

## MUTUAL RELEASE AND SETTLEMENT AGREEMENT

This Mutual Release and Settlement Agreement ("Settlement Agreement") is made and entered into as of November 15, 2018 ("Effective Date"), between Thai Town Center, Inc. ("Thai Town"), and the City of Chicago ("City"), (each individually a "Party" and collectively, "Parties"), the latter acting through its Department of Planning and Development and its Department of Law.

### RECITALS

WHEREAS, the City is a home rule unit of government as defined in Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois;

WHEREAS, Thai Town is a corporation organized and existing in the state of Illinois, with its principal place of business in Chicago, Illinois;

WHEREAS, the City and Thai Town entered into the Thai Town Redevelopment Agreement ("RDA") on April 2, 2012 ("RDA Closing Date"), whereby Thai Town agreed to purchase and redevelop the Property (as defined in the RDA) to create Thai-related businesses, including a restaurant, Thai Spa and Wellness Center, two office spaces, and other improvements (collectively, "Project Improvements"), and the City agreed to reimburse Thai Town for certain TIF-Funded Improvements (as defined in the RDA);

WHEREAS, on the RDA Closing Date, the City paid Thai Town seven hundred eighty thousand dollars (\$780,000) under the RDA ("Initial Payment");

WHEREAS, if Thai Town had verified that it completed the Project Improvements in accordance with the terms of the RDA, and the City had issued the Certificate (as defined in the RDA), Thai Town would have been entitled to receive an additional payment in the amount of three hundred forty-eight thousand dollars (\$348,000) upon issuance of the Certificate ("Second Payment"), and annual installment payments thereafter for the next ten years totaling three hundred seventy-eight thousand three hundred six dollars (\$378,306.00) ("Annual Installments");

WHEREAS, the parties agree that Thai Town completed a portion of the Project Improvements, including the creation of a Thai restaurant and office space; however, the City alleges that Thai Town failed to fully complete the Project Improvements in accordance with the terms of the RDA, by, *inter alia*, failing to build a Thai Spa and Wellness Center, which Thai Town denies;

WHEREAS, in addition to failing to complete the Project Improvements the City also alleges that Thai Town breached the RDA by, *inter alia*, failing to cure the defaults that were outlined in the letter that the City sent to Thai Town dated October 6, 2017 ("Default Letter"), which is attached hereto as **Exhibit A** and incorporated herein.

WHEREAS, the City alleges that Thai Town has not, and cannot, cure the defaults and breaches specified in the Default Letter, *see*, Ex. A;

WHEREAS, the City alleges that due to Thai Town's breach of the RDA, Thai Town is obligated to reimburse the City for the Initial Payment;

WHEREAS, the City further alleges that due to Thai Town's breach of the RDA, Thai Town is not entitled to the Second Payment or the Annual Installments;

WHEREAS, Thai Town denies that it breached the RDA, denies that it is obligated to reimburse the City for the Initial Payment, and alleges that it is entitled to receive the Second Payment and the Annual Installments;

WHEREAS, a mechanics lien action was filed against Thai Town, titled *CityEscape Garden and Design, LLC v. Thai Town Center, Inc., et al.*, 15 CH 16325 (Cook County, Ill.) ("Lawsuit"), wherein CityEscape Garden and Design, LLC, Tang618 Construction Company, Sun's Heating and Cooling, Inc., Wells Plumbing & Heating Supplies, Inc., Crystal Windows & Doors Corp., Colette M. Daily Electrical Contractors, Inc., and Tierra Excavating, Inc. (collectively, "Contractors") sued Thai Town to recover the amounts that the Contractors allege they were owed for the work they performed to improve the Property;

WHEREAS, Thai Town asserted various counterclaims in the Lawsuit against the Contractors;

WHEREAS, the Contractors also recorded liens against the Property;

WHEREAS, the City appeared and filed an answer in the Lawsuit, by which the City asserted its rights and interests in the Property;

WHEREAS, Thai Town has settled the Lawsuit with the Contractors, the Contractors have released their liens on the Property, and prior to execution of the Settlement Agreement, Thai Town provided the City with copies of the settlement agreement that it executed with each of the Contractors, a release of lien from each of the Contractors, and an order dismissing the Lawsuit with prejudice;

WHEREAS, the Parties wish to settle, compromise, and resolve any and all disputes related to the RDA and the Lawsuit ("Dispute");

WHEREAS, the Parties acknowledge and agree that settlement of the Dispute is not an admission of liability by or on the part of any Party to this Settlement Agreement, nor an explicit or implicit agreement to any particular interpretation of the RDA, and further acknowledge and agree that this Settlement Agreement is made to resolve these issues expeditiously and to avoid the cost and uncertainty of the outcome of litigation;

WHEREAS, the Parties acknowledge that this Settlement Agreement shall be a complete release and settlement of all claims, disputes, and all causes of action and requests for additional payment or any monetary or other relief relating to the Dispute, which have been brought or could have been brought through and including the date of this Settlement Agreement, except as otherwise expressly set forth herein;

NOW, THEREFORE, in consideration of the covenants set forth below, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties hereto mutually warrant and agree as follows:

### SETTLEMENT AGREEMENT

1. RECITALS. The recitals set forth above constitute material and integral parts of this Settlement Agreement and are incorporated herein by reference.
2. DEFINITIONS. All terms not specifically defined herein have the meanings set forth in the RDA.
3. THAI TOWN WAIVER AND RELEASE. In consideration of and except for the obligations of this Settlement Agreement, and the actions taken pursuant hereto, including the City Waiver and Release (which term is defined below), Thai Town, on its own behalf and on behalf of its respective future, current, or former officers, directors, employees, agents, attorneys, contractors, subcontractors of whatever tier, representatives, shareholders, parents, subsidiaries, affiliates, predecessor and/or successor entities, hereby waives, discharges, and releases the City, and its future, current, and former officers, employees, agents, representatives, and attorneys ("City Released Parties"), from all claims, demands, disputes, causes of action, and requests for additional compensation, monetary damages or any other relief relating to the Dispute, including, without limitation, any claims for any additional compensation under the RDA or otherwise, any claims for the Second Payment or Annual Installments, and any claims for consequential or incidental damages, whether known or unknown, which have been brought or could have been brought by Thai Town against the City Released Parties.
4. CITY WAIVER AND RELEASE. In consideration of and except for the obligations of this Settlement Agreement, including the Thai Town Waiver and Release, the City, on its own behalf and on behalf of its future, current, or former officers, directors, employees, agents, attorneys, contractors, subcontractors, representatives, shareholders, parents, subsidiaries, affiliates, predecessor and/or successor entities, hereby waives, discharges, and releases Thai Town, and its future, current, and former officers, directors, shareholders, subsidiaries, affiliates, employees, agents, (collectively, "Thai Town Released Parties"), from all claims, demands, disputes, causes of action, and requests for additional compensation, monetary damages or any other relief, arising from or relating to the Dispute, including, without limitation, any claims for consequential or incidental damages, whether known or unknown, which have been brought or could have been brought by the City or on its behalf against the Thai Town Released Parties (collectively, "City Waiver and Release"); provided, however, that nothing in this Settlement Agreement shall be interpreted as providing a release from, or waiver by, the City of Thai Town Released Parties with respect to: 1) any claims arising from any third-party claims brought against the City related to Thai Town Released Parties' conduct; or 2) any claims, demands, or actions by the City to enforce any applicable law, ordinance, or regulation.
5. COMPLIANCE WITH ALL LAWS. Thai Town shall comply with all applicable laws,

ordinances, and regulations that are currently in place or that are enacted in the future. The City reserves its right to enforce any and all applicable laws, ordinances, and regulations relating to Thai Town or the property.

6. TERMINATION OF THE RDA. The Parties hereto mutually agree to terminate the RDA and terminate all future obligations of the Parties to each other under the RDA and that, after the Parties execute the Settlement Agreement, Thai Town shall record the Release of RDA, which attached hereto as **Exhibit B**. In terminating the RDA, the City releases any interest it has or it had in the Property, releases any and all covenants that run with the land relating to the Property, releases any covenants restricting Thai Town's use or disposition of the Property, releases any covenants restricting the use and enjoyment of the Property by any future owner of the Property. However, nothing in this Settlement Agreement shall release the covenants contained in Sections 4.09(e), (f), (g), and (h) of the RDA.
7. COMPLETE DEFENSE. If either Party sues the other Party for the purpose of asserting a claim that has been waived under this Settlement Agreement, then this Settlement Agreement shall be and constitute a complete defense and bar to such claim, and the Party being sued shall be entitled to receive a declaratory judgment and/or an injunction against such lawsuit.
8. NO ADMISSION OF WRONGDOING. This Settlement Agreement shall not in any way be construed as an admission of fault or liability on the part of either of the Parties, which expressly deny any fault or wrongdoing. Further, nothing hereunder shall be construed as an agreement to toll any applicable statute of limitations. It is understood and agreed that the terms of this Settlement Agreement have been made solely to accomplish an expeditious resolution and settlement of the Dispute and for no other purpose.
9. ENTIRE AGREEMENT. This Settlement Agreement sets forth the entire agreement between the Parties solely with respect to the settlement of the Dispute and fully supersedes any and all prior agreements or understandings between the Parties hereto pertaining to the Dispute.
10. PARTIES RELIED SOLELY ON THEIR OWN JUDGMENT AND INVESTIGATION. The Parties acknowledge and expressly represent and warrant that they have relied solely upon their own judgment, together with advice of counsel, when deciding whether to enter into this Settlement Agreement. Each Party further agrees, acknowledges, and expressly warrants that no information, statement, promise, representation, warranty, condition, inducement, or agreement of any kind, whether oral or written, made by or on behalf of any other Party shall be, or has been, relied upon by it in entering into this Settlement Agreement unless specifically contained and incorporated herein.
11. JOINT PARTICIPATION. The Parties warrant and represent that they have each knowingly and voluntarily entered into this Settlement Agreement following consultation with their respective legal counsel, and participated jointly in the negotiation and drafting of this Settlement Agreement. In the event an ambiguity or question of intent or

interpretation arises, this Settlement Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Settlement Agreement.

12. ADVICE OF COUNSEL. Each of the Parties hereto represents and warrants that it has had the advice of counsel concerning the terms and conditions of this Settlement Agreement and in entering into it. In entering into this Settlement Agreement, the Parties represent that each has relied upon the advice of its attorney, who is the attorney of its choice, and that the terms of this Settlement Agreement have been interpreted and explained by its attorney, and that these terms are fully understood and voluntarily accepted by the Parties.
13. BINDING NATURE OF AGREEMENT. The terms of this Settlement Agreement shall be binding upon, inure to the benefit of, and be enforceable by, the Parties hereto, and their respective successors, administrators, executors, beneficiaries, and/or assigns.
14. CONTROLLING LAW. This Settlement Agreement shall be construed in accordance with, and its validity and effect, including any claims of breach of any of the terms hereof, shall be governed by, the laws of the State of Illinois, without regard to Illinois law regarding choice of law.
15. VENUE. The venue of any action commenced for the purposes of interpretation, implementation, and/or enforcement of the terms and conditions of this Settlement Agreement shall be the Circuit Court of Cook County, Illinois.
16. ATTORNEYS' FEES. Each Party shall be responsible for its own attorneys' fees, costs and expenses related to the negotiation, drafting and execution of this Settlement Agreement and all issues relating to the Dispute.
17. NO THIRD PARTY RIGHTS. Nothing in this Settlement Agreement is intended or shall be interpreted to confer any rights, privileges or rights of action of any kind upon any person or entity not a party to this Settlement Agreement, or to effectuate a release by the Parties of any claims or causes of action that either Party has or may have against any person or entity not a Party to this Settlement Agreement.
18. MODIFICATION. This Settlement Agreement may not be altered, amended, changed, terminated, or modified in any material respect without the express, written consent of both of the Parties hereto. No waiver by any Party hereto of any breach or default hereunder shall be deemed a waiver of any other or subsequent breach or default.
19. EXECUTION IN COUNTERPARTS. This Settlement Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall together constitute one and the same agreement. Facsimile and electronically transmitted copies of signed counterparts of this Settlement Agreement shall be deemed to be authentic and valid.
20. AUTHORITY. Each Party hereto represents and warrants that its undersigned officer has full authority and capacity to execute this Settlement Agreement on that Party's behalf.

(signature page to follow)

IN WITNESS HEREOF, the parties hereto have caused this Settlement Agreement to be signed as of the day and year first above written.

**Thai Town Center, Inc.**

By: 

Name: Arun Sampatharivat

Title: President

Date: 11-15-18

**City of Chicago Department of Planning and Development,**

By: 

David L. Keifman, Commissioner

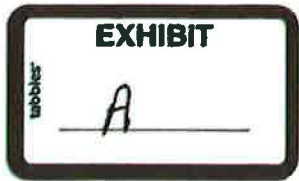
Date: 11/27/2018

**Edward N. Siskel, Corporation Counsel  
City of Chicago Department of Law**

By: 

Edward N. Siskel, Corporation Counsel  
Deputy Corporation Counsel

Date: 11/29/18



DEPARTMENT OF PLANNING AND DEVELOPMENT  
CITY OF CHICAGO

October 6, 2017

By overnight courier:

Thai Town Center, Inc.  
4156 North Kedzie Avenue  
Chicago, Illinois 60618  
Attention: Arum Sampanthavivat, President

Re: Thai Town Redevelopment Agreement dated as of April 2, 2012 by and between the City of Chicago and Thai Town Center, Inc. (the "Agreement")

Ladies and Gentleman:

This letter serves as written notice from the City under Section 15.03 of the Agreement specifying the nature of three defaults under the Agreement. Defined terms in this letter have the same meaning as in the Agreement.

First, under Section 8.01(k) of the Agreement, the Developer has covenanted, represented and warranted that the Developer "...shall not, without the prior written consent of the Commissioner, allow the existence of any liens against the Property (or improvements thereon) other than the Permitted Liens..." The several mechanics liens that have been filed against the Property are not Permitted Liens and have not been consented to by the Commissioner. This default, unless cured within twenty (20) days of the Developer's receipt of this written notice, will constitute an Event of Default by the Developer under the Agreement.

Second, an event of default has occurred under Sections 3.01 and 15.01 (a) of the Agreement. To date, you have failed to provide documentation that construction of the Facility was completed by June 3, 2013. Under Section 15.03 of the Agreement, unless cured within forty-five (45) days of the Developer's receipt of this written notice, failure to abide by the covenant to complete construction of the Facility by June 3, 2013 will constitute an Event of Default by the Developer under the Agreement.

Finally, under Section 10.03 of the Agreement, the Developer agreed to abide by the City's MBE requirements. To date, Developer has failed to provide the following: (1) documentation evidencing compliance with the MBE requirements of Section 10.03(a) of the Agreement (based on expenditures to-date) and (2) copies of draw requests and other reports to monitor for the City requirements. The partial documentation that Developer has provided regarding MBE compliance indicates a substantial delinquency. Furthermore, pursuant to Section 10.03(d), the compliance reports were to be delivered to the City on a regular quarterly basis and failure to do so will be deemed an Event of Default. The Developer has failed to deliver such quarterly reports in a timely manner. These defaults, unless cured within thirty (30) days of the Developer's receipt of this written notice, will constitute Events of Default by the Developer under the Agreement.

If these defaults are not cured within the timeframes specified above, one or more Events of Defaults will exist under the Agreement. The City reserves the right to pursue any remedies under the Agreement and to seek any other remedies available at law or in equity.

City of Chicago, acting through its  
Department of Planning and Development

By: \_\_\_\_\_  
David L. Reilman  
Commissioner

Copies to:

By certified mail, return receipt requested:

Thai Town Center, Inc.  
4156 North Kedzie Avenue  
Chicago, Illinois 60618  
Attention: Wing "Sunny" Leon

Drinker Biddle & Reath, LLP  
191 North Wacker Drive  
Suite 3500  
Chicago, Illinois 60606

By email:  
Alderman Ramirez-Rosa - 35<sup>th</sup> Ward  
Alderman Laurino - 39<sup>th</sup> Ward

Aarti Kotak - DPD  
Jim Horan - DPD  
Mark Sagun - DPD

Charles Rodgers - City Law  
Cornel Kauffman - City Law



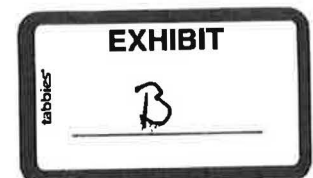


This document was prepared by  
and when recorded return to:

Cornel Kauffman  
City of Chicago  
Department of Law  
30 North LaSalle Street, Room 1400  
Chicago, IL 60602

RELEASE OF REDEVELOPMENT AGREEMENT

THE CITY OF CHICAGO, an Illinois municipal corporation (the "City"), acting by and through its Department of Planning and Development, located at 121 North LaSalle Street, Chicago, Illinois 60602, under that certain redevelopment agreement dated April 2, 2012 (the "Agreement") and recorded on April 2, 2012 as Document No. 1209331065 in the Office of the Cook County Recorder of Deeds made by Thai Town Center, Inc. for the benefit of Thai Town Center, Inc., encumbering the real estate described on Exhibit A-1 and Exhibit A-2 attached hereto (said real estate, together with all real and personal property interests covered by the Agreement collectively, the "Property"), for good and valuable consideration, the receipt of which is hereby acknowledged, does hereby release and discharge by these presents the Property from all liens, mortgages, assignments, security interests and superior title created by and existing under the Agreement.



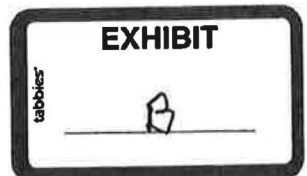
IN WITNESS WHEREOF, the City has executed this Release of Redevelopment Agreement by its duly authorized representative this 27 day of November, 2018.

CITY OF CHICAGO, acting by and  
through its Department of Planning and Development

By:  \_\_\_\_\_

Name: David L. Reifman

Title: Commissioner



STATE OF ILLINOIS )  
 )ss.  
COUNTY OF COOK )

I, LYNETTE ELIAS WILSON a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that David L Reifman, Commissioner of the Department of Planning and Development of the City of Chicago (the "City"), personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that (s)he signed, sealed and delivered the said instrument as his/her free and voluntary act, and as the free and voluntary act of said City for the uses and purposes therein set forth.

Given under my hand and official seal this 27 day of November, 2018.

*Lynette Elias Wilson*  
Notary Public

My commission expires

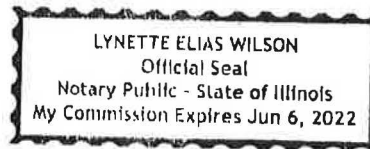


EXHIBIT A-1

LEGAL DESCRIPTION

PULASKI PROPERTY

LOT 2 AND 3 IN BLOCK 1 IN PEARSON AND KINNE'S ADDITION TO IRVING PARK IN THE SOUTH HALF OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 14, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Commonly known address: 4461 N. Pulaski Avenue, Chicago, Illinois 60625

PINS: 13-14-121-001-0000 and 13-14-121-005-0000

