CONTRACT FOR SALE OF LAND FOR PRIVATE REDEVELOPMENT

AGREEMENT, consisting of this Part I and Part II annexed hereto and made a part hereof (which Part I and Part II are together hereinafter call "Agreement"), made on or as of the 13th day of June, 2019, by and between the CITY OF SAN ANTONIO, TEXAS acting by and through the URBAN RENEWAL AGENCY OF THE CITY OF SAN ANTONIO d/b/a OFFICE OF URBAN REDEVELOPMENT SAN ANTONIO a public body corporate (which together with any successor public body or officer hereafter designated by or pursuant to law is hereinafter called "Agency"), established pursuant to Texas Local Government Code §374 as amended of the State of Texas (hereinafter called "Urban Renewal Act") and having its office at 1400 S. Flores, in the City of San Antonio, Bexar County, Texas, (hereinafter called "City"), State of Texas and Terramark Interests, LLC, organized and existing under the laws of the State of Texas, or individual(s) (hereinafter called "Redeveloper") and having an office for transaction of business at 905 N. Pine, in the City of San Antonio and State of Texas.

WITNESSETH:

WHEREAS, in furtherance of the objectives of the Urban Renewal Act, the Agency has undertaken a program for the clearance and reconstruction or rehabilitation of slum and blighted areas in the City, and in this connection is engaged in carrying out urban renewal projects known as S. Frio Street Property ID # 102669 (hereinafter called "Project") in an area (hereinafter called "Project Area") located in the City; and

WHEREAS, as of the date of the Agreement there has been prepared and approved by the City Council of the City an urban renewal plan for the project consisting of the Urban Renewal Plan dated February 2, 2017 and approved by Ordinance No. 2017-02-02-0052, which plan, as it may hereafter be amended from time to time pursuant to law, and as so constituted from time to time is, unless otherwise indicated by the context, (hereinafter called "Urban Renewal Plan"); and

WHEREAS, a copy of the Urban Renewal Plan as constituted on the date of the Agreement has been filed in the office of the City Clerk of the City of San Antonio located at the City Hall, San Antonio, Texas; and

WHEREAS, in that certain Request for Proposal ("RFP") dated March 6, 2019, the City, acting on behalf of the Agency, has offered to sell one (1) lot and the Redeveloper is willing to purchase this lot located in the Project Area identified as follows: NCB 271 BLK 96 LOT 22, San Antonio, Bexar County, Texas], and more particularly described by metes and bounds or survey in **Exhibit "A"** attached hereto and made a part hereof (known herein as the "Property") and to redevelop the Property for and in accordance with the uses specified in the Urban Renewal Plan and the Agreement; and

WHEREAS, the Agency believes that the redevelopment of the Property pursuant to the Agreement and the fulfillment generally of the Agreement, are in the vital and best interest of the City and in accord with the public purposes and provisions of the applicable State and local laws and requirements under which the project has been undertaken and is being assisted;

NOW, THEREFORE, in consideration of the premises and mutual obligation of the parties hereto, each of them does hereby covenant and agree with the other as follows:

SEC. 1. SALE: PURCHASE PRICE.

(a) Subject to all the terms, covenants, and conditions of the Agreement, the Agency will sell the Property to the Redeveloper for and the Redeveloper will purchase the Property from the Agency and pay therefore, the amount of $20,000.00 (hereinafter called "Purchase Price") to be paid in cash or by cashier's check simultaneously with the delivery of the deed conveying the Property to the Redeveloper.

(b) Seller will also provide to Redeveloper an amount of $250,000.00 as reimbursement for eligible expenses consistent with the City's Urban Renewal Plan to assist Redeveloper with the costs of the development of the property. City may, in its sole discretion, provide additional reimbursements for eligible expenses, as needed, consistent with the Urban Renewal Plan and this agreement. In no event shall the aggregate amount of reimbursement of eligible expenses equal the amount that renders this Agreement "high profile" under the City of San Antonio's procurement regulations.

SEC. 2. CONVEYANCE OF PROPERTY.

(a) Form of Deed. The Agency shall convey to the Redeveloper title to the Property by Special Warranty Deed. Such conveyance and title shall, in addition to the condition subsequently provided for in Section 704 hereof, and to all other conditions, covenants, and restrictions set forth or referred to elsewhere in the Agreement, be subject to:

(1) All the restrictions and building requirements set forth in said Urban Renewal Plan;

(2) A Deed Restriction limiting the use of the property for the purpose of providing affordable housing as set forth in the RFP for a period of forty (40) years from the date of conveyance from the Agency to the Redeveloper to which the Redeveloper and all subsequent owners agree to be bound knowing a violation of the restriction will cause the title to the property to automatically revert to the grantor; and

(3) All easements of record in the Official Public Records of Bexar County, Texas or apparent on the Property.

The Special Warranty shall contain the "AS-IS, WHERE-IS, WITH ANY AND ALL FAULTS" disclaimer of representations and warranties and environmental conditions as set forth in the RFP.

(b) Time and Place for Delivery of Deed. The Agency shall deliver the Deed and possession of the Property to the Redeveloper on January 31, 2020 or such earlier date as the parties may mutually agree in writing. Conveyance shall be made at the office of Chicago Title Company, at 15727 Anthem Parkway, Suite 210 in the City of San Antonio, Texas (hereinafter "Title Company"), and the Redeveloper shall accept such conveyance and pay to the Agency at such time and place the Purchase Price.

(c) Apportionment of Current Taxes. The portion of the current taxes, if any, on the Property which are a lien on the date of delivery of the Deed to the Redeveloper, allocable to buildings and other improvements which have been demolished or removed from the Property by the Agency, shall be borne by the Agency and the portion of such current taxes allocable to the land shall be apportioned between the Agency and the Redeveloper as of the date of delivery of the Deed. If the amount of the current taxes on the Property is not ascertainable on such date, the apportionment shall be subject to final adjustment within thirty (30) days after the date of the actual amount of such current taxes is ascertained.

(d) Recordation of Deed. The Redeveloper shall cause the Title Company to promptly file the Deed for recordation among the land records of the place in which the Property is situated. The Redeveloper shall pay all cost for recording the Deed.

(e) Title Insurance Policy. A Title Insurance Policy for the Property shall be issued by the Title Company, and Agency shall bear the cost of said title insurance policy.

(f) Future Taxes. Redeveloper agrees to pay all property taxes on the Property commencing the date title is transferred to said Redeveloper.

SEC. 3. GOOD FAITH DEPOSIT.

(a) Amount. With its response to the RFP, the Redeveloper delivered to the Agency a cashier's check payable to the Title Company in the amount of $5,000.00, hereinafter called "Deposit", as security for the performance of the obligations of the Redeveloper to be performed in connection with the RFP. The Deposit shall be delivered to the Title Company. Within two (2) business days after execution of this Agreement by the Agency, the Redeveloper shall deposit an additional amount of $20,000.00, hereinafter called "Earnest Money", with the Title Company as earnest money as security for the performance of the obligations of the Redeveloper to be performed in connection with this Agreement. Security Deposit and Earnest Money is credited to Redeveloper at closing.

(b) Interest. Neither the Title Company, nor the Agency shall be under no obligation to pay or earn interest on the Deposit or Earnest Money, but if interest is payable thereon, such interest, shall be applied to the Purchase Price at the closing.

(c) Retention by Agency. Upon termination of the Agreement as provided in Section 703 and 704 hereof, the Deposit or the proceeds of the Deposit, if not theretofore returned to the Redeveloper pursuant to paragraph (d) of this Section, including all interest payable on such Deposit or the proceeds thereof after such termination, shall be retained by the Agency as provided in section 703 and 704 hereof.

(d) Return to Redeveloper. Upon termination of the Agreement as provided in Section 702 hereof, the Deposit and Earnest Money shall be returned to the Redeveloper by the Agency as provided in Section 702 hereof.

SEC. 4. TIME FOR COMMENCEMENT AND COMPLETION OF IMPROVEMENTS.

(a) The construction of the improvements referred to in Section 301 hereof shall be commenced in any event within ninety (90) days after the recordation of the deed as provided in Section 2(d) hereof and, except as otherwise provided in the Agreement, shall be completed within two (2) years after such date.

SEC. 5. TIME FOR CERTAIN OTHER ACTIONS.

(a) Time for Submission of Construction Plans. The time within which the Redeveloper shall submit "Construction Plans" (as defined in Section 301 hereof) to the Agency in any event, pursuant to Section 301 hereof, shall not be later than 180 days from the date of the Agreement. Failure by Redeveloper to provide said Construction Plans within the time stated herein shall result in the termination of the Agreement as provided in Section 703 hereof.

(b) Time for Submission of Corrected Construction Plans. Except as provided in paragraph (c) of this Section 5, the time within which the Redeveloper shall submit any new or corrected Construction Plans as provided for in Section 301 hereof shall not be later than fifteen (15) days after the date the Redeveloper receives written notice from the Agency of the Agency's first rejection of the original Construction Plans referred to in the latest such notice.

(c) Maximum Time for Approved Construction Plans. In any event, the time within which the Redeveloper shall submit Construction Plans which conform to the requirements of Section 301 hereof and are approved by the Agency shall not be later than thirty (30) days after the date the Redeveloper receives written notice from the Agency of the Agency's first rejection of the original Construction Plans submitted to it by the Redeveloper.

(d) Time for Agency Action on Change in Construction Plans. The time within which the Agency may reject any change in the Construction Plans, as provided in Section 302 hereof, shall be fifteen (15) days after the date of the Agency's receipt of notice of change.

(e) Time for Submission of Evidence of Equity Capital and/or Mortgage Financing. The time within which the Redeveloper shall submit to the Agency, in any event, evidence as to equity capital and any commitment necessary for mortgage financing, as provided in Section 303 hereof, shall be not later than 15 days after the date of written notice to the Redeveloper of approval of the Construction Plans by the Agency or, if the Construction Plans shall be deemed to have been approved as provided in Section 301 hereof, after the expiration of thirty (30) days following the date of receipt by the Agency of the Construction Plans so deemed approved. Failure by Redeveloper to provide said Evidence of Equity Capital and/or Mortgage Financing within the time stated herein shall result in the termination of the Agreement as provided in Section 703 hereof.

SEC. 6. PERIOD OF DURATION OF COVENANT ON USE.

The covenant pertaining to the uses of the Property, set forth in Section 401 hereof, shall remain in effect from the date of the Deed until the later of: a 40 year period, the period specified or referred to in the Urban Renewal Plan, or until such date thereafter on which date, as the case may be, such covenant shall terminate. The Agency shall prepare a covenant based upon the terms and conditions for the provision of affordable housing as set forth in the Redeveloper's response to the RFP and shall provide the Agency and the City reasonable access to the Property and the Redeveloper's and its successors and assigns records for the duration of the covenant to monitor and ensure compliance with the Urban Renewal Plan and this Agreement. The covenant shall be recorded contemporaneously with the Special Warranty Deed provided for in Section 2 of Part I.

SEC. 7. NOTICES AND DEMANDS.

A notice, demand, or other communication under the Agreement by either party to the other shall be sufficiently given or delivered if it is dispatched by certified mail, postage prepaid, return receipt requested, or delivered personally by courier; and

(i) in the case of the Redeveloper, is addressed to or delivered personally to the Redeveloper at 905 N. Pine, San Antonio, Texas 78202

(ii) in the case of the Agency, is addressed to or delivered personally to the Agency at 1400 S. Flores, San Antonio, Texas 78204, or at such other address with respect to either such party as that party may, from time to time, designate, in writing, and forward to the other as provided in this Section; with a copy to the City at City of San Antonio, Neighborhood Housing & Services Department, Attention: Housing Bond Administrator, 1400 S. Flores, San Antonio, Texas 78204.

SEC. 8. SPECIAL PROVISIONS.

All published material submitted pursuant to this development shall include the following reference:

"This development was accomplished with the assistance of OFFICE OF URBAN REDEVELOPMENT SAN ANTONIO with funding approved by the voters of the City of San Antonio for the 2017-2022 Neighborhood Improvements Bond."

SEC. 9. MISCELLANEOUS PROVISIONS

(i) The Redeveloper represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas government Code, as amended, and posted on any of the following pages of such officer's Internet website:

https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf,
https://comptroller.texas.gov/purchasing/docs/iran-list.pdf, or
https://comptroller.texas.gov/purchasing/docs/fto-list.pdf.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, as amended, and to the extent such section does not contravene applicable federal law and excludes the Redeveloper and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Redeveloper understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Redeveloper and exists to make a profit.

(iii) The Redeveloper is required to file and deliver in accordance with applicable State law (unless exempted under applicable law) a Certificate of Interested Parties Form 1295 ("Form 1295") and certification of filing generated by the Texas Ethics Commission's electronic portal, signed by an authorized representative, prior to the execution of this Agreement by the Seller and the Redeveloper. The Redeveloper and the Seller understand neither the Seller nor its consultants have the ability to verify the information included in Form 1295, and neither the Seller nor its consultants have an obligation, nor have undertaken any responsibility, for advising the Redeveloper with respect to the proper completion of Form 1295 other than, with respect to the Seller, providing the identification numbers required for the completion of Form 1295.

(iv) All acts, conditions, and things required to exist and to be done precedent to and in execution of this Agreement to render the same lawful and valid have been properly done, have happened and have been performed in regular and due time, form, and manner as required by the laws of the State of Texas and the Urban Renewal Plan.

(v) The Redeveloper agrees to provide those services described in its response to the RFP delivered to the City on April 19, 2019, RFP ID Number RFPNHSD03062019.

SEC. 10. COUNTERPARTS.

The Agreement is executed in two (2) counterparts, which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Agency has caused the Agreement to be duly executed in name and behalf of its Chairman or Executive Director and its seal to be hereunder duly affixed and the Redeveloper has caused the Agreement to be duly executed as of the ___day of _____, 20__.

CITY OF SAN ANTONIO, TEXAS,
acting by and through the,
URBAN RENEWAL AGENCY OF THE
CITY OF SAN ANTONIO d/b/a
OFFICE OF URBAN REDEVELOPMENT SAN ANTONIO

Susan Wright

Title: Vice Chair

TERRAMARK INTERESTS, LLC
905 N. Pine St.
San Antonio TX
78202

Title: CEO.

(AGENCY ACKNOWLEDGEMENT)

STATE OF TEXAS }

COUNTY OF BEXAR }

BEFORE ME, the undersigned authority, on the day personally appeared _____, EXECUTIVE DIRECTOR of the Urban Renewal Agency of the City of San Antonio d/b/a Office of Urban Redevelopment San Antonio, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed and in the capacity therein stated and as the act and deed of the Urban Renewal Agency of the City of San Antonio.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 24th day of May, 2019.

VANESSA OLIVAREZ
COMM. EXPIRES 10-18-2022
NOTARY ID 131763986-5

Notary Public in and for the State of Texas

(REDEVELOPER ACKNOWLEDGMENT)

STATE OF TEXAS }

COUNTY OF BEXAR }

BEFORE ME, the undersigned, a Notary Public in and for the State of Texas on this day personally appeared known to me to be the person and officer whose name is subscribed to the foregoing instrument as CEO of and acknowledged to me that he (or she) executed the same for the purposes and consideration therein expressed, and as the act and deed of said Office of Urban Redevelopment.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 23 day of May, 2019

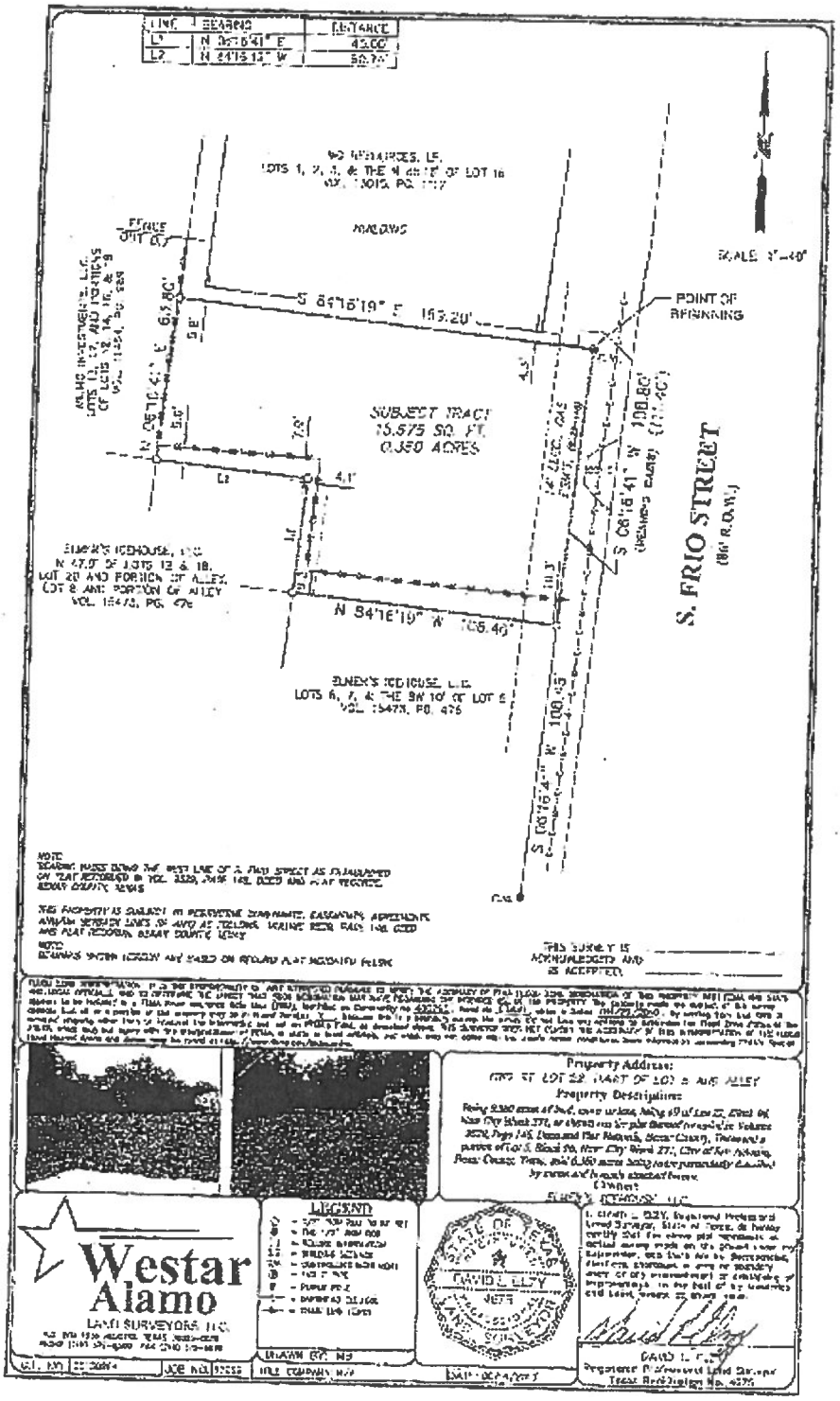
JOHN T COOLEY JR.
NOTARY PUBLIC-STATE OF TEXAS
COMM. EXP. 02-16-2020
NOTARY ID 13054079-8

Notary Public in and for the State of Texas

EXHIBIT "A"

Description of Property

All that certain parcel or parcels of land located in the City of San Antonio, Bexar County, Texas, more particularly described as follows:



URBAN RENEWAL PROGRAM

TERMS AND CONDITIONS

PART II

OF

CONTRACT FOR

SALE OF LAND FOR PRIVATE REDEVELOPMENT

BY AND BETWEEN

THE CITY OF SAN ANTONIO, TEXAS, ACTING BY AND THROUGH,

URBAN RENEWAL AGENCY OF THE CITY OF SAN ANTONIO

DBA

OFFICE OF URBAN REDEVELOPMENT SAN ANTONIO

AND

Terramark Interests, LLC
("Redeveloper")

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ARTICLE I. PREPARATION OF PROPERTY FOR REDEVELOPMENT

SEC. 101. Waiver of Claims and Joining in Petitions by Redeveloper. The Redeveloper hereby waives (as the purchaser of the Property under the Agreement and as the owner after the conveyance of the Property provided for in the Agreement) any and all claims to awards of damages, if any, to compensate for the closing, vacation, or change of grade of any street, alley, or other public right-of-way within or fronting or abutting on, or adjacent to, the Property which, pursuant to subdivision (a) of Section 103 hereof, is to be closed or vacated, or the grade of which is to be changed, and shall upon the request of the Agency subscribe to, and join with the Agency in any petition or proceeding required for such vacation, dedication, change of grade, and, to the extent necessary, rezoning, and execute any waiver or other document in respect thereof.

ARTICLE II. RIGHTS OF ACCESS TO PROPERTY

SEC. 201. Right of Entry for Utility Service. The Agency reserves for itself, the City, and any public utility company, as may be appropriate, the unqualified right to enter upon the Property at all reasonable times for the purpose of reconstruction, maintaining, repairing, or servicing the public utilities located within the Property boundary lines and provided for the easements described or referred to in Paragraph (a), Section 2 of Part I hereof.

SEC. 202. Redeveloper Not to Construct Over Utility Easements. The Redeveloper shall not construct any building or other structure or improvement on, over, or within the boundary lines of any easement for public utilities

described or referred to in Paragraph (a), Section 2 of Part I hereof, unless such construction is provided for in such easement or has been approved by the City. If approval for such construction is requested by the Redeveloper, the Agency shall use its best efforts to assure that such approval shall not be withheld unreasonably.

SEC. 203. Access to Property. Prior to the conveyance of the Property by the Agency to the Redeveloper, the Agency shall permit representatives of the Redeveloper to have access to any part of the Property as to which the Agency holds title, at all reasonable times for the purpose of obtaining data and making various tests concerning the Property necessary to carry out the Agreement. After the conveyance of the Property by the Agency to the Redeveloper, the Redeveloper shall permit the representatives of the Agency and the City access to the Property at all reasonable times which any of them deems necessary for the purposes of the Agreement and the covenant described in Section 6 of Part I, including, but not limited to, inspection of all work being performed in connection with the construction of the Improvements. No compensation shall be payable nor shall any charge be made in any form by any party for the access provided for in this Section.

ARTICLE III. CONSTRUCTION PLANS; CONSTRUCTION OF IMPROVEMENTS; CERTIFICATE OF COMPLETION

SEC. 301 Plans for Construction of Improvements. Plans and specifications with respect to the redevelopment of the Property and the construction of improvements thereon shall be in conformity with the Urban Renewal Plan, the Redeveloper's response to the RFP, the Agreement the Ordinance calling the Election and all applicable State and local laws and regulations. As promptly as possible after the date of the Agreement, and, in any event, no later than the time specified therefor in Paragraph (a), Section 5 Part I hereof, the Redeveloper shall submit to the Agency, for approval by the Agency, plans, drawings, specifications, and related documents, and the proposed construction schedule (which plans, drawings, specifications, related documents, and progress schedule, together with any and all changes therein that may thereafter be made and submitted to the "Agency" as herein provided, are except as otherwise clearly indicated by the context, hereinafter collectively called "Construction Plans") with respect to the improvements to be constructed by the Redeveloper on the Property, in sufficient completeness and detail to show that such improvements and construction thereof will be in accordance with the provisions of the Urban Renewal Plan, the Redeveloper's response to the RFP, and the Agreement. "Sufficient completeness" shall mean the level of completeness of construction plans that is customary in the construction and development industry during the pre-development phase of a project similar to this Project. The Agency shall, if the Construction Plans originally submitted conform to the provisions of the Urban Renewal Plan, the Redeveloper's response to the RFP, and the Agreement, approve in writing such Construction Plans and no further filing by the Redeveloper or approval by the Agency thereof shall be required except with respect to any material change, which must be approved by City Council through the passage of an ordinance. Such Construction Plans shall in any event, be deemed approved unless rejection thereof within forty-five (45) days after the date of their receipt by the Agency. If the Agency so rejects the Construction Plans in whole or in part as not being in conformity with the Urban Renewal Plan, the Redeveloper's response to the RFP, or the Agreement, the Redeveloper shall submit new or corrected Construction Plans which are in conformity with the Urban Renewal Plan, the Redeveloper's response to the RFP, and the Agreement with the time specified therefor in Paragraph (b), Section 5 of Part I hereof after written notification to the Redeveloper of the rejection. The provisions of this Section relating to approval, rejection, and resubmission of corrected Construction Plans hereinabove provided with respect to the original Construction Plans shall continue to apply until the Construction Plans have been approved by the Agency: Provided, that in any event the Redeveloper shall submit Construction Plans which are in conformity with the requirements of the Urban Renewal Plan, the Redeveloper's response to the RFP, and the Agreement, as determined by the Agency, no later than the time specified therefor in Paragraph (c), Section 5 of Part I hereof. All work with respect to the improvements to be constructed or provided by the Redeveloper on the Property shall be in conformity with the Construction Plans as approved by the Agency. The term "Improvements", as used in this Agreement, shall be deemed to have reference to the improvements as provided and specified in the Construction Plans as so approved.

SEC. 302. Changes in Construction Plans. If the Redeveloper desires to make any change in the Construction Plans after their approval by the Agency, the Redeveloper shall submit the proposed change to the Agency for its approval. If the Construction Plans, as modified by the proposed change, conform to the requirements of Section 301 hereof with respect to such previously approved Construction Plans, the Agency shall approve the proposed change and notify the Redeveloper in writing of its approval. Such change in the Construction Plans shall, in any event, be deemed rejected, in whole or in part, unless written notice thereof is given by the Agency to the Redeveloper, setting forth such approval. The Agency may allow modifications to the conceptual site plan as the pre-development phase is completed, so long as such modifications would not cause the redevelopment of the Property to result more than a 10% change in unit mix or income restrictions designated for the Project per the RFP, the Redeveloper's response to the RFP, the Urban Renewal Plan and this Agreement. Any other changes in Construction Plans or conceptual site plan that exceed those that were submitted to

the Agency in substantial completeness under Section 301 or as provided in this Section 302 must be approved by the City Council evidence by the passage of an ordinance.

SEC. 303. Evidence of Equity Capital and Mortgage Financing. As promptly as possible after approval by the Agency of the Construction Plans, and in any event, no later than the time specified therefor in Paragraph (e), Section 5 Part I hereof, the Redeveloper shall submit to the Agency evidence satisfactory to the Agency that the Redeveloper has the equity capital and commitments for mortgage financing necessary for the construction of the Improvements.

SEC. 304. Approvals of Construction Plans and Evidence of Financing as Conditions Precedent to Conveyance. The submission of Construction Plans and their approval by the Agency as provided in Section 301 hereof, and the submission of evidence of equity capital and commitments for mortgage financing as provided in Section 303 hereof, are conditions precedent to the obligation of the Agency to convey the Property to the Redeveloper.

SEC. 305. Commencement and Completion of Construction of Improvements. The Redeveloper agrees for itself, its successors and assigns, and every successor in interest to the Property, or any part thereof, and the Deed shall contain covenants on the part of the Redeveloper for itself and such successors and assigns, that the redevelopment of the Property through the construction of the Improvements thereon, and that such construction shall in any event begin within the period specified in Section 4 of Part I hereof and be completed within the period specified in such Section 4. It is intended and agreed, and the Deed shall so expressly provide, that without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in the Agreement itself, be, to the fullest extent permitted by law and equity, binding for the benefit of the community, the Agency and the City and enforceable by the Agency and/or the City against the Redeveloper and its successors and assigns to or of the Property or any part thereof or any interest therein.

SEC. 306. Progress Reports. Subsequent to conveyance of the Property or any part thereof, to the Redeveloper, and until construction of the Improvements has been completed, the Redeveloper shall make reports, in such detail and at such times as may reasonably be requested by the Agency, as to the actual progress of the Redeveloper with respect to such construction.

SEC. 307. Certificate of Completion.

(a) Promptly after completion of the Improvements in accordance with those provisions of the Agreement relating solely to the obligations of the Redeveloper to construct the Improvements (including the dates for beginning and completion thereof), the Agency will furnish the Redeveloper with an appropriate instrument so certifying. Such certification by the Agency shall be (and it shall be so provided in the Deed and in the certification itself) a conclusive determination of satisfaction and termination of the agreements and covenants in the Agreement and in the Deed with respect to the obligations of the Redeveloper, and its successors and assigns, to construct the Improvements and the dates for the beginning and completion thereof. Such certification and such determination shall not constitute evidence of compliance with or satisfaction of any obligation of the Redeveloper to any holder of a mortgage, or any insurer or a mortgage, securing money loaned to finance the Improvements, or any part thereof.

(b) The certification provided for in this Section 307 shall be in such form as will enable it to be recorded in the proper office for the recordation of deeds and other instruments pertaining to the Property, including the Deed. If the Agency shall refuse or fail to provide any certification in accordance with the provisions of this Section, the Agency shall, within thirty (30) days after written request by the Redeveloper provide the Redeveloper with a written statement, indicating in adequate detail in what respects the Redeveloper has failed to complete the Improvements in accordance with the provisions of the Agreement, or is otherwise in default, and what measures or acts it will be necessary, in the opinion of the Agency, for the Redeveloper to take or perform in order to obtain such certification.

ARTICLE IV. RESTRICTIONS UPON USE OF PROPERTY

SEC. 401. Restrictions on Use. The Redeveloper agrees for itself, and its successors and assigns, and every successor in interest to the Property, or any part thereof, and the Deed shall contain covenants on the part of the Redeveloper for itself, and such successors and assigns, that the Redeveloper, and such successors and assigns, shall:

(a) Devote the Property to and only to and in accordance with, the uses specified in the Urban Renewal Plan and in accordance with the Redeveloper's response to the RFP; and

(b) Not discriminate upon the basis of race, color, creed, or national origin in the sale, lease, or rental or in the use or occupancy of the Property or any improvements erected or to be erected thereon, or any part thereof.

SEC. 402. Covenants; Binding Upon Successors in Interest Period of Duration. It is intended and agreed, and the Deed shall so expressly provide, that the agreements and covenants provided in Section 401 hereof shall be covenants running with the land and that they shall, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in the Agreement, be binding, to the fullest extent permitted by law and equity, for the benefit and in favor of, and enforceable by, the Agency, its successors and assigns, and the City and any successor in interest to the Property, or any part thereof, against the Redeveloper, its successors and assigns and every successor in interest to the Property, or any part thereof. It is further intended and agreed that the agreement and covenant provided in subdivision (a) of Section 401 hereof shall remain in effect for the period of time, or until the date, specified or referred to in Section 6 Part I hereof (at which time such agreement and covenant shall terminate) and that the agreements and covenants provided in subdivision (b) of Section 401 hereof shall remain in effect without limitation as to time: Provided, that such agreements and covenants shall be binding on the Redeveloper itself, each successor in interest to the Property, and every part thereof, and each party in possession or occupancy, respectively, only for such period as such successor or party shall have title to, or an interest in, or possession or occupancy of, the Property or part thereof. The terms "uses specified in the Urban Renewal Plan" and "land use" referring to provisions of the Urban Renewal Plan, or similar language, in the Agreement shall include the land and all building, housing, and other requirements or restrictions of the Urban Renewal Plan pertaining to such land.

SEC. 403. Agency and United States Rights to Enforce. In amplification, and not in restriction of the provisions of the preceding Section it is intended and agreed that the Agency and its successors and assigns and the City and its successors and assigns shall be deemed beneficiaries of the agreements and covenants provided in Section 401 hereof, both for and in their or its own right and also for the purposes of protecting the interests of the community and other parties, public or private, in whose favor or for whose benefit such agreements and covenants have been provided. Such agreements and covenants shall (and the Deed shall so state) run in favor of the Agency and the City, for the entire period during which such agreements and covenants shall be in force and effect, without regard to whether the Agency or the City has at any time been remains, or is an owner of any land or interest therein to or in favor of which such agreements and covenants relate. The Agency shall have the right, in the event of any breach of any such agreement or covenant, and the City shall have the right in the event of any breach of the covenant provided in subdivision (b) of Section 401 hereof, to exercise all the rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breach of agreement or covenant, to which it or any other beneficiaries of such agreement or covenant may be entitled.

ARTICLE V. PROHIBITIONS AGAINST ASSIGNMENT AND TRANSFER

SEC. 501. Interval for Requesting Transfer of Property and Assignment of Agreement. The interval within which the Redeveloper may request a transfer of the Property and assignment of the Agreement shall be between the date of the Agreement and the date for the submission of equity capital and mortgage financing set forth in Part I, Section 5(e) of the Agreement.

SEC. 502. Representations As to Redevelopment. The Redeveloper represents and agrees that its purchase of the Property, and its other undertakings pursuant to the Agreement, are, and will be used, for the purpose of redevelopment of the Property and not for speculation in land holding. The Redeveloper further recognizes that, in view of:

(a) the importance of the redevelopment of the Property to the general welfare of the community

(b) the substantial financing and other public aids that have been made available by law and by the Agency and the City, if applicable, for the purpose of making such redevelopment possible; and

(c) the fact that a transfer of the stock in the Redeveloper or of a substantial part thereof, or any other act or transaction involving or resulting in a significant change in the ownership or distribution of such stock or with respect to the identity of the parties in control of the Redeveloper or the degree thereof, is for practical purposes a transfer or disposition of the Property then owned by the Redeveloper, the qualifications and identity of the Redeveloper, and its stockholders are of particular concern to the community and the Agency. The Redeveloper further recognizes that it is because of such qualifications and identity that the Agency is entering into the Agreement with the Redeveloper, and in so doing, is further willing to accept and rely on the obligations of the Redeveloper for the faithful performance of undertakings and covenants hereby by it to be performed.

SEC. 503. Prohibition Against Transfer of Shares of Stock; Binding Upon Stockholders Individually. For the foregoing reasons, the Redeveloper represents and agrees for itself, its stockholders, and any successor in interest of itself and its stockholders, respectively, that: Prior to completion of the Improvements as certified by the Agency, and without the

prior written approval of the Agency, (a) there shall be no transfer by any party owner of 10 percent or more of the stock in the Redeveloper (which term shall be deemed for the purposes of this and related provisions to include successors in interest of such stock or any part thereof or interest therein), (b) nor shall any such owner suffer any such transfer to be made, (c) nor shall there be or be suffered to be by the Redeveloper, or by any owner of 10 percent or more of the stock therein, any other similarly significant change in the ownership of such stock or in the relative distribution thereof, or with respect to the identity of the parties in control of the Redeveloper or the degree thereof, by any other method or means, whether by increased capitalization, merger with another corporation corporate or other amendments, issuance of additional or new stock or classification of stock, or otherwise. The Agency will consider request for variances from this prohibition for the transfers made in the ordinary course of business. With respect to this provision, the Redeveloper and the parties signing the Agreement on behalf of the Redeveloper represent that they have the authority of all of its existing stockholders to agree to this provision on their behalf and to bind them with respect thereto.

SEC. 504. Prohibition Against Transfer of Property and Assignment of Agreement. Also, for the foregoing reasons the Redeveloper represents and agrees for itself, and its successors and assigns, that except only by way of security for, and only for (i) the purpose of obtaining financing necessary to enable the Redeveloper or any successor in interest to the Property, or any part thereof, to perform its obligations with respect to making the Improvements under the Agreement, and (ii) any other purpose authorized by the Agreement, the Redeveloper (except as so authorized) has not made or created, and that it will not, prior to the proper completion of the Improvements as certified by the Agency, make or create, or suffer to be made or created, any total or partial sale, assignment, conveyance, or lease or any trust or power, or transfer in any other mode or form of or with respect to the Agreement or the Property, or any part thereof or any interest therein, or any contract or agreement to do any of the same, without the prior written approval of the Agency: Provided, that, prior to the issuance by the Agency of the certificate provided for in Section 307 hereof as to completion of the construction of the Improvements, the Redeveloper may enter into any agreement to sell, lease, or otherwise transfer, after the issuance of such certificate, the Property or any part thereof or interest therein, which agreement shall not provide for payment of or on account of the purchase price or rent for the Property, or the part thereof or the interest therein to be so transferred, prior to the issuance of such certificate.

(a) The Agency shall be entitled to require, except as otherwise provided in the Agreement, as conditions to any such approval that:

(1) Any proposed transferee shall have the qualifications and financial responsibility, as determined by the Agency, necessary and adequate to fulfill the obligations undertaken in the Agreement by the Redeveloper (or in the event the transfer is of or relates to part of the Property, such obligations to the extent that they relate to such part).

(2) Any proposed transferee, by instrument in writing satisfactory to the Agency and in form recordable among the land records, shall, for itself and its successors and assigns, and expressly for the benefit of the Agency, have expressly assumed all of the obligations of the Redeveloper under the Agreement and agreed to be subject to all the conditions and restrictions to which the Redeveloper is subject (or, in the event the transfer is of or relates to part of the Property, such obligations, conditions, and restrictions to the extent that they relate to such part): Provided, that the fact that any transferee of, or any other successor in interest whatsoever to, the Property, or any part thereof, shall, whatever the reason, not have assumed such obligations or so agreed, shall not (unless and only to the extent otherwise specifically provided in the Agreement or agreed to in writing by the Agency) relieve or except such transferee or successor of or from such obligations, conditions, or restrictions, or deprive or limit the Agency of or with respect to any rights or remedies or controls with respect to the Property or the construction of the Improvements; it being the intent of this, together with other provisions of the Agreement, that (to the fullest extent permitted by law and equity and excepting only in the manner and to the extent specifically provided otherwise in the Agreement) no transfer of, or change with respect to, ownership in the Property or any part thereof, or any interest therein, however consummated or occurring, and whether voluntary or involuntary, shall operate, legally or practically, to deprive or limit the Agency of or with respect to any rights or remedies or controls provided in or resulting from the Agreement with respect to the Property and the construction of the Improvements that the Agency would have had, had there been no such transfer or change.

(3) There shall be submitted to the Agency for review all instruments and other legal documents involved in effecting transfer; and if approved by the Agency, its approval shall be indicated to the Redeveloper in writing.

(4) The consideration payable for the transfer by the transferee or on its behalf shall not exceed an amount representing the actual cost (including carrying charges) to the

Redeveloper of the Property (or allocable to the part thereof or interest therein transferred) and the Improvements, if any, theretofore made thereon by it; it being the intent of this provision to preclude assignment of the Agreement or transfer of the Property for profit prior to the completion of the Improvements and to provide that in the event any such assignment or transfer is made (and is not canceled) the Agency shall be entitled to increase the Purchase Price to the Redeveloper by the amount that the consideration payable for the assignment or transfer is in excess of the amount that may be authorized pursuant to this subdivision (4), and such consideration shall, to the extent it is in excess of the amount so authorized, belong to and forthwith be paid to the Agency.

(5) Transferee will be required to submit to the Agency an irrevocable letter of credit, issued by a bank or lending institution, wherein the Agency is the beneficiary, or a surety bond in form and substance satisfactory to the Agency, in which the Agency is the Obligee, issued by a surety company regularly engaged in the issuance of such undertakings and on the list of surety companies approved by the United States Treasury, in an amount not to exceed ten percent (10%) of the total cost of the construction proposed by bidder as guarantee that said construction will be completed within the time specified in the Warranty Deed conveying title to the property. Said irrevocable letter of credit or surety bond shall be submitted by Transferee to the Agency on or before the date the Agency approves the transfer.

(6) The Redeveloper and its transferee shall comply with such other conditions as the Agency may find desirable in order to achieve and safeguard the purposes of the Urban Renewal Act and the Urban Renewal Plan.

Provided, that in the absence of specific written agreement by the Agency to the contrary, no such transfer or approval by the Agency thereof shall be deemed to relieve the Redeveloper, or any other party bound in any way by the Agreement or otherwise with respect to the construction of the Improvements, from any of its obligations with respect thereto.

SEC. 505. Information As to Stockholders. In order to assist in the effectuation of the purposes of this Article V and the statutory objectives generally, the Redeveloper agrees that during the period between execution of the Agreement and completion of the Improvements as certified by the Agency, (a) the Redeveloper will promptly notify the Agency of any and all changes whatsoever in the ownership of stock, legal or beneficial, or of any other act or transaction involving or resulting in any change in the ownership of the respective business, which includes ownership of such stock or in the relative distribution thereof, or with respect to the identity of the parties in control of the Redeveloper or the degree thereof, of which it or any of its offices have been notified or otherwise have knowledge or information; and (b) the Redeveloper shall, at such time or times as the Agency may request, furnish the Agency with a complete statement, subscribed and sworn to by the President or other executive officer of the Redeveloper, setting forth all of the stockholders of the Redeveloper and the extent of their respective holdings, and interest, all as determined or indicated by the records of the Redeveloper, by specific inquiry made by any such office, of all parties who on the basis of such records own 10 percent or more of the stock in the Redeveloper, and by such other knowledge or information as such officer shall have. Such lists, data, and information shall in any event be furnished the Agency immediately prior to the delivery of the Deed to the Redeveloper and as a condition precedent thereto, and annually thereafter on the anniversary of the date of the Deed until the issuance of a certificate of completion for all the Property.

ARTICLE VI. MORTGAGE FINANCING; RIGHTS OF MORTGAGEES

SEC. 601. Limitation Upon Encumbrance of Property. Prior to the completion of the Improvements, as certified by the Agency, neither the Redeveloper nor any successor in interest to the Property or any part thereof shall engage in any financing or any other transaction creating any mortgage or other encumbrance or lien upon the Property, whether by express agreement or operation of law, or suffer any encumbrance or lien to be made on or attach to the Property, except for the purposes of obtaining (a) funds only to the extent necessary for making the Improvements and (b) such additional funds, if any, in an amount not to exceed the Purchase Price paid by the Redeveloper to the Agency. The Redeveloper (or successor in interest) shall notify the Agency in advance of any financing secured by mortgage or other similar lien instrument, it proposes to enter into with respect to the Property, or any part thereof, and in any event it shall promptly notify the Agency of any encumbrance or lien that has been created on or attached to the Property, whether by voluntary act of the Redeveloper or otherwise. For the purposes of such mortgage financing as may be made pursuant to the Agreement, the Property may, at the option of the Redeveloper (or successor in interest), be divided into several parts or parcels, provided that such subdivision, in the opinion of the Agency is not inconsistent with the purposes of the Urban Renewal Plan and the Agreement and is approved in writing by the Agency.

SEC. 602. Mortgagee Not Obligated to Construct. Notwithstanding any of the provisions of the Agreement,

including but not limited to those which are or are intended to be covenants running with the land, the holder of any mortgage authorized by the Agreement (including any such holder who obtains title to the Property or any part thereof as a result of foreclosure proceedings, or action in lieu thereof, but not including (a) any other party who thereafter obtains title to the Property or such part from or through such holder or (b) any other purchaser at foreclosure sale other than the holder of the mortgage itself) shall in no wise be obligated by the provisions of the Agreement to construct or complete the Improvements or to guarantee such construction or completion nor the shall any covenant or any other provision in the Deed be construed to so obligate such holder: Provided, that nothing in this Section or provision of the Agreement shall be deemed or construed to permit or authorize any such holder to devote the Property or any part thereof to any uses, or to construct any improvements thereon, other than those uses or improvements provided or permitted in the Urban Renewal Plan and in the Agreement.

SEC. 603. Copy of Notice of Default to Mortgagee. Whenever the Agency shall deliver any notice or demand to the Redeveloper with respect to any breach or default by the Redeveloper in its obligations or covenants under the Agreement, the Agency shall at the same time forward a copy of such notice or demand to each holder of any mortgage authorized by the Agreement at the last address of such holder shown in the records of the Agency.

SEC. 604. Mortgagee's Option to Cure Defaults. After any breach or default referred to in Section 603 hereof, each such holder shall (insofar as the rights of the Agency are concerned) have the right, at its option, to cure or remedy such breach or default (or such breach or default to the extent that it relates to the part of the Property covered by its mortgage) and to add the cost thereof to the mortgage debt and the lien of its mortgage: Provided, that if the breach or default is with respect to construction of the Improvements, nothing contained in this Section or any other Section of the Agreement shall be deemed to permit or authorize such holder, either before or after foreclosure or action in lieu thereof, to undertake or continue the construction or completion of the Improvements (beyond the extent necessary to conserve or protect Improvements or construction already made) without first having expressly assumed the obligation to the Agency, by written agreement satisfactory to the Agency, to complete, in the manner provided in the Agreement, the Improvements on the Property or the part thereof to which the lien or title to such holder relates. Any such holder who shall properly complete the Improvements relating to the Property or applicable part thereof shall be entitled, upon written request made to the Agency, to a certification or certifications by the Agency to such effect in the manner provided in Section 307 of the Agreement, and any such certification shall, if so requested by such holder, mean and provide that any remedies or rights with respect to recapture of or reversion or revesting of title to the Property that the Agency shall have or be entitled to because of failure of the Redeveloper or any successor in interest to the Property, or any part thereof, to cure or remedy any default with respect to the construction of the Improvements on other parts or parcels of the Property, or because of any other default in or breach of the Agreement by the Redeveloper or such successor, shall not apply to the part or parcel of the Property to which such certification relates.

SEC. 605. Agency's Option To Pay Mortgage Debt or Purchase Property. In any case, where subsequent to default or breach by the Redeveloper (or successor in interest) under the Agreement, the holder of any mortgage on the Property or part thereof:

(a) has, but does not exercise the option to construct or complete the Improvements relating to the Property or part thereof covered by its mortgage or to which it has obtained title, and such failure continues for a period of sixty (60) days after the holder has been notified or informed of the default or breach; or

(b) undertakes construction or completion of the Improvements but does not complete such construction within the period as agreed upon by the Agency and such holder (which period shall in any event be at least as long as the period prescribed for such construction or completion in the Agreement), and such default shall not have been cured within sixty (60) days after written demand by the Agency so to do, the Agency shall (and every mortgage instrument made prior to completion of the Improvements with respect to the Property by the Redeveloper or successor in interest shall so provide) have the option of paying to the holder the amount of the mortgage debt and securing an assignment of the mortgage and the debt secured thereby, or, in the event ownership of the Property (or part thereof) has vested in such holder by way of foreclosure or action in lieu thereof, the Agency shall be entitled, at its option, to a conveyance to it of the Property or part thereof (as the case may be) upon payment to such holder of an amount equal to the sum of: (i) the mortgage debt at the time of foreclosure or action in lieu thereof (less all appropriate credits, including those resulting from collection and application of rentals and other income received during foreclosure proceedings); (ii) all expenses with respect to the foreclosure; (iii) the net expense, if any (exclusive of general overhead), incurred by such holder in and as a direct result of the subsequent management of the Property; (iv) the costs of any Improvements made by such holder; and (v) an amount equivalent to the interest that would have accrued on the aggregate of such amounts had all such amounts become part of the mortgage debt and such debt had continued in existence.

SEC. 606. Agency's Option To Cure Mortgage Default. In the event of a default or breach prior to the completion of the Improvements by the Redeveloper, or any successor in interest, in or of any of its obligations under, and to the holder of, any mortgage or other instrument creating an encumbrance or lien upon the Property or part thereof, the Agency may at its option cure such default or breach, in which case the Agency shall be entitled, in addition to and without limitation upon any other rights or remedies to which it shall be entitled by the Agreement, operation of law, or otherwise, to reimbursement from the Redeveloper or successor in interest of all costs and expenses incurred by the Agency in curing such default or breach and to a lien upon the Property (or the part thereof to which the mortgage, encumbrance, or lien relates) for such reimbursement: Provided, that any such lien shall be subject always to the lien of (including any lien contemplated, because of advances yet to be made, by) any than existing mortgages on the Property authorized by the Agreement.

SEC. 607. Mortgage and Holder. For the purposes of the Agreement: The term "mortgage" shall include a deed of trust or other instrument creating an encumbrance or lien upon the Property, or any part thereof, as security for a loan. The term "holder" in reference to a mortgage shall include any insurer or guarantor of any obligation or condition secured by such mortgage or deed of trust.

ARTICLE VII. REMEDIES

SEC. 701. In General. Except as otherwise provided in the Agreement, in the event of any default in or breach of the Agreement, or any of its terms or conditions, by either party hereto, or any successor to such party, such party (or successor) shall, upon written notice from the other, proceed immediately to cure or remedy such default or breach, and, in any event, within sixty (60) days after receipt of such notice. In case such action is not taken or not diligently pursued, or the default or breach shall not be cured or remedied within a reasonable time, the aggrieved party may institute such proceedings as may be provided in Article VII of Part II.

SEC. 702. Termination by Redeveloper Prior to Conveyance. In the event that the Agency does not tender conveyance of the Property, or possession thereof, in the manner and condition and by the date, provided in the Agreement, and any such failure shall not be cured within thirty (30) days after the date of written demand by the Redeveloper, then the Agreement shall, as its sole option, be terminated by written notice thereof to the Agency, and except with respect to the return of the Deposit and Earnest Money as provided in Paragraph (d), Section 3 of Part I hereof, neither the Agency nor the Redeveloper shall have any further rights against or liability to the other under the Agreement.

SEC. 703. Termination by Agency Prior to Conveyance. In the event that:

(a) prior to conveyance of the Property to the Redeveloper and in violation of the Agreement

(i) the Redeveloper (or any successor in interest) assigns or attempts to assign the Agreement or any rights therein, or in the Property, or

(ii) there is any change in the ownership or distribution of the stock of the Redeveloper or with respect to the identity of the parties in control of the Redeveloper or the degree thereof; or

(b) the Redeveloper does not submit Construction Plans, as required by the Agreement, or evidence that is has the necessary equity capital and mortgage financing, in satisfactory form and in the manner and by the dates respectively provided in the Agreement therefor; or

(c) the Redeveloper does not pay the Purchase Price and take title to the Property upon tender conveyance by the Agency pursuant to the Agreement;

then the Agreement, and any rights of the Redeveloper, or any assignee or transferee, in the Agreement, or arising therefrom with respect to the Agency or the Property, may be: (i) terminated by the Agency, in which event, as provided in Paragraph (c), Section 3 of Part I hereof, the Deposit and Earnest Money shall be retained by the Agency as liquidated damages and as its property without any deduction, offset, or recoupment whatsoever, and neither the Redeveloper (or assignee or transferee) nor the Agency shall have any further rights against or liability to the other under the Agreement; or (ii) the Agency may pursue specific performance of this Agreement; and/or (iii) the Agency may pursue any other rights or remedies available at law or equity.

SEC. 704. Revesting Title in Agency Upon Happening of Event Subsequent to Conveyance to Redeveloper. In the event that subsequent to conveyance of the Property or any part thereof to the Redeveloper and prior to completion of

the Improvements as certified by the Agency:

(a) the Redeveloper (or successor in interest) shall default in or violate its obligations with respect to the construction of the Improvements (including the nature and the dates for the beginning and completion thereof), or shall abandon or substantially suspend construction work, and any such default, violation, abandonment, or suspension shall not be cured, ended or remedied within three (3) months or six (6) months, if the default is with respect to the date for completion of the Improvements) after written demand by the Agency so to do; or

(b) the Redeveloper (or successor in interest) shall fail to pay real estate taxes or assessments on the Property or any part thereof when due, or shall place thereon any encumbrance or lien unauthorized by the Agreement, or shall suffer any levy or attachment to be made, or any materialmen's or mechanic's lien, or any other unauthorized encumbrance or lien to attach and such taxes or assessments shall not have been paid, or encumbrance or lien removed or discharged or provision satisfactory to the Agency made for such payment, removal, or discharge, within ninety (90) days after written demand by the Agency so to do; or

(c) there is, in violation of the Agreement any transfer of the Property or any part thereof, or any change in the ownership or distribution of stock of the Redeveloper, or with respect to the identity of the parties in control of the Redeveloper or the degree thereof, and such violation shall not be cured within sixty (60) days after written demand by the Agency to the Redeveloper then the Agency shall have the right to re-enter and take possession of the Property and to terminate (and revest in the Agency) the estate conveyed by the Deed to the Redeveloper, it being the intent of this provision, together with other provisions of the Agreement, that the conveyance of the Property to the Redeveloper shall be made upon and that the Deed shall contain, a condition subsequent to the effect that in the event of any default, failure, violation, or other action or inaction by the Redeveloper specified in subdivisions (a), (b) and (c) of this Section 704, failure on the part of the Redeveloper to remedy, end or abrogate such default, failure, violation or other action or inaction within the period and in the manner stated in such subdivisions, the Agency at its option may declare a termination in favor of the Agency of the title and of all the rights and interests in and to the Property conveyed by the Deed to the Redeveloper and that such title and all rights and interests of the Redeveloper and any assigns or successors in interest to and in the Property, shall revert to the Agency: Provided, that such condition subsequent and any revesting of title as a result thereof in the Agency

(1) Shall always be subject to and limited by and shall not defeat, render invalid or limit in any way (i) the lien of any mortgage authorized by the Agreement, and (ii) any rights or interest provided in the Agreement for the protection of the holders of such mortgages; and

(2) Shall not apply to individual parts or parcels of the Property (or, in the case of parts or parcels leased, the leasehold interest on which the Improvements to be constructed thereon have been completed in accordance with the Agreement and for which a certificate of completion is issued therefor as provided in Section 307 hereof.

In addition to and without in any way limiting the Agency's right to re-entry as provided for in the preceding sentence, the Agency shall have the right to retain the Deposit, as provided in Paragraph (d) Section 3 of Part I hereof, without any deduction, offset or recoupment whatsoever, in the event of a default, violation or failure of the Redeveloper as specified in the preceding sentence.

SEC. 705. Resale of Reacquired Property; Disposition of Proceeds. Upon the revesting in the Agency of title to the Property or any part thereof as provided in Section 704, the Agency shall, pursuant to its responsibilities under State law, use its best efforts to resell the Property or part thereof (subject to such mortgage liens and leasehold interests as in Section 704 set forth and provided) as soon and in such manner as the Agency shall find feasible and consistent with the objectives of such law and of the Urban Renewal Plan to a qualified and responsible party or parties (as determined by the Agency) who will assume the obligation of making or completing the Improvements or such other improvements in their stead as shall be satisfactory to the Agency and in accordance with the uses specified for such Property or part thereof in the Urban Renewal Plan. Upon such resale of the Property, the proceeds shall be applied:

(a) First, to reimburse the Agency, on its own behalf and that of the City, for all costs and expenses incurred by the Agency, including but not limited to salaries of personnel, in connection with the recapture, management and resale of the City Property or part thereof (but less any income derived by the Agency from the Property or part thereof in connection with such management); all taxes, assessments and water and sewer charges with respect to the Property or part thereof (or, in the event the Property is exempt from taxation or assessment or such charges during the period of ownership thereof by the Agency, an amount, if paid, equal to such taxes, assessments, or charges (as determined by the City assessing official) as would have been payable if the Property were not so exempt); any payments made or necessary to be made to

discharge any encumbrances or liens existing on the Property or part thereof at the time of revesting of title thereto in the Agency or to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults or acts of the Redeveloper, its successors or transferees; any expenditures or liens due to obligations incurred with respect to the making or completion of the Improvements or any part thereof on the Property or part thereof and any amounts otherwise owing the Agency by the Redeveloper and its successor or transferee; and

(b) Second, to reimburse the Redeveloper, its successor or transferee, up to the amount equal to (1) the sum of the purchase price paid by it for the Property (or allocable to the part thereof) and the cash actually invested by it in making any of the Improvements on the Property or part thereof, less (2) any gains or income withdrawn or made by it from the Agreement or the Property.

Any balance remaining after such reimbursements shall be retained by the Agency as its property.

SEC. 706. Other Rights and Remedies of Agency; No Waiver by Delay. The City and Agency shall have the right to institute such actions or proceedings as it may deem desirable for effectuating the purposes of this Article VII, including also the right to execute and record or file among the public land records in the office in which the Deed is recorded a written declaration of the termination of all the right, title, and interest of the Redeveloper and (except for such individual parts or parcels upon which construction of that part of the Improvements required to be constructed thereon has been completed, in accordance with the Agreement, and for which a certificate of completion as provided in Section 307 hereof is to be delivered and subject to such mortgage liens and leasehold interests as provided in Section 704 hereof) its successors in interest and assigns, in the Property and the revesting of title thereto in the Agency: Provided, that any delay by the City and Agency in instituting or prosecuting any such actions or proceedings or otherwise asserting its rights under this Article VII shall not operate as a waiver of such rights or to deprive it or limit such rights in any way (it being the intent of this provision that the Agency should not be constrained (so as to avoid the risk of waiver, laches or otherwise) to exercise such remedy at a time when it may still hope otherwise to resolve the problems created by the default involved); nor shall any waiver in fact made by the City and Agency with respect to any specific default by the Redeveloper under this Section be considered or treated as a waiver of the rights of the Agency with respect to any other defaults by the Redeveloper under this Section or with respect to the particular default except to the extent specifically waived in writing.

SEC. 707. Enforced Delay in Performance for Causes Beyond Control of Party. For the purposes of any of the provisions of the Agreement, neither the City, Agency nor the Redeveloper, as the case may be, nor any successor in interest, shall be considered in breach of, or default in, its obligations with respect to the preparation of the Property for redevelopment, or the beginning and completion of construction of the Improvements, or progress in respect thereto, in the event of enforced delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not restricted to, acts of God, acts of the public enemy, acts of the federal government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather or delays of subcontractors due to such causes; it being the purpose and intent of this provision that in the event of the occurrence of any such enforced delay, the time or times for performance of the obligations of the City or Agency with respect to the preparation of the Property for redevelopment or of the Redeveloper with respect to construction of the Improvements, as the case may be, shall be extended for the period of the enforced delay as determined by the Agency: Provided, that the party seeking the benefit of the provisions of this Section shall, within ten (10) days after the beginning of any such enforced delay have first notified the other party thereof in writing and of the cause or causes thereof and requested an extension for the period of the enforced delay.

SEC. 708. Rights and Remedies Cumulative. The rights and remedies of the parties to the Agreement whether provided by the Agreement, shall be cumulative and the exercise by either party of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other such remedies for the same default or breach or of any of its remedies for any other default or breach by the other party. No waiver made by either party with respect to the performance or manner or time thereof, or any obligation of the other party or any condition to its own obligation under the Agreement shall be considered a waiver of any rights of the party making the waiver with respect to the particular obligation of the other party or condition to its own obligation beyond those expressly waived in writing and to the extent thereof, or a waiver in any respect in regard to any other rights of the party making the waiver or any other obligations of the other party.

SEC. 709. Party in Position of Surety With Respect to Obligations. The Redeveloper, for itself and its successors and assigns and for all other persons who are or who shall become, whether by express or implied assumption or otherwise, liable upon or subject to any obligation or burden under the Agreement, hereby waives, to the fullest extent permitted by law and equity, any and all claims or defenses otherwise available on the ground of its (or their) being or having become a person in the position of a surety, whether real, personal or otherwise or whether by agreement or operation of law, including, without limitation on the generality of the foregoing, any and all claims and defenses based

upon extension of time, indulgence, or modification of terms or contract.

ARTICLE VIII. MISCELLANEOUS

SEC. 801. Conflicts of Interests; Agency Representatives Not Individually Liable. No member, official, or employee of the Agency or the City shall have any personal interest, direct or indirect, in the Agreement, nor shall any such member, official or employee participate in any decision relating to the Agreement which affects his personal interests or the interests of any corporation, partnership, or association in which he is, directly or indirectly, interested. No member, official, or employee of the Agency or City shall be personally liable to the Redeveloper, or any successor in interest, in the event of any default or breach by the Agency or City or for any amount which may become due to the Redeveloper or successor or on any obligations under the terms of the Agreement.

SEC. 802. Equal Employment Opportunity. The Redeveloper, for itself and its successors and assigns, agrees that during the construction of the Improvements provided for in the Agreement:

(a) The Redeveloper will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The Redeveloper will take affirmative action to insure that applicants are employed and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Redeveloper agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Agency setting forth the provisions of this nondiscrimination clause.

(b) The Redeveloper will, in all solicitations or advertisements for employees placed by or on behalf of the Redeveloper, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

SEC. 803. SBEDA. The Redeveloper agrees to comply with the Small Business Economic Development Utilization Plan as determined by the City for the Project, as more particularly described in the City's Ordinance No. 2016-05-19-0367 as may be amended.

SEC. 804. Insurance Requirements. The Redeveloper agrees to maintain minimum insurance coverage during the construction of improvements on the Property and in the amounts specified by the City. Such insurance shall name the Agency and the City as additional insureds to the required policies.

SEC. 805. Modifications to Agreement. In the event the Redeveloper requests any change in or modification of the Agreement, said Redeveloper shall be required to submit to the Agency an irrevocable letter of credit, issued by a bank or lending institution wherein the Agency is the beneficiary or a surety bond in form and substance satisfactory to the Agency, in which the Agency is the Obligee, issued by a surety company regularly engaged in the issuance of such undertakings and on the list of surety companies approved by the United States Treasury, in an amount not to exceed ten percent (10%) of the total cost of the construction proposed by bidder as guarantee that said construction will be completed within the time specified in the Warranty Deed conveying title to the property. Said irrevocable letter of credit or surety bond shall be submitted to the Agency by Redeveloper on such date as the Agency specifies in writing.

SEC. 806. Provisions Not Merged With Deed. None of the provisions of the Agreement are intended to or shall be merged by reason of any deed transferring title to the Property from the Agency to the Redeveloper or any successor in interest and any such deed shall not be deemed to affect or impair the provisions of the Agreement.

SEC. 807. Titles of Articles and Sections. Any titles of the several parts, Articles and Sections of the Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.