

DONATION AGREEMENT

This Donation Agreement (this “**Agreement**”) is entered into by and between Village of Broadview, an Illinois municipal corporation (“**Donor**”) and Ross Financial Services, Inc. (“**Developer**”), as of this ____ day of _____, 201__.

RECITALS

WHEREAS, Donor owns certain real property located at 2111 S. 17th Avenue, Broadview, comprised of approximately 58,036 square feet of land, including a portion of Fillmore Street to be vacated, which property is legally described on Exhibit A hereto (the “**Property**”);

WHEREAS, Developer plans to redevelop the Property into an affordable independent senior building with approximately 70 dwelling units (the “**Project**”);

WHEREAS, Donor desires to donate the Property for the benefit of the Project in accordance with the requirements for a charitable donation under the Internal Revenue Code, and the Illinois Housing Development Act, 20 ILCS Section 3895/7.28 and its implementing regulations set forth at 47 Ill. Admin. Code Part 355 (the “**Donor Land Donation**”);

WHEREAS, Developer intends to facilitate the Donor Land Donation by assigning this Agreement to a qualified non-profit affordable housing sponsor (the “**Donee**”);

NOW THEREFORE, in consideration of the foregoing recitals, the parties hereby agree as follows:

1. **Donation**. Subject to the limitation outlined in Paragraph 9 below, Donor hereby agrees to make a charitable donation consisting of the Donor Land Donation to Donee. Donor represents and warrants to Developer and Donee that Donor is making this donation without payment or other consideration from Donee.
2. **Vacation of Fillmore**. Donor agrees to take all necessary steps and approvals to vacate the portion of Fillmore Street that is a part of the Property (“**To Be Vacated Fillmore**”) such that To Be Vacated Fillmore will be vacated on or before the Closing Date (as hereinafter defined). Donor acknowledges that Developer is relying on the vacation of To Be Vacated Fillmore to be included as part of the Project and that Developer will incur significant financial costs and obligations to complete and file the Application (as hereinafter defined) and develop the plans and specifications for the Project (the “**Developer’s Costs**”). In the event IHDA approves the Application and Donor fails to vacate To Be Vacated Fillmore in time for the closing of Donor Land Donation, Donor agrees to reimburse Developer for the Developer’s Costs.

3. **Conveyance by Donee.** Subject to the limitation outlined in Paragraph 9 below, the Donee will subsequently convey the Property to an entity controlled by the Developer that will be responsible for the development and construction of the Project.
4. **Donation Tax Credits.** Donor will make the Donor Land Donation in accordance with the requirements for a charitable donation under the Internal Revenue Code, and the Illinois Housing Development Act, 20 ILCS Section 3895/7.28 and its implementing regulations set forth at 47 Ill. Admin. Code Part 355. Donor does not have and shall not have any direct, indirect, residual or reversionary interest in the Donor Land Donation upon the making of said donation to Donee.
5. **Acceptance.** Upon completing a satisfactory review of title, survey, and other diligence, Donee agrees to accept the Donor Land Donation and shall use the donation for the development and construction of the Project.
6. **Deed.** Donor shall make the Donor Land Donation to Donee via a standard form of Quit Claim Deed on a date mutually acceptable to Donor and Donee (the “**Closing Date**”), provided that the Closing Date shall occur no later than June 1, 2020.
7. **Application to IHDA.** Developer shall submit an application to the Illinois Housing Development Authority (“**IHDA**”) for (i) an allocation of Illinois Affordable Housing Tax Credits (“**Donation Credits**”) and (ii) an allocation of federal Low-Income Housing Tax Credits (“**Tax Credits**”, collectively, the “**Application**”). Developer shall diligently pursue IHDA’s approval of said Application. Donor shall cooperate with Developer in pursuing and closing the Donation Credits.
8. **IHDA Approval.** Upon receipt of IHDA’s approval of the Application (if IHDA does so approve), Donee shall diligently pursue and take all necessary steps required to close the Donation Credit transaction (the “**Donation Credit Transaction**”), including, without limitation, the issuance of the State of Illinois Donation Credit Certificate (“**Donation Credit Certificate**”). Donor will receive the Donation Credit Certificate after the closing of the Donation Credit Transaction. The Property will be appraised prior to the Closing Date to establish the fair market value of the Property (the “**Appraised Value**”). The Appraised Value will be the basis upon which Donor will qualify for and receive the Donation Credits. Donor agrees that all proceeds from the Donation Credits will be used to assist in the financing of the development of the Project.
9. **IHDA Failure to Approve.** In the event IHDA does not approve the Application on or before August 31, 2019, the Donor shall retain ownership of the Property and this Agreement will be terminable by either Donor or Developer by written notice to the other party, in which event this Agreement shall be null and void.
10. **Acknowledgement.** Developer and Donor hereby acknowledge that: (i) Donation Credits are limited and highly competitive and IHDA may choose to approve or

deny the Application; (ii) the Donation Credit Transaction will not close prior to Donee and Developer closing on all the financing necessary to develop a portion of the Project on the Property; and (iii) Developer shall not be held responsible for IHDA's refusal to approve the Application.

11. **Environmental**. Notwithstanding any other provision of this Agreement, Developer shall have no obligation to acquire the Property, and no transfer of title to the Developer may occur, unless and until IHDA has provided Developer and/or Donor with a written notification that:

(i) It has completed a federally required environmental review and its request for release of federal funds has been approved and, subject to any other contingencies in this Agreement:

- a. The acquisition may proceed, or
- b. The acquisition may proceed only if certain conditions to address issues in the environmental review shall be satisfied before or after the acquisition of the property; or

(ii) It has determined that the acquisition is exempt from federal environmental review and a request for release of funds is not required. IHDA shall use its best efforts to conclude the environmental review of the property expeditiously.

12. **URA**. The following section is included to comply with IHDA requirements. Developer is interested in acquiring property for a proposed project which may receive funding assistance from the U.S. Department of Housing and Urban Development ("**HUD**"). Developer does not have authority to acquire property by eminent domain. The Developer and Donor hereby agree that the Agreement represents their agreement regarding the acquisition of the property. Under the Agreement, the Property is being donated. In accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act ("**URA**"), owner-occupants who move as a result of a voluntary acquisition are not eligible for relocation assistance. Donor acknowledges that it is not an owner-occupant. Any tenant-occupants displaced as a result of a voluntary acquisition may be entitled to URA relocation assistance and must be so informed per 49 CFR 24.2(a)(15)(iv) — Initiations of negotiations, and 49 CFR 24 Appendix A - 24.2(a)(15)(1v).

13. **Counterparts**. This Agreement may be executed in counterparts, each of which shall be an original, but all of which shall constitute one instrument.

14. **Successors and Assigns**. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and to their respective successors and assigns.

15. **Total Agreement**. This Agreement (i) contains the entire understanding between the parties hereto with respect to the transactions contemplated herein; and (ii) may be altered or amended from time to time only by written instrument executed by both parties hereto.

16. **Choice of Law.** This Agreement shall be interpreted in accordance with the laws of the State of Illinois.
17. **Uniform Vendor and Purchaser Risk Act.** The provisions of the Uniform Vendor and Purchaser Risk Act of the State of Illinois shall be applicable to this Agreement.

[Signatures on following page]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the first date written above.

Donor:

Village of Broadview

By: _____

Name: _____

Its: _____

Developer:

Ross Financial Services, Inc.

By: _____

Name: _____

Its: _____

EXHIBIT A
LEGAL DESCRIPTION