15 EAST OF THE THIRD
PRINCIPAL MERIDIAN IN COOK COUNTY, IL	•
TRINGITAL MEMBER IN IN COOK COOK 17, 12	ENOIS.
Assignee hereby assumes all of the obligations	imposed upon the Assignor under the Leases which accrue
from and after the date hereof. This Assignme	ent is made without any express or implied representation
or warranty, except to the extent provided in t	hat certain Purchase And Sale Agreement, accepted by the
Seller on, by ar	nd between Assignor and Assignee.
This Assignment shall be governed by and con-	strued in accordance with the laws of the State of Illinois.
This Assignment shall be governed by and con-	structure and the laws of the state of lillinois.
IN WITNESS WHEREOF, the parties have execu	ted this Assignment And Assumption Of Leases as of this
of, 2020.	
ASSIGNOR:	ASSIGNEE:
Kevin B. Duff, Federal Equity Receiver for	
SSDF7 Portfolio 1 LLC	
33DI / I OITIONO I LLC	
	Ву:
	Name:
	Title:

#### **PURCHASE & SALE AGREEMENT**

This Purchase & Sale Agreement ("Agreement") is made by and between Kevin B. Duff, court-appointed federal equity receiver for SSPH Portfolio 1 LLC ("Seller") pursuant to that certain Order Appointing Receiver entered August 17, 2018 (Dkt. 16), as supplemented by Order dated March 14, 2019 (Dkt. 290), in the case captioned *United States Securities and Exchange Commission v. EquityBuild, Inc., et al.*, United States District Court for the Northern District of Illinois, Eastern Division, Civil Action No. 1:18-cv-05587 (the "SEC Action"), and

## Leo Kremer or Nominee ("Buyer

for the purchase and sale of that certain real property and all fixtures, equipment, and personal property appurtenant thereto (the "Property") located at 5618-20 South Martin Luther King Drive, Chicago, Illinois 60637 and legally described as follows:

LOT 5 AND THE SOUTH 17 FEET OF LOT 4 IN BLOCK 1 IN BURNHAM'S RESUBDIVISION OF THE NORTH 4 ACRES OF LOT 1 IN NEWHALL, LARNED AND WOODBRIDGE'S RESUBDIVISION OF PART OF THE NORTHWEST QUARTER IN SECTION 15, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

Permanent Index No. 20-15-112-018-0000, 20-15-112-019-0000.

#### **TERMS AND CONDITIONS**

The Seller agrees to sell the Property, and the Buyer agrees to purchase the Property of the following terms and conditions:

Purchase Price. The purchase price for the Property shall be \$ 646,000 (t
 "Purchase Price"). The Buyer shall pay the Purchase Price as follows:





- An earnest money deposit (the "Earnest Money") in an amount equal to % of the Purchase Price within three (3) business days following the date of acceptance of the Agreement by the Seller (the "Acceptance Date").
- b. The balance of the Purchase Price, subject to any applicable credits and prorations, at Closing.

[Note: If the Buyer desires to enter into this Agreement subject to a financing contingency, then Rider A should be completed. Otherwise, Rider A should be left blank.]

[Note: If the Buyer purports to hold a mortgage interest in the Property and tenders this Agreement in connection with a credit bid, then Rider B should be completed. Otherwise, Rider B should be left blank.]

- 2. <u>Earnest Money</u>. The Earnest Money shall be held by First American Title Company ("First American Title") in a segregated escrow account. In connection with said Earnest Money deposit, the Buyer shall execute and deliver to the Seller a copy of that certain strict joint order escrow agreement in the form attached hereto as Exhibit A.
- 3. <u>Court Approval</u>. As soon as practicable in consideration of the Seller's need to manage the sales of a tranche of properties, await the expiration of the respective due diligence periods, and avoid placing undue burden on the court in the SEC Action, the Seller shall move before the Honorable John Z. Lee or any judge sitting in his stead or to whom he has made a referral in the SEC Action (the "Receivership Court") for approval of the sale of the Property pursuant to this Agreement. In the event that the Receivership Court does not confirm the sale of the Property pursuant to this Agreement, then the Agreement shall become null and void and all Earnest Money shall be promptly refunded to the Buyer.
- 4. Escrow Closing. This sale shall be closed through an escrow with First American Title in accordance with the general provisions of the usual form of deed and money escrow agreement then furnished and in use by said title company. Payment of the Purchase Price and delivery of the receiver's deed shall be made through the escrow. The cost of the escrow shall be divided equally between the Buyer and the Seller unless the Buyer acquires the Property with financing, in which event that portion of the cost of the escrow relating to the financing shall be borne by the Buyer. Unless otherwise specified herein, all other closing costs shall be paid in accordance with custom for apartment investment sales transactions in Cook County, Illinois.
- 5. <u>Irrevocable Offer</u>. This Agreement when executed by the Buyer and delivered to the Seller shall constitute an irrevocable offer to purchase the Property until June 17, 2020 (the "Offer Expiration Date"). In the event that the offer is not accepted by the Seller before the Offer Expiration Date, then the offer may be withdrawn upon the delivery of notice to the Seller in accordance with Paragraph 20.
- 6. Personal Property. At Closing, the Seller shall tender to the Buyer a bill of sale for the personal property appurtenant to the Property (the "Personal Property") warranting only that the Seller is the absolute owner of said Personalty, that said Personalty is free and clear of all liens, charges, and encumbrances, and that the Seller has the full right, power, and authority to sell said Personalty and to deliver the bill of sale. The Seller shall neither make nor adopt any warranty whatsoever with respect to the Personal Property and shall specifically disclaim any implied warranty of merchantability or fitness for a particular purpose. The price of the Personal Property shall be included in the Purchase Price, and the Buyer agrees to accept all such Personal Property in "as is" condition.
- 7. The Closing Date. The closing shall be held on a date (the "Closing Date") to be designated by the Seller after the Receivership Court approves the sale of the Property pursuant to this Agreement, provided, however, that the Buyer shall be entitled to five business days' advance Notice of the Closing Date.

- 8. <u>Conveyance of Title</u>. At Closing, the Seller shall convey title to the Property by a recordable form receiver's deed subject to (a) general real estate taxes not yet due and payable at the time of Closing; (b) covenants, conditions, restrictions, or building lines and easements of record, if any; (c) public and utility easements; (d) applicable zoning and building laws and ordinances; (f) acts done by or suffered through Buyer or anyone claiming by, through, or under Buyer; (g) governmental actions or proceedings concerning or affecting the Property; and (h) encroachments of a minor nature, if any, that can be insured over at closing (the "Permitted Exceptions"). The Seller agrees to surrender possession of the Property at the time of Closing.
- Commitment For Title Insurance. Within ten (10) business days after the Acceptance 9. Date, the Seller shall deliver to the Buyer evidence of merchantable title by delivering a commitment for title insurance with extended coverage from First American Title in the amount of the Purchase Price with a commitment date not earlier than March 1, 2020, subject only to general exceptions, the Permitted Exceptions, and exceptions pertaining to liens or encumbrances of a definite and ascertainable amount which may be removed by the payment of money by Seller, endorsed over by First American Title at the Seller's sole expense, or which will be extinguished by order of the Receivership Court. Such title commitment shall be conclusive evidence of good and merchantable title, subject only to the foregoing exceptions. If the commitment for title insurance discloses title exceptions other than the general exceptions, Permitted Exceptions, exceptions waivable through the payment of money or the issuance of an endorsement, or exceptions capable of being extinguished by Receivership Court order, the Seller shall have thirty (30) calendar days from the Closing Date to cure, or insure over, the unpermitted exceptions and the Closing shall be postponed until said unpermitted exceptions are cured or insured over. If the Seller fails to timely secure the removal of the unpermitted exceptions or obtain an endorsement insuring over the unpermitted exceptions, the Purchaser may terminate this Contract with a full refund of Earnest Money upon Notice to the Seller within ten (10) business days after the expiration of the thirty (30) day period. In such event, this Agreement shall become null and void and neither party shall thereafter have any rights against the other, and the Seller may not be held liable for direct, indirect, incidental, or consequential damages.
- 10. <u>Survey</u>. At least five (5) business days prior to the Closing Date, the Seller shall provide the Buyer with a survey by Professionals Associated Survey, Inc., a licensed land surveyor, dated December 29, 2019. If the Buyer or the Buyer's mortgagee desires an updated or more extensive survey, the survey shall be obtained at the Buyer's expense.
- 11. <u>Assignment And Assumption Of Leases</u>. At Closing, the Seller shall deliver to the Buyer, and the Seller and Buyer shall execute, an assignment and assumption of leases (in the form attached hereto as Exhibit B) pursuant to which the Seller shall convey all right, title, and interest in and to any leases in effect at the Property to the Buyer, and the Buyer shall agree to assume all of the Seller's obligations under said leases.
- 12. <u>Prorations</u>. Prepaid service contracts and other similar items shall be credited ratably at Closing. Any and all rents collected until the date of the Closing shall be applied by the Seller

first to past due balances and then to currently scheduled monthly rent. Any rents collected by the Buyer after Closing shall be applied first to corresponding pre-Closing arrearages and remitted to the Seller within ten business days. Scheduled monthly rent shall be prorated for the month of Closing. To the extent that any tenant at the Property has paid less than the entirety of its scheduled rent for the month of Closing, then any rent received for said month shall not be prorated but instead paid first to the Seller in respect of each day in the month through and including the date of Closing, with any balance thereafter paid to the Buyer. In addition, real estate taxes associated with the ownership of the Property shall be prorated as of the Closing based on 105% of the most recently ascertainable tax bill.

- 13. <u>Inspection Period</u>. The Buyer acknowledges that it was afforded the opportunity to conduct a limited tour of the Property prior to submitting its offer. Within three (3) calendar days following the Acceptance Date, the Seller shall produce the following documents to the Buyer (the "Due Diligence Materials"):
  - a. <u>Current Rent Roll</u>. A current rent roll for the Property generated by the management company.
  - b. <u>Utility Bills</u>. Copies of all utility bills relating to the Property, to the extent available, for the twelve calendar months preceding the month of the Acceptance Date.
  - c. <u>Leases</u>. Copies of all existing leases affecting the Property.
  - d. <u>Profit & Loss Statement</u>. A current trailing twelve-month profit and loss statement reflecting all categories of operating income and expenses associated with the Property, as generated by the management company.
  - <u>Litigation Documents</u>. Copies of documents, including notices of violation, orders, judgments, and other pleadings, pertaining to any known litigation or proceedings currently affecting the Property.







- 14. Entry Into Or Renewal Of Contracts & Material Changes. Following the expiration of the Inspection Period, the Seller shall not without the prior written consent of the Buyer, said consent not to be unreasonably withheld, conditioned, or delayed, enter into or renew any service contract or lease affecting or concerning the Property. In addition, the Seller shall not make any material changes to the Property, perform or engage in any act, or enter into any agreement that materially changes the value of the Property or the rights of the Buyer relating to the Property.
- 15. Material Destruction. Risk of loss to the Property shall be borne by the Seller until title has been conveyed to Buyer. If, prior to Closing, a material portion of the Property shall be destroyed or materially damaged by fire or other casualty, then the Seller shall provide prompt notice of said fire or other casualty to the Buyer and this Agreement shall thereafter, at the option of the Buyer, exercised by Notice to the Seller within five (5) business days after receipt of notice of such material damage, be null and void, and all Earnest Money shall be refunded to the Buyer. Failure of the Buyer to provide timely notice shall constitute a waiver of the right to terminate.
- 16. Condition Of Property. The Buyer understands and agrees that the Property is being sold "as is" and "with all faults" and that neither the Seller nor any agent or attorney of the Seller, makes, or has made, any representation or warranty as to the physical condition or value of the Property or its suitability for the Buyer's intended use. The Seller has no obligation to repair or correct any alleged patent or latent defect at the Property, or to compensate the Buyer for any such defect, and, upon closing, the Buyer waives, releases, acquits, and forever discharges the Seller, and all of the Seller's agents and attorneys, to the maximum extent permitted by law, from any and all claims, actions, causes or action, demands, rights, liabilities, losses, damages, costs, or expenses, direct or indirect, known or unknown, foreseen or unforeseen, that it now has or which may arise in the future on account of or in any way arising from or relating to any alleged patent or latent defect at the Property.
- 17. <u>Buyer Default</u>. The Buyer and Seller agree that it would be difficult to ascertain the actual damages to be suffered by the Seller in the event of a default by the Buyer and that the amount of the Earnest Money deposited by the Buyer hereunder constitutes the parties' reasonable estimate of the Seller's damages in the event of the Buyer's default, and that upon any such default not caused by the Seller, the Seller shall be entitled to retain the Earnest

Money as liquidated damages, which shall constitute the Seller's sole and exclusive remedy in law or at equity in connection with said default.

- 18. Seller Default. In the event that the Seller shall fail to sell, transfer, and assign the Property to Purchaser in violation of the terms of this Agreement and/or fail to perform any other material obligation of Seller hereunder, then the Buyer may give Notice to the Seller specifying the nature of the default. The Seller shall thereafter have five (5) business days from receipt of said Notice, but in no event beyond the Closing Date, within which to cure the alleged default. If the Seller fails to cure the default within the cure period, then the Buyer shall be entitled to the return of all Earnest Money and (a) to declare the Agreement null and void and sue for reasonable out-of-pocket expenses incurred in connection with this Agreement prior to the alleged default or (b) to sue for specific performance, the parties recognizing that the Property is unique and that the Buyer otherwise lacks an adequate remedy at law. In the latter event, the Buyer is advised that Section VIII of the Order Appointing Receiver entered in the SEC Action enjoins the filing or prosecution of all civil proceedings against the Receiver, in his capacity as Receiver, until further order of the court.
- 19. Representations and Warranties. As a material inducement to the Buyer to enter into this Agreement, the Seller hereby makes the following representations and warranties, each of which shall remain true and correct as of the Closing Date:
  - a. The Seller has the full right, power, and authority to convey the Property to the Buyer as provided in this Agreement and to carry out its obligations hereunder. In addition, the individual executing this Agreement on behalf of the Seller has the legal right, power, and authority to bind the Seller to the terms hereof.
  - The Seller will not take any action affecting title to the Property following the Acceptance Date.
  - c. To the best of the Seller's knowledge, there are no actions, investigations, suits, or proceedings, pending or threatened, that affect the Property, or the ownership or operation thereof, other than the SEC Action and the following:
    - City of Chicago Department of Buildings v. SSPH Portfolio 1 LLC, Docket No. 520SO617670.
  - d. To the best of the Seller's knowledge, the Property is not in violation, nor has been under investigation for violation, of any federal, state, or local law, ordinance, or regulation regulating environmental conditions in, at, on, under, or about the Property, including but not limited to, soil and groundwater conditions.
- 20. <u>Notices</u>. All notices required or permitted under this Agreement shall be in writing and served by registered or certified United States mail, return receipt requested; nationally recognized overnight mail courier (signature required); or electronic mail (evidenced by

competent and authentic proof of transmission). Any notices given to the Seller shall be delivered to the Seller's counsel, at the following physical or e-mail addresses:

Andrew E. Porter
Porter Law Office
853 North Elston Avenue
Chicago, Illinois 60614
andrew@andrewporterlaw.com

Michael Rachlis Rachlis Duff & Peel LLC 542 South Dearborn, Suite 900 Chicago, Illinois 60605 mrachlis@rdaplaw.net

Any such notices or demands given to the Buyer shall be delivered to the Buyer's counsel, at the following address physical or e-mail addresses:

Grahame Conaster

Zabel Law, Lic

B12) 201-1434

graham o Zabellow.com

- 21. <u>Like-Kind Exchange</u>. The Seller agrees to cooperate if the Buyer elects to acquire the Property as part of a like-kind exchange under Section 1031 of the Internal Revenue Code. The Buyer's contemplated exchange shall not impose upon the Seller any additional liability or financial obligation, and the Buyer agrees to hold the Seller harmless from any liability that might arise from such exchange. This Agreement is neither subject to nor contingent upon the Buyer's ability to dispose of its exchange property or to effectuate an exchange. In the event any exchange contemplated by the Buyer should fail to occur, for whatever reason, the sale of the Property shall nonetheless be consummated as provided herein.
- 22. Real Estate Agents. Purchaser represents and warrants that, other than Seller's Agent and Buyer's Agent, if any, no other putative real estate agent or broker was involved in submitting, showing, marketing, or selling the Property to the Buyer, and the Buyer agrees to indemnify and hold Seller, and its successors and assigns, harmless from and against any and all liability, loss, damages, cost, or expense, including reasonable attorneys' fees, arising from or relating to any claim for a commission, fee, or other form of payment or compensation asserted by a putative real estate agent or broker purporting to have procured the Buyer in connection with this Agreement.

- 23. <u>Foreign Investor Disclosure</u>. The Seller and the Buyer agree to execute and deliver any instrument, affidavit, or statement, and to perform any act reasonably necessary to carry out the provisions of the Foreign Investment in Real Property Tax Act and regulations promulgated thereunder. The Seller represents that the Seller is not a foreign person as defined in Section 1445 of the Internal Revenue Code.
- Merger. This Agreement expresses the entire agreement of the parties and supersedes any and all previous agreements or understandings between them with regard to the Property. There are no other understandings, oral or written, which in any way alter or enlarge the terms of this Agreement, and there are no warranties or representations of any nature whatsoever, either express or implied, except as set forth herein. This Agreement may be modified only by a written instrument signed by the party to be charged.
- 25. <u>Governing Law.</u> This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

\* \* \*

The undersigned Buyer hereby offers and agrees to purchase the Property upon the terms and conditions stated herein as of the 3rd day of June, 2020. In addition, the individual signing below on behalf of the Buyer represents and warrants that s/he is authorized to execute this Agreement on behalf of the Buyer.

Buyer Docusigned by:

Lo Ertmer

50A4F4EB5A3E473...

Leo Kremer or Nominee

By:

Manager

Its:

Seller

KEVIN B. DUFF, FEDERAL EQUITY RECEIVER FOR SSPH Portfolio 1 LLC

Rachlis Duff & Peel LLC 542 South Dearborn Street, Suite 900 Chicago, Illinois 60605 (312) 733-3390

Acceptance Date: 06/29/20

Seller's Agent

Jeffrey Baasch SVN Chicago Commercial 940 West Adams Street, Suite 200 Chicago, Illinois 60607 (312) 676-1866

Edward Bluemel

Atlas Asset Management

1347 W Washington + 113

(630) 709-3581

### RIDER A

If the Buyer desires that the terms and provisions of this Rider be incorporated into the Purchase And Sale Agreement to which it is annexed, please initial this paragraph.
* * *
This Agreement is contingent upon the Buyer securing, no later than 21 days following the
Acceptance Date (the "Financing Contingency Deadline"), a firm written mortgage commitment
for a fixed or adjustable rate mortgage from an established multifamily residential mortgage
lender in the amount of \$, at an interest rate (or initial interest rate if an adjustable
rate mortgage) not to exceed %per annum, amortized over years, payable monthly,
with a loan origination fee not to exceed %, plus appraisal and credit report fees, if any. If
the Buyer is unable to secure a firm written mortgage commitment as described herein within
the referenced time period, then the Buyer may terminate this Agreement with a full refund of
Earnest Money by providing notice to the Seller prior to the expiration of the Financing
Contingency Deadline. If the Buyer does not provide the requisite notice to the Seller as
provided herein, then the Buyer shall be deemed to have waived this financing contingency,

and this Agreement shall remain in full force and effect.

### RIDER B

If the Buyer purports to hold a	mortg	age int	erest i	n the Property and tenders the
Purchase And Sale Agreement to which with the submission of a credit bid, ple and supply any additional terms and conficting terms and conflicting terms and conditions set	ase ini onditio such te	itial thi ins to t irms ar	s parag he Agr nd cond	eement, or modifications to the ditions shall supersede any contrary
	*	*	*	
The Buyer consists of the following mo and unreleased security interest in the	ortgage Prope	ee or merty:	ortgag	gees purporting to hold a perfected
				-
				agee identified above, the total unpai

[Using additional sheets, please indicate, for each mortgagee identified above, the total unpaid balance due under the promissory note secured by the corresponding mortgage and itemize each component of the current alleged loan balance, including, but not limited to, principal, interest, default rate interest, late fees, service fees, liquidation fees, protective advances, and other charges.]

The Purchase Price shall be the amount of the credit bid submitted by the Buyer, and any requirement to make an earnest money deposit is deleted. Payment of the Purchase Price shall not be made through the escrow at closing.

In addition, the Buyer shall pay all closing costs approved by the Court, which may, subject to the Court's ruling, include, but not be limited to, owner's title insurance premiums, applicable transfer taxes, the survey invoice, property management fees accrued through the closing, due and unpaid real estate taxes, escrow fees, brokerage commissions, unpaid utilities, title commitment update fees, gap insurance premiums, State of Illinois policy fees, extended coverage premiums, the costs of closing protection coverage for the Seller, all other expenses required to be paid by the Seller at closing, all amounts advanced for the benefit of the Property which are required to be reimbursed and/or any amount required to discharge any Receiver's lien.

[Using additional sheets, set forth any other terms and conditions to be included in the Agreement, or any modifications to the Agreement, and to which your credit bid shall remain subject.]

**EXHIBIT A** 



### STRICT JOINT ORDER ESCROW AGREEMENT

					Escrow Number:	
erty Address:	5618-20 Sout	h Martin Luther Dri	ve, Chicago, IL	60637		_
sit Amount: \$ ment(s) Held	64,600		▼ Earnest Mor     ▼ Tax Escrow	ney D	Repairs: Other:	
Lake to the Church	Taint Order Eccross	Agreement (hereinatte	r referred to as u	E AUI CEIII	hereinafter referred to as t ent). Said deposit shall be al representatives or assign	I michana a
rporation, but the crees entered or ment or decree of oliance, notwithst ified, annulled, set attorneys shall but account there owee upon dema low for such reim of case shall the account the account account the count of the co	e Escrowee is herely issued by any court it shall a tanding any such or et aside or vacated. A party, it shall have be regularly retainer of, and it shall be er and all such costs, for above mentioned designs, or order of cotther benefits, if any tanded the signs, or order of cotther benefits, if any tanded to signs,	by expressly authorized of the with or without jurisd not be liable to any particle, judgment or decre. In case of any suit or a lien on the contents dor specially employed, without the contents of the cont	to regard and to receive the receive or any of the being entered we proceeding regard hereof for any and any other exist therefore out of curred, to the extended on an order	the Escrother person ithout juriding the Agd all costs penses which is aid depond the furnished by the furnishment of the furni	tes or warnings given by all th and obey any and all or lowee obeys or complies with an, firm or corporation by nisdiction or being subseque greement, to which the Esc, and reasonable attorneys hich it may have incurred coisit, and the undersigned ands deposited hereunder should be a parties hereto, their and the parties hereto, their and the Escrowee. The long to the Escrowee.	th any such order, eason of such ently reversed, crowee is or may if fees, whether or become liable gree to pay the hall be insufficient respective legal
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posit all funds receifunds, at any times otherwise tensing the amount of his escrow. The Echaser: The chaser: The	dered, the Escrower \$200.00 (charged scrowee also resended by:  LUC FUMENT Leo Kremer  2 Bridge Rd erkeley, CA 9  @founders-tab  (510) 290-5203  203) 644-0999	e is authorized to pay a per annum beginning over the right to add apports the right to add appo	ral accounts. The Agreement, in Escrow Fee in the year following illicable administral Seller: Signed: Print Name: Address: Email: Primary Phone: Alternate Phone:	Kevin B. I SSPH Poi 542 Sou Chicago kduff@i	t of \$300.00, and thereafted the Agreement) from the strike discretion.  Ouff, Federal Equity Receivertfolio 1 LLC th Dearborn, Suite 900 , IL 60605 rdaplaw.net	er a Maintenance e funds deposited

27775 Diehl Road, Ste 200, Warrenville, IL 60555 TEL 877-295-4328 • FAX 866-525-5530 titleindemnity.warrenville.il@firstam.com

**EXHIBIT B** 

## Assignment And Assumption Of Leases

B. Duff, as court-appointed federal equity recertain Order Appointing Receiver entered Appointing Receiver entered April 2019 (Dkt. 290), in Commission v. EquityBuild, Inc., et al., United Eastern Division, Civil Action No. 1:18-cv-055 conveys, and sets over to	ceiver for SSPH Portfolio 1 LLC ("Seller"), pursuant to that August 17, 2018 (Dkt. 16), as supplemented by that certain the case captioned <i>United States Securities and Exchange</i> ed States District Court for the Northern District of Illinois, 87 ("Assignor"), hereby irrevocably grants, assigns, transfers, ("Assignee"), an
Luther King Drive, Chicago, Illinois 60637.	
NORTH 4 ACRES OF LOT 1 IN NEWHALL,	4 IN BLOCK 1 IN BURNHAM'S RESUBDIVISION OF THE LARNED AND WOODBRIDGE'S RESUBDIVISION OF PART ON 15, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE DUNTY, ILLINOIS
from and after the date hereof. This Assignr	ns imposed upon the Assignor under the Leases which accrue ment is made without any express or implied representation In that certain Purchase And Sale Agreement, accepted by the and between Assignor and Assignee.
This Assignment shall be governed by and co	onstrued in accordance with the laws of the State of Illinois.
IN WITNESS WHEREOF, the parties have exe	cuted this Assignment And Assumption Of Leases as of this
ASSIGNOR:	ASSIGNEE:
Kevin B. Duff, Federal Equity Receiver for SSPH Portfolio 1 LLC	
	By:
	Name:
	Title:

### **PURCHASE & SALE AGREEMENT**

This Purchase & Sale Agreement ("Agreement") is made by and between the court-appointed federal equity receiver for SSPH Portfolio 1 LLC ("Seller") pursuant to that certain Order Appointing Receiver entered August 17, 2018 (Dkt. 16), as supplemented by Order dated March 14, 2019 (Dkt. 290), in the case captioned *United States Securities and Exchange Commission v. EquityBuild, Inc., et al.*, United States District Court for the Northern District of Illinois, Eastern Division, Civil Action No. 1:18-cv-05587 (the "SEC Action"), and

for the purchase and sale of that certain real property and all fixtures, equipment, and personal property appurtenant thereto (the "Property") located at 6558 S Vernon Avenue (also known as 416-24 East 66th Street), Chicago, Illinois 60637 and legally described as follows:

LOTS 3 AND 4 IN RUBY A. S. NICKELSON'S RESUBDIVISION OF LOTS 21 TO 25, IN BLOCK 1 IN OAKWOOD SUBDIVISION OF THE NORTH HALF OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 22, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Permanent Index No. 20-22-216-038-0000, 20-22-216-039-0000.

### **TERMS AND CONDITIONS**

The Seller agrees to sell the Property, and the Buyer agrees to purchase the Property, on the following terms and conditions:

1. <u>Purchase Price</u>. The purchase price for the Property shall be \$ 576,000 (the "Purchase Price"). The Buyer shall pay the Purchase Price as follows:



a. An earnest money deposit (the "Earnest Money") in an amount equal to /o ' % of the Purchase Price within three (3) business days following the date of acceptance of the Agreement by the Seller (the "Acceptance Date").



b. The balance of the Purchase Price, subject to any applicable credits and prorations, at Closing.

[Note: If the Buyer desires to enter into this Agreement subject to a financing contingency, then Rider A should be completed. Otherwise, Rider A should be left blank.]

[Note: If the Buyer purports to hold a mortgage interest in the Property and tenders this Agreement in connection with a credit bid, then Rider B should be completed. Otherwise, Rider B should be left blank.]

- Earnest Money. The Earnest Money shall be held by First American Title Company ("First American Title") in a segregated escrow account. In connection with said Earnest Money deposit, the Buyer shall execute and deliver to the Seller a copy of that certain strict joint order escrow agreement in the form attached hereto as Exhibit A.
- 3. <u>Court Approval</u>. As soon as practicable in consideration of the Seller's need to manage the sales of a tranche of properties, await the expiration of the respective due diligence periods, and avoid placing undue burden on the court in the SEC Action, the Seller shall move before the Honorable John Z. Lee or any judge sitting in his stead or to whom he has made a referral in the SEC Action (the "Receivership Court") for approval of the sale of the Property pursuant to this Agreement. In the event that the Receivership Court does not confirm the sale of the Property pursuant to this Agreement, then the Agreement shall become null and void and all Earnest Money shall be promptly refunded to the Buyer.
- 4. **Escrow Closing**. This sale shall be closed through an escrow with First American Title in accordance with the general provisions of the usual form of deed and money escrow agreement then furnished and in use by said title company. Payment of the Purchase Price and delivery of the receiver's deed shall be made through the escrow. The cost of the escrow shall be divided equally between the Buyer and the Seller unless the Buyer acquires the Property with financing, in which event that portion of the cost of the escrow relating to the financing shall be borne by the Buyer. Unless otherwise specified herein, all other closing costs shall be paid in accordance with custom for apartment investment sales transactions in Cook County, Illinois.
- 5. <u>Irrevocable Offer</u>. This Agreement when executed by the Buyer and delivered to the Seller shall constitute an irrevocable offer to purchase the Property until June 17, 2020 (the "Offer Expiration Date"). In the event that the offer is not accepted by the Seller before the Offer Expiration Date, then the offer may be withdrawn upon the delivery of notice to the Seller in accordance with Paragraph 20.
- 6. Personal Property. At Closing, the Seller shall tender to the Buyer a bill of sale for the personal property appurtenant to the Property (the "Personal Property") warranting only that the Seller is the absolute owner of said Personalty, that said Personalty is free and clear of all liens, charges, and encumbrances, and that the Seller has the full right, power, and authority to sell said Personalty and to deliver the bill of sale. The Seller shall neither make nor adopt any warranty whatsoever with respect to the Personal Property and shall specifically disclaim any implied warranty of merchantability or fitness for a particular purpose. The price of the Personal Property shall be included in the Purchase Price, and the Buyer agrees to accept all such Personal Property in "as is" condition.
- 7. The Closing Date. The closing shall be held on a date (the "Closing Date") to be designated by the Seller after the Receivership Court approves the sale of the Property pursuant to this Agreement, provided, however, that the Buyer shall be entitled to five business days' advance Notice of the Closing Date.

- 8. <u>Conveyance of Title</u>. At Closing, the Seller shall convey title to the Property by a recordable form receiver's deed subject to (a) general real estate taxes not yet due and payable at the time of Closing; (b) covenants, conditions, restrictions, or building lines and easements of record, if any; (c) public and utility easements; (d) applicable zoning and building laws and ordinances; (f) acts done by or suffered through Buyer or anyone claiming by, through, or under Buyer; (g) governmental actions or proceedings concerning or affecting the Property; and (h) encroachments of a minor nature, if any, that can be insured over at closing (the "Permitted Exceptions"). The Seller agrees to surrender possession of the Property at the time of Closing.
- 9. Commitment For Title Insurance. Within ten (10) business days after the Acceptance Date, the Seller shall deliver to the Buyer evidence of merchantable title by delivering a commitment for title insurance with extended coverage from First American Title in the amount of the Purchase Price with a commitment date not earlier than March 1, 2020, subject only to general exceptions, the Permitted Exceptions, and exceptions pertaining to liens or encumbrances of a definite and ascertainable amount which may be removed by the payment of money by Seller, endorsed over by First American Title at the Seller's sole expense, or which will be extinguished by order of the Receivership Court. Such title commitment shall be conclusive evidence of good and merchantable title, subject only to the foregoing exceptions. If the commitment for title insurance discloses title exceptions other than the general exceptions, Permitted Exceptions, exceptions waivable through the payment of money or the issuance of an endorsement, or exceptions capable of being extinguished by Receivership Court order, the Seller shall have thirty (30) calendar days from the Closing Date to cure, or insure over, the unpermitted exceptions and the Closing shall be postponed until said unpermitted exceptions are cured or insured over. If the Seller fails to timely secure the removal of the unpermitted exceptions or obtain an endorsement insuring over the unpermitted exceptions, the Purchaser may terminate this Contract with a full refund of Earnest Money upon Notice to the Seller within ten (10) business days after the expiration of the thirty (30) day period. In such event, this Agreement shall become null and void and neither party shall thereafter have any rights against the other, and the Seller may not be held liable for direct, indirect, incidental, or consequential damages.
- 10. <u>Survey</u>. At least five (5) business days prior to the Closing Date, the Seller shall provide the Buyer with a survey by Professionals Associated Survey, Inc., a licensed land surveyor, dated September 11, 2019. If the Buyer or the Buyer's mortgagee desires an updated or more extensive survey, the survey shall be obtained at the Buyer's expense.
- 11. <u>Assignment And Assumption Of Leases</u>. At Closing, the Seller shall deliver to the Buyer, and the Seller and Buyer shall execute, an assignment and assumption of leases (in the form attached hereto as Exhibit B) pursuant to which the Seller shall convey all right, title, and interest in and to any leases in effect at the Property to the Buyer, and the Buyer shall agree to assume all of the Seller's obligations under said leases.
- 12. <u>Prorations</u>. Prepaid service contracts and other similar items shall be credited ratably at Closing. Any and all rents collected until the date of the Closing shall be applied by the Seller

first to past due balances and then to currently scheduled monthly rent. Any rents collected by the Buyer after Closing shall be applied first to corresponding pre-Closing arrearages and remitted to the Seller within ten business days. Scheduled monthly rent shall be prorated for the month of Closing. To the extent that any tenant at the Property has paid less than the entirety of its scheduled rent for the month of Closing, then any rent received for said month shall not be prorated but instead paid first to the Seller in respect of each day in the month through and including the date of Closing, with any balance thereafter paid to the Buyer. In addition, real estate taxes associated with the ownership of the Property shall be prorated as of the Closing based on 105% of the most recently ascertainable tax bill.

- 13. <u>Inspection Period.</u> The Buyer acknowledges that it was afforded the opportunity to conduct a limited tour of the Property prior to submitting its offer. Within three (3) calendar days following the Acceptance Date, the Seller shall produce the following documents to the Buyer (the "Due Diligence Materials"):
  - <u>Current Rent Roll.</u> A current rent roll for the Property generated by the management company.
  - <u>Utility Bills.</u> Copies of all utility bills relating to the Property, to the extent available, for the twelve calendar months preceding the month of the Acceptance Date.
  - Leases. Copies of all existing leases affecting the Property.
  - d. <u>Profit & Loss Statement.</u> A current trailing twelve-month profit and loss statement reflecting all categories of operating income and expenses associated with the Property, as generated by the management company.
  - <u>Litigation Documents</u>. Copies of documents, including notices of violation, orders, judgments, and other pleadings, pertaining to any known litigation or proceedings currently affecting the Property.

In addition, the Seller shall allow the Buyer reasonable access to the Property for twenty days from and after the Acceptance Date (the "Inspection Period") for the purpose of conducting an inspection of the major structural and mechanical components of the Property. A major structural or mechanical component shall be deemed to be in acceptable operating condition if it substantially performs the function for which it is intended, regardless of age, and does not pose a threat to health or safety. In the event that the Buyer possesses sound evidence that any major structural or mechanical component of the Property does not substantially perform the function for which it is intended, then the Buyer shall have the right to terminate this Agreement upon the delivery of Notice to the Seller on or before the conclusion of the Inspection Period, such police to be accompanied by the relevant pages of an inspection report prepared by a licensed or certified inspector and identifying the defect justifying the termination. Upon receipt by the Seller of the notice of termination, this Agreement shall be considered null and void and the parties shall be discharged of any and all obligations

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KBD KBD

hereunder (except those obligations which survive termination) and First American Fittle shall release the Earnest Money to the Buyer. In the event that the Buyer does not terminate the Agreement on or prior to the conclusion of the Inspection Period, the Property shall be considered accepted by the Buyer and the Farnest Money shall thereafter be non-refundable. In connection with its inspection of the Property, the Buyer shall keep the Property free and clear of liens, shall indemnify and hold Seller harmless from any and all liability, loss, cost, damage, or expense relating to its inspection of the Property, and shall repair any and all damage arising from the inspection. These obligations shall survive termination of the Agreement.

- 14. Entry Into Or Renewal Of Contracts & Material Changes. Following the expiration of the Inspection Period, the Seller shall not without the prior written consent of the Buyer, said consent not to be unreasonably withheld, conditioned, or delayed, enter into or renew any service contract or lease affecting or concerning the Property. In addition, the Seller shall not make any material changes to the Property, perform or engage in any act, or enter into any agreement that materially changes the value of the Property or the rights of the Buyer relating to the Property.
- 15. <u>Material Destruction</u>. Risk of loss to the Property shall be borne by the Seller until title has been conveyed to Buyer. If, prior to Closing, a material portion of the Property shall be destroyed or materially damaged by fire or other casualty, then the Seller shall provide prompt notice of said fire or other casualty to the Buyer and this Agreement shall thereafter, at the option of the Buyer, exercised by Notice to the Seller within five (5) business days after receipt of notice of such material damage, be null and void, and all Earnest Money shall be refunded to the Buyer. Failure of the Buyer to provide timely notice shall constitute a waiver of the right to terminate.
- 16. Condition Of Property. The Buyer understands and agrees that the Property is being sold "as is" and "with all faults" and that neither the Seller nor any agent or attorney of the Seller, makes, or has made, any representation or warranty as to the physical condition or value of the Property or its suitability for the Buyer's intended use. The Seller has no obligation to repair or correct any alleged patent or latent defect at the Property, or to compensate the Buyer for any such defect, and, upon closing, the Buyer waives, releases, acquits, and forever discharges the Seller, and all of the Seller's agents and attorneys, to the maximum extent permitted by law, from any and all claims, actions, causes or action, demands, rights, liabilities, losses, damages, costs, or expenses, direct or indirect, known or unknown, foreseen or unforeseen, that it now has or which may arise in the future on account of or in any way arising from or relating to any alleged patent or latent defect at the Property.
- 17. <u>Buyer Default</u>. The Buyer and Seller agree that it would be difficult to ascertain the actual damages to be suffered by the Seller in the event of a default by the Buyer and that the amount of the Earnest Money deposited by the Buyer hereunder constitutes the parties' reasonable estimate of the Seller's damages in the event of the Buyer's default, and that upon any such default not caused by the Seller, the Seller shall be entitled to retain the Earnest

Money as liquidated damages, which shall constitute the Seller's sole and exclusive remedy in law or at equity in connection with said default.

- 18. Seller Default. In the event that the Seller shall fail to sell, transfer, and assign the Property to Purchaser in violation of the terms of this Agreement and/or fail to perform any other material obligation of Seller hereunder, then the Buyer may give Notice to the Seller specifying the nature of the default. The Seller shall thereafter have five (5) business days from receipt of said Notice, but in no event beyond the Closing Date, within which to cure the alleged default. If the Seller fails to cure the default within the cure period, then the Buyer shall be entitled to the return of all Earnest Money and (a) to declare the Agreement null and void and sue for reasonable out-of-pocket expenses incurred in connection with this Agreement prior to the alleged default or (b) to sue for specific performance, the parties recognizing that the Property is unique and that the Buyer otherwise lacks an adequate remedy at law. In the latter event, the Buyer is advised that Section VIII of the Order Appointing Receiver entered in the SEC Action enjoins the filing or prosecution of all civil proceedings against the Receiver, in his capacity as Receiver, until further order of the court.
- 19. <u>Representations and Warranties</u>. As a material inducement to the Buyer to enter into this Agreement, the Seller hereby makes the following representations and warranties, each of which shall remain true and correct as of the Closing Date:
  - a. The Seller has the full right, power, and authority to convey the Property to the Buyer as provided in this Agreement and to carry out its obligations hereunder. In addition, the individual executing this Agreement on behalf of the Seller has the legal right, power, and authority to bind the Seller to the terms hereof.
  - The Seller will not take any action affecting title to the Property following the Acceptance Date.
  - c. To the best of the Seller's knowledge, there are no actions, investigations, suits, or proceedings, pending or threatened, that affect the Property, or the ownership or operation thereof, other than the SEC Action and the following:

[None]

- d. To the best of the Seller's knowledge, the Property is not in violation, nor has been under investigation for violation, of any federal, state, or local law, ordinance, or regulation regulating environmental conditions in, at, on, under, or about the Property, including but not limited to, soil and groundwater conditions.
- 20. <u>Notices</u>. All notices required or permitted under this Agreement shall be in writing and served by registered or certified United States mail, return receipt requested; nationally recognized overnight mail courier (signature required); or electronic mail (evidenced by

competent and authentic proof of transmission). Any notices given to the Seller shall be delivered to the Seller's counsel, at the following physical or e-mail addresses:

Andrew E. Porter
Porter Law Office
853 North Elston Avenue
Chicago, Illinois 60614
andrew@andrewporterlaw.com

Michael Rachlis
Rachlis Duff & Peel LLC
542 South Dearborn, Suite 900
Chicago, Illinois 60605
mrachlis@rdaplaw.net

Any such notices or demands given to the Buyer shall be delivered to the Buyer's counsel, at the following address physical or e-mail addresses:

Kevin Cahill

101 N. Wacker. D. 15611

Chicago, IL. 66606

312 641 - 6105

- 21. <u>Like-Kind Exchange</u>. The Seller agrees to cooperate if the Buyer elects to acquire the Property as part of a like-kind exchange under Section 1031 of the Internal Revenue Code. The Buyer's contemplated exchange shall not impose upon the Seller any additional liability or financial obligation, and the Buyer agrees to hold the Seller harmless from any liability that might arise from such exchange. This Agreement is neither subject to nor contingent upon the Buyer's ability to dispose of its exchange property or to effectuate an exchange. In the event any exchange contemplated by the Buyer should fail to occur, for whatever reason, the sale of the Property shall nonetheless be consummated as provided herein.
- 22. Real Estate Agents. Purchaser represents and warrants that, other than Seller's Agent and Buyer's Agent, if any, no other putative real estate agent or broker was involved in submitting, showing, marketing, or selling the Property to the Buyer, and the Buyer agrees to indemnify and hold Seller, and its successors and assigns, harmless from and against any and all liability, loss, damages, cost, or expense, including reasonable attorneys' fees, arising from or relating to any claim for a commission, fee, or other form of payment or compensation asserted by a putative real estate agent or broker purporting to have procured the Buyer in connection with this Agreement.

- 23. <u>Foreign Investor Disclosure</u>. The Seller and the Buyer agree to execute and deliver any instrument, affidavit, or statement, and to perform any act reasonably necessary to carry out the provisions of the Foreign Investment in Real Property Tax Act and regulations promulgated thereunder. The Seller represents that the Seller is not a foreign person as defined in Section 1445 of the Internal Revenue Code.
- 24. <u>Merger</u>. This Agreement expresses the entire agreement of the parties and supersedes any and all previous agreements or understandings between them with regard to the Property. There are no other understandings, oral or written, which in any way alter or enlarge the terms of this Agreement, and there are no warranties or representations of any nature whatsoever, either express or implied, except as set forth herein. This Agreement may be modified only by a written instrument signed by the party to be charged.
- 25. <u>Governing Law.</u> This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

\* \* \*

The undersigned Buyer hereby offers and agrees to purchase the Property upon the terms and conditions stated herein as of the 3rd day of June, 2020. In addition, the individual signing below on behalf of the Buyer represents and warrants that s/he is authorized to execute this Agreement on behalf of the Buyer.

Buyer	Seller
Dimmy Opporhrimer.  By: Ower.	KEVIN B. DUFF, FEDERAL EQUITY RECEIVER FOR SSPH PORTFOLIO 1 LLC
lts:	Rachlis Duff & Peel LLC 542 South Dearborn Street, Suite 900 Chicago, Illinois 60605 (312) 733-3390
	K. BY
	Acceptance Date: 06/18/20
Buyer's Agent	Seller's Agent
Jeffry Basch.	Jeffrey Baasch
SUN ChicAGO Commercial.	SVN Chicago Commercial 940 West Adams Street, Suite 200
940 West ADAMS St. 11200	Chicago, Illinois 60607 (312) 676-1866
ChicAGO, A 60607	

# RIDER A

If the Buyer desires that the terms and provisions of this Rider be incorporated into the Purchase And Sale Agreement to which it is annexed, please initial this paragraph.
* * *
This Agreement is contingent upon the Buyer securing, no later than 21 days following the
Acceptance Date (the "Financing Contingency Deadline"), a firm written mortgage commitment
for a fixed or adjustable rate mortgage from an established multifamily residential mortgage
lender in the amount of \$ at an interest rate (or initial interest rate if an adjustable
rate mortgage) not to exceed %per annum, amortized over years, payable monthly,
with a loan origination fee not to exceed % plus appraisal and credit report fees, if any. If
the Buyer is unable to secure a firm written mortgage commitment as described herein within
the referenced time period, then the Buyer may terminate this Agreement with a full refund of
Earnest Money by providing notice to the Seller prior to the expiration of the Financing
Contingency Deadline. If the Buyer does not provide the requisite notice to the Seller as
provided herein, then the Buyer shall be deemed to have waived this financing contingency,
and this Agreement shall remain in full force and effect.

### **RIDER B**

If the Buyer purports to hold a Purchase And Sale Agreement to which with the submission of a credit bid, ple and supply any additional terms and confice Agreement, as requested herein. Any sor conflicting terms and conditions set	h this ri ease ini onditio such te	ider is a tial this ns to th rms and	nnexed paragi e Agre d condi	d (the "Agreement") in connection raph and provide the information ement, or modifications to the tions shall supersede any contrary	
	*	*	*		
The Buyer consists of the following mo			ortgage	es purporting to hold a perfected	
			20		VBT
·			/		MI
	,	/			
				21 11 11000	

[Using additional sheets, please indicate, for each mortgagee identified above, the total unpaid balance due under the promissory note secured by the corresponding mortgage and itemize each component of the current alleged loan balance, including, but not limited to, principal, interest, default rate interest, late fees, service fees, liquidation fees, protective advances, and other charges.]

The Purchase Price shall be the amount of the credit bid submitted by the Buyer, and any requirement to make an earnest money deposit is deleted. Payment of the Purchase Price shall not be made through the escrow at closing.

In addition, the Buyer shall pay all closing costs approved by the Court, which may, subject to the Court's ruling, include, but not be limited to, owner's title insurance premiums, applicable transfer taxes, the survey invoice, property management fees accrued through the closing, due and unpaid real estate taxes, escrow fees, brokerage commissions, unpaid utilities, title commitment update fees, gap insurance premiums, State of Illinois policy fees, extended coverage premiums, the costs of closing protection coverage for the Seller, all other expenses required to be paid by the Seller at closing, all amounts advanced for the benefit of the Property which are required to be reimbursed and/or any amount required to discharge any Receiver's lien.

[Using additional sheets, set forth any other terms and conditions to be included in the Agreement, or any modifications to the Agreement, and to which your credit bid shall remain subject.]

**EXHIBIT A** 



### STRICT JOINT ORDER ESCROW AGREEMENT

Open Date:	Expected Release Date:			Escrow Number: 2985202
Property Address:	6558 South Vernon Avenue,	Chicago, IL 6063	7	
Deposit Amount: \$ Document(s) Held	57,600.00 Purp	ose: X Earnest M		□ Repairs: □ Other:
pursuant to this Strict Joi		nafter referred to as	the Agreer	(hereinafter referred to as the Escrowee) nent). Said deposit shall be released and delivered gal representatives or assigns.
or corporation, but the Est or decrees entered or issi- judgment or decree of an compliance, notwithstand modified, annulled, set as at any time become a par- such attorneys shall be re- for on account thereof, as	scrowee is hereby expressly author ued by any court with or without juny court it shall not be liable to any ding any such order, judgment or diside or vacated. In case of any suitry, it shall have a lien on the contraction of the contraction of the shall be entitled to reimburse all such costs, fees and expenses s	rized to regard and to urisdiction, and in call party hereto or any ecree being entered thoroceeding regal ents hereof for any a layed, and any other itself therefore out of	o comply wase the Escriptor other person without justified in all costs expenses work said deposite the Escriptor of the Escr	ices or warnings given by any other person with and obey any and all orders, judgments owee obeys or complies with any such order, on, firm or corporation by reason of such risdiction or being subsequently reversed, agreement, to which the Escrowee is or may so, and reasonable attorneys' fees, whether which it may have incurred or become liable osit, and the undersigned agree to pay the ends deposited hereunder shall be insufficient
	e mentioned deposits be surrender s, or order of court as aforesaid.	red except on an ord	ler signed t	by the parties hereto, their respective legal
deposit all funds received		eneral accounts. The		belong to the Escrowee. The Escrowee may shall be under no duty to invest or reinvest
Fee in the amount of \$20		ng one year following	the date	t of \$300.00, and thereafter a Maintenance of the Agreement) from the funds deposited at its discretion.
Purchaser: Signed:	all	Seller: Signed:		Duff, Federal Equity Receiver for
Print Name:	Sames Opperheime.	Print Name:		tfolio 1 LLC
	134 W. 1855 St.	Address:	542 Sou	th Dearborn, Suite 900
<u> </u>	1(A60 D 60414	. +مر	Chicago	IL 60605
Email:	my Poppinuestments	S Email:	kduff@i	daplaw.net
Primary Phone:	7136123820	Primary Phone:	(312) 73	3-3390
Alternate Phone:		Alternate Phone:		
Primary Contact (if otl	her than above):			
Accepted: First American	Title Insurance Company, Escrowe	ee By:		

**EXHIBIT B** 

# **Assignment And Assumption Of Leases**

B. Duff, as court-appointed federal equity receiver for certain Order Appointing Receiver entered August 17, Order entered March 14, 2019 (Dkt. 290), in the case Commission v. EquityBuild, Inc., et al., United States Destroyers, and sets over to	2018 (Dkt. 16), as supplemented by that certain captioned <i>United States Securities and Exchange</i> District Court for the Northern District of Illinois for"), hereby irrevocably grants, assigns, transfers ("Assignee"), an and interest in and to the leases (collectively, the Property commonly known as 6558 South Vernor Rago, Illinois 60637.  3 DIVISION OF LOTS 21 TO 25, IN BLOCK 1 IN OF THE SOUTH HALF OF THE NORTHEAST
Assignee hereby assumes all of the obligations imposed from and after the date hereof. This Assignment is made or warranty, except to the extent provided in that certa Seller on	de without any express or implied representation in Purchase And Sale Agreement, accepted by the
This Assignment shall be governed by and construed in	accordance with the laws of the State of Illinois.
IN WITNESS WHEREOF, the parties have executed this A	Assignment And Assumption Of Leases as of this
ASSIGNOR:	ASSIGNEE:
Kevin B. Duff, Federal Equity Receiver for SSPH Portfolio 1 LLC	
	By:
	Name:
	Title: