

OPTION AGREEMENT

This Option Agreement (this "Agreement") is dated this 11 day of November, by and between North Philly Works LLC ("Owner") and 3701 North Broad LLC or its nominee ("Holder").

WITNESSETH:

For Ten Dollars (\$10.00) ("Option Payment") and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, Owner grants unto Holder an exclusive option to purchase the premises, together with all buildings, improvements, hereditaments and appurtenances thereto, located at and known as more particularly described on Schedule A attached hereto, in the City of Philadelphia, Philadelphia County, Pennsylvania (the "Property"). This option shall be effective until December 31, 2016 (the "Option Period"), and may be exercised by delivery to Owner of Holder's written notice of exercise at any time on or before the expiration of the Option Period. Until Holder has exercised the option by delivering such notice, Holder shall have no obligation to purchase the Property.

Owner agrees that during the Option Period, Owner shall not create or consent to the creation of any liens or encumbrances against the Property, or enter into any other options, agreements of sale or leases with respect to the Property or any portion thereof, or hold out for sale to others the Property or any portion thereof. Further, during the Option Period, Holder shall have the right, upon twenty-four hours prior notice to Owner, to come on to the Property to conduct such inspections and tests as Holder reasonably deems necessary for its purposes, and, in addition, Holder may file with respect to the Property any such applications pertaining to financial assistance from governmental authorities or other lenders, as well as applications for zoning, subdivision, rezoning, site plan and other developmental approvals, as Holder deems necessary or desirable and Owner shall use its best efforts to cooperate with Holder in connection with any such applications and approvals.

Upon Holder's delivery of the option exercise notice described above, there shall be deemed to have been created an agreement of sale between the parties whereby Owner agrees to sell and Holder agrees to purchase the Property upon the following terms and conditions:

(1) The purchase price for the Property shall be \$1,000,000, which amount represents the aggregate amount of the outstanding debt that is currently secured by one or more mortgages recorded against the Property, to which the Property will remain subject when the Property is transferred to the Holder at settlement. The Option Payment shall not be credited against the purchase price at settlement.

(2) Settlement for the Property shall be held at such time and place in the City of Philadelphia, Pennsylvania or by mail or other location as Holder may select and specify in its notice of exercise, but no earlier than 5 days and no later than 60 days from the date of Holder's notice of exercise of the option.

(3) At settlement, Owner shall convey to Holder, by special warranty deed or bargain and sale deed with covenants against grantor's acts in usual and recordable form, good and marketable fee simple title to the Property, insurable by Holder's title insurer at regular rates, free and clear of all liens and encumbrances, delinquent taxes, leases and other rights of occupancy, easements and restrictions and other title company objections and exceptions, other than any encumbrances, easements or restrictions as may be specifically consented to, in writing, by Holder. In connection with such conveyance, Owner agrees to sign and deliver to Holder or Holder's title insurer such evidence of Owner's authority to convey the Property, title affidavits, non-foreign person affidavits and such other documents as Holder or its title insurer may reasonably request.

(4) Owner and Holder shall prorate as of the date of settlement all rents, real estate taxes, water and sewer rents and any other utility charges that may constitute a lien against the Property.

Owner and Holder each represents and warrants to the other that it has not engaged any real estate broker or agent in connection with the sale and purchase of the Property, such representation and warranty to survive settlement.

Owner represents that the person(s) signing this Agreement as "Owner" include(s) every person who possesses an ownership interest in the Property or who will be a necessary party to convey clear title to the Property.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, Owner and Holder have caused this Agreement to be duly signed and delivered.

Witness:

OWNER:

NORTH PHILLY WORKS LLC

By: Imar Hutchins, managing member

By: 
Name: Imar Hutchins
Title: Managing Member

HOLDER:

3701 NORTH BROAD LLC

By: Brian Murray, general partner

By: 
Name: Brian Murray
Title: General Partner

SCHEDULE A
PROPERTY DESCRIPTION