

MEMORANDUM OF UNDERSTANDING

I. PARTIES:

This Memorandum of Understanding (“MOU”) is made between the Diocese of the Midwest, Orthodox Church in America (“DOM”) and Christ the Savior Orthodox Church (“CTS”) (collectively “the Parties”) on October 8, 2019.

II. PURPOSE OF THIS DOCUMENT:

The purpose of this document is to create a mutually-agreed upon framework for transferring lawful title and interest in the Diocesan property located at 927-933 North LaSalle Street, Chicago, IL 60610 (“the Property”) from the Diocese to CTS, with the Diocese retaining a future interest in any monies realized from the sale of the Property by CTS. This transfer shall be referred to as the “Transfer”.

III. OBLIGATIONS OF THE PARTIES

The Parties acknowledge that no contractual relationship is created between them by this MOU; however, the Parties agree to work together in good faith to complete the Transfer. This includes ensuring there is 1) united, visible, and responsive leadership for the Transfer and 2) demonstrable financial, administrative, and managerial commitment to the Transfer.

IV. TIME FRAME TO COMPLETE THE TRANSFER

The Parties agree that they will work together to try to achieve the Transfer within 5 years of this MOU being signed.

V. MUTUAL UNDERSTANDING

- A. The Parties understand that both the DOM and CTS want the Transfer to succeed and be completed on time.
- B. The Parties understand that DOM and CTS will work together to establish the costs associated with the Property, excluding costs pertaining to the work of the DOM. Schedule A to this MOU contains a complete, itemized list of these costs.
- C. The Parties understand that CTS will assume full financial responsibility for costs itemized on Schedule A to this MOU on January 1, 2020.
- D. The Parties understand that the DOM will use any monies saved through CTS’ assumption of financial responsibility for the costs itemized on Schedule A to pay down the DOM’s mortgage on the Transfer.
- E. The Parties understand that after 5 years or upon retirement of the mortgage, whichever happens sooner, the DOM will transfer lawful title and interest in the Property to CTS, while retaining a future interest in any monies realized from the sale of the Property by CTS.

- F. The Parties understand the DOM's retained future interest in the property to be as follows. Should CTS sell either the 927 N. LaSalle parcel, the 933 N. LaSalle parcel, or the Property in its entirety, the DOM is entitled to a maximum of \$1.5 million ("Proceeds Amount"). The Proceeds Amount shall be adjusted for inflation where inflation will be capped at 1.5% per year, from the proceeds of the sale. Inflation shall be calculated based on the purchasing power of U.S. dollars on January 1, 2020. CTS is entitled to the remainder of the proceeds of the sale of the Property.
- G. The Parties understand that the agreements contained in this MOU must be ratified by the DOM Diocesan Assembly and blessed by the Diocesan Bishop before this MOU may be signed.
- H. The Parties understand that this MOU will be effective upon the signature of both Parties.
- I. The Parties understand that the Diocesan Bishop or his representative shall resolve any disputes arising from the Transfer.

VI. APPLICABLE LAW

To the extent applicable, this MOU shall be construed in accordance with the laws of the State of Illinois.

VIII. EFFECTIVE DATE

This agreement shall be effective as of the first date written above.

Bishop PAUL – Bishop of the Diocese of the Midwest
Diocese of the Midwest, Orthodox Church in America

[insert name, title]

Christ the Savior Orthodox Church