

**AUTHORIZATION TO PURCHASE 3000-3058 N. MANGO AVE  
(NOTRE DAME HIGH SCHOOL FOR GIRLS)**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Authorize the purchase of the property at 3000-3058 N. Mango Ave, Chicago, IL commonly known as Notre Dame High School for Girls (the "Property"). A written Purchase Agreement is currently being negotiated. The authority granted herein shall automatically rescind in the event a written agreement is not executed within 120 days of this Board Report. Information pertinent to this purchase is stated below.

**SELLER:** St. Mary's Educational Institute at Cincinnati, a religious corporation of Ohio also known as Sisters of Notre Dame de Namur, Ohio Province)

**PROPERTY:** 3000-3058 N. Mango Ave  
Chicago, IL  
74,276 square foot parcel with a 160,685 sq. ft. 3-story building

**PURCHASER:** City of Chicago, In Trust for the Use of Schools  
on behalf of the Board of Education of the City of Chicago

**PURCHASE PRICE:** \$8,735,000 payable as follows: Initial Earnest Money deposit of \$100.00 due at time of execution of the Purchase Agreement with the balance due at the time of closing.

**USE:** To relieve overcrowding at the following elementary schools: Reinberg, Schubert and Falconer.

**CLOSING:** The closing shall occur as specifically outlined in the Purchase Agreement and is expected to occur on or before December 31, 2009. All closing fees shall be shared equally between the Seller and Purchaser. Other related fees shall be paid by each party as is customary. In the event Purchaser fails to close this transaction (as long as such failure is not caused by Seller), Purchaser shall reimburse Seller for the cost of the title commitment, not to exceed \$1,000.

**RESTRICTION ON USE:** As a result of an agreement between the Catholic Bishop of Chicago and Seller, the Property cannot be operated as an elementary or high school until after January 1, 2011, and such restriction shall be set forth in the Purchase Agreement and the Warranty Deed.

**FURNITURE, FIXTURES AND EQUIPMENT:** The Purchase Price shall include all existing furniture, fixtures and equipment, except for specific religious artifacts and equipment that Seller shall have the right to remove from the Property.

**TITLE/SURVEY:** Seller shall provide, at Seller's expense, a current ALTA owner's title commitment and on owner's title policy including extended coverage, issued by Chicago Title Insurance Company. Such title policy shall also include the following endorsements: 3.1 zoning, encroachment, survey, access, contiguity and P.I.N., which endorsements shall be paid by Purchaser. Seller shall provide, at Purchaser's expense, a current ALTA/ACSM Land Title Survey of the Property.

**ENVIRONMENTAL ESCROW:** At the time of closing, an escrow from Seller's proceeds shall be created in the amount of \$250,000 which escrow shall be used by Purchaser for environmental remediation. Purchaser shall be required to submit documentation that remediation has taken place and the actual amount of such remediation shall be paid to Purchaser from the escrow. Such funds must be drawn down prior to the first anniversary date of the Closing. Any funds remaining in the escrow shall be returned to Seller, less one-half the cost of the escrow (it being understood and agreed that Seller and Purchaser shall split the cost of the escrow).

**BROKERAGE COMMISSION:** Any broker's commission due pursuant to this transaction shall be paid by the Seller.

**APPRAISED VALUE:** The appraised value of the Property, as rendered by Purchaser's appraiser (Gibbons and Gibbons Ltd) is \$10,300,000 to \$12,300,000, as of August 19, 2009.

**INSURANCE/INDEMNIFICATION:** Authorize the General Counsel to negotiate any and all insurance and indemnification provisions in the Purchase Agreement.

**AUTHORIZATION:** Authorize the General Counsel to include other relevant terms and conditions in the written Purchase Agreement. Authorize the President and Secretary to execute the Purchase Agreement. Authorize the General Counsel to execute any and all other documents required to consummate this transaction, including the environmental escrow and to execute all ancillary documents required to administer or effectuate the Purchase Agreement. Authorize the Chief Facilities Officer to execute all documents related to the draw down on the environmental escrow.

**FINANCIAL:** Charge to Facilities: \$8,735,000 + associated costs not to exceed \$50,000 FY09/10  
Budget Classification: 12150-477-54105-253533-000000-2010

**GENERAL CONDITIONS:**

Inspector General – Each party to the agreement shall acknowledge that, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Chicago Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel necessary to conduct those investigations.

Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their terms of office.

Indebtedness – The Board's Indebtedness Policy adopted June 26, 1996 (96-0626-PO3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics – The Board's Ethics Code adopted June 23, 2004 (04-0623-PO4), as amended from time to time, shall be incorporated into and made a part of the agreement.

Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

**Approved for Consideration:**

  
Patricia L. Taylor  
Chief Facilities Officer

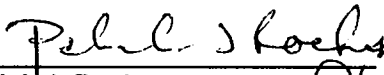

**Within Appropriation:**

  
Christina Herzog  
Acting Chief Financial Officer

**Approved:**

  
Ron Huberman  
Chief Executive Officer

**Approved as to legal form:** 

  
Patrick J. Rocks  
General Counsel 

**EXHIBIT A  
LEGAL DESCRIPTION  
(subject to final survey and title)**

**LOTS 1 THROUGH 13 IN LOEB HAMMEL SUBDIVISION OF THE WEST ½ OF BLOCK 7 OF KING PATTERSON'S SUBDIVISION OF THE NORTHEAST ¼ OF SECTION 29, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.**

**P.I.NS.: 13-29-212-021, 022, 023,026, and 027**

**Common Address: 3000-3058 N. Mango Ave  
Chicago, IL**