

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:

Pittsfield Development LLC,

Debtor.

Chapter 11

Bankruptcy No. 17-09513

Hon. Jacqueline P. Cox

Hearing Date: May 31, 2017

Hearing Time: 9:30 a.m.

NOTICE OF MOTION

Please take notice that on **May 31, 2017, at 9:30 a.m.**, or as soon thereafter as counsel may be heard, the undersigned shall appear before the Honorable Jacqueline P. Cox, United States Bankruptcy Judge for the Northern District of Illinois, in Courtroom 680 at Everett McKinley Dirksen Federal Building at 219 South Dearborn Street, Chicago, Illinois, to present **Debtor's Motion for Entry of Orders (1) Setting Procedures for the Sale of its Real Estate, (2) Scheduling a Hearing to Consider the Sale of its Real Estate and Entry of an Order Selling the Real Estate Free and Clear of Interests, (3) Approving the Form and Manner of Notice Thereof, and (4) Approving Break-Up Fee**, a copy of which is included herewith and served upon you, at which time and place you may appear.

Dated: May 23, 2017

Pittsfield Development LLC

By: /s/ William J. Factor

One of Its Attorneys

William J. Factor (6205675)

Jeffrey K. Paulsen (6300528)

FACTORLAW

105 W. Madison Street, Suite 1500

Chicago, IL 60602

Tel: (312) 878-6146

Fax: (847) 574-8233

Email: wfactor@wfactorlaw.com

jpaulsen@wfactorlaw.com

CERTIFICATE OF SERVICE

I, William J. Factor, an attorney, hereby certify that on May 23, 2017, pursuant to Section II.B.4 of the Administrative Procedures for the Case Management/Electronic Case Filing System and Fed.R.Civ.P. 5(a), I caused a copy of the foregoing *Notice of Motion* and the accompanying *Motion* to be served electronically through the Court's Electronic Notice for Registrants on all persons identified as Registrants on the appended Service List.

/s/ William J. Factor

Registrants

(Service via ECF)

- **Mark F. Becker** beclaw@att.net
- **Matthew R Bowman** rbowman@kandpllc.com
- **Vlad V. Chirica** vchirica@perlandgoodsnyder.com
- **John J Conway** johnconway@shlawfirm.com
- **William J Factor** wfactor@wfactorlaw.com, wfactorlaw@gmail.com; bharlow@wfactorlaw.com; wfactor@ecf.inforuptcy.com; wfactormyecfmail@gmail.com; r43923@notify.bestcase.com
- **Jay R Goldberg** jgoldberg@fieldandgoldberg.com
- **Thomas H Griseta** tgriseta@wfactorlaw.com, bharlow@wfactorlaw.com
- **David Paul Holtkamp** David.Holtkamp2@cityofchicago.org
- **Gregory J Jordan** gjordan@jz-llc.com
- **Patrick S Layng** USTPRegion11.ES.ECF@usdoj.gov
- **Melissa J Lettiere** mlettiere@stahlcowen.com
- **Jeffrey K. Paulsen** jpaulsen@wfactorlaw.com, bharlow@wfactorlaw.com; jpaulsen@ecf.inforuptcy.com
- **Jean Soh** jsoh@polsinelli.com, chicagodocketing@polsinelli.com
- **Michael M Tannen** mtannen@tannenlaw.com, adminassistant@tannenlaw.com
- **Mark R Zito** mzito@jz-llc.com

Other Parties in Interest

(Service via U.S. Mail)

Christopher R Belmonte
Satterlee Stephens LLP
230 Park Avenue
New York, NY 10169

Anchor Mechanical, Inc.
Sullivan Hincks & Conway
120 W. 22nd Street
Suite 100
Oak Brook, IL 60523-4067

Chicago Hotel Partners, LLC.
111 NE 1st Street
Miami, FL 33132-2517

Department of the Treasury
Internal Revenue Service
P.O. Box 7346
Philadelphia, PA 19101-7346

Internal Revenue Service
Mail Stop 5014CHI
230 S. Dearborn Street, Room 2600
Chicago, IL 60604-1705

Nebraska Alliance Realty Company
Tannen Law Group PC
19 S. LaSalle Street
Suite 1600
Chicago, IL 60603-1407

Pittsfield Development, LLC
55 East Washington St.
3rd Floor
Chicago, IL 60602-2103

55 E. Washington Development, LLC
55 E. Washington St.
Chicago, IL 60602-2103

55 E. Washington Development, LLC
600 N. Lake Shore Dr., #3705
Chicago, IL 60611-5088

AT&T
P.O. Box 5014
Carol Stream, IL 60197-5014

Adam David Partners 1, LLC
8000 IH 10 West, Suite 1200
San Antonio, TX 78230

Anchor Mechanical, Inc.
255 N. California Ave.
Chicago, IL 60612-1903

Anchor Mechanical, Inc.
c/o John Conway,
Sullivan Hincks & Conway
120 West 22nd Street, Suite 100
Oak Brook, IL 60523-4067

Anderson Elevator/Southwest Industr
2801 South 19th Ave.
Broadview, IL 60155-4758

Anderson Pest Control
501 W. Lake St., Suite 204
Elmhurst, IL 60126-1419

Aramark
2680 Palumbo Drive
Lexington, KY 40509-1234

Chicago Locksmith Service, Inc.
803 S. Western Ave.
Park Ridge, IL 60068-4448

City of Chicago
Department of Finance
Utility Billing & Customer Service
PO Box 6330
Chicago, IL 60680-6330

City of Chicago - Code Enforcement
118 N. Clark Street
Chicago, IL 60602-1304

City of Chicago, Dept. of Finance
P.O. Box 6330
Chicago, IL 60680-6330

Collins, Bargione & Vukovich
One North LaSalle St.
Suite 300
Chicago, IL 60602-3946

Conngas/Constellation New Energy
15246 Collections Center Drive
Chicago, IL 60693-0152

Constellation New Energy Electric
PO Box 4640
Carol Stream, IL 60197-4640

Constellation New Energy, Inc.
14217 Collections Center Drive
Chicago, IL 60693-0142

Cook County Treasurer
118 N. Clark Street
Suite 112
Chicago, IL 60602-1590

Earthwise Environmental Inc.
777 N. Edgewood Ave.
Wood Dale, IL 60191-1254

Elevator Inspection Services Co.
745 McClintock Dr., #235
Burr Ridge, IL 60527-0857

Eriten, Inc.
16835 Evergreen Terrace
Homer Glen, IL 60491-8424

FedEx Corp. Revenue Services
3965 Airways, Module G
Memphis, TN 38116

Fiancee Jewelry Mfg., Inc.
31 N. Wabash Ave.
Chicago, IL 60602-4718

Gary Wegman, DDS
55 E. Washington St.
Suite 2505
Chicago, IL 60602-2283

Grainger
2356 S. Ashland Ave.
Chicago, IL 60608-5304

HD Supply Facilities Maintenance
P.O. Box 509058
San Diego, CA 92150-9058

Hinckley Springs
6055 Harlem Ave.
Chicago, IL 60638-3985

Independent Recycling Services
2401 S. Laflin St.
Chicago, IL 60608-5005

Kimco Facility Services, LLC
6055 Lakeside Commons
Macon, GA 31210-5790

Michael Sabet
c/o Pittsfield Development
55 East Washington
Chicago, IL 60602-2103

Nebraska Alliance Realty
5002 Dodge St.
Omaha, NE 68132-2906

Nebraska Alliance Realty Company
c/o Tannen Law Group, PC
19 S. LaSalle Street, Suite 1600
Chicago, IL 60603-1407

NextLink Wireless LLC
c/o Cresa Partners Lease Adm
1301 W 22nd Street Suite 102
Oak Brook, IL 60523-3203

Otis Elevator
651 W. Washington St.
Suite 1N
Chicago, IL 60661-2140

Otis Elevator Company
Treasury Services
C/O Georgette Neama
POB 109615 M/S715-02
Palm Beach Gardens, FL 33410-9615

PD Lender, LLC
150 East 58th St.
17th Floor
New York, NY 10155-0002

Peoples' Gas
P.O. Box 2968
Milwaukee, WI 53201-2968

Pioneer Acquisitions LLC
c/o Jay R. Goldberg
Field and Goldberg, LLC
10 S. LaSalle Street, Suite 2910

Chicago, IL 60603-1056

Pittsfield Cafe, Inc.
55 E. Washington St.
Suite 183
Chicago, IL 60602-2112

Pittsfield Hotel Holdings, LLC
5151 Collins Ave.
Suite 1727
Miami Beach, FL 33140-2717

Pittsfield Residential II, LLC
5151 Collins Ave.
Suite 1727
Miami Beach, FL 33140-2717

Prime Electric Co., Inc.
2251 West Grand Ave.
Chicago, IL 60612-1511

Quill.com
P.O. Box 37600
Philadelphia, PA 19101-0600

RAD Fund 2010 Tax LLC
c/o Pittsfield Development
Chicago, IL 60602

RCN
Robert Johns
2650 West Bradley Place
Chicago, IL 60618-4717

RCN Business
196 Van Buren St.
Suite 300
Herndon, VA 20170-5337

Roberts Environmental Control Corp.
8500 W. 185th St., Suite 13
Tinley Park, IL 60487-9293

Servicemaster
4183 N. Elston Ave.
Chicago, IL 60618-1824

Siemens Industry, Inc.
Infrastructure & Cities, Bldg Tech
585 Slaven Ct.
Mount Prospect, IL 60056

Spartan Contractors, Inc.
5104 Hawkwood Ct.
Carpentersville, IL 60110-3446

Spartan Contractors, Inc.
55 E. Washington St., #428
Chicago, IL 60602-2888

Stoller and Gartski
55 E. Washington St.
Suite 2505
Chicago, IL 60602-2283

Tass & Co.
152 E. Main St.
Lake Zurich, IL 60047-2418

The Standard Companies
2601 S. Archer Ave
Chicago, IL 60608-5913

Titan Security Services, Inc.
616 West Monroe St.
Chicago, IL 60661-3666

Toni Sweets Chicago
55 E. Washington St.
Suite 194
Chicago, IL 60602-2137

Travelers Insurance
346 Maple Ave.
Westbury, NY 11590-3252

Travelers Insurance
c/o Carbone and Molloy
346 Maple Ave.
Westbury, NY 11590-3252

United Radio Communications
9200 S. Oketo Ave.
Bridgeview, IL 60455-2100

Valerio DeWalt Train Associates
55 West Monroe St. Ste 1200
Chicago, IL 60603-5127

W.W. Grainger, Inc
7300 North Melvia Ave
Niles IL 60714-3998

Welding Supply, Inc.
1161 McCabe Dr.
Elk Grove Village, IL 60007-4819

Wm. Thybony Paint & Wallpaper
3445 N. Kimball Ave.
Chicago, IL 60618-5453

Patrick S Layng
Office of the U.S. Trustee, Region 11
219 S Dearborn St
Room 873
Chicago, IL 60604-2027

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

In re:

Pittsfield Development LLC,

Debtor.

Chapter 11

Bankruptcy No. 17-09513

Hon. Jacqueline P. Cox

DEBTOR’S MOTION FOR ENTRY OF ORDERS (1) SETTING PROCEDURES FOR THE SALE OF ITS REAL ESTATE, (2) SCHEDULING A HEARING TO CONSIDER THE SALE OF ITS REAL ESTATE AND ENTRY OF AN ORDER SELLING THE REAL ESTATE FREE AND CLEAR OF INTERESTS, (3) APPROVING THE FORM AND MANNER OF NOTICE THEREOF, (4) APPROVING THE BREAK-UP FEE AND PROVIDING FOR RELATED RELIEF

1. Pittsfield Development LLC (the “Debtor”) owns approximately one-third of the Pittsfield Building at 55 East Washington, Chicago, consisting of all basement and sub-basement levels, the ground floor, part of floor 22, and floors 23–40 (the “*Pittsfield Property*”). Non-debtor affiliates of Pittsfield Development (i.e., Pittsfield Residential II, LLC and Pittsfield Hotel Holdings, LLC), own the remainder of the property at 55 East Washington, other than floors 13 through 21 (the Pittsfield Property, along with the other parcels owned by affiliates is the “*Entire Building*”).¹ The Debtor and its non-debtor affiliates are collectively referred to as the “Sellers”.

2. The Debtor filed this bankruptcy proceeding to obtain relief from creditors and to thereby facilitate the sale of the Pittsfield Property, along with the portions owned by its affiliates, and to generate funds to pay its creditors. As a result of extensive pre-bankruptcy and post-bankruptcy marketing efforts (as described below) the Debtor now seeks authorization from the Court to enter into a

¹ Floors 13 through 21 are owned by 55 East Washington, LLC.

real estate purchase and sale agreement (along with the Amendments, the “*PSA*”) with Pioneer Acquisitions LLC (the “*Purchaser*”), substantially in the form of that attached as Exhibit 1, subject to a competitive bidding process under § 363 of the Bankruptcy Code, and to implement procedures for the competitive bidding process.

3. Accordingly, by this motion, the Debtor respectfully requests pursuant to §§ 363 and 365 of the Bankruptcy Code and Federal Rules of Bankruptcy Procedures 2002, 6004, 6006, 9007, 9008, and 9014 (the “*Rules*”), that the Court, among other things, enter the following two orders:

(a) At the initial hearing on this motion that is scheduled for May 31, 2017, an order substantially in the form of that appended hereto (the “*Sale Procedures Order*”):

- approving the sale procedures (the “*Sale Procedures*”) set forth herein for accepting bids and conducting an auction sale of the Pittsfield Property,
- approving the payment of a break-up fee (“*Break-Up Fee*”) in favor of the Purchaser upon the terms and conditions set forth herein.

(b) At the Sale Hearing (defined below and currently scheduled for June 29, 2017) an order in the form to be submitted at least 3-days prior to the Sale Hearing (the “*Sale Order*”), authorizing the sale of the Pittsfield Property free and clear of all liens, claims and encumbrances either to the Purchaser pursuant to the PSA or to such other entity that has submitted a higher and better offer and is the Winning Bidder at the Auction (currently scheduled for June 26, 2017), and the payment of all outstanding real estate taxes as of the date of closing, as set forth below.

BACKGROUND.

1.2. The Debtor, its property, its affiliates, and its secured creditors.

4. The Debtor filed for relief under chapter 11 of the Bankruptcy Code on March 26, 2017 (the “*Petition Date*”). The Debtor continues to operate its business

and manage its affairs as a debtor in possession under sections 1107 and 1108 of the Bankruptcy Code.

5. The Debtor once owned the entire Pittsfield Building, but it sold or transferred floors over the years. The entire building has 40 floors, divided into four ownership groups: (a) the Debtor owns all basement and sub-basement levels, the ground floor, part of floor 22, and floors 23 to 40; (b) Pittsfield Residential II LLC (“**Residential**”) owns floors 10 to 12; (c) Pittsfield Hotel Holdings LLC (“Hotel”) owns floors 2 to 9; and (d) 55 East Washington LLC owns floors 13 to 21 (“**55 East Washington**”). Residential and Hotel are owned, directly or indirectly, by the same entities or individuals that own the Debtor. 55 East Washington is the only entity that is not under common control.

6. The Pittsfield Property is encumbered by a mortgage that the Debtor granted to PD Lender LLC in 2013. The original amount of the mortgage was approximately \$3,850,000, and the current principal balance (not including unpaid interest) is about \$3,150,000. PD Lender’s mortgage is also secured by Hotel’s portion of the Pittsfield Building, but not Residential’s.

7. The Pittsfield Property also is subject to claims of about \$ 5,354,000 for unpaid real estate taxes. Nebraska Alliance Realty purchased the delinquent real estate taxes. The portions of the Pittsfield Building owned by the Debtor, Hotel, and Residential all share a property index number, and Nebraska’s claim is secured by all three entities’ property.

8. The Debtor has entered into a Settlement Agreement with Nebraska Alliance Realty (the “**Tax Agreement**”) pursuant to which, among other things, Nebraska Alliance Realty will hold an allowed Secured Claim in the amount of approximately \$5,354,000, plus certain other amounts delineated in the Tax Agreement.² This amount, plus subsequently due and owing real estate taxes,

² Debtor’s Rule 9019 motion to compromise the tax claim is incorporated herein by reference.

penalties and interest will be paid in full at the closing on the sale of the Pittsfield Property. Contemporaneous with this motion, the Debtor will be filing a motion to approve the Tax Agreement.

1.3. The Debtor's marketing efforts.

9. The Debtor and its affiliates began efforts to market and sell their portions of the Pittsfield Building in November 2016, retaining Imperial Realty Company as their broker and Ten-X LLC as their marketplace and transactions host. The Debtor engaged in extensive marketing efforts since November 2016. In February 2017, the Debtor held an auction for the Pittsfield Property, but none of the bids met reserve.

10. After the February 2017 auction process ended, the Debtor and its agents continued to market the property through a traditional offer process and through the Ten-X website. After the Debtor filed for bankruptcy, the Debtor and its affiliates have received several offers for their portions of the Pittsfield Building. The best offer to date is from the Purchaser, who has offered to purchase the three portions owned by the Debtor and its affiliates for \$16,500,000.

1.4. The proposed sale.

1.4.1. Overview of Sale Process.

11. After extensive negotiations, the Debtor and its affiliates and the Purchaser have agreed to the terms of the PSA memorializing in detail the terms of the Purchaser's offer. As stated in the PSA, the Debtor's obligations thereunder are subject to, among other things, the Court entering an order authorizing the Debtor to sell the Pittsfield Property to the Purchaser and the Purchaser being deemed the Winning Bidder.

12. The Purchaser has deposited \$500,000 into an escrow account (the "***Earnest Money***"). The Earnest Money will be applied pursuant to the terms of the PSA. The Debtor will pay the Purchaser a break-up fee ("***Break-Up Fee***") of

\$100,000 if the Purchaser is not the Winning Bidder for the Pittsfield Property, but only to the extent that the Debtor closes a sale with another entity for a higher and better bid and receives the proceeds from such sale.

13. The PSA with the Purchaser is subject to higher and better offers. To facilitate the opportunity to make higher and better offers, the Debtor will accept higher and better offers for the Property up through June 22, 2017, which is the “Bid Deadline”. If, in addition to the offer from the Purchaser, a higher and better offer is submitted by the Bid Deadline, the Debtor will conduct an auction on June 26, 2017 (the “*Auction*”), to determine the bid that, in the Debtor’s judgment, represents the highest and best offer for the Property (such offer is the “Winning Bid” and the entity submitting the Winning Bid is the “*Winning Bidder*”).

14. The Debtor will then present the Winning Bid to the Court for approval on June 29, 2017 at 10:00 a.m.

15. The PSA, including the amendments thereto, further provides that the Debtor will not be selling, and will retain, certain assets consisting of, among others:

- a. Any claims against the City of Chicago in the lawsuit docketed as No. 17-CV-1951 currently pending in the United States District Court for the Northern District of Illinois,
- b. Any other rights of Sellers to recover damages, money or other property from a third party;
- c. Any refund or reduction of some or all Pittsfield Property taxes that Sellers have either paid, or Sellers are responsible to pay at the closing under the Agreement.

1.4.2. Approval of the stalking horse protections.

16. At the initial presentment of this motion on May 31, 2017, the Debtor will ask the Court to enter an order designating the Purchaser as the “stalking horse” bidder. The Debtor also will ask the Court to provide the Purchaser, as the stalking

horse, with a break-up fee of \$100,000, that will be payable only if the Debtor closes a sale with an entity other than Purchaser (or an affiliate of Purchaser) and only from the proceeds of such sale. If payment of the Break-Up Fee is triggered, it shall constitute an allowed administrative expense of Debtor's Estate, pursuant to §§503(b) and 507(a)(2) of the Bankruptcy Code.

1.4.3. Advertising, marketing, and due diligence.

17. Before the bankruptcy, the Debtor and its affiliates retained Imperial as a real estate broker and Ten-X as a marketplace and transactions host to assist in the marketing of their portions of the Pittsfield Building. The Debtor anticipates, as discussed below, that the marketing and bidding period for the Pittsfield Property will last at least an additional 21 days after this motion is heard.

1.4.4. Procedures for obtaining additional information and conducting due diligence.

18. Entities interested in becoming a Qualified Bidder (a "*Potential Bidder*") and thus eligible to submit offers prior to the Bid Deadline or participate in the Auction, can obtain additional information about the Property and the sale process, including the process to make a bid, by emailing or calling David Amezcuita of Ten-X at damezcuita@ten-x.com / (949) 208-8512. Potential Bidders can access a website for the Property located at www.ten-x.com

19. After a Potential Bidder satisfies the Debtor, in its reasonable discretion, that the Potential Bidder has the wherewithal, financially and otherwise, to close on the purchase of the Pittsfield Property, the Potential Bidder will have access to the diligence materials and relevant financial information maintained by Ten-X, upon electronically executing the form of Ten-X confidentiality agreement posted to the website for the Pittsfield Property.

1.4.5. Procedures for making an offer.³

20. For a Potential Bidder to participate in the Auction for the Pittsfield Property, it must become a “Qualified Bidder” by (a) submitting an offer in writing no later than 5:00 p.m. (prevailing Central Time), on June 22, 2017 (the “***Bid Deadline***”) to David Amezquita of Ten-X at damezquita@ten-x.com / (949) 208-8512 via email that (b) contains the same or better material terms as the PSA and the other elements described below, as determined by the Debtor in its sole discretion (a “***Qualified Bid***”).

21. The Debtor reserves the sole right to determine whether an offer is a Qualifying Bid. Notwithstanding anything herein to the contrary, the Purchaser is a Qualified Bidder and the PSA is a Qualified Bid and without the need for any further action by the Purchaser, it is eligible to participate in the Auction.

22. An entity that submits a Qualified Bid is a Qualified Bidder and thus able to participate in the Auction on June 26, 2017. The purpose of qualifying bids is to limit the Auction to those entities that can, in the Debtor’s judgment, close on the purchase of the Pittsfield Property in a manner acceptable to the Debtor.

23. The Debtor or Ten-X will notify by e-mail within 24 hours after the Bid Deadline of June 22, 2017, each Potential Bidder that has submitted a Qualified Bid, and that is thus a Qualified Bidder and eligible to participate in the Auction on June 26, 2017, although the Debtor reserves the right to extend the time for identifying Qualified Bidders up to the commencement of the Auction and also reserves the right to advise Potential Bidders of any modifications needed to make their bid a Qualified Bid and to make them a Qualified Bidder.

24. In addition to any additional terms and conditions that the Debtor deems necessary to maximize the value of the Pittsfield Property, to become a Qualified Bid, an offer must include at least the following:

³ The procedures set forth herein for making a bid and for the Auction are collectively referred to as the “Bid Procedures”.

(a) A purchase price equal to or greater than \$16,600,000.

(b) A signed version of the PSA, or if the offer contemplates changes to the PSA, a signed version of a revised PSA containing the same or better terms (as determined by the Debtor) than the PSA, in red-line format showing changes from the PSA submitted by the Purchaser and the terms upon which the Potential Bidder is prepared to execute upon becoming the Winning Bidder, subject in all respects to the Debtor's ability to reject any proposed changes to the PSA.⁴

(c) Identification of any contracts that the Potential Bidder wishes the Debtor to assume and assign to the Potential Bidder in the event it becomes the Winning Bidder, and notification of whether the offer is contingent upon the assumption and assignment of any contracts and acknowledgment that the Potential Bidder will pay any cure costs related to such contracts.

(d) A cash deposit of \$500,000 (the "**Cash Deposit**") and information that, in the Debtor's judgment, reflects an ability to pay the balance of the purchase price in the event the Potential Bidder becomes the Winning Bidder (as defined below), which includes, but is not limited to reliable, as determined by the Debtor, financial statements (collectively, the "**Financials**") of the Potential Bidder, or, if the Potential Bidder is an entity formed for the purpose of a sale transaction, (x) Financials of the equity holder(s) of the Potential Bidder or such other form of financial disclosure as is acceptable to the Debtor that demonstrates the Potential Bidder's financial ability to consummate a sale transaction and (y) a written commitment acceptable to the Debtor of the equity holder(s) of the Potential Bidder to be responsible for the Potential Bidder's obligations in connection with a sale transaction (including being bound by the terms and conditions of the Sale

⁴ Potential Bidders can obtain a blank copy of the PSA, including a form for the Amendments to the PSA, by contacting counsel for the Debtor or downloading a copy from the Ten-X website at www.ten-x.com.

Procedures); provided that if a Potential Bidder is unable to provide Financials, the Debtor may accept such other information sufficient to demonstrate to the Debtor's reasonable satisfaction that such Potential Bidder has the financial wherewithal to consummate a sale transaction on material terms that are the same or better than those of the PSA.

(e) Written confirmation and agreement that the Cash Deposit (i) will be deposited into the client trust account of the Debtor's counsel (the "**Deposit Account**") and will not accrue interest, (ii) will be returned within five business days after the Bid Deadline to the extent the Potential Bidder is not a Qualified Bidder, (iii) will be returned no later than five business days after the Closing of the sale to the extent the Debtor does not have a claim to the Cash Deposit either as part of the purchase price or as compensation or damages for an entity's breach of its obligations to the Debtor.

(f) Written confirmation and agreement that if the Potential Bidder is the Winning Bidder at the Auction, it will (i) increase its Cash Deposit to 5% of the Winning Bid and (ii) pay the amount of the Winning Bid in good and available funds, less its Cash Deposit, at the Closing of the Sale.

(g) Written confirmation and agreement that if the Potential Bidder is selected as the Winning Bidder and fails to close the transaction on the terms and conditions set forth in the Winning Bid or any modification thereof to which the Debtor agrees, it will forfeit its Cash Deposit, including any increased amount, and the Debtor will be free to close the sale of the Pittsfield Property to the entity deemed the Backup Winning Bidder at the Auction.

(h) Written confirmation and consent that the bid of the Potential Bidder, to the extent it becomes a Qualified Bid, shall be irrevocable and will remain open and viable until the earlier of: (i) 20 business days after the Sale Order approving the Winning Bid becomes a Final Order and (ii) closing of the sale to the Winning Bidder or the Backup Winning Bidder (collectively, the "**Irrevocability**")

Period”) and written confirmation and acknowledgment that if the initial Winning Bidder or any subsequent Winning Bidder fails to consummate the Sale because of a breach or failure to perform on the part of the Winning Bidder, and the Irrevocability Period has not expired (or has been extended by agreement between the Debtor and the Backup Winning Bidder), the Backup Winning Bid will be deemed to be the new Winning Bid, and the Debtor will be authorized to consummate the Sale with the Backup Winning Bidder without further order of the Court.

(i) Written confirmation and consent that it will acquire the Pittsfield Property on the terms and conditions set forth in the highest offer it makes at the Auction and be the Backup Winning Bidder if so designated at the Auction.

(j) Written acknowledgement and consent that the bid is not contingent upon any financing and waives any due diligence period.

(k) Written acknowledgment and consent that the bid is subject to all the terms and conditions set forth in this motion and any other document or order related hereto, and that the Potential Bidder is bound by such terms and conditions.

(l) Written acknowledgment and confirmation that the amount owed to Nebraska Alliance Realty will be paid by the Seller at the closing.

25. The Debtor reserves the right to extend the deadlines and dates set forth above, to modify the Sale Procedures and to consider any offer for the Pittsfield Property that, in the judgment of the Debtor, maximizes the value of the Pittsfield Property provided that such offer is submitted at or before the Auction. If an Offer contains additional terms not contained in the proposed Sale Procedures Order, in this motion, or the PSA, the Debtor has the right to determine in its sole discretion whether the Offer is a Qualified Bid.

1.4.6. The Auction procedures.

26. If the Debtor receives more than one Qualified Bid on or before the Bid Deadline on June 22, 2017, it will conduct an Auction for the Pittsfield Property in a manner and at a location that will be announced to all Qualified Bidders prior to the Auction, but which may include a live auction at the following time and place:

Place: The Law Office of William J. Factor, Ltd.
105 W. Madison
Suite 1500
Chicago, IL 60602

Date: June 26, 2017

Time: 1:00 p.m., prevailing Central Time

27. If the Debtor does not receive any Qualified Bids other than the Qualified Bid submitted by the Purchaser in the PSA on or before the Bid Deadline or believes for any reason that the value of the Pittsfield Property will not be enhanced through an Auction, the Debtor will not conduct an Auction for the Pittsfield Property and, provided all other conditions in the PSA are met, including entry of the Sale Order, the Debtor and the Purchaser will consummate the sale set forth in the PSA. In the event the Auction is not held, the Debtor will notify the Purchaser by e-mail that there will not be an Auction and that it has submitted the Winning Bid and is the Winning Bidder.

28. If the Auction takes place, the Debtor is authorized to implement the following procedures or rules:

(a) Commencement of Bidding. Bidding will commence at the amount of the Qualified Bid that, in the Debtor's judgment, constitutes the highest and best offer prior to the commencement of the Auction. In determining the highest and best offer, the Debtor will consider not only the amount of the consideration offered, but the timing of the closing, as well as other terms.

(b) Bidding Increments. Bidding will proceed in increments of \$50,000, but the Debtor has the sole right to increase or decrease the bidding increments once the bidding has increased by \$1,000,000 above the Stalking Horse Bid.

(c) Appearance at the Auction. If there is a live Auction, all Qualified Bidders must appear in person or through a duly authorized agent at the Auction and sign the Official Sign-In Sheet acknowledging their interest in participating and their familiarity with and acceptance of all the terms and procedures of the Auction, except if the Debtor agrees prior to the Auction that the Qualified Bidder may appear telephonically or through similar means. The Debtor intends to record the Auction stenographically or through other means.

(d) Auction rules. The Debtor may adopt additional rules for the Auction that are designed, in the Debtor's judgment, to maximize the value received for the Pittsfield Property.

(e) Cancellation of the Auction. The Debtor reserves the absolute right in its sole discretion to cancel or continue any Auction.

(f) Designation of Winning Bidder. At the end of the bidding, the entity submitting the highest and best offer, in the Debtor's judgment, shall be designated the "Winning Bidder" and its bid shall be deemed the "Winning Bid".

(g) Designation of Backup Winner. At the end of the bidding, the entity submitting the second highest and best offer, in the Debtor's judgment, shall be designated the "Backup Winning Bidder" and its bid shall be deemed the "Backup Winning Bid."

(h) Modification of Sale Procedures. The Debtor has the right to modify the Sale Procedures at any time up to the conclusion of the Auction to maximize the value of the consideration received for the Pittsfield Property.

1.4.7. The Sale Hearing.

29. The entity submitting the Winning Bid will be designated the Winning Bidder. A court hearing to determine the Winning Bid and to obtain the entry of the Sale Order (the “*Sale Hearing*”) will be held before the Honorable Jacqueline P. Cox on June 29, 2017, at 10:00 a.m. (prevailing Central time) in Courtroom 680 of the Everett Dirksen Federal Building, 219 S. Dearborn Street, Chicago, Illinois.

30. Notwithstanding anything to the contrary in this motion or the PSA, the Debtor will not accept a Winning Bid and will not be deemed to have accepted a Winning Bid unless and until the Bankruptcy Court enters the Sale Order approving the Winning Bid and the sale of the Pittsfield Property to the Winning Bidder, and thus (subject to the terms of the PSA) the Debtor will have no obligation to any entity, nor be obligated to take any action related to the sale of any Pittsfield Property unless and until the Court enters a Sale Order satisfactory to the Debtor. The Debtor’s presentation to the Bankruptcy Court for approval of the Winning Bid does not constitute the Debtor’s acceptance thereof.

31. Upon the Court’s entry of the Sale Order, and the closing of the subject sale, the Winning Bidder will become the owner of the Pittsfield Property.

32. The Debtor will request the entry of a Sale Order substantially in the form to be filed at least 3 days prior to the Sale Hearing, authorizing the sale of the Pittsfield Property free and clear of all liens, claims, encumbrances, and interests of any kind or nature (collectively, the “*Interests*”).

1.4.8. Unexpired lease and executory contract assumption and assignment process.

33. The Purchaser has identified certain of the Debtor’s leases and contracts that it intends to acquire. To the extent any Potential Bidder wishes to acquire any leases or contracts and to pay any associated Cure Amount, the Debtor proposes to implement the following procedures to do so.

(a) As soon as possible after the Bid Deadline of June 22, 2017, but no later than two business days thereafter, the Debtor will file a notice with the Court of the leases and contracts that each Qualified Bidder wishes to assume (an “**Assigned Contract**”), if any, and serve on each party to an Assigned Contract, a cure notice (the “**Cure Notice**”). The Cure Notice will be sent through whatever means the Debtor believes is most likely to provide the contract counter-party with the most notice of the hearing to assume the contract and the amount, if any, of the Cure required for assumption, including through email, facsimile or overnight courier. The Debtor will file proof of service for the Cure Notices.

(b) The hearing to consider the assumption and assignment of any Assigned Contracts and the Cure Amount will take place at the Sale Hearing. Each Cure Notice will identify the cure amount that the Debtor believes is necessary to assume and assign such Assigned Contract pursuant to § 365 of the Bankruptcy Code (the “**Cure Amount**”) and notify each such party thereto that such party’s Contract may be assumed and assigned to the Winning Bidder.

(c) Any objection to the Cure Amount or the assumption and assignment of the subject contract must be filed on, at or before the Sale Hearing (the “**Cure Objection Deadline**”) and state with specificity what cure the party to the Assigned Contract believes is required, along with appropriate and sufficient documentation in support thereof and the reasons, if any, the Assumed Contract is not subject to assumption and assignment.

(d) If no objection is timely received, the Assigned Contract will be assumed and assigned as set forth in the Cure Notice or any related notice and the Cure Amount set forth in the Cure Notice will be controlling notwithstanding anything to the contrary in the Assigned Contract or other document, and the non-debtor party to such Assigned Contract will be forever barred from asserting any other claim arising prior to the assignment against the Debtor or the Winning Bidder as to such Assigned Contract.

(e) If the Debtor receives an objection to the assumption and assignment of an Assigned Contract or the Cure Amount (a “**Cure Amount/Assignment Objection**”), the objection must set forth the basis for the objection and the cure amount, if any, the objecting party claims is owed (the “**Claimed Cure Amount**”) with appropriate documentation in support thereof. Upon receipt of a Cure Amount/Assignment Objection, the Debtor is authorized, but not directed, to resolve any Cure Amount/Assignment Objection by agreement with the objecting counterparty to any Executory Contract or Unexpired Lease without further order of the Court. If the Debtor and any objecting party are unable to consensually resolve any Cure Amount/Assignment Objection, the Court will resolve any such Cure Amount/Assignment Objection either at the Sale Hearing or at a further hearing.

1.4.9. Notice procedures.

34. A copy of this motion has been served upon: (i) the Office of the United States Trustee; (ii) each of the Debtor’s prepetition secured claimants; (iii) all taxing authorities and other governmental agencies having responsibility for the Pittsfield Property, including the Internal Revenue Service; (iv) all parties that have requested or that are required to receive special notice pursuant to Bankruptcy Rule 2002; (v) all Persons known or reasonably believed to have asserted any lien, claim, encumbrance, right of first refusal, or other Interest in or upon any of the Pittsfield Property; and (vi) all known parties in interest.

35. In addition to the foregoing, the Debtor anticipates the entities that the Debtor retained to help market the Pittsfield Property, will assist in providing notice of the opportunity to acquire the Pittsfield Property.

2. DISCUSSION.

2.1. Sales under § 363(b)(1), (f), and (g).

36. A debtor-in-possession, “after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate.” 11 U.S.C. § 363(b). A debtor’s sale of its assets should be authorized pursuant to § 363(b)(1) of the Bankruptcy Code if a sound business purpose exists for doing so. *See, e.g., In re Schipper*, 933 F. 2d 513, 515 (7th Cir. 1991); *Stephens Indus., Inc. v. McClung*, 789 F.2d 386, 390 (6th Cir. 1986); *In re Lionel Corp.*, 722 F.2d 1063, 1070 (2d Cir. 1983).

37. Once a debtor articulates a valid business justification for the sale of its assets, there “is a presumption that in making a business decision the directors of a corporation acted on an informed basis, in good faith and in the honest belief that the action was in the best interests of the company.” *In re S.N.A. Nut Co.*, 186 B.R. 98 (Bankr. N.D. Ill. 1995); *see also In re Integrated Resources, Inc.*, 147 B.R. 650, 656 (S.D.N.Y. 1992); *Priddy v. Edelman*, 679 F. Supp. 1425, 1434 (E.D. Mich. 1988), *aff’d* 883 F.2d 438 (6th Cir. 1989) (“the ‘business judgment rule’ creates a presumption that directors have acted in accordance with their fiduciary obligations on an informed basis, in good faith and in the honest belief that the action was in the best interests of the company”); *In re Johns-Manville Corp.*, 60 B.R. 612, 615-16 (Bankr. S.D.N.Y. 1986) (“a presumption of reasonableness attaches to a Debtor’s management decisions”).

38. Courts consider the following factors to determine whether a proposed sale is an exercise of a debtor’s sound business judgment: (a) whether a sound business reason exists for the proposed sale; (b) whether fair and reasonable consideration is provided; (c) whether the sale has been proposed and negotiated in good faith; and (d) whether adequate and reasonable notice is provided. *In re Eng’g Prods. Co.*, 121 B.R. 246, 247–49 (Bankr. E.D. Wis. 1990).

39. The Debtor's proposed sale of the Pittsfield Property satisfies each of the factors identified in *Engineering Products*. First, the Debtor has a sound business reason to sell the Pittsfield Property. It does not have sufficient income to fund any creditor payments, and cannot maintain the Pittsfield Property. The proceeds of the sale, however, will enable the Debtor to make significant payments to its creditors.

40. Second, fair and reasonable consideration will be paid. The Purchaser has offered \$16,500,000.00 for the Pittsfield Property, subject to higher and better offers. The bid procedures and public auction are designed to maximize the Debtor's recovery from the disposition of the Pittsfield Property.

41. Third, the sale to the Purchaser has been proposed and negotiated in good faith. Prior to presentation, the Debtor and the Purchaser, both represented by counsel, have engaged in extensive negotiations and have agreed to the terms of a sale as set forth in the PSA. The Debtor is not related in any way to the Purchaser and will not receive any benefit from the sale other than the consideration being paid.

42. Last, adequate notice of the Sale will be provided. The Debtor will notify all creditors and parties in interest of the Sale. These procedures will provide all interested parties with adequate notice of the Sale.

2.2. The Sale should be free and clear of Interests.

43. A debtor-in-possession may sell estate assets free and clear of any interest in the asset only if:

- (1) applicable non-bankruptcy law permits sale of such property free and clear of such interest;
- (2) such entity consents;
- (3) such interest is a lien and the price at which such property is to be sold is greater than the aggregate value of all liens on such property;
- (4) such interest is in bona fide dispute; or

(5) such entity could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such interest.

11 U.S.C. § 363(f)

44. Under this provision, the Debtor may sell the Pittsfield Property free and clear of all liens, claims, interests, and encumbrances, except for any liabilities specifically assumed. To the best of the Debtor's knowledge, information, and belief, the entities that claim a security interest or lien against the Pittsfield Property are PD Lender LLC and Nebraska Alliance Realty and such amounts will be paid in full from the sale proceeds.

45. Nebraska's claim is secured by the portions belonging to the Debtor, Hotel, and Residential. The claim of Nebraska Alliance Realty will be paid at the closing of the sale of the Property, pursuant to a separate agreement with the Debtor and Nebraska Alliance Realty, which is subject to Court approval. PD Lender's claim is secured by the Debtor's portion of the Pittsfield Building as well as Hotel's portion and collectively the proceeds from the sale of these two parcels will be sufficient to pay PD Lender in full.

46. The Debtor believes that in light of the foregoing, the sale will comply with the requirements of § 363(f) and the entity acquiring the Pittsfield Property will do so free and clear of all Interests. Further, any Interests asserted against the Pittsfield Property not paid at closing, will be protected by attachment to the proceeds of the sale, which will be sufficient to pay such amounts. Accordingly, the Debtor respectfully requests that the Court permit the transfer of the Pittsfield Property to the Purchaser or such other Winning Bidder that submits a higher and better offer (in Debtor's sole discretion) free and clear of all Interests (except for any liabilities expressly assumed), with such Interests attaching to the sale proceeds.

2.3. The Winning Bidder is entitled to a good-faith finding under 11 U.S.C. § 363(m).

47. The reversal or modification on appeal of an authorization under § 363(b) of a sale of property does not affect the validity of the sale to an entity that purchased the property in good faith, unless the authorization and sale were stayed pending appeal. 11 U.S.C. § 363(m). Although the Bankruptcy Code does not define a “good faith” purchaser, courts have found that “the phrase encompasses one who purchases in ‘good faith’ and for ‘value.’” *In re Abbotts Dairies*, 788 F.2d 143, 147 (3d Cir. 1986). To constitute lack of good faith, a party’s conduct in connection with the sale must usually amount to “fraud, collusion between the purchaser and other bidders or the trustee or an attempt to take grossly unfair advantage of other bidders.” *Id.* (citing *In re Rock Indus. Mach. Corp.*, 572 F.2d 1195, 1198 (7th Cir. 1978)). See also *In re Bedford Springs Hotel, Inc.*, 99 B.R. 302, 305 (Bankr. W.D. Pa. 1989); *In re Perona Bros., Inc.*, 186 B.R. 833, 839 (D.N.J. 1995). Due to the absence of a bright line test for good faith, the determination is based on the facts of each case, concentrating on the “integrity of [an actor’s] conduct during the sale proceedings.” *In re Pisces Leasing Corp.*, 66 B.R. 671, 673 (E.D.N.Y. 1986) (quoting *Rock Indus.*, 572 F.2d at 1198).

48. In this case, the Debtor submits the Purchaser has acted in good faith with respect to the proposed sale and will continue to do so. The bid and public auction process will ensure that the Purchaser (or any other entity that becomes the Winning Bidder) will have paid the Debtor the value of the Pittsfield Property.

49. Further, the Debtor and the Purchaser extensively negotiated the terms of the PSA, through counsel and at arms’ length. There has been no collusion, and both parties have been clear from the outset that the Purchaser’s offer would have to be subject to higher and better offers from third parties. The Debtor therefore submits that the Purchaser, or any other party that becomes the Winning Bidder, is entitled to a good-faith finding under § 363(m).

2.3.1. The Break-Up Fee should be approved.

50. A break-up fee can provide value to an estate by serving as an “incentive payment” offered to a bidder who places a debtor’s property in a “sales configuration mode,” attracts other bidders to an auction for the property, but is not the successful bidder at that auction. *In re Fin. News Network, Inc.*, Bankr. No. 91B-10891, 1991 WL 127524, at *1 (Bankr. S.D.N.Y. May 10, 1991), *aff’d*, 134 B.R. 737 (S.D.N.Y. 1991). Specifically, break-up fees can be appropriate devices where they (a) attract or retain a potentially successful bid, (b) establish a bid standard or minimum for other bidders to follow, and (c) attract additional bidders. *In re Integrated Res., Inc.* 147 B.R. 650, 661–62 (S.D.N.Y. 1992).

51. Provided all conditions to closing are met, the PSA commits the Purchaser to consummate a sale, thereby insuring that the Debtor’s estate will have sale proceeds to distribute. The PSA also establishes a floor price for the Pittsfield Property and it is anticipated that the PSA will encourage competitive bidding. The Purchaser, therefore, has provided value to the Debtor’s estate in exchange for the Break-Up Fee.

52. The Break-Up Fee is intended to compensate the Purchaser for its fees and other expenses incurred in connection with pursuing the sale. The Break-Up Fee represents less than 1% of the purchase price in the PSA and is therefore not disproportionate to the value of the entire proposed transaction. *See, e.g., In re Global Crossing Ltd.*, 295 B.R. 726, 733 (Bankr. S.D.N.Y. 2003) (observing that “liquidating damages” provision functioned substantially like a break-up fee, court noted approval of break-up fee of \$30 million on \$250,000,000 transaction, or 12%); *In re RSL Com Primecall, Inc.*, No. 01-11457, 2002 Bankr. LEXIS 367 (Bankr. S.D.N.Y. Apr. 11, 2002) (approval of 3% break-up fee); *In re 995 Fifth Ave. Assocs., L.P.*, 96 B.R. 24, 28 (Bankr. S.D.N.Y. 1989) (break-up fees are generally permissible when reasonable in relation to bidder’s efforts and size of transaction). The Break-Up Fee will be paid as provided in the Sale Procedures Order and, if payment is

triggered, the Break-Up Fee will constitute an allowed administrative expense of Debtor's estate, pursuant to §§ 503(b) and 507(a)(2) of the Bankruptcy Code.

WHEREFORE, the Debtor respectfully requests that the Court enter an order in substantially in the form attached hereto (i) authorizing the Sale Procedures for the sale of the Pittsfield Property and, subject to the final hearing, authorizing the Debtor to sell the Pittsfield Property to the entity that submits the highest and best offer, (ii) approving the Break-Up Fee, (iii) setting a final hearing on the sale at which the Court will enter the Sale Order, and (iv) granting such further relief as is appropriate in the circumstances.

Dated: May 23, 2017

Respectfully submitted,

Pittsfield Development LLC

By: /s/ William J. Factor

One of Its Attorneys

William J. Factor (6205675)
Jeffrey K. Paulsen (6300528)
FACTORLAW
105 W. Madison Street, Suite 1500
Chicago, IL 60602
Tel: (847) 239-7248
Fax: (847) 574-8233
Email: wfactor@wfactorlaw.com
jpaulsen@wfactorlaw.com

EXHIBIT 1

[Purchase and Sale PSA with the Purchase]

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PURCHASE AND SALE AGREEMENT

PURCHASE AND SALE AGREEMENT ("**Agreement**"), made as of
May 9, 2017 ("**Effective Date**"), between
Pittsfield Development, LLC, Pittsfield Hotel Holdings, LLC and Pittsfield Residential II, LLC having
a mailing address at 5151 Collins Avenue, Suite 1727, Miami Beach, Florida 33140,
(collectively, the "**Sellers**" or "**Seller**") and Pioneer Acquisitions, LLC
having a mailing address at
180 E Post Rd, Suite 201 (the "**Purchaser**") (collectively, the
"**Parties**"). White Plains, NY 10691 ext

WITNESSETH:

WHEREAS, Seller is the owner of the Premises (as defined in Paragraph 1A below) and related assets hereinafter described; and

WHEREAS, Seller desires to sell to Purchaser, and Purchaser desires to purchase from Seller, the Premises located in the building now known by the street address 55 East Washington, Chicago, Illinois (the "**Building**") on the terms and conditions hereafter set forth.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements hereafter set forth and subject to the terms and conditions hereof, Sellers and Purchaser hereby covenant and agree as follows:

1. **Premises Purchased.** Seller agrees to sell to Purchaser, and Purchaser agrees to purchase from Seller, the following property:

A. All of Sellers' right, title and interest in the Building excluding 13-21 floors as substantially described in Exhibit A attached hereto (the "**Premises**").

B. All fixtures, equipment, furnishings and other personal property owned by Sellers, located in the Premises and used exclusively in connection therewith, including, without limitation, all right, title, and interest of Sellers, if any, in all tangible and intangible which are located on and used in connection with the operation of the Premises as opposed to the Building in general or other parts of the Building (hereafter collectively referred to as "**Personal Property**").

2. **Purchase Price.** The purchase price of \$ 16,500,000, consisting of the ~~sum of the Transaction Fee, as defined in Paragraph 2H below,~~ and Purchaser's price it has

offered to pay for the Premises (collectively, the "Purchase Price") shall be paid by Purchaser in United States Dollars as follows:

A. By 3pm (Eastern Time) on the first business day following the Effective Date (the "Initial Deposit Deadline"), Purchaser shall deliver an amount equal to ~~five percent (5%) of the Purchase Price~~ ^{\$500,000} (hereafter "Initial Deposit") to Kensington Vanguard National Land Services (the "Escrow Agent") via wire transfer pursuant to the wiring instructions attached hereto as Exhibit B. If the Initial Deposit is not timely received by the Escrow Agent by the Initial Deposit Deadline, then, notwithstanding anything to the contrary in this Agreement, without any notice or opportunity to cure, this Agreement shall automatically and immediately terminate and be deemed without any further force or effect.

~~B. In the event that an additional amount equal to five percent (5%) of the Purchase Price (the "Additional Deposit") is received by Escrow Agent from Purchaser by 3pm (Eastern Time) on the tenth (10th) day following the Effective Date, the time being of the essence, then, the Closing Date (as defined in Paragraph 4 herein) shall be deemed changed to the sixtieth (60th) business day following the Effective Date; Escrow Agent's wiring instructions are attached hereto as Exhibit B.~~

C. The Initial Deposit and the Additional Deposit shall hereafter collectively be referred to as the "Deposit". Notwithstanding anything to the contrary, the Deposit is not refundable to Purchaser, subject to Paragraphs 8B and 16 herein.

D. At the closing of the transactions contemplated by this Agreement (the "Closing"), which shall occur on the Closing Date (as defined in Paragraph 4 herein), Purchaser shall receive a credit against the Purchase Price for the Deposit, provided that the Deposit is made by Purchaser as set forth above and Escrow Agent promptly releases same to Sellers at Closing.

E. On or prior to the Closing Date, Purchaser shall wire transfer to the Escrow Agent in immediately available funds in United States currency (in accordance with wiring instructions to be supplied by Escrow Agent) the amount of equal to the Purchase Price less the Deposit, plus or minus all prorations and other adjustments ("Purchase Price Balance") (Any net prorations and adjustments chargeable against Sellers shall be a credit

against said sum; otherwise said amount shall be increased by the amounts chargeable against Purchaser).

F. Escrow Agent, by signing on the space indicated at the end of this Agreement, agrees to be bound by the terms and conditions herein set forth with respect to its obligations contained herein.

G. The charges of the Escrow Agent solely relating to holding and disbursing the Earnest Money Escrow shall be divided equally between Seller and Purchaser whether the transaction contemplated herein closes or does not close.

H. ~~The "Transaction Fee" is the charge imposed by Ten-X or its affiliates ("Ten-X") which is the greater of (i) 5% of the Purchaser's monetary offer to purchase the Premises as conveyed to Ten-X or (ii) \$40,000.00. Ten-X has been engaged by Seller as the on-line marketing platform and shall be paid the Transaction Fee at Closing from the proceeds due to Seller pursuant to a separate agreement between Seller and Ten-X.~~

3. **Permitted Exceptions to Title.**

The Premises shall be conveyed to Purchaser subject only to (i) the Leases (defined below), the rights of existing tenants and other occupants of the Premises, if any, (ii) the Declaration of Covenants, Conditions, Restrictions and Easements for the Pittsfield Building, 55 East Washington Street, Chicago, Illinois recorded as document #0800418067 with the Cook County Recorder of Deeds on January 4, 2008 as amended before and/or after the date hereof (the "Current REA") (iii) matters accepted by Purchaser and/or waived or not objected to by Purchaser in accordance with the terms of this Agreement, (iv) then current general and special real estate taxes and assessments on the Premises which are a lien but are not due and payable at the time the Deed is given to the Escrow Agent, (v) any facts any accurate survey and/or personal inspection of the Premises may disclose, (vi) the mortgage/deed of trust/deed to secure debt lien in connection with any Purchaser financing, (vii) covenants, restrictions, conditions, easements, reservations, rights of way and other matters that do not materially impair the use of the Premises, (viii) any laws, rules, regulations, ordinances (including, among others, zoning, building and environmental) as to, among other things, the use, occupancy, subdivision or improvement of the Premises adopted or imposed by any governmental or quasi-governmental body, (viii) roads, highways and other public rights of way, (ix) Consents of record by the Seller

or any former owner of the Premises for the erection of any structure or structures on, under or above any street or streets on which the Premises/Building may abut, (x) Financing statements, chattel mortgages and liens filed against property or equipment no longer located on the Premises or owned by tenants, (xi) Rights of utility companies to lay, maintain, install and repair pipes, lines, poles, conduits, cable boxes and related equipment on, over and under the Premises, (xii) Encroachments of stoops, areas, cellar steps, trim cornices, lintels, window sills, awnings, canopies, ledges, fences, hedges, coping and retaining walls projecting from the Premises over any street or highway or over any adjoining property and encroachments of similar elements projecting from adjoining property over the Premises, (xiii) Revocability or lack of right to maintain vaults, coal chutes, excavations or sub-surface equipment beyond the line of the Building, (ix) the standard exceptions of _____ (the "**Title Insurer**"), (x) any other matter for which the Title Insurer agrees to provide insurance at no additional cost to Purchaser and (xi) the Fornelli Action (as defined in Paragraph 5 herein) (collectively referred to as the "**Permitted Exceptions**").

3A. **Leases.**

(a) Notwithstanding anything to the contrary, Purchaser shall accept the Premises at Closing subject all leases, tenancies and other written occupancy agreements of those tenants listed on Exhibit C annexed hereto (collectively, the "**Leases**") and any occupants of the Premises which are unknown to Seller, or not authorized by Seller.

(b) Seller shall not, without Purchaser's prior written consent, which shall not be unreasonably withheld, delayed or conditioned: (a) enter into any new lease, or amend, renew or extend any existing Lease in any respect, unless (i) the lease term is equal to or less than one (1) year at a monthly rent equal to or greater than the monthly rent most recently charged by Seller or (ii) if required by law; or (b) evict a tenant or terminate any Lease unless the tenant is in default of its lease. *Notwithstanding the foregoing, Seller shall not lease the former Chase bank space without purchaser's consent.*

(c) If any space is vacant on the Closing Date, Purchaser shall accept the Premises subject to such vacancy without any reduction of or credit towards the Purchase Price provided that the vacancy was not created by Seller in violation of any restrictions contained in this Agreement. Seller shall not grant any concessions or rent abatements for any period following the closing without Purchaser's prior written consent.

(d) Seller does not warrant that any particular Lease or tenancy will be in force or effect at the Closing or that the tenants are not in default of their obligations thereunder. The termination of any Lease or tenancy or an eviction of a tenant prior to the Closing pursuant to Paragraph 3A(b) shall not affect the obligations of Purchaser under this Agreement in any manner or entitle Purchaser to an abatement of or credit against the Purchase Price or give rise to any other claim against Seller.

4. **Closing.** As more fully described in Paragraphs 7 and 13 of this Agreement, the Closing shall take place via escrow through the Escrow Agent a date which is Thirty (30) business days following the Effective Date (the "**Closing Date**").

5. **Representations and Warranties.** A. Sellers represent, covenant, warrant, and agree, as of the date hereof (which representations, warrants and agreements shall survive NOT the Closing/termination of this Agreement unless expressly stated otherwise in this Agreement), that:

(a) Sellers are duly organized validly existing limited liability companies in good standing under the laws of the State of their formation, with corporate powers adequate for the making and performing of this Agreement and for carrying on the business now conducted or proposed to be conducted by it. Sellers have taken all company action required to execute, deliver and perform this Agreement, and have caused this Agreement to be executed by a duly authorized officer or member;

(b) There are no leases, licenses, occupancy or use, or other rental agreements (written or unwritten) to which Sellers are a party or are bound affecting any portion of the Premises, other than the Leases. Notwithstanding anything to the contrary, Seller makes no representation or warranty with respect to the existence of any subtenants, licensees or other occupants of/in the Building, except for the tenants under the Leases.

(c) There are no service contracts, management contracts or union contracts, which will be in effect at Closing solely limited to the Premises except those listed in **Exhibit D** attached hereto (the "**Service Contracts**"). Notwithstanding the foregoing, Purchaser understands and agrees that there are service contracts regarding the Building and that Purchaser shall be liable under the REA for its share of costs and fees relating to services that relate to common areas of the Building as of and after the date of Closing.

(d) Sellers are not a “foreign person” within the meaning of Section 1445 of the Internal Revenue Code of 1986, as amended;

(e) There are no pending or, to Sellers' knowledge, threatened condemnation or similar proceedings affecting the Premises or any part thereof;

(f) Seller is the owner of the fee title interest to the Premises.

(g) Seller has no employees. Sellers are not: (i) an “employee benefit plan” (within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended (“**ERISA**”)) that is subject to the provisions of Title I of ERISA, (ii) a “plan” that is subject to the prohibited transaction provisions of Section 4975 of the Internal Revenue Code of 1986 (the “**Code**”) or (iii) an entity whose assets are treated as “plan assets” under ERISA by reason of an employee benefit plan or plan’s investment in such entity.

(h) Sellers are in compliance with the requirements of Executive Order No. 13224, 66 Fed. Reg. 49079 (Sept. 25, 2001) (the “**Order**”) and other similar requirements contained in the rules and regulations of the office of Foreign Assets Control, Department of the Treasury (“**OFAC**”) and in any enabling legislation or other Executive Orders or regulations in respect thereof (the Order and such other rules, regulations, legislation, or orders are collectively called the “**Orders**”).

(i) To the best of Sellers’ knowledge, neither Sellers nor any beneficial owner of Sellers:

(i) is listed on the Specially Designated Nationals and Blocked Persons List maintained by OFAC pursuant to the Order and/or on any other list of terrorists or terrorist organizations maintained pursuant to any of the rules and regulations of OFAC or pursuant to any other applicable Orders (such lists are collectively referred to as the “**Lists**”);

(ii) is a person who has been determined by competent authority to be subject to the prohibitions contained in the Orders;

(iii) is owned or controlled by, nor acts for or on behalf of, any person or entity on the Lists or any other person or entity who has been determined by competent authority to be subject to the prohibitions contained in the Orders; or

(iv) shall transfer or permit the transfer of any interest in Sellers or any beneficial owner in Sellers to any person or entity who is, or any of whose beneficial owners are, listed on the Lists.

(j) There is no action, suit or proceeding pending against Sellers except *55 East Washington Development v Pittsfield Development LLC et al*, Case No 2014CH09145 pending in Circuit Court of Cook County, Illinois (the "**Fornelli Action**"), nor are any outstanding judgments, arbitration awards, decrees, or orders of any kind pending against Sellers or the Premises except for those issued in the Fornelli Action.

In the event that the claims (the "**Claims**") of Plaintiff in the Fornelli Action are not dismissed at or prior to Closing or not insured against by the Title Insurer at Closing, then, Seller shall agree to indemnify Purchaser for all damages suffered by Purchaser as a direct result of the Claims, except for Purchaser's negligence or willful misconduct.

(k) To Sellers' knowledge, there is no action threatened against Seller or the Premises except for the Fornelli Action and the Contractor's Claim for Lien Docket #1627413063 filed in the Cook County Recorder of Deeds on September 30, 2016 (the "**Lien**"). At or prior to Closing, Seller shall have said Lien dismissed, bonded, settled or monies placed in escrow so that the Title Insurer shall insure over said Lien at or prior to Closing.

(l) Sellers have not received any written notices of default from any mortgagee of the Premises.

(m) Sellers have not entered into any agreement to sell the Premises to any third party which has not been previously cancelled or which gives any right of first refusal to purchase the Premises or option to purchase the Premises to a third party, which shall prevent it from completing the sale of the Premises to Purchaser under the terms of this Agreement or which would bind Purchaser in any manner subsequent to the consummation of this Agreement.

(n) This Agreement and all documents to be executed pursuant hereto by Sellers are and shall be binding upon and enforceable against Sellers in accordance with their respective terms.

(o) To the best of Sellers' knowledge, no portion of the Premises has been condemned or otherwise taken by any public authority, and Sellers have not received any written

notice that any such condemnation or taking is threatened or contemplated regarding the Premises.

B. Purchaser represents, covenants, warrants, and agrees, as of the date hereof (which representations, warrants and agreements shall survive the Closing for a period of three (3) months unless expressly stated otherwise in this Agreement), that:

(a) Purchaser has full power and authority to enter into this Agreement and the instruments and documents referenced herein, to execute and deliver the instruments and documents referenced herein and to perform all the obligations of Purchaser hereunder and under the instruments and documents referenced herein. Neither this Agreement nor compliance with or fulfillment of the terms and conditions hereof will conflict with, or result in a breach of, the terms, conditions or provisions of, or constitute a default under, any agreement to which Purchaser is a party or by which Purchaser is otherwise bound, or any judicial order to which Seller is a party or to which Purchaser is subject.

(b) No further consent or approval is required in order to constitute each of this Agreement and such instruments and documents referenced herein a legal, valid and binding obligation of Purchaser.

(c) Purchaser (which, for this purposes of this Subparagraph (c), shall include its partners, members, principal stockholders and any other constituent entities) (i) has not been designated as a “specifically designated national and blocked person” on the most current List; (ii) is currently in compliance with and will at all times during the term of this Agreement (including any extension thereof) remain in compliance with the regulations of OFAC and any statute, executive order (including the September 24, 2001 Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action relating thereto; and (iii) will not transfer or permit the transfer of any controlling interest in Purchaser to any person or entity who is, or any of whose beneficial owners are, listed on the List. Purchaser’s representations in this Paragraph 5(c) shall survive Closing indefinitely.

(d) Property Condition and Attributes. Prior to entering into this Agreement, Purchaser had the opportunity to conduct Purchaser's own due diligence and investigations. Except as expressly set forth in this Agreement, Purchaser's obligations under this Agreement are not contingent on any further due diligence and/or investigation. Purchaser acknowledges that the square footage of the Premises (including, but not limited to, the square footage of the lot and any improvements thereon) is deemed approximate and not guaranteed. Except as otherwise expressly set forth in this Agreement or in written disclosures to Purchaser signed by Seller, (i) Seller does not make, and expressly disclaims, any representation or warranty, express or implied, regarding the Premises, and (ii) Purchaser acknowledges and agrees that Seller is selling the Premises "As Is, Where Is, With All Faults and Limitations" and Seller shall have no liability for or any obligation to make any repairs or improvements of any kind to the Premises.

(e) Disclosures. Prior to entering into this Agreement, Purchaser has received (or, to the extent not received, Purchaser irrevocably waives) all disclosure documents required to be provided by or on behalf of Seller or Seller's representatives. Reports furnished by or on behalf of Seller shall be for informational purposes only and are not made part of this Agreement unless required under applicable law.

(f) Sophisticated Purchaser. Purchaser (i) is a sophisticated purchaser, (ii) is capable of evaluating the merits and risks of purchasing the Premises, (iii) understands and is able to bear the economic risks of purchasing the Premises, including without limitation, a total loss of investment and/or the risk that Purchaser may be required to hold the Premises for an indefinite period of time.

6. Prorations and Adjustments.

A. The following shall be adjusted between Sellers and Purchaser as of the close of business on the day prior to Closing (to be added to, or credited against, (as the case may be) to the Purchase Price to be paid by Purchaser to Sellers on the Closing Date):

(i) All real estate taxes, personal property taxes, sewer rents and charges and other state, county, school, district, municipal and other governmental and quasi-governmental taxes and charges relating to the Premises, due and owing as of the Closing Date as invoiced by

the taxing authority. For example but not by way of limitation, if the closing of this transaction occurs in 2017 and Seller has only been invoiced for real estate taxes and other charges for the calendar year 2016, then, Seller shall only be obligated to pay those taxes and other charges due for the calendar year 2016 and, Purchaser shall be fully responsible and liable for all those taxes and other charges due for the calendar year 2017 and thereafter. Notwithstanding anything to the contrary, Seller is not liable for any real estate taxes or assessments not invoiced by any taxing authority or for any period after Closing.

(ii) Charges and payments due based on the Premises' percentage share of such charges and payments as set forth in the Current REA,

(iii) All charges for utilities servicing the Premises, including, without limitation, charges for gas, electricity, water and sewerage;

(iv) all other income and ordinary operating expenses for or pertaining to the Premises shall be prorated on a customary basis; the parties shall act in good faith to accomplish a fair and equitable proration.

(v) collected rents from any tenants still in possession provided, however, that rent and all other sums which are due and payable to Seller by any tenant but uncollected as of the Closing shall not be adjusted, but Purchaser shall cause the rent and other sums for the period prior to Closing to be remitted to Seller if, as, and when collected (but Purchaser shall not be required to take legal action for such amounts accruing prior to the Closing). At Closing, Seller shall deliver to Purchaser a schedule of all rent, charges and other amounts payable by tenants after the Closing with respect to which Seller is entitled to receive a share under this Agreement, and any amount due and owing to Seller before the Closing by tenants under the Leases which are unpaid on the date of Closing (such amounts are collectively referred to herein as the "**Delinquent Amounts**"). Rental and other payments received by Purchaser from tenants shall first be applied toward the payment of Delinquent Amounts and any excess monies received (if any) shall be applied toward the payment of current rent and other charges owed to Purchaser for periods after the Closing.

(vi) Subject to the foregoing, in the event that the amount of any prorated item is not known at Closing, the Parties agree that such items shall be prorated at Closing upon the basis of the best information available, and shall be adjusted when the actual amount(s) of such

items are known, with appropriate charges and credits to be made. In the event any adjustment, subsequent to the Closing Date, shall be necessitated, then either party hereto who is entitled to additional monies shall invoice the other party for such additional amounts as may be owing, and such amount shall be paid within ten (10) days from receipt of the invoice.

(vii) The security deposits held by Sellers pursuant to the Leases shall be returned to the respective tenants by Sellers at or prior to Closing.

(viii) If after the Closing either Seller or Purchaser discovers any inaccuracies or errors in the prorations or adjustments done at Closing, Seller and Purchaser shall take all action and pay all sums necessary so that the said prorations and adjustments shall be in accordance with the terms of this Agreement, and the obligations of either party to pay any such amount shall survive the Closing Date for six (6) months.

The provisions of this Paragraph 6 shall survive the Closing Date for a period of six (6) months.

B. **Special Assessments.** If, on the Closing Date, the Premises or the Building of which it is a part, shall be or shall have been affected by assessments which are, or which may become payable in annual installments, Sellers shall pay all installments through the day of closing and Purchaser shall pay the proportionate share of all installments subsequent to the Closing Date, subject to any prorations.

C. **Expenses.**

(i) Seller shall pay at or prior to Closing, one-half (½) of the escrow fee, the cost to record releases of Seller's financing documents, and all state and county transfer taxes and the portion of City of Chicago transfer taxes that are Seller's obligation pursuant to the City of Chicago ordinance.

(ii) Purchaser shall pay at or prior to Closing one-half (½) of the escrow fee, all costs and premiums of the owner's policy of title insurance with extended coverage, all lender title insurance premiums and costs of the endorsements to the Title Policy, the City of Chicago transfer taxes that are Purchaser's obligation pursuant to the City of Chicago ordinance, all costs of all searches made and relating to all parties, the Premises, the owner and lender title insurance, the costs for updating and/or revising the Seller's most current survey of the Premises, if any (the

“**Survey**”), and all recording fees respecting the Deeds and Purchaser’s financing documents, if any, and taxes and other fees relating to any Purchaser’s financing of this transaction.

(iii) All other costs, charges, and expenses shall be borne and paid at Closing as provided in this Agreement, or in the absence of such provision, in accordance with applicable law or local custom.

7. **Procedure for Closing.**

Closing of the transaction contemplated hereby shall be through an escrow (the "**Closing Escrow**") established with the Escrow Agent, as escrowee. This Agreement shall serve as escrow instructions to the Escrow Agent.

A. At the Closing, Sellers shall deliver to the Escrow Agent:

(i) A Quitclaim Deed for the Premises in a form prepared by Sellers (the “**Deed**”), duly executed and acknowledged by Sellers and in form for recording. Sellers shall provide to the Title Insurer original copies of any required real estate transfer tax excise or documentary stamp tax declarations executed by Sellers or any other similar documentation required to evidence the payment of any tax imposed by the state, county and city on the transaction contemplated hereby. Sellers may utilize closing proceeds to pay same.

(ii) Bill of sale transferring and selling all right, title and interest in and to the personal property located in the Premises, in the form prepared by Sellers.

(iii) Resolutions of Sellers authorizing the sale of the Premises pursuant to this Agreement and the authority of the officer executing the closing documents on behalf of Sellers.

(iv) Affidavit of Title reasonably acceptable to the Title Insurer.

(v) An Affidavit that Seller are not a “foreign person” within the meaning of Section 1445 of the Internal Revenue Code of 1986, as amended.

(ix) An affidavit of Pittsfield Development LLC affirming that all assessments, fees, fines, and other expenses for the Premises have been paid in full through the month of Closing.

(vii) All keys to the Premises, to the extent the same are in Sellers' possession or control.

(viii) All of the Leases and their amendments, to the extent they exist, in Sellers' possession.

(ix) A certificate of Sellers dated as of the Closing Date certifying that the representations and warranties of Sellers set forth in Paragraph 5 of this Agreement, as applicable, remain true and correct in all material respects as of the Closing Date.

(x) Intentionally Omitted.

(xi) Sellers' original executed counterpart of the Assignment of Leases and Assignment of Service Contracts assigning to Purchaser all of the liabilities and obligations thereunder accruing from and after the Closing Date, in the forms prepared by Sellers.

(xii) Sellers' original executed documents which are be required in the jurisdiction where the Premises are located for the Deed to be properly recorded;

(xiii) Seller's executed counterpart of a settlement statement prepared by the Title Insurer;

(xiv) Any additional documents reasonably required by the Title Insurer;

(xv) Evidence that all residential security deposits have been returned to the tenants, with all interest required thereon, prior to closing or at check made payable to each individual tenant is to be issued separately from Title Company at no cost to the Purchaser.

(xvi) Notice to tenants and vendors of new ownership in a form to be prepared by Seller;
and

(xvii) an "Entity Transferor" certification of Sellers being a "United States Person" and not a "Foreign Person" within the meaning of Section 1445(f)(3) of the Internal Revenue Code of 1986, as amended.

B. At Closing, Purchaser shall deliver to the Escrow Agent:

(i) The Purchase Price Balance required pursuant to Paragraph 2E above, together with all adjustments, if any, in favor of Sellers.

(ii) Purchaser's original executed counterpart of the Assignment of Service Contracts assuming all of the liabilities and obligations thereunder accruing from and after the Closing Date.

(iii) Purchaser's original executed counterpart of the Assignment of Leases assuming all of the liabilities and obligations thereunder accruing from and after the Closing Date.

(iv) Purchaser's original counterpart of any applicable state, county or local realty transfer tax declarations;

(v) Purchaser's original executed counterpart of a settlement statement provided by the Title Insurer;

(vi) Resolutions of Purchaser authorizing the purchase of the Premises pursuant to this Agreement and the authority of the officer executing the closing documents on behalf of Purchaser;

(vii) the Bulk Sales Form (hereinafter defined in Paragraph 32B(iii)) completed, fully signed and filed by Purchaser with the Illinois Department of Revenue and any other required departments/agencies; and

(viii) Any additional documents reasonably required by the Title Insurer or as necessary to effectuate the intent and purposes of this Agreement.

8. **Title Objections; Survey and Permitted Exceptions**

* A. By signing this Agreement, Purchaser represents and warrants that (a) it has received and thoroughly reviewed the title report and/or title insurance commitment dated on a date heretofore (the "**Title Commitment**") regarding the Premises issued by/from Title Insurer together with copies of all documents shown as exceptions therein, (b) accepts all, and waives any and all objections to, all matters set forth in the Title Commitment and (c) all matters set forth in the Title Commitment are Permitted Exceptions (as defined in Paragraph 3 herein) except for any lien or encumbrance of a definite or ascertainable monetary amount that affects the Premises and was voluntarily incurred or created by Sellers. All liens and encumbrances of a definite or ascertainable monetary amount that affect the Premises and were voluntarily incurred or created by Sellers shall be paid or released at Closing.

B. Promptly upon Purchaser's receipt of an update to the Title Commitment after the date of this Agreement and prior to Closing which discloses any lien, encumbrance, judgment or any other exception to title other than Permitted Exceptions (collectively "**Objections**"), Purchaser shall promptly provide a copy of same to Seller's attorney together with a written notice of the Objections, if any ("**Objection Notice**"). If Sellers do not notify Purchaser in writing within five (5) business days after receiving Purchaser's Objection Notice that Seller will, prior to Closing, remove or cure the defects giving rise to the Objections, then,

* This Agreement is subject to Purchaser's approval of a Title Commitment reflecting all of the Property being acquired by Purchaser. The Title Commitment referred to above did not include all of the Property and therefore Purchaser reserves the right to object¹⁴ to any matters reflected on a title commitment reflecting all of the Property being acquired by Purchaser.

Sellers shall conclusively be deemed to have refused to remove all said Objections at or before Closing (and Seller shall have no obligation to remove/cure or to incur any expense to cure or have cured). If Sellers notify Purchaser in writing within five (5) business days after receipt of Purchaser's Objection Notice that they have elected not to cure one or more of said Objections ("**Sellers' Notice**") or upon Seller's deemed refusal, Purchaser shall have the right to terminate this Agreement by delivering written notice to Sellers within five (5) business days after Seller's deemed refusal or receipt of Sellers' Notice, in which event, the Deposit shall be returned to Purchaser and neither party shall have any further rights or obligations under the Agreement except for those obligations which are stated in this Agreement to survive Closing/termination. If Purchaser fails to terminate this Agreement within such timeframe, the time being of the essence, Purchaser shall be deemed to have waived its right to terminate as a result thereof and shall be obligated to consummate the transaction contemplated by this Agreement in accordance with the terms hereof, in which event, all those Objections that Sellers have so elected (or has been deemed to elect) not to cure as well as all other matters shown in an updated survey or updated Title Commitment which were not objected to by Purchaser shall conclusively be deemed to be "Permitted Exceptions" (in addition to the Permitted Exceptions defined in Paragraph 3 herein); provided however that Sellers shall be obligated to pay off the lien or encumbrance of a definite or ascertainable amount that affects the Premises and was voluntarily incurred or created by Sellers.

C. If a search of the title discloses judgments, bankruptcies or other returns against other persons having names the same or similar to that of Sellers, Sellers will, on request, deliver to the Title Insurer an affidavit showing that such judgments, bankruptcies or other returns are not against Sellers.

D. Purchaser shall be entitled to receive at Closing an owner's title insurance policy (or a commitment therefore) (the "**Title Policy**") issued by the Title Insurer, dated the day of Closing, in the full amount of the Purchase Price, subject only to the Permitted Exceptions. The Title Policy may contain any endorsements requested by Purchaser; provided that, the Closing is not delayed thereby. The costs of any such endorsements and the lender's title insurance policy premiums, searches and coverages, the owners' title insurance policy premiums with extended coverage shall be paid for by Purchaser.

Notwithstanding anything to the contrary, Purchaser shall remain obligated to close this transaction if the Title Insurer refuses to insure a matter which is a Permitted Exception.

E. At Sellers' request, Sellers shall be given a reasonable adjournment (not to exceed 30 days) of the Closing Date to permit Sellers to endeavor to eliminate any Title Objections. The fact that Sellers at Sellers' option may proceed to dispose of any of said alleged objections to title shall not be deemed an admission of the validity of any of such objections or an admission of Sellers' obligation to cure/correct.

F. Notwithstanding anything to the contrary, Purchaser shall not refuse title if the Title Insurer is willing to insure against the enforcement of any Objection or defect in title provided the intended use of the Premises is not affected.

9. **Intentionally Omitted.**

10. **Broker's Commission.** The listing broker in connection with this transaction is Imperial Realty Company which shall be paid by Seller pursuant to a separate agreement. Notwithstanding anything to the contrary, Seller shall not be responsible or liable for any fee or commission due to any finder/broker other than Imperial Realty Company. Purchaser hereby agrees to indemnify and hold harmless Seller from and against any cost, expenses (including, among other things, reasonable attorneys' fees), claim, liability or damage resulting from a breach of the representation and warranty contained herein and from any claim by any broker (other than Imperial Realty Company) in connection with this transaction. The provisions of this Paragraph 10 shall survive the Closing Date and delivery of the Deed.

11. **Casualty.** If, between the date hereof and the Closing, there shall occur a fire or other casualty affecting the Premises which would cost in excess of \$500,000.00 to repair, then Purchaser shall have the right to terminate this Agreement and receive a refund of the Deposit via notice received within ten (10) days after Purchaser receives notice of the casualty, and, if necessary, the time of Closing shall be extended to permit such election. In the event Purchaser does not timely elect to terminate the Agreement, the time being of the essence, then to the extent that the insurance proceeds are allocated specifically to the Premises, Sellers shall pay to Purchaser an amount equal to the deductible under Sellers' policy of casualty insurance and Sellers shall execute and deliver to Purchaser all required proofs of loss, to the extent available,

assignments of claims and other similar items and an assignment of the insurance proceeds. In no event shall Sellers have any obligation to repair any damage or destruction to any portion of the Premises, but Sellers shall have the right to do so and utilize insurance proceeds for such purpose.

If, prior to Closing, any of the improvements on the Premises are damaged or destroyed and such damage which would cost less than \$500,000.00 to repair, Purchaser shall remain obligated to close hereunder with no abatement in the Purchase Price. At Closing, Sellers shall assign to Purchaser Sellers' rights in any insurance proceeds to be paid to Sellers in connection with such damage or destruction, and Purchaser shall receive a credit against the Purchase Price from Sellers in an amount equal to the deductible amount under Sellers' casualty insurance policy and Sellers shall execute and deliver to Purchaser all required proofs of loss to the extent available, assignments of claims and other similar items.

12. **Condemnation.** If between the date hereof and the Closing, any condemnation or eminent domain proceedings are initiated which would result in the taking of any portion of the Premises, then Purchaser may terminate this Agreement and receive a refund of the Deposit, to the extent not heretofore released. In no event shall Sellers have any obligation to repair or restore any portion of the Premises.

13. **Duties of Escrow Agent.**

General Escrow Provisions. The obligations and rights of the Escrow Agent under this Agreement shall be subject to the following terms and conditions:

(a) **Appointment of Escrow Agent.** Seller and Purchaser hereby appoint Escrow Agent as escrow agent hereunder, and Escrow Agent hereby accepts such appointment.

(b) **Duties.** The duties and obligations of Escrow Agent shall be determined solely by the express provisions of this Agreement and no implied duties or obligations shall be implied against Escrow Agent. Further, Escrow Agent shall be under no obligation to refer to any other document between or among Purchaser and Seller referred to in or related to this Agreement, unless Escrow Agent is provided with a copy of such document and consents thereto in writing. By signing below, Escrow Agent agrees to hold and disburse pursuant to the terms of this Agreement all monies received by Escrow Agent pursuant to this Agreement (the "**Escrow**

Funds”) and all documents received by Escrow Agent from the Seller and/or Purchaser (the **“Escrow Documents”**).

(c) Escrow Term. The term of Escrow Agent’s obligations is from the date hereof and shall terminate and be of no further force and effect on the date when all of the Escrow Funds and Escrow Documents have been disbursed in accordance with the terms hereof.

(d) Upon either party giving a written notice to Escrow Agent demanding payment of the whole or any portion of the Escrow Funds, Escrow Agent shall give prompt written notice to the other party of such demand. If Escrow Agent does not receive written notice of objection from such other party to the proposed payment within 4 business days after the giving of such written notice, Escrow Agent is hereby authorized and directed to make such payment and shall make such payment within two (2) business days thereafter. If Escrow Agent does receive such written notice of objection within such 4 business day period or Escrow Agent otherwise believes in good faith that the Escrow Funds should not be released as demanded, Escrow Agent shall continue to hold such amount until otherwise directed by joint written instructions from Seller and Purchaser or a final, non-appealable judgment, order or decree of a court or as otherwise set forth herein.

(e) Liability of Escrow Agent. Escrow Agent shall not be liable for any act which Escrow Agent may do or omit to do hereunder while acting in good faith and in the exercise of its own judgment and discretion (except that Escrow Agent shall be liable for its acts of willful misconduct or gross negligence). Any act done or omitted by Escrow Agent pursuant to the advice of independent legal counsel shall be conclusive evidence of such good faith. Escrow Agent may act in reliance upon any instrument or signature which it believes to be genuine and may assume that any person or entity purporting to give notice or advice or instructions in connection with the provisions hereof has been duly authorized to do so. In any case in which Escrow Agent obeys or otherwise complies with the joint written instructions of Purchaser and Seller or any such directive, statement, judgment, order or decree of a court, Escrow Agent shall not be liable to any person or entity, by reason of such obedience or compliance notwithstanding that such joint instructions, or directive, statement, judgment, order or decree of any court may be subsequently withdrawn, rescinded, reversed, modified, annulled, set aside or vacated, or, in the case of a judgment, order or decree, found to have been entered

without jurisdiction. The sole responsibility of Escrow Agent hereunder shall be to hold and disburse the Escrow Funds in accordance with the provisions hereof.

(f) If any dispute arises, the Escrow Agent may: (a) commence an interpleader or similar action in the courts of the State of Illinois, (b) release the Escrow Funds pursuant to joint written instructions of the Seller and Purchaser, or (c) deposit the Escrow Funds with the Clerk of a Court in the County where the Premises is located and shall give notice of such deposit to Seller and Purchaser. Notwithstanding anything to the contrary, upon such deposit or other disbursement in accordance with the terms of this Agreement, Escrow Agent shall be relieved and discharged of all further obligations and responsibilities under this Agreement. During the course of any dispute involving litigation, the Escrow Agent shall stand fully relieved and discharged of any further liability or duties hereunder. The Escrow Agent shall not be liable for any error of judgment or for any mistake of fact or law except its own negligence or willful misconduct. The parties hereto acknowledge that Escrow Agent is acting solely as a stakeholder at their request and for their convenience, that Escrow Agent shall not be deemed to be the agent of any party hereto.

(g) Indemnification of Escrow Agent. Purchaser and Seller each agree to jointly and severally indemnify and hold harmless Escrow Agent against any and all liabilities in any way incurred by Escrow Agent (except to the extent arising from negligence, willful misconduct or breach of this Agreement by Escrow Agent) in connection with or as a result of any disagreement between Purchaser and Seller under this Agreement or otherwise incurred by Escrow Agent in any way on account of its role as Escrow Agent.

(h) Interpleader. Escrow Agent may pay the Deposit into a court of competent jurisdiction upon commencement by the Escrow Agent of an interpleader action in such court. The reasonable out-of-pocket costs and attorneys' fees of the Escrow Agent for such interpleader action shall be paid by the losing party in such interpleader action.

(i) Reporting Person. Seller and Purchaser hereby name the Escrow Agent as the "**Reporting Person**" under Section 6045(e) of the Internal Revenue Code, as amended.

(j) Further Assurances. From time to time on and after the date hereof, Seller and Purchaser shall deliver or cause to be delivered to Escrow Agent such further documents and instruments and shall do and cause to be done such further acts as Escrow Agent shall reasonably

request (it being understood that Escrow Agent shall have no obligation to make any such request) to carry out more effectively the provisions and purposes of this Agreement, to evidence compliance herewith or to assure itself that it is protected in acting hereunder.

(k) Resignation of Escrow Agent. Escrow Agent may resign at any time as Escrow Agent hereunder upon giving five (5) days' prior written notice to that effect to both Seller and Purchaser. In such event, the successor Escrow Agent shall be a nationally recognized title insurance company or other Person acceptable to both Seller and Purchaser. Such party that will no longer be serving as Escrow Agent shall deliver, against receipt, to such successor Escrow Agent, the Escrow Funds and Escrow Documents held by such party, to be held by such successor Escrow Agent pursuant to the terms and provisions of this Agreement. If no such successor has been designated on or before such party ceases to be Escrow Agent hereunder, whether by resignation or otherwise, its obligations as Escrow Agent shall continue until such successor is appointed, provided, however, its sole obligation thereafter shall be to safely keep all monies and documents then held by it and to deliver the same to the Person, firm or corporation designated as its successor or until directed by a final order or judgment of a court of competent jurisdiction, whereupon Escrow Agent shall make disposition thereof in accordance with such order. If no successor Escrow Agent is designated and qualified within five (5) days after its resignation is effective, such party that will no longer be serving as Escrow Agent may apply to any court of competent jurisdiction for the appointment of a successor Escrow Agent.

(l) The Escrow Agent shall either execute this Agreement or indicate in writing that it has accepted the role of Escrow Agent pursuant to Agreement which in either case will confirm that the Escrow Agent is holding and will hold the Deposit in escrow, pursuant to the provisions of this Agreement.

(m) Upon Closing of title, any interest earned on the Deposit shall be credited to Purchaser at closing. Upon delivery of the Deposit to Sellers under Paragraph 13, interest shall be delivered to Sellers, and upon delivery of the Deposit to Purchaser under Paragraph 13, interest shall be delivered to Purchaser.

(n) On the Closing Date, if the Deposit, the Purchase Price Balance, the Adjustments and all the documents as required by this Agreement have been received by the Title Insurer and

if the Title Insurer is in a position to issue and will issue the Title Policy as provided hereunder, the Title Insurer shall, upon approval of the Sellers and Purchaser:

- (a) Cause the Deposit and Purchase Price Balance to be immediately released to Seller, together with the Adjustments (collectively, the “**Closing Funds**”).
- (b) Cause the following to be filed for record: the Deed;
- (c) Cause the issuance and delivery to Purchaser of the Title Policy, as provided hereunder;
- (d) Charge to the account of Purchaser all sums properly chargeable against Purchaser hereunder;
- (e) Charge to the account of Seller all sums properly chargeable against Seller hereunder; and
- (f) Deliver (i) to Seller (1) a copy of the recorded Deed; (2) the original executed counterparts of all other documents delivered by Seller, Purchaser or any other party into the Closing Escrow; and (3) its settlement statement in duplicate showing all the charges and credits affecting the account of Seller and Purchaser (the “**Seller Documents**”); and (ii) to Purchaser: (1) the original recorded Deed; (2) original executed counterparts of all other documents delivered by Seller, Purchaser or any other party into the Closing Escrow; (3) copies of any recorded mortgage deposited by Purchaser; (4) the Title Policy; (5) the balance, if any, of the funds deposited by Purchaser remaining after disbursement in accordance with these directions; and (6) its settlement statement in duplicate showing all charges and credits affecting the account of Purchaser and Seller (the “**Purchaser Documents**”).

Notwithstanding anything to the contrary, unless and until Seller provides written confirmation of its receipt of the Closing Funds and the Seller Documents, then, the Escrow Agent shall not yet comply with its obligations to release or file any documents under this Agreement.

- (o) Survival. The provisions and obligations of the parties set forth in this Paragraph 13 shall survive the Closing or any termination of this Agreement, whichever is sooner.

14. “AS IS” CONDITION. EXCEPT FOR THE EXPRESS REPRESENTATIONS AND WARRANTIES OF SELLERS SET FORTH IN THIS AGREEMENT AND THE CLOSING DOCUMENTS, PURCHASER UNDERSTANDS AND AGREES THAT SELLERS ARE NOT MAKING AND HAS NOT AT ANY TIME MADE ANY WARRANTIES OR REPRESENTATIONS OF ANY KIND OR CHARACTER, EXPRESSED OR IMPLIED, WITH RESPECT TO THE PREMISES OR THE BUILDING OR THE TRUTH, ACCURACY OR COMPLETENESS OF ANY MATERIALS, DATA OR INFORMATION DELIVERED BY SELLERS TO PURCHASER IN CONNECTION WITH THE TRANSACTION CONTEMPLATED HEREBY. PURCHASER ACKNOWLEDGES AND AGREES THAT UPON CLOSING SELLERS SHALL TRANSFER AND CONVEY TO PURCHASER AND PURCHASER SHALL ACCEPT THE PREMISES “AS IS, WHERE IS, WITH ALL FAULTS”, EXCEPT TO THE EXTENT EXPRESSLY PROVIDED OTHERWISE IN THIS AGREEMENT.

PURCHASER REPRESENTS TO SELLERS THAT PURCHASER HAS CONDUCTED, OR WILL CONDUCT PRIOR TO CLOSING, SUCH INVESTIGATIONS OF THE PREMISES AND THE BUILDING, INCLUDING BUT NOT LIMITED TO, THE PHYSICAL AND ENVIRONMENTAL CONDITIONS THEREOF, AS PURCHASER DEEMS NECESSARY TO SATISFY ITSELF AS TO THE CONDITION OF THE PREMISES AND THE BUILDING, AND WILL RELY SOLELY UPON SAME AND NOT UPON ANY INFORMATION PROVIDED BY OR ON BEHALF OF SELLERS OR ITS AGENTS OR EMPLOYEES WITH RESPECT THERETO, OTHER THAN SUCH REPRESENTATIONS, WARRANTIES AND COVENANTS OF SELLERS AS ARE EXPRESSLY SET FORTH IN THIS AGREEMENT.

PURCHASER ACKNOWLEDGES THAT THE PURCHASE PRICE REFLECTS THE "AS IS, WHERE IS" AS OF THE DATE HEREOF NATURE OF THIS SALE AND ANY FAULTS, LIABILITIES, DEFECTS OR OTHER ADVERSE MATTERS THAT MAY BE ASSOCIATED WITH THE PREMISES. PURCHASER, WITH PURCHASER'S COUNSEL, HAS FULLY REVIEWED THE DISCLAIMERS AND

WAIVERS SET FORTH IN THIS AGREEMENT, AND UNDERSTANDS THE SIGNIFICANCE AND EFFECT THEREOF. PURCHASER ACKNOWLEDGES AND AGREES THAT THE DISCLAIMERS AND OTHER AGREEMENTS SET FORTH HEREIN ARE AN INTEGRAL PART OF THIS AGREEMENT, AND THAT SELLERS WOULD NOT HAVE AGREED TO SELL THE PREMISES TO PURCHASER FOR THE PURCHASE PRICE WITHOUT THE DISCLAIMERS AND OTHER AGREEMENTS SET FORTH IN THIS AGREEMENT. THE TERMS AND CONDITIONS OF THIS PARAGRAPH EXPRESSLY SURVIVE THE CLOSING, WILL NOT MERGE WITH THE PROVISIONS OF ANY CLOSING DOCUMENTS AND WILL BE INCORPORATED INTO THE DEED.

(b) All information, documents and due diligence materials (collectively "**Due Diligence Materials**") which are delivered or made available to Purchaser shall be deemed delivered and made available without any representation or warranty as to the completeness or accuracy of the data or information contained therein, and all such Due Diligence Materials are furnished to Purchaser solely as a courtesy, and Seller has neither verified the accuracy of any statements or other information therein contained, the method used to compile such information nor the qualifications of the persons preparing such Information. **PURCHASER EXPRESSLY ACKNOWLEDGES THAT SELLER MAKES NO REPRESENTATION, EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW, INCLUDING, BUT IN NO WAY LIMITED TO, ANY WARRANTY OF CONDITION, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE AS TO THE DUE DILIGENCE MATERIALS.**

(c) If the Closing does not occur for any reason, Purchaser shall promptly return to Seller (without keeping copies) all Due Diligence Materials.

(d) Except as otherwise expressly set forth in this Agreement, Purchaser will rely solely on its own investigation of the Premises and the Building and not on any information provided by Seller, its agents, or its contractors. Seller will not be liable or bound in any way by any oral or written statements, representations or information about the Premises or its operation furnished by Seller or any party purporting to act on Seller's behalf. Purchaser further acknowledges and agrees that the compensation to be paid to Seller for the Premises has been

decreased to take into account the Premises is being sold subject to the disclaimers and waivers contained in this Agreement.

(e) Except as expressly provided herein, to the fullest extent permitted by law, Purchaser hereby waives any and all rights and benefits which it now has, or in the future may have, conferred upon it by virtue of any applicable state, federal, or local law, rule, or regulation as a result of any alleged inaccuracy or incompleteness of the information or the purchase of the Premises, including, without limitation, (i) the provisions of any State of Illinois deceptive trade practice statute or (ii) any other comparable statutes or laws of the State of Illinois, and (iii) any environmental law, rule, or regulation whether federal, state or local, including, without limitation, the Comprehensive Response, Compensation and Liability Act of 1980 (42 U.S.C. §§9601 et seq.) as amended by the Superfund Amendments and Reauthorization Act of 1986, and any analogous federal or state laws. .

(f) The foregoing waivers and releases will be given full force and effect according to each of their express terms and provisions, including those relating to unknown and unsuspected claims, damages and causes of action and strict liability claims. The foregoing waivers and releases include claims of which Purchaser is presently unaware or which Purchaser does not presently suspect to exist which, if known by Purchaser, would materially affect Purchaser's waiver or release to Seller.

15. **Intentionally Omitted.**

16. **Purchaser's Remedies.** If Sellers shall fail to close title as required by the terms of this Agreement, or if Sellers otherwise default under this Agreement, Purchaser may, at its sole remedy either: (i) terminate this Agreement, whereupon the Deposit shall be immediately returned to Purchaser and neither party shall have any further liability or obligation to the other, except for any other provision of this Agreement that is expressly intended to survive the termination of this Agreement; or (ii) assert and seek judgment against Sellers for specific performance provided that such suit is initiated within ninety (90) days of the Closing Date.

17. **Sellers' Remedies.** If Purchaser shall fail to close title as required by the terms of this Agreement, or if Purchaser otherwise defaults under this Agreement, Sellers shall have the right, as its sole remedy to have the Deposit paid to Sellers by the Escrow Agent as liquidated damages for Purchaser's default. Notwithstanding anything to the contrary herein, in the event

that Purchaser breaches its obligations under Paragraph 21 herein, Sellers may seek its remedies as are available at law and/or equity.

18. **Not Binding Until Signed and Delivered by Seller.** Notwithstanding anything to the contrary, this Agreement shall not be binding on Seller until this Agreement is signed by Seller and delivered to Purchaser.

19. **Assignment.** This Agreement shall not be assigned by Purchaser without Sellers' prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed, provided that this Agreement may be assigned by Purchaser to an affiliate of Purchaser which is controlled by, under common control with, or which controls Purchaser provided that, (a) such assignment shall not release Purchaser from its obligations under this Agreement and (b) Sellers reasonably approve the form and content of the assignment and assumption agreement.

20. **Notices.** All notices, demands or requests made pursuant to, under or by virtue of this Agreement must be in writing and delivered to the party to which the notice, demand or request is being made by overnight courier service, such as Federal Express, with a signature required for delivery, by hand, or by e-mail as follows:

To Sellers:

5151 Collins Avenue
Suite 1727
Miami Beach, Florida, 33140
Fax No.: (305) 867-0047
e-mail: rad@morganreed.com

With a copy to:

Eric Rosenberg, Esq.
Rosenberg & Pittinsky, LLP
232 Madison Avenue, Suite 906
New York, New York 10016
Fax No. 212-286-6818
e-mail: eric@rpllp.com

To Purchaser:

Pioneer Acquisitions LLC
attn: James Peterson
180 E. Post Rd., Suite 201
White Plains, NY 10601
email: james@pioneeracq.com

With a copy to:

Field & Goldberg
attn: Jay Goldberg
10 S. LaSalle St, Suite 2410
Chicago, IL 60603
email: jgoldberg@FieldandGoldberg.com

Notices, demands and requests which shall be served upon either party in the manner aforesaid shall be deemed sufficiently served or given for all purposes hereunder at the time such notice, demand, or request shall be received.

21. **Confidentiality.** Purchaser and its respective representatives shall hold in strictest confidence all data and information obtained with respect to the Building and Premises and the terms and conditions of this Agreement, whether obtained before or after the execution and delivery hereof, and shall not use such data or information for purposes unrelated to this Agreement or disclose the same to others except as expressly permitted hereunder; provided that nothing shall prohibit the Purchaser from advising third parties that it has executed a contract to purchase the Premises. The preceding sentence shall not be construed to prevent Purchaser from disclosing to: (y) its lenders or investors, or to its officers, directors, attorneys, accountants, architects, engineers and consultants to perform their designated tasks in connection with the transaction contemplated by this Agreement; provided that such disclosing party advises any such third party of the confidential nature of the information disclosed, or (z) the Title Insurer. However, neither party shall have this obligation concerning information which: (a) is published or becomes publicly available through no fault of either Purchaser or Sellers; (b) is rightfully received from a third party; or (c) is required to be disclosed by law.

22. **Entire Agreement.** This Agreement together with Exhibits annexed hereto and made a part hereof contains all of the terms agreed upon between the Parties with respect to the subject matter hereof.

23. **Modification.** This Agreement may not be changed or modified except by an instrument executed by both Parties.

24. **Waiver.** No waiver by either party of any failure or refusal to comply with its obligations shall be deemed a waiver of any other or subsequent failure or refusal to so comply.

25. **Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of, and shall bind the administrators, successors and assigns of the respective parties.

26. **Severability.** If any term or provisions of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the

remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

27. **Recordation Not Permitted.** In no event shall this Agreement, or any memorandum hereof be recorded in the official or public records where the Premises are located, and any such recordation or attempted recordation shall constitute a default under this Agreement by the party responsible for such recordation or attempted recordation.

28. **Counterparts.** This Agreement may be executed in one or more counterparts, which, when taken together, shall constitute the original complete document and any signatures on this Agreement by facsimile/electronic transmission shall be deemed as originals. Copies of this Agreement including the signatures thereon shall be deemed originals and may be used as originals for all purposes.

29. **Applicable Law.** This Agreement shall be subject to and governed by and construed according to the laws of the State of Illinois and without regard to provisions and principles regarding Choice of Law or Conflict of Laws. The exclusive venue for all legal actions, proceedings or claims, whether in equity or under law, shall be in the courts of the State of Illinois, County of Cook. The parties consent and agree to submit to the said venue and jurisdiction of the courts situated in the State of Illinois for the resolution of disputes arising out of or in relation to this Agreement

30. **Covenants of Seller.** Until Closing or the termination of this Agreement, whichever is sooner, Seller shall operate and maintain the Premises in accordance with Seller's normal maintenance and management practices utilized in the ordinary course of Seller's business.

31. **Business Day** In the event a date of performance of either party under this Agreement falls on a federal or State of Illinois holiday or a weekend, the date of such performance shall be automatically expended until the next business day. A "business day" shall mean any Monday through and including Friday when national banks located in Chicago, Illinois, are open for business.

32. **Preconditions to Obligation to Close.**

A. Purchaser shall not be obligated to proceed with the Closing unless and until each of the following conditions has been either fulfilled or waived in writing by Purchaser:

(i) Sellers shall be prepared to deliver or cause to be delivered to Escrow Agent all instruments and documents to be delivered to Purchaser at the Closing pursuant to this Agreement;

B. Sellers shall not be obligated to proceed with the Closing unless and until each of the following conditions has been fulfilled or waived in writing by Sellers:

(i) (x) Sellers receive from Purchaser the Purchase Price Balance and all other amounts to be paid to Seller at Closing under this Agreement together with written confirmation from Escrow Agent that Escrow Agent shall deliver to Seller on the Closing Date the Deposit and all adjustments or, as the case may be, (y) if the Deposit, the Purchase Price Balance, the adjustments have been received by the Escrow Agent and Escrow Agent confirms to Seller in writing that it shall deliver to Seller on the Closing Date Deposit, the Purchase Price Balance and the adjustments;

(ii) (x) Sellers receive from Purchaser all instruments and documents to be delivered to Sellers at the Closing pursuant to this Agreement or, as the case may be (y) if the documents to be delivered to Sellers under this Agreement have been received by Escrow Agent and Escrow Agent confirms to Seller in writing that it shall deliver to Seller on the Closing Date such documents; and

(iii) Purchaser shall have delivered to Seller proof that the CBS-1 Notice of Sale, Purchase, or Transfer of Business Assets ("**Bulk Sales Form**", a copy of which is attached hereto as **Exhibit E**), as properly completed and signed by Purchaser, was filed with the Illinois Department of Revenue with confirmation of facsimile filing no later than ten (10) days of the Execution of this Agreement. Upon request, Seller shall provide to Purchaser such information relating to Seller as may be necessary for Purchaser to obtain a bulk sales release.

C However, with the consent of a Party, each acting in its sole discretion, a Party may agree to waive a condition precedent and proceed to Closing. In no event other than

pursuant to a writing mutually executed by Sellers and Purchaser shall the Closing Date be extended.

33. **Like-Kind Exchange.** The parties acknowledge that either or all parties to this Agreement may desire that this transaction constitute a tax deferred exchange under the meaning of Section 1031 of the Internal Revenue Code. Each party agrees to execute any and all additional documentation that may be reasonably necessary to assist the requesting party in concluding this transaction as part of a tax deferred exchange. Neither party makes any representation or warranty whatsoever regarding whether or not this transaction will qualify as a part of a tax deferred exchange. In no event shall any such tax deferred exchange result in any delay in the Closing. The parties agree to cooperate with each other and applicable qualified intermediary in a manner reasonably necessary to complete the like-kind exchanges, if any.

34. **Further Assurances.** The parties each agree to do, execute, acknowledge and deliver all such reasonable further acts, instruments and assurances and to take all such reasonable further action before or after the Closing as shall be reasonably necessary or desirable to fully carry out this Agreement and to fully consummate and effect the transactions contemplated hereby.

35. **No Contingency.** It is further understood that this Agreement and the sale contemplated herein are not conditioned nor contingent on the sale or closing of any other property, whether real or personal, nor upon Purchaser obtaining a loan/mortgage or loan/mortgage commitment. Purchaser waives any such condition as an inducement to Seller to enter into this Agreement.

36. **Miscellaneous.**

(a) **WAIVER OF JURY TRIAL.** THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT EITHER MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT AND ANY DOCUMENT EXECUTED IN CONNECTION HERewith OR RELATED HERETO, OR ANY COURSE OF CONDUCT OR COURSE OF DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF EITHER PARTY.

THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES TO ENTER INTO THIS TRANSACTION.

(b) No Third Party Beneficiary. The parties to this Agreement do not intend to confer any benefit hereunder on any person or entity other than the parties hereto.

(c) All obligations herein to indemnify shall survive Closing and/or termination of this Agreement

(d) All actions required pursuant to this Agreement necessary to effectuate the transaction contemplated herein has been or will be taken promptly and in good faith by Purchaser and Seller and their representatives, employees and agents.

(e) Notwithstanding anything to the contrary, no representations or warranties made by or on behalf of Seller shall survive termination of this Agreement or Closing or delivery of the Deed.

(e) The captions in this Agreement are inserted for convenience of reference only and in no way define, describe or limit the scope or intent of this Agreement or any of the provisions hereof.

(f) The introductory provisions on the first page of this Agreement are incorporated into this Agreement and made a part hereof.

(g) **WAIVER OF RIGHT TO RECORD ~~LIS PENDENS~~**. AS PARTIAL CONSIDERATION FOR SELLER ENTERING INTO THIS AGREEMENT, PURCHASER EXPRESSLY WAIVES ANY RIGHT TO RECORD OR FILE THIS AGREEMENT ~~OR ANY NOTICE OF IT, OR ANY LIS PENDENS OR NOTICE OF PENDENCY OF ACTION OR SIMILAR NOTICE AGAINST ALL OR ANY PORTION OF THE PREMISES IN CONNECTION WITH ANY ALLEGED DEFAULT BY SELLER HEREUNDER.~~ IN THE EVENT OF SUCH RECORDING, THIS AGREEMENT SHALL BE NULL AND VOID (AT SELLER'S OPTION) AND THE TITLE COMPANY SHALL PAY THE DEPOSIT TO SELLER. PURCHASER AND SELLER HEREBY EVIDENCE THEIR SPECIFIC AGREEMENT TO THE TERMS OF THIS WAIVER BY SIGNING THIS AGREEMENT. THE PROVISIONS OF THIS PARAGRAPH SHALL SURVIVE CLOSING OR ANY TERMINATION OF THIS AGREEMENT.

NO FURTHER TEXT ON THIS PAGE

IN WITNESS WHEREOF, the Parties have executed this Agreement the day
and year first written above.

SELLERS:

Pittsfield Developments, LLC

By: _____

Name: Robert A. Danial

Title: Manager

Pittsfield Residential II, LLC

By: _____

Name: Robert A. Danial

Title: Manager

By: _____

Name: Robert A. Danial

Title: Manager

PURCHASER:

Pioneer Acquisitions LLC

By: _____

Name: James B. Peterson, Jr.

Title: member

FormER2-23-17clean

ESCROW AGENT CONSENT AND ACKNOWLEDGMENT

The undersigned agrees to act as the Escrow Agent for the transaction described in the above Agreement as provided herein and accepts the duties as Escrow Agent as set forth in this Agreement.

ESCROW AGENT:

Kensington Vanguard National Land Services

By: _____
Name:
Title:

EXHIBIT A

LEGAL DESCRIPTION – SEE OVER

STEWART TITLE GUARANTY COMPANY

COMMITMENT

Commitment Number: **832673 (S-IL-CP-KV)**

EXHIBIT "A" Legal Description

LOTS 13 AND 14 AND THE NORTH 24 FEET OF LOT 12 IN BLOCK 15 IN FORT DEARBORN ADDITION TO CHICAGO, A SUBDIVISION OF THE SOUTHWEST FRACTIONAL 1/4 OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, EXCEPTING THEREFROM THE FOLLOWING 10 PARCELS TAKEN AS A SINGLE TRACT:

PARCEL 1 (LOBBY AND ELEVATORS):

~~THAT PART OF LOTS 13 AND 14 AND THE NORTH 24 FEET OF LOT 12 IN BLOCK 15 IN FORT DEARBORN ADDITION TO CHICAGO, A SUBDIVISION OF THE SOUTHWEST FRACTIONAL 1/4 OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:~~

~~THE FOLLOWING PARCEL OF LAND LYING ABOVE A HORIZONTAL PLANE AT ELEVATION +15.10 FEET (CHICAGO CITY DATUM) AND LYING BELOW A HORIZONTAL PLANE AT ELEVATION +29.10 FEET (CHICAGO CITY DATUM) DESCRIBED AS FOLLOWS:~~

~~BEGINNING AT THE POINT 28.67 FEET WEST OF THE NORTHEAST CORNER OF BUILDING; THENCE SOUTH, A DISTANCE OF 42.42 FEET; THENCE WEST, A DISTANCE OF 38.58 FEET; THENCE NORTH, A DISTANCE OF 17.17 FEET; THENCE EAST, A DISTANCE OF 5.83 FEET; THENCE NORTH, A DISTANCE OF 2.42 FEET; THENCE WEST, A DISTANCE OF 1.83 FEET; THENCE NORTH, A DISTANCE OF 22.83 FEET; THENCE EAST, A DISTANCE OF 34.58 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.~~

PARCEL 2 (13TH FLOOR):

THAT PART OF LOTS 13 AND 14 AND THE NORTH 24 FEET OF LOT 12 IN BLOCK 15 IN FORT DEARBORN ADDITION TO CHICAGO, A SUBDIVISION OF THE SOUTHWEST FRACTIONAL 1/4 OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE FOLLOWING PARCEL OF LAND LYING ABOVE A HORIZONTAL PLANE AT ELEVATION +162.97 FEET (CHICAGO CITY DATUM) AND LYING BELOW A HORIZONTAL PLANE AT ELEVATION +175.14 FEET (CHICAGO CITY DATUM) IN COOK COUNTY, ILLINOIS.

PARCEL 3 (14TH FLOOR):

THAT PART OF LOTS 13 AND 14 AND THE NORTH 24 FEET OF LOT 12 IN BLOCK 15 IN FORT DEARBORN ADDITION TO CHICAGO, A SUBDIVISION OF THE SOUTHWEST FRACTIONAL 1/4 OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

Underwriter: **STEWART TITLE GUARANTY COMPANY**

Agent: Kensington Vanguard National Land Services
39 West 37th Street, 3rd Floor
New York, NY 10018
212-532-8686

This commitment is invalid unless the Insuring Provisions and Schedules A and B are attached.

STEWART TITLE GUARANTY COMPANY

COMMITMENT

Commitment Number: **832673 (S-IL-CP-KV)**

EXHIBIT "A" Legal Description

THE FOLLOWING PARCEL OF LAND LYING ABOVE A HORIZONTAL PLANE AT ELEVATION +175.14 FEET (CHICAGO CITY DATUM) AND LYING BELOW A HORIZONTAL PLANE AT ELEVATION +187.31 FEET (CHICAGO CITY DATUM) IN COOK COUNTY, ILLINOIS.

PARCEL 4 (15TH FLOOR):

THAT PART OF LOTS 13 AND 14 AND THE NORTH 24 FEET OF LOT 12 IN BLOCK 15 IN FORT DEARBORN ADDITION TO CHICAGO, A SUBDIVISION OF THE SOUTHWEST FRACTIONAL 1/4 OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE FOLLOWING PARCEL OF LAND LYING ABOVE A HORIZONTAL PLANE AT ELEVATION +187.31 FEET (CHICAGO CITY DATUM) AND LYING BELOW A HORIZONTAL PLANE AT ELEVATION +199.48 FEET (CHICAGO CITY DATUM) IN COOK COUNTY, ILLINOIS.

PARCEL 5 (16TH FLOOR):

THAT PART OF LOTS 13 AND 14 AND THE NORTH 24 FEET OF LOT 12 IN BLOCK 15 IN FORT DEARBORN ADDITION TO CHICAGO, A SUBDIVISION OF THE SOUTHWEST FRACTIONAL 1/4 OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE FOLLOWING PARCEL OF LAND LYING ABOVE A HORIZONTAL PLANE AT ELEVATION +199.48 FEET (CHICAGO CITY DATUM) AND LYING BELOW A HORIZONTAL PLANE AT ELEVATION +211.65 FEET (CHICAGO CITY DATUM) IN COOK COUNTY, ILLINOIS.

PARCEL 6 (17TH FLOOR):

THAT PART OF LOTS 13 AND 14 AND THE NORTH 24 FEET OF LOT 12 IN BLOCK 15 IN FORT DEARBORN ADDITION TO CHICAGO, A SUBDIVISION OF THE SOUTHWEST FRACTIONAL 1/4 OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE FOLLOWING PARCEL OF LAND LYING ABOVE A HORIZONTAL PLANE AT ELEVATION +211.65 FEET (CHICAGO CITY DATUM) AND LYING BELOW A HORIZONTAL PLANE AT ELEVATION +223.82 FEET (CHICAGO CITY DATUM) IN COOK COUNTY, ILLINOIS.

PARCEL 7 (18TH FLOOR):

THAT PART OF LOTS 13 AND 14 AND THE NORTH 24 FEET OF LOT 12 IN BLOCK 15 IN FORT DEARBORN ADDITION TO CHICAGO, A SUBDIVISION OF THE SOUTHWEST FRACTIONAL 1/4 OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

Underwriter: **STEWART TITLE GUARANTY COMPANY**

Agent: Kensington Vanguard National Land Services
39 West 37th Street, 3rd Floor
New York, NY 10018
212-532-8686

This commitment is invalid unless the Insuring Provisions and Schedules A and B are attached.

JSP

STEWART TITLE GUARANTY COMPANY

COMMITMENT

Commitment Number: **832673 (S-IL-CP-KV)**

EXHIBIT "A" Legal Description

THE FOLLOWING PARCEL OF LAND LYING ABOVE A HORIZONTAL PLANE AT ELEVATION +223.82 FEET (CHICAGO CITY DATUM) AND LYING BELOW A HORIZONTAL PLANE AT ELEVATION +235.99 FEET (CHICAGO CITY DATUM) IN COOK COUNTY, ILLINOIS.

PARCEL 8 (19TH FLOOR):

THAT PART OF LOTS 13 AND 14 AND THE NORTH 24 FEET OF LOT 12 IN BLOCK 15 IN FORT DEARBORN ADDITION TO CHICAGO, A SUBDIVISION OF THE SOUTHWEST FRACTIONAL 1/4 OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE FOLLOWING PARCEL OF LAND LYING ABOVE A HORIZONTAL PLANE AT ELEVATION +235.99 FEET (CHICAGO CITY DATUM) AND LYING BELOW A HORIZONTAL PLANE AT ELEVATION +248.16 FEET (CHICAGO CITY DATUM) IN COOK COUNTY, ILLINOIS.

PARCEL 9 (20TH FLOOR):

THAT PART OF LOTS 13 AND 14 AND THE NORTH 24 FEET OF LOT 12 IN BLOCK 15 IN FORT DEARBORN ADDITION TO CHICAGO, A SUBDIVISION OF THE SOUTHWEST FRACTIONAL 1/4 OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE FOLLOWING PARCEL OF LAND LYING ABOVE A HORIZONTAL PLANE AT ELEVATION +248.16 FEET (CHICAGO CITY DATUM) AND LYING BELOW A HORIZONTAL PLANE AT ELEVATION +260.33 FEET (CHICAGO CITY DATUM) IN COOK COUNTY, ILLINOIS.

PARCEL 10 (21ST FLOOR):

THAT PART OF LOTS 13 AND 14 AND THE NORTH 24 FEET OF LOT 12 IN BLOCK 15 IN FORT DEARBORN ADDITION TO CHICAGO, A SUBDIVISION OF THE SOUTHWEST FRACTIONAL 1/4 OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE FOLLOWING PARCEL OF LAND LYING ABOVE A HORIZONTAL PLANE AT ELEVATION +260.33 FEET (CHICAGO CITY DATUM) AND LYING BELOW A HORIZONTAL PLANE AT ELEVATION +272.50 FEET (CHICAGO CITY DATUM) IN COOK COUNTY, ILLINOIS.

~~AND FURTHER EXCEPTING THEREFROM THE FOLLOWING 4 PARCELS TAKEN AS A SINGLE TRACT:~~

~~PARCEL 7 (9TH FLOOR):~~

Underwriter: **STEWART TITLE GUARANTY COMPANY**
Agent: Kensington Vanguard National Land Services
39 West 37th Street, 3rd Floor
New York, NY 10018
212-532-8686

STEWART TITLE GUARANTY COMPANY

COMMITMENT

Commitment Number: **832673 (S-IL-CP-KV)**

EXHIBIT "A"

Legal Description

~~THAT PART OF LOTS 13, 14 AND THE NORTH 24 FEET OF LOT 12 IN BLOCK 15 IN FORT DEARBORN ADDITION TO CHICAGO, A SUBDIVISION OF THE SOUTHWEST FRACTIONAL 1/4 OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:~~

~~THE FOLLOWING PARCEL OF LAND LYING ABOVE A HORIZONTAL PLANE AT ELEVATION +114.29 FEET (CHICAGO CITY DATUM) AND LYING BELOW A HORIZONTAL PLANE AT ELEVATION +126.46 FEET (CHICAGO CITY DATUM), IN COOK COUNTY, ILLINOIS.~~

PARCEL 2 (10TH FLOOR)

~~THAT PART OF LOTS 13, 14 AND THE NORTH 24 FEET OF LOT 12 IN BLOCK 15 IN FORT DEARBORN ADDITION TO CHICAGO, A SUBDIVISION OF THE SOUTHWEST FRACTIONAL 1/4 OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:~~

~~THE FOLLOWING PARCEL OF LAND LYING ABOVE A HORIZONTAL PLANE AT ELEVATION +126.46 FEET (CHICAGO CITY DATUM) AND LYING BELOW A HORIZONTAL PLANE AT ELEVATION +138.63 FEET (CHICAGO CITY DATUM), IN COOK COUNTY, ILLINOIS.~~

PARCEL 3 (11TH FLOOR):

~~THAT PART OF LOTS 13, 14 AND THE NORTH 24 FEET OF LOT 12 IN BLOCK 15 IN FORT DEARBORN ADDITION TO CHICAGO, A SUBDIVISION OF THE SOUTHWEST FRACTIONAL 1/4 OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:~~

~~THE FOLLOWING PARCEL OF LAND LYING ABOVE A HORIZONTAL PLANE AT ELEVATION +138.63 (CHICAGO CITY DATUM) AND LYING BELOW A HORIZONTAL PLANE AT ELEVATION +150.80 (CHICAGO CITY DATUM), IN COOK COUNTY, ILLINOIS.~~

PARCEL 4 (12TH FLOOR):

~~THAT PART OF LOTS 13, 14 AND THE NORTH 24 FEET OF LOT 12 IN BLOCK 15 IN FORT DEARBORN ADDITION TO CHICAGO, A SUBDIVISION OF THE SOUTHWEST FRACTIONAL 1/4 OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:~~

~~THE FOLLOWING PARCEL OF LAND LYING ABOVE A HORIZONTAL PLANE AT ELEVATION +150.80 FEET (CHICAGO CITY DATUM) AND LYING BELOW A HORIZONTAL PLANE AT ELEVATION +162.97 FEET (CHICAGO CITY DATUM), IN COOK COUNTY, ILLINOIS.~~

Underwriter: **STEWART TITLE GUARANTY COMPANY**

Agent: Kensington Vanguard National Land Services

39 West 37th Street, 3rd Floor

New York, NY 10018

212-532-8686

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EXHIBIT B

Kensington Vanguard
5005 LBJ FWY
Suite 810
Dallas TX 75244
#214-269-2360 Office

Wiring Instructions:

Account Name: Kensington Vanguard
Bank: Bank of America
50 North Laura Street, Jacksonville, FL 32202
Account Number: 8980-3723-2493
Routing Number: 026009593
Ref: 832673
Attn: Jennifer Maxwell

EXHIBIT C

(LIST OF LEASES – see over)

4/20/2017

<https://www.ten-x.com/commercial/listing/api/pal/cre/v1/documents/file/preview/BOXVIEW~147773902032>

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**Residential Financial
12th Floor**

Unit #	Type	Resident	Base rent	Utiltiy Pkg	Expiration	Security
	2B/2B	VACANT	1940	120		
	3B/2B	VACANT	2650	175		
	2B/2B	Occupied	1940	120	8/31/2017	
	2B/2B	Occupied				
	2B/2B	Occupied	1980	120	8/31/2017	
	2B/2B	Occupied	1930	120	5/31/2017	
	2B/2B	Occupied	1980	120	6/30/2017	
	2B/2B	Occupied	1980	120	5/31/2017	
	3B/2B	Occupied	2650	175	4/30/2017	
	3B/2B	Occupied				
	3B/2B	Occupied				
	3B/2B	VACANT	2650	175		
	2B/1B	Vacant	1940	120		
	2B/1B	Occupied	1940	120	6/30/2017	
	2B/2B	Occupied	1900	120	5/31/2017	
	Studio	Occupied	1090	60	6/30/2017	
		Occupied				
	1B/1B	Occupied	1420	80	3/31/2017	

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4/20/2017

<https://www.ten-x.com/commercial/listing/api/pal/cre/v1/documents/file/preview/BOXVIEW~147773902032>

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Unit #	Type	Resident	Base rent	Utilitiy Pkg	Expiration	Security
2B/2B	Occupied	Occupied	1920	120	4/30/2017	
11th Floor						
2B/2B	Occupied	Occupied	1940	120	3/31/2017	
3B/2B	Occupied	Occupied	2650	175	7/31/2017	
2B/2B	VACANT		1940	120		
2B/2B	VACANT		1980	120		
2B/2B	Occupied	Occupied	1980	120	8/31/2017	
2B/2B	Occupied	Occupied	1980	120	8/31/2016	
3B/2B	Occupied	Occupied	2650	175	8/31/2017	
3B/2B	VACANT		2650	175		
2B/1B	VACANT		1940	120		
2B/1B	VACANT		1940	120		
2B/2/B	Occupied	Occupied	1900	120	4/31/17	
Studio	Occupied		1090	60	5/31/2017	
1B/1B	Occupied		1420	80	6/30/2017	
Studio	Occupied		1090	60	7/31/2017	

SP

4/20/2017

<https://www.ten-x.com/commercial/listing/api/pal/cre/v1/documents/file/preview/BOXVIEW~147773902032>

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Unit #	Type	Resident	Base rent	Utilitiy Pkg	Expiration	Security
	2B/2B	VACANT	1920	120		
10th floor						
	2B/2B	Occupied	1940	120	8/31/2017	
		Occupied				
		Occupied				
	3B/2B	Occupied	2650	175	5/31/2017	
		Occupied				
		Occupied				
	2B/2B	VACANT	1940	120		
	2B/2B	Occupied	1980	120	9/30/2017	
		Occupied				
		Occupied				
	2B/2B	Occupied	1980	120	7/31/2017	
		Occupied				
	2B/2B	Occupied	1980	120	3/31/2017	
		Occupied				
	2B/2B	Occupied	1980	120	6/30/2017	
		Occupied				
	3B/2B	VACANT (Corp Unit)				
	3B/2B	Occupied	2650	175	8/31/2017	
		Occupied				
	2B/1B	VACANT				
	2B/1B	Occupied	1900	120		
			1960	120	5/31/2018 option PI	
	2B/2B	VACANT	1900	120		
	Studio	Occupied	1090	60	6/30/2017	
		Occupied				

4/20/2017

<https://www.ten-x.com/commercial/listing/api/pal/cre/v1/documents/file/preview/BOXVIEW~147773902032>

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Studio	Occupied	1090	60	12/31/2017
2B/2B	Occupied	1940	120	8/31/2017
2B/2B	Occupied	1920	120	5/31/2017

JSP

EXHIBIT D

(LIST OF SERVICE CONTRACTS – see over)

SERVICE CONTRACTS

	Term
Titan Security- security provider lobby	5/1/2009 one yr renewal 30 day prior to cancellation day
Kimco/Eurest - cleaning company (contracts for commerical and residential separately)	9/2009- after 8/31/2010 renews on 52 week basis unless terminated by 30 day notice
Spartan Contracting - Engineers Payroll Provider	30 day notice
Independent Recycling- Scavenger	30 day notice
Anderson Pest Control	30 day notice
Otis Elevator- 8 passenger cars	11/18/2011 - 5yr
Anderson Elevator- oil & grease on small freight	30 day notice
Constellation Gas- Gas	8/23/2010- 30 day notice with 2 mo renewal periods
Constellation Electric - Electricity	12/22/14 - 12/22/15
Prospect Resources- energy broker	
RCN - Some phone- computer service	30 day notice
prime Electric	mo to mo electric maint contract required by City
Hinckley Springs- bottled drinking water	30 day notice
AUCA Chicago (uniforms engineers)	12/18/14 one yr - no liqusted damages if result of sell/transfer bus- 30 day notice
Tassi & Company- accountants	1/1/15- 12/31/15 30 day notice
EIS - Annual Elev Ser Contract	12/3/14 - work still in process

JSP

EXHIBIT E

(BULK SALES FORM – see over)

7.2

ADDENDUM TO PURCHASE AND SALE AGREEMENT

THIS ADDENDUM is made as of the 9 day of May, 2017 by and between Pittsfield Development, LLC, Pittsfield Hotel Holdings, LLC and Pittsfield Residential II, LLC (collectively, "Sellers", individually, a "Seller") and Pioneer Acquisitions, LLC ("Purchaser") (collectively, Sellers and Purchaser shall be referred to as the "Parties").

RECITALS

WHEREAS Sellers and Purchaser are parties to that certain Purchase and Sale Agreement (the "Agreement") of even date to this Addendum; and

WHEREAS Pittsfield Development, LLC is a Chapter 11 debtor in Case No. 17-9513 pending before the United States Bankruptcy Court for the Northern District of Illinois (the "Court"), and is subject to jurisdiction of and oversight by the Court; and

WHEREAS Purchaser and all other Parties to the Agreement and this Addendum have read through the schedules and statement of financial affairs on file with the Clerk of the Court for the Pittsfield Development, LLC bankruptcy; and

WHEREAS, the Parties desire to amend the Agreement pursuant to the terms and provisions set forth below;

NOW, THEREFORE, in consideration of the execution and delivery of the Agreement, along with other good and valuable consideration, receipt of which is hereby acknowledged, the Parties agree as follows:

1. The foregoing recitals are true and correct in all respects, are incorporated herein by reference and are made a part hereof.

2. Section 4 is amended as follows: The words "or such other date and in such other manner as so ordered by the Court" shall be appended to the end of the sentence.

3. Section 5A(j) of the Agreement is stricken and replaced with the following: There is no action, suit or proceeding against Sellers except those set forth in Section 7 of the Statement of Financial Affairs filed by Pittsfield Development, LLC with the Clerk of the Court, nor are there any outstanding judgments, arbitration awards, decrees or orders of any kind pending against Sellers or the Premises except for those issued in those matters (the "Matters") set forth in the referenced Statement of Financial Affairs. In the event that any claims against any Sellers in the Matters are not dismissed at or prior to Closing, or not insured against by the Title Insurer at Closing, the Sellers agreement to indemnify Purchaser for all damages suffered by Purchaser as a direct result of such claims, except for Purchaser's negligence or willful misconduct.

4. Section 5A(k) of the Agreement is stricken and replaced with the following: To Sellers' knowledge, there are no actions threatened or pending against the Sellers or Premises except for the Matters. At or prior to Closing, any liens or claims against the Premises shall be removed in their entirety and attach to the proceeds of sale, or otherwise shall be dismissed,

bonded, settled or monies placed in escrow so that the Title Insurer shall insure over said liens or claims at or prior to Closing.

5. Section 5A(l) of the Agreement is stricken.

6. Sections 5A(n) and 5B(b) of the Agreement are stricken and replaced with the following: Notwithstanding anything to the contrary in the Agreement, each Seller's obligations under the Agreement is subject to (a) entry of an order by the Court under Section 363 of the United States Bankruptcy Code authorizing Pittsfield Development, LLC to enter into and perform its obligations under the Agreement (an "Approval Order"), and (b) higher and better offers other than the one made by Purchaser, as determined by the Court, which higher and better offers shall include terms comparable to the Agreement including, but not limited to, a non-refundable deposit and a waiver of a due diligence period. Seller shall use its best efforts to obtain the Approval Order on or before August 31, 2017. In the event the Approval Order is not entered by the Court on or before August 31, 2017, Purchaser shall have the right thereafter to terminate the Agreement (the "Termination Right") and promptly receive the return of the Deposit, plus interest, if any, and neither Purchaser nor Sellers shall have any further obligations to the other, except for those obligations that survive the termination of the Agreement.

7. In the event that the Premises are sold to a party other than Purchaser, then Seller shall pay to Purchaser a breakup fee in the amount of One Hundred Thousand Dollars (\$100,000) (the "Breakup Fee"). Seller shall pay the Breakup Fee to Purchaser upon the closing of the sale of the Premises to a party other than Purchaser. Seller shall as soon as reasonably practical, obtain an order by the Court approving the Breakup Fee.

8. While sections 5A(e) and 5A(o) of the Agreement contain representations that there are no condemnation proceedings pending, Sellers represent that they are prosecuting an inverse condemnation cause of action in a civil lawsuit pending against the City of Chicago in the United States District Court for the Northern District of Illinois.

9. The first sentence of section 5A(g) which states that "Seller has no employees" is stricken.

10. Sellers shall file a motion to sell the Premises under § 363 of the United States Bankruptcy Code within ten business (10) days from the date hereof. Notwithstanding anything to the contrary contained in the Agreement, within two (2) business days after Sellers deliver to Purchaser via email, the Agreement and Addendum (previously signed by Purchaser) that is countersigned by Pittsfield Development, LLC and Pittsfield Residential II, LLC, Purchaser shall deposit into the Field and Goldberg, LLC Client Trust Account (the "F&G IOLTA") the Deposit. Within two (2) business days after receipt of a copy of the Approval Order, the Deposit shall be wired from the F&G IOLTA to the Escrow Agent.

11. The legal description attached as Exhibit "A" to the Agreement is stricken and replaced with the legal description attached to this Addendum as Exhibit "B".

12. At Closing, the Premises shall be conveyed to Purchaser via deed to Purchaser free and clear of all liens and encumbrances.


13. This Addendum shall be deemed part of the Agreement. To the extent any terms or provisions set forth in this Addendum are inconsistent with those set forth in the Agreement, the terms and provisions of this Addendum shall take precedence over, supersede and otherwise control any and all conflicting terms or provisions set forth in the Agreement. However, the terms and provisions of the Agreement shall remain in full force and effect to the effect that same do not conflict with terms and provisions of this Addendum.

(Remainder of page left blank. Signature page to follow)

IN WITNESS WHEREOF, the Parties have set their hands and seals on the date and year stated above:

PURCHASER:

PIONEER ACQUISITIONS, LLC

By:  _____

[Print name] James B. Peterson, Jr.

SELLERS:

PITTSFIELD DEVELOPMENT, LLC

By:  _____

[Print name] _____

PITTSFIELD HOTEL HOLDINGS, LLC

By: _____

[Print name] _____

PITTSFIELD RESIDENTIAL II, LLC

By:  _____

[Print name] _____

ESCROW:

KENSINGTON VANGUARD NATIONAL LAND SERVICES

By: _____

[Print name] _____

Dated: _____

EXHIBIT B

Legal Description of the Retail/Office Parcel

LOTS 13 AND 14 AND THE NORTH 24 FEET OF LOT 12 IN BLOCK 15 IN FORT DEARBORN ADDITION TO CHICAGO, A SUBDIVISION IN THE SOUTHWEST FRACTIONAL ¼ OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

EXCLUDING THE FOLLOWING:

PARCEL 1 (LOBBY AND ELEVATORS):

THAT PART OF LOTS 13 AND 14 AND THE NORTH 24 FEET OF LOT 12 IN BLOCK 15 IN FORT DEARBORN ADDITION TO CHICAGO, A SUBDIVISION OF THE SOUTHWEST FRACTIONAL 1/4 OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE FOLLOWING PARCEL OF LAND LYING ABOVE A HORIZONTAL PLANE AT ELEVATION +15.10 FEET (CHICAGO CITY DATUM) AND LYING BELOW A HORIZONTAL PLANE AT ELEVATION +29.10 FEET (CHICAGO CITY DATUM) DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT 28.67 FEET WEST OF THE NORTHEAST CORNER OF BUILDING; THENCE SOUTH, A DISTANCE OF 42.42 FEET; THENCE WEST, A DISTANCE OF 38.58 FEET; THENCE NORTH, A DISTANCE OF 17.17 FEET; THENCE EAST, A DISTANCE OF 5.83 FEET; THENCE NORTH, A DISTANCE OF 2.42 FEET; THENCE WEST, A DISTANCE OF 1.83 FEET; THENCE NORTH, A DISTANCE OF 22.83 FEET; THENCE EAST, A DISTANCE OF 34.58 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL 2 (13TH FLOOR):

THAT PART OF LOTS 13 AND 14 AND THE NORTH 24 FEET OF LOT 12 IN BLOCK 15 IN FORT DEARBORN ADDITION TO CHICAGO, A SUBDIVISION OF THE SOUTHWEST FRACTIONAL 1/4 OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE FOLLOWING PARCEL OF LAND LYING ABOVE A HORIZONTAL PLANE AT ELEVATION +162.97 FEET FEET (CHICAGO CITY DATUM) AND LYING BELOW A HORIZONTAL PLANE AT ELEVATION +175.14 FEET (CHICAGO CITY DATUM) IN COOK COUNTY, ILLINOIS.

PARCEL 3 (14TH FLOOR):

THAT PART OF LOTS 13 AND 14 AND THE NORTH 24 FEET OF LOT 12 IN BLOCK 15 IN FORT DEARBORN ADDITION TO CHICAGO, A SUBDIVISION OF THE SOUTHWEST FRACTIONAL 1/4 OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE FOLLOWING PARCEL OF LAND LYING ABOVE A HORIZONTAL PLANE AT ELEVATION +175.14 FEET FEET (CHICAGO CITY DATUM) AND LYING BELOW A HORIZONTAL PLANE AT ELEVATION +187.31 FEET (CHICAGO CITY DATUM) IN COOK COUNTY, ILLINOIS.

PARCEL 4 (15TH FLOOR):

THAT PART OF LOTS 13 AND 14 AND THE NORTH 24 FEET OF LOT 12 IN BLOCK 15 IN FORT DEARBORN ADDITION TO CHICAGO, A SUBDIVISION OF THE SOUTHWEST FRACTIONAL 1/4 OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE FOLLOWING PARCEL OF LAND LYING ABOVE A HORIZONTAL PLANE AT ELEVATION +187.31 FEET FEET (CHICAGO CITY DATUM) AND LYING BELOW A HORIZONTAL PLANE AT ELEVATION

+199.48 FEET (CHICAGO CITY DATUM) IN COOK COUNTY, ILLINOIS.

PARCEL 5 (16TH FLOOR):

THAT PART OF LOTS 13 AND 14 AND THE NORTH 24 FEET OF LOT 12 IN BLOCK 15 IN FORT DEARBORN ADDITION TO CHICAGO, A SUBDIVISION OF THE SOUTHWEST FRACTIONAL 1/4 OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE FOLLOWING PARCEL OF LAND LYING ABOVE A HORIZONTAL PLANE AT ELEVATION +199.48 FEET FEET (CHICAGO CITY DATUM) AND LYING BELOW A HORIZONTAL PLANE AT ELEVATION +211.65 FEET (CHICAGO CITY DATUM) IN COOK COUNTY, ILLINOIS.

PARCEL 6 (17TH FLOOR):

THAT PART OF LOTS 13 AND 14 AND THE NORTH 24 FEET OF LOT 12 IN BLOCK 15 IN FORT DEARBORN ADDITION TO CHICAGO, A SUBDIVISION OF THE SOUTHWEST FRACTIONAL 1/4 OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE FOLLOWING PARCEL OF LAND LYING ABOVE A HORIZONTAL PLANE AT ELEVATION +211.65 FEET FEET (CHICAGO CITY DATUM) AND LYING BELOW A HORIZONTAL PLANE AT ELEVATION +223.82 FEET (CHICAGO CITY DATUM) IN COOK COUNTY, ILLINOIS.

PARCEL 7 (18TH FLOOR):

THAT PART OF LOTS 13 AND 14 AND THE NORTH 24 FEET OF LOT 12 IN BLOCK 15 IN FORT DEARBORN ADDITION TO CHICAGO, A SUBDIVISION OF THE SOUTHWEST FRACTIONAL 1/4 OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE FOLLOWING PARCEL OF LAND LYING ABOVE A HORIZONTAL PLANE AT ELEVATION +223.82 FEET FEET (CHICAGO CITY DATUM) AND LYING BELOW A HORIZONTAL PLANE AT ELEVATION +235.99 FEET (CHICAGO CITY DATUM) IN COOK COUNTY, ILLINOIS.

PARCEL 8 (19TH FLOOR):

THAT PART OF LOTS 13 AND 14 AND THE NORTH 24 FEET OF LOT 12 IN BLOCK 15 IN FORT DEARBORN ADDITION TO CHICAGO, A SUBDIVISION OF THE SOUTHWEST FRACTIONAL 1/4 OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE FOLLOWING PARCEL OF LAND LYING ABOVE A HORIZONTAL PLANE AT ELEVATION +235.99 FEET FEET (CHICAGO CITY DATUM) AND LYING BELOW A HORIZONTAL PLANE AT ELEVATION +248.16 FEET (CHICAGO CITY DATUM) IN COOK COUNTY, ILLINOIS.

PARCEL 9 (20TH FLOOR):

THAT PART OF LOTS 13 AND 14 AND THE NORTH 24 FEET OF LOT 12 IN BLOCK 15 IN FORT DEARBORN ADDITION TO CHICAGO, A SUBDIVISION OF THE SOUTHWEST FRACTIONAL 1/4 OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE FOLLOWING PARCEL OF LAND LYING ABOVE A HORIZONTAL PLANE AT ELEVATION +248.16 FEET FEET (CHICAGO CITY DATUM) AND LYING BELOW A HORIZONTAL PLANE AT ELEVATION +260.33 FEET (CHICAGO CITY DATUM) IN COOK COUNTY, ILLINOIS.

PARCEL 10 (21TH FLOOR):

THAT PART OF LOTS 13 AND 14 AND THE NORTH 24 FEET OF LOT 12 IN BLOCK 15 IN FORT DEARBORN ADDITION TO CHICAGO, A SUBDIVISION OF THE SOUTHWEST FRACTIONAL 1/4 OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE FOLLOWING PARCEL OF LAND LYING ABOVE A HORIZONTAL PLANE AT ELEVATION +260.33 FEET FEET (CHICAGO CITY DATUM) AND LYING BELOW A HORIZONTAL PLANE AT ELEVATION +272.50 FEET (CHICAGO CITY DATUM) IN COOK COUNTY, ILLINOIS.

SECOND ADDENDUM TO PURCHASE AND SALE AGREEMENT

THIS SECOND ADDENDUM is made as of the ____ day of May, 2017 by and between Pittsfield Development, LLC, Pittsfield Hotel Holdings, LLC and Pittsfield Residential II, LLC (collectively, "Sellers", individually, a "Seller") and Pioneer Acquisitions, LLC ("Purchaser") (collectively, Sellers and Purchaser shall be referred to as the "Parties").

RECITALS

WHEREAS Sellers and Purchaser are parties to that certain Purchase and Sale Agreement (the "Agreement") and Addendum thereto ("First Addendum") dated May 9, 2017; and

WHEREAS the subject Premises being conveyed are encumbered by property tax liens, that, at least in part, are held via Nebraska Alliance, LLC who holds certificates for same; and

WHEREAS the Parties desire to clarify that certain claims and rights are being retained by Sellers and not transferred to Purchaser under the Agreement.

NOW, THEREFORE, in consideration of the execution and delivery of the Agreement, along with other good and valuable consideration, receipt of which is hereby acknowledged, the Parties agree as follows:

1. The foregoing recitals are true and correct in all respects, are incorporated herein by reference and are made a part hereof.

2. Outstanding property taxes due for the subject Premises for which Nebraska Alliance, LLC holds tax certificates shall be paid at Closing by Sellers' proceeds from the Closing.

3. Sellers hold certain claims for damages against the City of Chicago in the lawsuit docketed as no. 17-CV-1951 currently pending in the United States District Court for the Northern District of Illinois. These claims, along with any other rights of Sellers to recover damages, money or other property from a third party are not being transferred to Purchaser under the Agreement.

4. Sellers may decide to apply for a refund or reduction of some or all real property taxes that Sellers have either paid, or Sellers are responsible to pay at the closing under the Agreement. Sellers shall retain all rights regarding same and these rights are not being transferred to Purchaser under the Agreement.

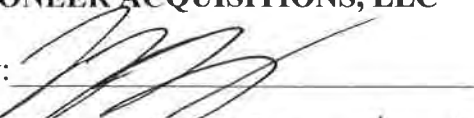
5. Except as otherwise provided herein, the provisions of the Agreement and First Addendum shall remain in full force and effect.

(Remainder of page left blank. Signature page to follow)

IN WITNESS WHEREOF, the Parties have set their hands and seals on the date and year stated above:


PURCHASER:

PIONEER ACQUISITIONS, LLC

By: 
[Print name] L. Jayson Lemberg

SELLERS:

PITTSFIELD DEVELOPMENT, LLC

By: 
[Print name] _____

PITTSFIELD HOTEL HOLDINGS, LLC

By: _____
[Print name] _____

PITTSFIELD RESIDENTIAL II, LLC

By: 
[Print name] _____

ESCROW:

KENSINGTON VANGUARD NATIONAL LAND SERVICES

By: _____
[Print name] _____

Dated: _____