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**STONY ISLAND AVENUE COMMERCIAL AND BURNSIDE  
INDUSTRIAL CORRIDORS TAX INCREMENT FINANCING  
REDEVELOPMENT PROJECT AREA  
REDEVELOPMENT AGREEMENT**

BY AND AMONG

THE CITY OF CHICAGO,

GREENWOOD ASSOCIATES LIMITED PARTNERSHIP

AND

FIRST BANK AND TRUST COMPANY OF ILLINOIS (FORMERLY KNOWN AS  
FIRST BANK AND TRUST CO., PALATINE, ILLINOIS),  
AS TRUSTEE UNDER TRUST AGREEMENT DATED AUGUST 15, 1995  
AND KNOWN AS TRUST NUMBER 10-1959

This agreement was prepared by  
and after recording return to:

Steven J. Holler, Esq.  
City of Chicago Law Department  
121 North LaSalle Street, Room 600  
Chicago, IL 60602

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**STONY ISLAND AVENUE COMMERCIAL AND BURNSIDE  
INDUSTRIAL CORRIDORS TAX INCREMENT FINANCING  
REDEVELOPMENT PROJECT AREA  
REDEVELOPMENT AGREEMENT**

*Stony Island  
Avenue  
West*

BY AND AMONG

THE CITY OF CHICAGO,

GREENWOOD ASSOCIATES LIMITED PARTNERSHIP

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## TABLE OF CONTENTS

	PAGE
SECTION 1. RECITALS .....	3
SECTION 2. DEFINITIONS .....	3
SECTION 3. THE PROJECT .....	8
3.01 The Project .....	8
3.02 Scope Drawings and Plans and Specifications .....	8
3.03 Project Budget .....	8
3.04 Change Orders .....	8
3.05 DPD Approval .....	9
3.06 Other Approvals .....	9
3.07 Progress Reports and Survey Updates .....	9
3.08 Inspecting Agent or Architect .....	9
3.09 Barricades .....	10
3.10 Signs and Public Relations .....	10
3.11 Utility Connections .....	10
3.12 Permit Fees .....	10
SECTION 4. FINANCING .....	10
4.01 Total Project Cost and Sources of Funds .....	10
4.02 Developer Funds .....	10
4.03 City Funds .....	10
4.04 Construction Escrow .....	12
4.05 Treatment of Prior Expenditures and Subsequent Disbursements .....	12
4.06 Cost Overruns .....	12
SECTION 5. CONDITIONS PRECEDENT .....	13
5.01 Project Budget .....	13
5.02 Scope Drawings and Plans and Specifications .....	13
5.03 Other Governmental Approvals .....	13
5.04 Financing .....	13
5.05 Acquisition and Title .....	13
5.06 Evidence of Clean Title .....	14
5.07 Surveys .....	14
5.08 Insurance .....	14
5.09 Opinion of the Developer's Counsel .....	14
5.10 Evidence of Prior Expenditures .....	14
5.11 Financial Statements .....	14
5.12 Documentation Regarding Employment; Leases .....	15
5.13 Environmental .....	15
5.14 Organizational Documents; Economic Disclosure Statement .....	15
5.15 Litigation .....	15
5.16 Preconditions of Certificate of Expenditure .....	15

<b>SECTION 6. AGREEMENTS WITH CONTRACTORS</b> .....	16
6.01 Bid Requirement for General Contractor and Subcontractors .....	16
6.02 Construction Contract .....	17
6.03 Performance and Payment Bonds. ....	17
6.04 Employment Opportunity .....	17
6.05 Other Provisions .....	17
<b>SECTION 7. COMPLETION OF CONSTRUCTION OR REHABILITATION</b> .....	17
7.01 Certificate of Completion of Construction or Rehabilitation .....	17
7.02 Effect of Issuance of Certificate; Continuing Obligations .....	18
7.03 Failure to Complete .....	18
7.04 Notice of Expiration of Term of Agreement .....	19
<b>SECTION 8. COVENANTS/REPRESENTATIONS/WARRANTIES OF THE DEVELOPER.</b> .....	19
8.01 General .....	19
8.02 Covenant to Redevelop .....	20
8.03 Redevelopment Plan .....	21
8.04 Use of City Funds .....	21
8.05 Bonds .....	21
8.06 Covenant to Operate. ....	21
8.07 Employment Opportunity; Progress Reports .....	21
8.08 Employment, Occupancy Profile .....	22
8.09 Prevailing Wage .....	22
8.10 Arms-Length Transactions .....	22
8.11 Conflict of Interest .....	22
8.12 Disclosure of Interest .....	22
8.13 Financial Statements .....	22
8.14 Insurance .....	23
8.15 Non-Governmental Charges .....	23
8.16 Developer's Liabilities .....	23
8.17 Compliance with Laws .....	23
8.18 Recording and Filing .....	24
8.19 Real Estate Provisions .....	24
8.20 Public Benefits Program .....	26
8.21 Survival of Covenants .....	26
<b>SECTION 9. COVENANTS/REPRESENTATIONS/WARRANTIES OF CITY</b> .....	26
9.01 General Covenants .....	26
9.02 Survival of Covenants .....	27
<b>SECTION 10. DEVELOPER'S EMPLOYMENT OBLIGATIONS</b> .....	27
10.01 Employment Opportunity .....	27
10.02 City Resident Construction Worker Employment Requirement .....	28
10.03 The Developer's MBE/WBE Commitment .....	30

SECTION 11. ENVIRONMENTAL MATTERS .....	32
SECTION 12. INSURANCE .....	32
SECTION 13. INDEMNIFICATION .....	36
SECTION 14. MAINTAINING RECORDS/RIGHT TO INSPECT .....	37
14.01 Books and Records .....	37
14.02 Inspection Rights .....	37
SECTION 15. DEFAULT AND REMEDIES .....	37
15.01 Events of Default .....	37
15.02 Remedies .....	39
15.03 Curative Period .....	39
SECTION 16. MORTGAGING OF THE PROJECT .....	39
SECTION 17. NOTICE .....	40
SECTION 18. MISCELLANEOUS .....	41
18.01 Amendment .....	41
18.02 Entire Agreement .....	41
18.03 Limitation of Liability .....	41
18.04 Further Assurances .....	41
18.05 Waiver .....	42
18.06 Remedies Cumulative .....	42
18.07 Disclaimer .....	42
18.08 Headings .....	42
18.09 Counterparts .....	42
18.10 Severability .....	42
18.11 Conflict .....	42
18.12 Governing Law .....	42
18.13 Form of Documents .....	42
18.14 Approval .....	43
18.15 Assignment .....	43
18.16 Binding Effect .....	43
18.17 Force Majeure .....	43
18.18 Exhibits .....	43
18.19 Business Economic Support Act .....	44
18.20 Venue and Consent to Jurisdiction .....	44
18.21 Business Relationships .....	44
18.22 Trustee's Exculpation .....	44

## LIST OF EXHIBITS

Exhibit A	Legal Description of Redevelopment Area
Exhibit B	Legal Description of Property
Exhibit C	TIF-Funded Improvements
Exhibit D	Redevelopment Plan
Exhibit E	Construction Contract
Exhibit F	Permitted Liens
Exhibit G-1	Final Building Budget
Exhibit G-2	Project Budget
Exhibit G-3	MBE/WBE Budget
Exhibit H	Approved Prior Expenditures
Exhibit I	Opinion of Developer's Counsel
Exhibit J	Preliminary TIF Projection -- Real Estate Taxes
Exhibit K	Form of City Note
Exhibit L	Form of Certificate of Expenditure
Exhibit M	Public Benefits Program
Exhibit N	Proportionate Share Examples
Exhibit O	Form of Subordination Agreement

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**STONY ISLAND AVENUE COMMERCIAL AND BURNSIDE  
INDUSTRIAL CORRIDORS TAX INCREMENT FINANCING  
REDEVELOPMENT PROJECT AREA  
REDEVELOPMENT AGREEMENT**

This Stony Island Avenue Commercial and Burnside Industrial Corridors Tax Increment Financing Redevelopment Project Area Redevelopment Agreement (this "Agreement") is made as of this 11<sup>th</sup> day of July, 2002, by and among the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Planning and Development ("DPD"), Greenwood Associates Limited Partnership, an Illinois limited partnership ("Greenwood"), and First Bank and Trust Company of Illinois (formerly known as First Bank and Trust Co., Palatine, Illinois), as Trustee under Trust Agreement dated August 15, 1995 and known as Trust Number 10-1959 (the "Trust," and collectively with Greenwood, the "Developer").

**RECITALS**

A. Constitutional Authority: As a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois (the "State"), the City has the power to regulate for the protection of the public health, safety, morals and welfare of its inhabitants, and pursuant thereto, has the power to encourage private development in order to enhance the local tax base, create employment opportunities and to enter into contractual agreements with private parties in order to achieve these goals.

B. Statutory Authority: The City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended from time to time (the "Act"), to finance projects that eradicate blighted conditions and conservation area factors through the use of tax increment allocation financing for redevelopment projects.

C. City Council Authority: To induce redevelopment pursuant to the Act, the City Council of the City (the "the City Council") adopted the following ordinances on June 10, 1998: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the Stony Island Avenue Commercial and Burnside Industrial Corridors Tax Increment Financing Redevelopment Project Area"; (2) "An Ordinance of the City of Chicago, Illinois Designating the Stony Island Avenue Commercial and Burnside Industrial Corridors Tax Increment Financing Redevelopment Project Area as a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act"; and (3) "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Allocation Financing for the Stony Island Avenue Commercial and Burnside Industrial Corridors Tax Increment Financing Redevelopment Project Area" (the "TIF Adoption Ordinance"), (collectively referred to herein as the "TIF Ordinances"). The redevelopment project area referred to above (the "Redevelopment Area") is legally described in Exhibit A hereto.

D. The Project: The Developer has purchased (the "Acquisition") certain property located within the Redevelopment Area at 1111 East 87<sup>th</sup> Street, Chicago, Illinois 60619 and legally described on Exhibit B hereto (the "Property"), and has completed or, within the time frames set forth in Section 3.01 hereof, shall commence and complete a development project consisting of two phases: (i) phase one is the renovation of a former shopping center into twelve tenant spaces ranging in size from 1100 square feet to 17,000 square feet ("Phase One"); and (ii) phase two is the construction of three office buildings with approximately 53,000 square foot office space and related parking facilities with 160 spaces ("Phase Two"). Phase One has been completed. Developer has also completed the construction of two of the Phase Two buildings with a combined square footage of approximately 28,000 square feet and related parking facilities with 70 spaces. The third building of Phase Two (the "Final Building") will be constructed by the General Contractor pursuant to the schedule of costs set forth in Exhibit G-1 hereto (the "Final Building Budget"). The completion of Phase One, Phase Two and related improvements (including but not limited to those TIF-Funded Improvements as defined below and set forth on Exhibit C) are collectively referred to herein as the "Project." The completion of the Project would not reasonably be anticipated without the financing contemplated in this Agreement.

E. Redevelopment Plan: The Project will be carried out in accordance with this Agreement and The Stony Island Avenue Commercial and Burnside Industrial Corridors Tax Increment Financing Redevelopment Project and Plan (the "Redevelopment Plan") attached hereto as Exhibit D.

F. City Financing: The City agrees to use, in the amounts set forth in Section 4.03 hereof, the proceeds of the City Note (defined below) to reimburse the Developer for the costs of



TIF-Funded Improvements pursuant to the terms and conditions of this Agreement and the City Note.

In addition, the City may, in its discretion, issue tax increment allocation bonds ("TIF Bonds") secured by Incremental Taxes pursuant to a TIF bond ordinance (the "TIF Bond Ordinance"), at a later date as described in Section 4.03(c) hereof, the proceeds of which (the "TIF Bond Proceeds") may be used to pay for the costs of the TIF-Funded Improvements not previously paid for by Available Incremental Taxes or in order to reimburse the City for the costs of TIF-Funded Improvements.

Now, therefore, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

### SECTION 1. RECITALS

The foregoing recitals are hereby incorporated into this agreement by reference.

### SECTION 2. DEFINITIONS

For purposes of this Agreement, in addition to the terms defined in the foregoing recitals, the following terms shall have the meanings set forth below:

"Affiliate" shall mean any person or entity directly or indirectly controlling, controlled by or under common control with the Developer.

"Available Incremental Taxes" shall mean the amount of Incremental Taxes available for the relevant period minus the sum of (i) any scheduled payments of principal and interest on the SBIF Note, (ii) any reserve requirements on the SBIF Note, and (iii) the City's cost of administering the Redevelopment Area, not to exceed seven and one-half percent (7.5%) of the Incremental Taxes in any year.

"Bond(s)" shall have the meaning set forth for such term in Section 8.05 hereof.

"Bond Ordinance" shall mean the City ordinance authorizing the issuance of Bonds.

"Certificate" shall mean the Certificate of Completion of Construction or Rehabilitation described in Section 7.01 hereof.

"Certificate of Expenditure" shall mean the certificate, in the form attached hereto as Exhibit L, pursuant to which the principal amount of the City Note will be established.

"Change Order" shall mean any amendment or modification to the Scope Drawings, Plans and Specifications or the Project Budget as described in Section 3.02 and Section 3.03 respectively.

"City Funds" shall mean the funds paid to the Developer pursuant to the City Note.

"City Note" shall mean the Tax Increment Allocation Revenue Note, Stony Island Avenue Commercial and Burnside Industrial Corridors Tax Increment Financing Redevelopment Project Area (Greenwood Associates Redevelopment Project), Taxable Series 2002A, to be in the form attached hereto as Exhibit K, in the maximum principal amount of \$2,600,000, issued by the City to the Developer on the date hereof. The City Note shall bear interest at an annual rate which will be determined as of the Closing Date and set forth on the face of the City Note. Such interest rate shall not exceed nine percent (9%); the actual rate will match the interest rate being charged on the Lender Financing (up to the maximum rate). The City Note shall provide for accrued, but unpaid, interest to also bear interest at such annual rate.

"Closing Date" shall mean the date of execution and delivery of this Agreement by all parties hereto, which shall be deemed to be the date appearing in the first paragraph of this Agreement.

"Construction Contract" shall mean that certain contract, substantially in the form attached hereto as Exhibit E, to be entered into between the Developer and the General Contractor providing for construction of the Final Building.

"Corporation Counsel" shall mean the City's Office of Corporation Counsel.

"Developer Incremental Taxes" shall mean 100% of the amount of the Incremental Taxes attributable to the taxes levied on the Property.

"Employer(s)" shall have the meaning set forth in Section 10 hereof.

"Environmental Laws" shall mean any and all federal, state or local statutes, laws, regulations, ordinances, codes, rules, orders, licenses, judgments, decrees or requirements relating to public health and safety and the environment now or hereafter in force, as amended and hereafter amended, including but not limited to (i) the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601 et seq.); (ii) any so-called "Superfund" or "Superlien" law; (iii) the Hazardous Materials Transportation Act (49 U.S.C. Section 1802 et seq.); (iv) the Resource Conservation and Recovery Act (42 U.S.C. Section 6902 et seq.); (v) the Clean Air Act (42 U.S.C. Section 7401 et seq.); (vi) the Clean Water Act (33 U.S.C. Section 1251 et seq.); (vii) the Toxic Substances Control Act (15 U.S.C. Section 2601 et seq.); (viii) the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. Section 136 et seq.); (ix) the Illinois Environmental Protection Act (415 ILCS 5/1 et seq.); and (x) the Municipal Code of Chicago.

"Equity" shall mean funds of the Developer (other than funds derived from Lender Financing) for the Project, in the amount set forth in Section 4.01 hereof, which amount may be increased pursuant to Section 4.06 (Cost Overruns).

"Escrow" shall mean the construction escrow established pursuant to the Escrow Agreement.

"Escrow Agreement" shall mean the Escrow Agreement establishing a construction escrow, to be entered into by the Title Company (or an affiliate of the Title Company), the Developer and the Developer's lender(s).

"Event of Default" shall have the meaning set forth in Section 15 hereof.

"Final Building" shall have the meaning set forth in Recital D.

"Final Building Budget" shall have the meaning set forth in Recital D.

"Financial Statements" shall mean financial statements of the Developer prepared by a certified public accountant in accordance with generally accepted accounting principles and practices consistently applied throughout the appropriate periods.

"General Contractor" shall mean the general contractor(s) hired by the Developer pursuant to Section 6.01.

"Hazardous Materials" shall mean any toxic substance, hazardous substance, hazardous material, hazardous chemical or hazardous, toxic or dangerous waste defined or qualifying as such in (or for the purposes of) any Environmental Law, or any pollutant or contaminant, and shall include, but not be limited to, petroleum (including crude oil), any radioactive material or by-product material, polychlorinated biphenyls and asbestos in any form or condition.

"Incremental Taxes" shall mean such ad valorem taxes which, pursuant to the TIF Adoption Ordinance and Section 5/11-74.4-8(b) of the Act, are allocated to and when collected are paid to the Treasurer of the City of Chicago for deposit by the Treasurer into the Special Tax Allocation Fund established to pay Redevelopment Project Costs and obligations incurred in the payment thereof.

"Lender Financing" shall mean funds borrowed by the Developer from lenders and irrevocably available to pay for costs of the Project, in the amount set forth in Section 4.01 hereof.

"MBE(s)" shall mean a business identified in the Directory of Certified Minority Business Enterprises published by the City's Purchasing Department, or otherwise certified by the City's Purchasing Department as a minority-owned business enterprise.

"MBE/WBE Budget" shall mean the budget attached hereto as Exhibit G-3, as described in Section 10.03.

"Municipal Code" shall mean the Municipal Code of the City of Chicago.

"Non-Governmental Charges" shall mean all non-governmental charges, liens, claims, or encumbrances relating to the Developer, the Property or the Project.

"Permitted Liens" shall mean those liens and encumbrances against the Property and/or the Project set forth on Exhibit F hereto or any substitution or replacement thereof or any easement or other matter which does not adversely affect the City.

"Plans and Specifications" shall mean initial construction documents containing a site plan and working drawings and specifications for the Final Building.

"Prior Expenditure(s)" shall have the meaning set forth in Section 4.05(a) hereof.

"Project Budget" shall mean the budget attached hereto as Exhibit G-2, showing the total cost of the Project (excluding costs related to the Final Building) by line item, furnished by the Developer to DPD, in accordance with Section 3.03 hereof.

"Proportionate Share" shall mean the amount resulting after (i) dividing the Developer Incremental Taxes by the amount of Incremental Taxes which have been pledged by the City to all developers with projects in the Redevelopment Area, and (ii) multiplying the resulting quotient by the amount of Available Incremental Taxes. For purposes of calculating the Proportionate Share, in determining the amount of Incremental Taxes the City has pledged to any developer, no developer will be deemed to have had more Incremental Taxes pledged to it by the City in any year than it generates from its project in that year. As of the date hereof, there are no Other Projects (as defined in Section 4.03(b) hereof).

"Redevelopment Project Costs" shall mean redevelopment project costs as defined in Section 5/11-74.4-3(q) of the Act that are included in the budget set forth in the Redevelopment Plan or otherwise referenced in the Redevelopment Plan.

"SBIF Note" shall mean the City's Tax Increment Allocation Revenue Note (Stony Island Avenue Commercial and Burnside Industrial Corridors Redevelopment Project), Taxable Series 2001, dated January 9, 2001, with a maximum principal amount of up to \$1,000,000, issued to Advance Bank, bearing interest at 9.25% per annum and having a maturity date of January 1, 2010.

"Scope Drawings" shall mean preliminary construction documents containing a site plan and preliminary drawings and specifications for the Final Building.

"Special Tax Allocation Fund" shall mean the special tax allocation fund created by the City in connection with the Redevelopment Area into which the Incremental Taxes will be deposited.

"Survey" shall mean a Class A plat of survey in the most recently revised form of ALTA/ACSM land title survey of the Property dated within 45 days prior to the Closing Date, (or on a date otherwise approved by the City), acceptable in form and content to the City and the Title Company, prepared by a surveyor registered in the State of Illinois, certified to the City and the Title Company, and indicating whether the Property is in a flood hazard area as identified by the United States Federal Emergency Management Agency (and updates thereof to reflect improvements to the Property in connection with the construction of the Facility and related improvements as required by the City or lender(s) providing Lender Financing).

"Term of this Agreement" shall mean the period of time commencing on the Closing Date and ending on June 10, 2021 (the date on which the Redevelopment Area is no longer in effect), or, if the TIF Ordinances are amended as required to extend the term of the Redevelopment Area, through December 31, 2022.

"TIF-Funded Improvements" shall mean those improvements of the Project set forth on Exhibit C, attached hereto, which (i) qualify as Redevelopment Project Costs, (ii) are eligible costs under the Redevelopment Plan and (iii) the City has agreed to pay for out of the City Funds, subject to the terms of this Agreement.

"Title Company" shall mean Chicago Title and Trust Company.

"Title Policy" shall mean a title insurance policy in the most recently revised ALTA or equivalent form, showing the Developer as the insured, noting the recording of this Agreement as an encumbrance against the Property, and a subordination agreement in favor of the City with respect to previously recorded liens against the Property related to Lender Financing, if any, issued by the Title Company.

"WARN Act" shall mean the Worker Adjustment and Retraining Notification Act (29 U.S.C. Section 2101 et seq.).

"WBE(s)" shall mean a business identified in the Directory of Certified Women Business Enterprises published by the City's Purchasing Department, or otherwise certified by the City's Purchasing Department as a women-owned business enterprise.

### SECTION 3. THE PROJECT

3.01 The Project. The Developer has completed Phase One and two out of three buildings of Phase Two of the Project. With respect to the two completed Phase Two buildings, the Developer: (i) commenced construction on June 5, 2000; (ii) completed construction on approximately February 1, 2002; and (iii) began conducting business operations therein on February 1, 2002. With respect to the Final Building, the Developer, pursuant to the Plans and Specifications and subject to the provisions of Section 18.17 hereof: (i) will commence construction on July 1, 2002; and (ii) shall complete construction and conduct business operations therein no later than April 1, 2003.

3.02 Scope Drawings and Plans and Specifications. The Developer has delivered the Scope Drawings and Plans and Specifications to DPD and DPD has approved same. After such initial approval, subsequent proposed changes to the Scope Drawings or Plans and Specifications shall be submitted to DPD as a Change Order pursuant to Section 3.04 hereof. The Scope Drawings and Plans and Specifications shall at all times conform to the Redevelopment Plan as amended from time to time and all applicable federal, state and local laws, ordinances and regulations. The Developer shall submit all necessary documents to the City's Building Department, Department of Transportation and such other City departments or governmental authorities as may be necessary to acquire building permits and other required approvals for the Project.

3.03 Project Budget. The Developer has furnished to DPD, and DPD has approved, a Project Budget showing total costs for the Project (excluding costs related to the Final Building) in an amount not less than Fifteen Million Four Hundred Eighty-One Thousand Five Hundred Ninety-Nine Dollars (\$15,481,599) and a Final Building Budget showing total costs for the Final Building in an amount not less than Three Million Five Hundred Fifty Thousand Seven Hundred Forty-Three Dollars (\$3,550,743). The Developer hereby certifies to the City that (a) it has Lender Financing or a commitment therefor and Equity in an amount sufficient to pay for all Project costs and all costs for the Final Building; and (b) the Project Budget and the Final Building Budget are true, correct and complete in all material respects. The Developer shall promptly deliver to DPD certified copies of any Change Orders with respect to the Project Budget or the Final Building Budget for approval pursuant to Section 3.04 hereof.

3.04 Change Orders. Except as provided below, all Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to material changes to the Project must be submitted by the Developer to DPD concurrently with the progress reports described in Section 3.07 hereof; provided, that any Change Order relating to any of the following must be submitted by the Developer to DPD for DPD's prior written approval: (a) a reduction in the square footage of the Final Building; (b) a change in the use of the Property to a use other than as a commercial office building or office space; (c) a delay in the completion of the Project; or (d) a Change Order costing more than Twenty Five Thousand Dollars (\$25,000) or over One Hundred Thousand Dollars in the aggregate (\$100,000). The Developer shall not authorize or permit the

performance of any work relating to any Change Order or the furnishing of materials in connection therewith prior to the receipt by the Developer of DPD's written approval (to the extent required in this section). The Construction Contract, and each contract between the General Contractor and any subcontractor, shall contain a provision to this effect. An approved Change Order shall not be deemed to imply any obligation on the part of the City to increase the amount of City Funds which the City has pledged pursuant to this Agreement or provide any other additional assistance to the Developer. Change Orders costing less than Twenty-Five Thousand Dollars (\$25,000.00) each, to an aggregate amount of One Hundred Thousand Dollars (\$100,000.00), do not require DPD's prior written approval as set forth in this Section 3.04, but DPD shall be notified in writing of all such Change Orders prior to the implementation thereof and the Developer, in connection with such notice, shall identify to DPD the source of funding therefor.

3.05 DPD Approval. Any approval granted by DPD of the Scope Drawings, Plans and Specifications and the Change Orders is for the purposes of this Agreement only and does not affect or constitute any approval required by any other City department or pursuant to any City ordinance, code, regulation or any other governmental approval, nor does any approval by DPD pursuant to this Agreement constitute approval of the quality, structural soundness or safety of the Property or the Project.

3.06 Other Approvals. Any DPD approval under this Agreement shall have no effect upon, nor shall it operate as a waiver of, the Developer's obligations to comply with the provisions of Section 5.03 (Other Governmental Approvals) hereof. The Developer shall not commence construction of the Final Building until the Developer has obtained all necessary permits and approvals (including but not limited to DPD's approval of the Scope Drawings and Plans and Specifications) and proof of the General Contractor's and each subcontractor's bonding as required hereunder.

3.07 Progress Reports and Survey Updates. The Developer shall provide DPD with written quarterly progress reports detailing the status of the Final Building, including updates on MBE/WBE compliance and a revised completion date, if necessary (with any change in completion date being considered a Change Order, requiring DPD's written approval pursuant to Section 3.04). Upon completion of construction, the Developer shall provide three (3) copies of an updated Survey to DPD upon the request of DPD or any lender providing Lender Financing, reflecting improvements made to the Property.

3.08 Inspecting Agent or Architect. An independent agent or architect (other than the Developer's architect) approved by DPD shall be selected to act as the inspecting agent or architect, at the Developer's expense, for the Project. The inspecting agent or architect may be the same one engaged by the lender providing Lender Financing. The inspecting agent or architect shall perform periodic inspections with respect to the Project, providing certifications with respect thereto to DPD, prior to requests for disbursement for costs related to the Project hereunder.

3.09 Barricades. Prior to commencing any construction requiring barricades, the Developer shall install a construction barricade of a type and appearance satisfactory to the City and constructed in compliance with all applicable federal, state or City laws, ordinances and regulations. DPD retains the right to approve the maintenance, appearance, color scheme, painting, nature, type, content and design of all barricades.

3.10 Signs and Public Relations. The Developer shall erect a sign of size and style approved by the City in a conspicuous location on the Property during the construction of the Final Building, indicating that financing has been provided by the City. The City reserves the right to include the name, photograph, artistic rendering of the Project and other pertinent information regarding the Developer, the Property and the Project in the City's promotional literature and communications.

3.11 Utility Connections. The Developer may connect all on-site water, sanitary, storm and sewer lines constructed on the Property to City utility lines existing on or near the perimeter of the Property, provided the Developer first complies with all City requirements governing such connections, including the payment of customary fees and costs related thereto.

3.12 Permit Fees. In connection with the Project, the Developer shall be obligated to pay only those building, permit, engineering, tap on and inspection fees that are assessed on a uniform basis throughout the City and are of general applicability to other property within the City.

#### SECTION 4. FINANCING

4.01 Total Project Cost and Sources of Funds. The cost of the Project is estimated to be \$15,481,599, to be applied in the manner set forth in the Project Budget. Such costs shall be funded from the following sources:

Equity (subject to <u>Sections 4.03(b) and 4.06</u> )	\$ 2,275,000
Lender Financing - Mortgage Loan	<u>\$13,206,599</u>
<b>ESTIMATED TOTAL</b>	<b>\$15,481,599</b>

4.02 Developer Funds. Equity and/or Lender Financing shall be used to pay all Project costs, including but not limited to Redevelopment Project Costs and costs of TIF-Funded Improvements.

#### 4.03 City Funds.

(a) Uses of City Funds. City Funds may only be used to reimburse the Developer for costs of TIF-Funded Improvements that constitute Redevelopment Project Costs. Exhibit C sets



forth, by line item, the TIF-Funded Improvements for the Project, and the maximum amount of costs that may be paid by or reimbursed from City Funds (excluding interest on the City Note) for each line item therein (subject to Section 4.05(b)), contingent upon receipt by the City of documentation satisfactory in form and substance to DPD evidencing such cost and its eligibility as a Redevelopment Project Cost.

(b) Sources of City Funds. Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03 and Section 5 hereof, the City hereby agrees to issue the City Note to the Developer on the Closing Date. The principal amount of the City Note, when first established, shall be in an amount equal to the costs of the TIF-Funded Improvements which have been incurred by the Developer and are to be reimbursed by the City through payments on the City Note, subject to the provisions hereof; provided, however, that the total amount of City Funds expended for TIF-Funded Improvements shall be an amount not to exceed the lesser of Two Million Six Hundred Thousand Dollars (\$2,600,000) or Sixteen and Seventy-Nine One Hundredths percent (16.79%) of the actual total Project costs; and provided, further, that payments under the City Note are subject to the amount of Developer Incremental Taxes deposited into the Special Tax Allocation Fund being sufficient for such payments. No payments on the City Note will be made until the Certificate has been issued by the City pursuant to Section 7.01 hereof. The principal amount of the City Note will be set by the City through the issuance by the City of a Certificate of Expenditure. No Certificate of Expenditure will be issued by the City until the City issues the Certificate pursuant to Section 7.01 hereof. Payments on the City Note will commence on the February 1 immediately following the issuance of a Certificate of Expenditure by the City. The City may, in its sole discretion, use Available Incremental Taxes in any year in an amount in excess of the Developer Incremental Taxes for that year to make payments to the Developer hereunder.

The City may, in the future, pledge Incremental Taxes to provide assistance to other redevelopment projects within the Redevelopment Area ("Other Projects"). The parties acknowledge that the City is pledging to pay to the Developer an amount equal to Developer Incremental Taxes, but only to the extent there are sufficient Available Incremental Taxes hereunder, after taking into account (in the manner described in the following paragraph) any amounts of Incremental Taxes pledged by the City to Other Projects.

In the event that the amount of Available Incremental Taxes is less than the sum of the Developer Incremental Taxes plus those amounts pledged to Other Projects in any year, the Developer will receive its Proportionate Share. Examples of the calculation of the Proportionate Share are set forth on Exhibit N, attached hereto. If in any year the Developer receives as its Proportionate Share an amount less than the amount of Developer Incremental Taxes for that year, the City will subsequently pay all or a portion of the difference to the Developer from Incremental Taxes, subject to other commitments the City has made or proposes to make. The Developer and every other developer for Other Projects will then receive their respective Proportionate Share of the Incremental Taxes made available by the City to pay such differences. Except as described in the preceding two sentences (i.e. as necessary to make up shortfall amounts due to an inability

to pay the full Developer Incremental Taxes in any given year), in no event will the City be required to pay Available Incremental Taxes to the Developer in any year in an amount in excess of the Developer Incremental Taxes for that year.

The provisions of this subsection (b) regarding the pledge of Incremental Taxes to Other Projects and the calculation of Proportionate Share will be included in any redevelopment agreement between the City and the developer for one of the Other Projects if the City is pledging to pay to that developer, over time, all or a portion of the Incremental Taxes generated by that Other Project.

(c) TIF Bonds. The Commissioner of DPD may, in his or her discretion, recommend that the City Council approve an ordinance or ordinances authorizing the issuance of Bonds in an amount which, in the opinion of the Comptroller of the City, is marketable under the then current market conditions.

4.04 Construction Escrow. All disbursements of Project funds shall be made through the funding of draw requests with respect thereto pursuant to the Escrow Agreement and this Agreement. The City must receive copies of any draw requests and related documents submitted to the Title Company for disbursements under the Escrow Agreement.

4.05 Treatment of Prior Expenditures and Subsequent Disbursements.

(a) Prior Expenditures. Only those expenditures made by the Developer with respect to the Project prior to the Closing Date, evidenced by documentation satisfactory to DPD and approved by DPD as satisfying costs covered in the Project Budget, shall be considered previously contributed Equity or Lender Financing hereunder (the "Prior Expenditures"). DPD shall have the right, in its sole discretion, to disallow any such expenditure as a Prior Expenditure. Exhibit H hereto sets forth the prior expenditures approved by DPD as of the date hereof as Prior Expenditures. Prior Expenditures made for items other than TIF-Funded Improvements shall not be reimbursed to the Developer, but shall reduce the amount of Equity and/or Lender Financing required to be contributed by the Developer pursuant to Section 4.01 hereof.

(b) Allocation Among Line Items. Disbursements for expenditures related to TIF-Funded Improvements may be allocated to and charged against the appropriate line only, with transfers of costs and expenses from one line item to another, without the prior written consent of DPD, being prohibited; provided, however, that such transfers among line items, in an amount not to exceed \$25,000 or \$100,000 in the aggregate, may be made without the prior written consent of DPD.

4.06 Cost Overruns. If the aggregate cost of the TIF-Funded Improvements exceeds City Funds available pursuant to Section 4.03 hereof, or if the cost of completing the Project exceeds the Project Budget, the Developer shall be solely responsible for such excess costs, and shall hold

the City harmless from any and all costs and expenses of completing the TIF-Funded Improvements in excess of City Funds and of completing the Project.

## SECTION 5. CONDITIONS PRECEDENT

The following conditions shall be complied with to the City's satisfaction within the time periods set forth below or, if no time period is specified, prior to the Closing Date, unless DPD, in its sole discretion, agrees to accept performance of such condition as a post-closing condition:

5.01 Project Budget. The Developer shall have submitted to DPD, and DPD shall have approved, a Project Budget and Final Project Budget in accordance with the provisions of Section 3.03 hereof.

5.02 Scope Drawings and Plans and Specifications. The Developer shall have submitted to DPD, and DPD shall have approved, the Scope Drawings and Plans and Specifications in accordance with the provisions of Section 3.02 hereof.

5.03 Other Governmental Approvals. The Developer shall have secured all other necessary approvals and permits required by any state, federal, or local statute, ordinance or regulation and shall submit evidence thereof to DPD.

5.04 Financing. The Developer shall have furnished proof reasonably acceptable to the City that the Developer has Equity and Lender Financing in the amounts set forth in Section 4.01 hereof to complete the Project and satisfy its obligations under this Agreement. If a portion of such funds consists of Lender Financing, the Developer shall have furnished proof as of the Closing Date that the proceeds thereof are available to be drawn upon by the Developer as needed and are sufficient (along with the Equity set forth in Section 4.01) to complete the Project. Prior to the Closing Date, the Developer shall deliver to DPD a copy of the Escrow Agreement. Any liens against the Property in existence at the Closing Date shall be subordinated to certain encumbrances of the City set forth herein pursuant to a Subordination Agreement substantially in the form attached hereto as Exhibit O, acceptable to the City in all respects, executed on or prior to the Closing Date, and recorded, at the expense of the Developer, with the Office of the Recorder of Deeds of Cook County.

5.05 Acquisition and Title. On the Closing Date, the Developer shall furnish the City with a copy of the Title Policy for the Property, certified by the Title Company, showing the Trust as the named insured. The Title Policy shall be dated as of the Closing Date and shall contain only those title exceptions listed as Permitted Liens on Exhibit F hereto and shall evidence the recording of this Agreement pursuant to the provisions of Section 8.18 hereof. The Title Policy shall also contain such endorsements as shall be required by Corporation Counsel, including but not limited to an owner's comprehensive endorsement and satisfactory endorsements regarding zoning (3.1 with parking), contiguity, location, access and survey. The Developer shall provide

to DPD, prior to the Closing Date, documentation related to the purchase of the Property and certified copies of all easements and encumbrances of record with respect to the Property not addressed, to DPD's satisfaction, by the Title Policy and any endorsements thereto.

5.06 Evidence of Clean Title. The Developer, at its own expense, shall have provided the City with current searches under the Developer's name as follows:

Secretary of State	UCC search
Secretary of State	Federal tax search
Cook County Recorder	UCC search
Cook County Recorder	Fixtures search
Cook County Recorder	Federal tax search
Cook County Recorder	State tax search
Cook County Recorder	Memoranda of judgments search
U.S. District Court	Pending suits and judgments
Clerk of Circuit Court, Cook County	Pending suits and judgments

showing no liens against the Developer, the Property or any fixtures now or hereafter affixed thereto, except for the Permitted Liens.

5.07 Surveys. The Developer shall have furnished the City with three (3) copies of the Survey.

5.08 Insurance. The Developer, at its own expense, shall have insured the Property in accordance with Section 12 hereof. Certificates required pursuant to Section 12 hereof evidencing the required coverages shall have been delivered to DPD.

5.09 Opinion of the Developer's Counsel. On the Closing Date, the Developer shall furnish the City with an opinion of counsel, substantially in the form attached hereto as Exhibit I, with such changes as may be required by or acceptable to Corporation Counsel. If the Developer has engaged special counsel in connection with the Project, and such special counsel is unwilling or unable to give some of the opinions set forth in Exhibit I hereto, such opinions shall be obtained by the Developer from its general corporate counsel.

5.10 Evidence of Prior Expenditures. The Developer shall have provided evidence satisfactory to DPD in its sole discretion of the Prior Expenditures in accordance with the provisions of Section 4.05(a) hereof.

5.11 Financial Statements. The Developer shall have provided Financial Statements to DPD for its 2001 fiscal year, and audited or unaudited interim financial statements.

5.12 Documentation Regarding Employment; Leases. The Developer shall have provided documentation to DPD, satisfactory in form and substance to DPD, with respect to current employment levels of businesses operating on the Property. The Developer shall have provided the City with copies of all leases regarding space on the Property.

5.13 Environmental. The Developer shall have provided DPD with copies of that certain phase I environmental audit completed with respect to the Property. Based on the City's review thereof, the City may, in its sole discretion, require the completion of a phase II environmental audit with respect to the Property prior to the Closing Date. Prior to the Closing Date, the Developer shall provide the City with a letter from the environmental engineer(s) who completed such audit(s), authorizing the City to rely on such audits.

5.14 Organizational Documents; Economic Disclosure Statement. The Developer shall provide a copy of its Certificate of Limited Partnership containing the original certification of the Secretary of State of Illinois; a certified copy of its Articles of Limited Partnership; certificates of existence from the Secretary of State of Illinois and all other states in which the Developer is qualified to do business; a secretary's certificate in such form and substance as the Corporation Counsel may require; and such other corporate documentation as the City may request. The Developer shall have provided to the City an Economic Disclosure Statement, in the City's then current form, dated as of the Closing Date.

5.15 Litigation. The Developer shall provide to Corporation Counsel and DPD a description of all pending or threatened litigation or administrative proceedings involving the Developer, specifying, in each case, the amount of each claim, an estimate of probable liability, the amount of any reserves taken in connection therewith and whether (and to what extent) such potential liability is covered by insurance.

5.16 Preconditions of Certificate of Expenditure. Prior to the City's execution of a Certificate of Expenditure, the Developer shall submit documentation of the applicable expenditures to DPD, which shall be satisfactory to DPD in its reasonable discretion. Delivery by the Developer to DPD of any request to execute a Certificate of Expenditure shall constitute a certification to the City, as of the date of such request, that:

(a) the total amount of the request represents the actual cost of the Acquisition or the actual amount paid to the General Contractor and/or subcontractors who have performed work on the Project, and/or their payees;

(b) all amounts shown as previous payments on the current request have been paid to the parties entitled to such payment;

(c) the Developer has approved all work and materials for the current request, and such work and materials conform to the Plans and Specifications;

(d) the representations and warranties contained in this Redevelopment Agreement are true and correct and the Developer is in compliance with all covenants contained herein;

(e) the Developer has received no notice and has no knowledge of any liens or claim of lien either filed or threatened against the Property except for the Permitted Liens; and

(f) no Event of Default or condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default exists or has occurred.

The City shall respond to the Developer's request within 45 days of receipt by the City of the request and all required documentation. The City shall have the right, in its reasonable discretion, to require the Developer to submit further documentation as the City may require in order to verify that the matters certified to above are true and correct, and any execution of a Certificate of Expenditure by the City shall be subject to the City's review and approval of such documentation and its satisfaction that such certifications are true and correct. In addition, the Developer shall have satisfied all other preconditions of disbursement of City Funds, including but not limited to requirements set forth in the Bond Ordinance, if any, the Bonds, if any, the TIF Ordinances, this Agreement and/or the Escrow Agreement.

## **SECTION 6. AGREEMENTS WITH CONTRACTORS**

6.01 Bid Requirement for General Contractor and Subcontractors. The Developer has selected Riteway/Berglund Joint Venture, a joint venture between Rite-way Construction Services, Inc., an Illinois corporation, and Fred Berglund & Sons, Inc., an Illinois corporation, as the General Contractor. The Developer shall cause the General Contractor to solicit bids from qualified contractors eligible to do business with, and having an office located in, the City of Chicago, and shall submit all bids received to DPD for its inspection and written approval. (i) For the TIF-Funded Improvements, the Developer shall cause the General Contractor to select the subcontractor submitting the lowest responsible bid who can complete the Project in a timely manner in the General Contractor's reasonable business judgement. If the General Contractor selects any subcontractor other than the one who in the General Contractor's reasonable business judgement submitted the lowest responsible bid for the TIF-Funded Improvements, the difference between the lowest responsible bid and the bid selected may not be paid or reimbursed out of City Funds. (ii) For Project work other than the TIF-Funded Improvements, if the General Contractor selects any subcontractor who has not, in the General Contractor's reasonable business judgement, submitted the lowest responsible bid, the difference between the lowest responsible bid and the higher bid selected shall be subtracted from the actual total Project costs for purposes of the calculation of the amount of City Funds to be contributed to the Project pursuant to Section 4.03(b) hereof. The Developer shall submit copies of the Construction Contract to DPD in accordance with Section 6.02 below. Photocopies of all subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to DPD within five (5) business days of the execution thereof. The Developer shall ensure that the General Contractor shall not

(and shall cause the General Contractor to ensure that the subcontractors shall not) begin work on the Final Building until the Plans and Specifications have been approved by DPD and all requisite permits have been obtained.

(b) The fee of the General Contractor proposed to be paid out of City Funds shall not exceed 10% of the total amount of the Construction Contract.

6.02 Construction Contract. Prior to the Closing Date, the Developer has delivered to DPD a copy of the Construction Contract with the General Contractor selected to handle the construction of the Final Building in accordance with Section 6.01 above, for DPD's written approval, which shall be granted or denied prior to the Closing Date. Within ten (10) business days after execution of any amendment, modification or supplement to such contract by the Developer, the General Contractor and any other parties thereto, the Developer shall deliver to DPD and Corporation Counsel a certified copy of such modification, amendment or supplement thereto.

6.03 Performance and Payment Bonds. Prior to commencement of any portion of the Project which includes work in the public way, the Developer shall require that the General Contractor be bonded for its performance and payment by sureties having an AA rating or better using a bond in a form acceptable to the City. The City shall be named as obligee or co-obligee on such bond.

6.04 Employment Opportunity. In connection with the Final Building and any additional work needed on any Phase One or Phase Two building, the Developer shall contractually obligate and cause the General Contractor and each subcontractor to agree to the provisions of Section 10 hereof.

6.05 Other Provisions. In addition to the requirements of this Section 6, in connection with the Final Building and any additional work needed on any Phase One or Phase Two building, the Construction Contract and each contract with any subcontractor shall contain provisions required pursuant to Section 3.04 (Change Orders), Section 8.09 (Prevailing Wage), Section 10.01(e) (Employment Opportunity), Section 10.02 (City Resident Employment Requirement; General Contractor only), Section 10.03 (MBE/WBE Requirements; General Contractor only), Section 12 (Insurance) and Section 14.01 (Books and Records) hereof. Photocopies of all contracts or subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to DPD within five (5) business days of the execution thereof.

## **SECTION 7. COMPLETION OF CONSTRUCTION OR REHABILITATION**

7.01 Certificate of Completion of Construction or Rehabilitation. Upon completion of the construction of Phase Two of the Project in accordance with the terms of this Agreement and upon the Developer's written request, DPD shall issue to the Developer a Certificate in recordable form

certifying that the Developer has fulfilled its obligation to complete the Project in accordance with the terms of this Agreement. DPD shall respond to the Developer's written request for a Certificate within thirty (30) days by issuing either a Certificate or a written statement detailing the ways in which the Project does not conform to this Agreement or has not been satisfactorily completed, and the measures which must be taken by the Developer in order to obtain the Certificate. The Developer may resubmit a written request for a Certificate upon completion of such measures.

**7.02 Effect of Issuance of Certificate; Continuing Obligations.** The Certificate relates only to the construction and rehabilitation portions of the Project, and upon its issuance, the City will certify that the terms of this Agreement specifically related to the Developer's obligation to complete such activities have been satisfied. After the issuance of a Certificate, however, all executory terms and conditions of this Agreement and all representations and covenants contained herein will continue to remain in full force and effect throughout the Term of this Agreement as to the parties described in the following paragraph, and the issuance of the Certificate shall not be construed as a waiver by the City of any of its rights and remedies pursuant to such executory terms.

Those covenants specifically described at Section 8.02, 8.06 and 8.19 are covenants that run with the land are the only covenants in this Agreement intended to be binding upon any transferee of the Property (including an assignee as described in the following sentence) throughout the Term of this Agreement notwithstanding the issuance of a Certificate; provided, that upon the issuance of a Certificate, the covenants set forth in Section 8.02 shall be deemed to have been satisfied. The other executory terms of this Agreement that remain after the issuance of a Certificate shall be binding only upon the Developer or a permitted assignee of the Developer who, pursuant to Section 18.15 of this Agreement, has contracted to take an assignment of the Developer's rights under this Agreement and assume the Developer's liabilities hereunder.

**7.03 Failure to Complete.** If the Developer fails to complete the Project in accordance with the terms of this Agreement, then the City shall have, but shall not be limited to, any of the following rights and remedies:

(a) the right to terminate this Agreement and cease all disbursement of City Funds not yet disbursed pursuant hereto; and

(b) the right (but not the obligation) to complete those TIF-Funded Improvements that are public improvements and to pay for the costs of TIF-Funded Improvements (including interest costs) out of City Funds or other City monies. In the event that the aggregate cost of completing the TIF-Funded Improvements exceeds the amount of City Funds available pursuant to Section 4.01, the Developer shall reimburse the City for all reasonable costs and expenses incurred by the City in completing such TIF-Funded Improvements in excess of the available City Funds.



7.04 Notice of Expiration of Term of Agreement. Upon the expiration of the Term of this Agreement, DPD shall provide the Developer, at the Developer's written request, with a written notice in recordable form stating that the Term of this Agreement has expired.

**SECTION 8. COVENANTS/REPRESENTATIONS/WARRANTIES OF THE DEVELOPER.**

8.01 General. The Developer represents, warrants and covenants, as of the date of this Agreement and as of the date of each disbursement of City Funds hereunder (except with respect to subsections (b), (e) and (h)), that:

(a) the Developer is an Illinois limited partnership duly organized, validly existing, qualified to do business in Illinois, and licensed to do business in any other state where, due to the nature of its activities or properties, such qualification or license is required;

(b) the Developer has the right, power and authority to enter into, execute, deliver and perform this Agreement;

(c) the execution, delivery and performance by the Developer of this Agreement has been duly authorized by all necessary action, and does not and will not violate its Partnership Agreement as amended and supplemented, any applicable provision of law, or constitute a breach of, default under or require any consent under any agreement, instrument or document to which the Developer is now a party or by which the Developer is now or may become bound;

(d) unless otherwise permitted pursuant to the terms of this Agreement or unless the City provides its prior written consent, the Trust (or Greenwood itself) shall, until the fifth anniversary of the issuance of the Certificate, acquire and shall maintain good, indefeasible and merchantable fee simple title to the Property (and all improvements thereon) free and clear of all liens (except for the Permitted Liens, Lender Financing as disclosed in the Project Budget and non-governmental charges that the Developer is contesting in good faith pursuant to Section 8.15 hereof) and leasehold interests;

(e) the Developer is solvent and able to pay its debts as they mature;

(f) there are no actions or proceedings by or before any court, governmental commission, board, bureau or any other administrative agency pending, threatened or affecting the Developer which would impair its ability to perform under this Agreement;

(g) the Developer has and shall maintain all government permits, certificates and consents (including, without limitation, appropriate environmental approvals) necessary to conduct its business and to construct, complete and operate the Project;

(h) the Developer is not in default with respect to any indenture, loan agreement, mortgage, deed, note or any other agreement or instrument related to the borrowing of money to which the Developer is a party or by which the Developer is bound;

(i) the Financial Statements are, and when hereafter required to be submitted will be, complete for the period for which Financial Statements have been prepared, correct in all material respects and accurately present the assets, liabilities, results of operations and financial condition of the Developer, and there has been no material adverse change in the assets, liabilities, results of operations or financial condition of the Developer since the date of the Developer's most recent Financial Statements;

(j) prior to the issuance of a Certificate (and in any event subject to the requirements of subsection (d) above), the Developer shall not do any of the following without the prior written consent of DPD: (1) be a party to any merger, liquidation or consolidation; (2) sell, transfer, convey, lease or otherwise dispose of all or substantially all of its assets or any portion of the Property (including but not limited to any fixtures or equipment now or hereafter attached thereto); (3) enter into any transaction outside the ordinary course of the Developer's business; (4) assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity; or (5) enter into any transaction that would cause a material and detrimental change to the Developer's financial condition;

(k) the Developer has not incurred, and, prior to the issuance of a Certificate, shall not, without the prior written consent of the Commissioner of DPD, allow the existence of any liens against the Property (or improvements thereon) other than the Permitted Liens; or incur any indebtedness, secured or to be secured by the Property (or improvements thereon) or any fixtures now or hereafter attached thereto, except Lender Financing disclosed in the Project Budget; and

(l) the Developer has not made or caused to be made, directly or indirectly, any payment, gratuity or offer of employment in connection with this Agreement or any contract paid from the City treasury or pursuant to City ordinance, for services to any City agency ("City Contract") as an inducement for the City to enter into this Agreement or any City Contract with the Developer in violation of Chapter 2-156-120 of the Municipal Code of the City.

8.02 Covenant to Redevelop. Upon DPD's approval of the Project Budget, the Scope Drawings and Plans and Specifications as provided in Sections 3.02 and 3.03 hereof, and the Developer's receipt of all required building permits and governmental approvals, the Developer shall redevelop the Property in accordance with this Agreement and all Exhibits attached hereto, the TIF Ordinances, the Scope Drawings, Plans and Specifications, Project Budget and all amendments thereto, and all federal, state and local laws, ordinances, rules, regulations, executive orders and codes applicable to the Project, the Property and/or the Developer. The covenants set forth in this Section shall run with the land and be binding upon any transferee, but shall be deemed satisfied upon issuance by the City of a Certificate with respect thereto.

8.03 Redevelopment Plan. The Developer represents that the Project is and shall be in compliance with all of the terms of the Redevelopment Plan as in effect on the date hereof.

8.04 Use of City Funds. City Funds disbursed to the Developer shall be used by the Developer solely to reimburse the Developer for its payment for the TIF-Funded Improvements as provided in this Agreement.

8.05 Bonds. The Developer shall, at the request of the City, agree to any reasonable amendments to this Agreement that are necessary or desirable in order for the City to issue (in its sole discretion) any bonds in connection with the Redevelopment Area, the proceeds of which are to be used to reimburse the City for expenditures made in connection with the TIF-Funded Improvements; provided, however, that any such amendments shall not have a material adverse effect on the Developer or the Project. The Developer shall, at the Developer's expense (if not material), cooperate and provide reasonable assistance in connection with the marketing of any such Bonds; including but not limited to providing written descriptions of the Project, making representations, providing information regarding its financial condition and assisting the City in preparing an offering statement with respect thereto.

8.06 Covenant to Operate. (a) The Developer will occupy the facilities on the Property, or cause the facilities on the Property to be occupied, in the manner contemplated by this Agreement through the Term of this Agreement.

(b) The Developer agrees to maintain at least fifty percent (50%) aggregate occupancy (based on a percentage of leaseable space) at the office or retail spaces on the Property during the Term of this Agreement; provided that if at any time the occupancy shall fall below said percentage, the Developer shall have one year to locate a tenant or tenants (which must be acceptable to the City) so that the required fifty percent (50%) occupancy level has again been reached. If the Developer fails to locate such tenants within that one year period, the City may at DPD's sole discretion suspend payments under the City Note. Interest shall not accrue on the City Note while payments are suspended. In addition, the Developer shall have no right to payments that would have been made during the time of the suspension. After three years from the date on which occupancy falls below 50%, DPD may terminate this Agreement and cancel the City Note.

(c) The covenants set forth in this Section shall run with the land and be binding upon any transferee.

8.07 Employment Opportunity; Progress Reports. The Developer covenants and agrees to abide by, and contractually obligate and use reasonable efforts to cause the General Contractor and each subcontractor to abide by the terms set forth in Section 10 hereof. In addition to the reports described in Section 3.07 and elsewhere in this Agreement, the Developer shall deliver to the City written monthly progress reports detailing compliance with the requirements of Sections 8.09, 10.02 and 10.03 of this Agreement. If any such reports indicate a shortfall in compliance,

the Developer shall also deliver a plan to DPD which shall outline, to DPD's satisfaction, the manner in which the Developer shall correct any shortfall.

8.08 Employment, Occupancy Profile. The Developer shall submit, and contractually obligate and cause the General Contractor or any subcontractor to submit, to DPD, from time to time, statements of its employment profile upon DPD's request. No later than March 1 of every year after the Closing Date, the Developer shall submit to the City an annual report on the number and type of jobs created or retained at the Property and the occupancy level of the leasable space on the Property, within the past calendar year.

8.09 Prevailing Wage. The Developer covenants and agrees to pay, and to contractually obligate and cause the General Contractor and each subcontractor to pay, the prevailing wage rate as ascertained by the Illinois Department of Labor (the "Department"), to all Project employees. All such contracts shall list the specified rates to be paid to all laborers, workers and mechanics for each craft or type of worker or mechanic employed pursuant to such contract. If the Department revises such prevailing wage rates, the revised rates shall apply to all such contracts. Upon the City's request, the Developer shall provide the City with copies of all such contracts entered into by the Developer or the General Contractor to evidence compliance with this Section 8.09.

8.10 Arms-Length Transactions. Unless DPD shall have given its prior written consent with respect thereto, no Affiliate of the Developer may receive any portion of City Funds, directly or indirectly, in payment for work done, services provided or materials supplied in connection with any TIF-Funded Improvement. The Developer shall provide information with respect to any entity to receive City Funds directly or indirectly (whether through payment to the Affiliate by the Developer and reimbursement to the Developer for such costs using City Funds, or otherwise), upon DPD's request, prior to any such disbursement.

8.11 Conflict of Interest. Pursuant to Section 5/11-74.4-4(n) of the Act, the Developer represents, warrants and covenants that, to the best of its knowledge, no member, official, or employee of the City, or of any commission or committee exercising authority over the Project, the Redevelopment Area or the Redevelopment Plan, or any consultant hired by the City or the Developer with respect thereto, owns or controls, has owned or controlled or will own or control any interest, and no such person shall represent any person, as agent or otherwise, who owns or controls, has owned or controlled, or will own or control any interest, direct or indirect, in the Developer's business, the Property or any other property in the Redevelopment Area.

8.12 Disclosure of Interest. The Developer's counsel has no direct or indirect financial ownership interest in the Developer, the Property or any other aspect of the Project.

8.13 Financial Statements. The Developer shall obtain and provide to DPD Financial Statements for the Developer's fiscal year 2001 and each fiscal year thereafter for the Term of this Agreement. In addition, the Developer shall submit audited financial statements, if available.

8.14 Insurance. The Developer, at its own expense, shall comply with all provisions of Section 12 hereof.

8.15 Non-Governmental Charges. (a) Payment of Non-Governmental Charges. Except for the Permitted Liens, the Developer agrees to pay or cause to be paid when due any Non-Governmental Charge assessed or imposed upon the Project, the Property or any fixtures that are or may become attached thereto, which creates a lien upon all or any portion of the Property or Project; provided however, that if such Non-Governmental Charge may be paid in installments, the Developer may pay the same together with any accrued interest thereon in installments as they become due and before any fine, penalty, interest, or cost may be added thereto for nonpayment. The Developer shall furnish to DPD, within thirty (30) days of DPD's request, official receipts from the appropriate entity, or other proof satisfactory to DPD, evidencing payment of the Non-Governmental Charge in question.

(b) Right to Contest. The Developer shall have the right, before any delinquency occurs:

(i) to contest or object in good faith to the amount or validity of any Non-Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted, in such manner as shall stay the collection of the contested Non-Governmental Charge, prevent the imposition of a lien or remove such lien, or prevent the sale or forfeiture of the Property (so long as no such contest or objection shall be deemed or construed to relieve, modify or extend the Developer's covenants to pay any such Non-Governmental Charge at the time and in the manner provided in this Section 8.15); or

(ii) at DPD's sole option, to furnish a good and sufficient bond or other security satisfactory to DPD in such form and amounts as DPD shall require, or a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of any such sale or forfeiture of the Property or any portion thereof or any fixtures that are or may be attached thereto, during the pendency of such contest, adequate to pay fully any such contested Non-Governmental Charge and all interest and penalties upon the adverse determination of such contest.

8.16 Developer's Liabilities. The Developer shall promptly notify DPD of any and all events or actions which are having a material adverse effect on the Developer's ability to carry on its business operations or perform its obligations under this Agreement or any other documents and agreements.

8.17 Compliance with Laws. To the best of the Developer's knowledge, after diligent inquiry, the Property and the Project are and shall be in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, executive orders and codes pertaining to or affecting the Project and the Property, excluding the Developer's failure to obtain certificates

of occupancy prior to the date hereof for certain buildings in the Project. Upon the City's request, the Developer shall provide evidence satisfactory to the City of such compliance.

8.18 Recording and Filing. The Developer shall cause this Agreement, certain exhibits (as specified by Corporation Counsel), all amendments and supplements hereto to be recorded and filed against the Property on the date hereof in the conveyance and real property records of the county in which the Project is located. This Agreement and the Subordination Agreement(s) shall be recorded by the Developer who shall pay all fees and charges incurred in connection with any such recording. Upon recording, the Developer shall immediately transmit to the City an executed original of each such recorded document showing the date and recording number of record.

8.19 Real Estate Provisions.

(a) Governmental Charges.

(i) Payment of Governmental Charges. The Developer agrees to pay or cause to be paid when due all Governmental Charges (as defined below) which are assessed or imposed upon the Developer, the Property or the Project, or become due and payable, and which create a lien upon the Developer or all or any portion of the Property or the Project. "Governmental Charge" shall mean all federal, State, county, the City, or other governmental (or any instrumentality, division, agency, body, or department thereof) taxes, levies, assessments, charges, liens, claims or encumbrances relating to the Developer, the Property or the Project including but not limited to real estate taxes.

(ii) Right to Contest. The Developer shall have the right before any delinquency occurs to contest or object in good faith to the amount or validity of any Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted in such manner as shall stay the collection of the contested Governmental Charge and prevent the imposition of a lien or the sale or forfeiture of the Property. The Developer's right to challenge real estate taxes applicable to the Property is limited as provided for in Section 8.19(c) below; provided, that such real estate taxes must be paid in full when due and may be disputed only after such payment is made. No such contest or objection shall be deemed or construed in any way as relieving, modifying or extending the Developer's covenants to pay any such Governmental Charge at the time and in the manner provided in this Agreement unless the Developer has given prior written notice to DPD of the Developer's intent to contest or object to a Governmental Charge and, unless, at DPD's sole option,

(A) the Developer shall demonstrate to DPD's satisfaction that legal proceedings instituted by the Developer contesting or objecting to a Governmental Charge shall conclusively operate to prevent or remove a lien against, or the sale or forfeiture of, all or any part of the Property to satisfy such Governmental Charge prior to final determination of such proceedings; and/or

(B) the Developer shall furnish a good and sufficient bond or other security satisfactory to DPD in such form and amounts as DPD shall require, or a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of any such sale or forfeiture of the Property during the pendency of such contest, adequate to pay fully any such contested Governmental Charge and all interest and penalties upon the adverse determination of such contest.

(b) Developer's Failure To Pay Or Discharge Lien. If the Developer fails to pay any Governmental Charge or to obtain discharge of the same, the Developer shall advise DPD thereof in writing, at which time DPD may, but shall not be obligated to, and without waiving or releasing any obligation or liability of the Developer under this Agreement, in DPD's sole discretion, make such payment, or any part thereof, or obtain such discharge and take any other action with respect thereto which DPD deems advisable. All sums so paid by DPD, if any, and any expenses, if any, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto, shall be promptly disbursed to DPD by the Developer. Notwithstanding anything contained herein to the contrary, this paragraph shall not be construed to obligate the City to pay any such Governmental Charge. Additionally, if the Developer fails to pay any Governmental Charge, the City, in its sole discretion, may require the Developer to submit to the City audited Financial Statements at the Developer's own expense.

(c) Real Estate Taxes:

(i) Acknowledgment of Real Estate Taxes. The Developer agrees that: (A) for the purpose of this Agreement, the total projected minimum assessed value of the Property ("Minimum Assessed Value") is shown on Exhibit J attached hereto and incorporated herein by reference for the years noted on Exhibit J; (B) Exhibit J sets forth the specific improvements which will generate the fair market values, assessments, equalized assessed values and taxes shown thereon; and (C) the real estate taxes anticipated to be generated and derived from the respective portions of the Property and the Project for the years shown are fairly and accurately indicated in Exhibit J.

(ii) Real Estate Tax Exemption. With respect to the Property or the Project, neither the Developer nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to the Developer shall, during the Term of this Agreement, seek, or authorize any exemption (as such term is used and defined in the Illinois Constitution, Article IX, Section 6 (1970)) for any year that the Redevelopment Plan is in effect.

(iii) No Reduction in Real Estate Taxes. Neither the Developer nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to the Developer shall, during the term of this Agreement, directly or indirectly, initiate, seek or apply for proceedings in order to lower the assessed value of all or any portion of the Property or the Project below the amount of the Minimum Assessed Value as shown in Exhibit J for the applicable year.

(iv) No Objections. Neither the Developer nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to the Developer, shall object to or in any way seek to interfere with, on procedural or any other grounds, the filing of any Underassessment Complaint or subsequent proceedings related thereto with the Cook County Assessor or with the Cook County Board of Appeals, by either the City or any taxpayer. The term "Underassessment Complaint" as used in this Agreement shall mean any complaint seeking to increase the assessed value of the Property up to (but not above) the Minimum Assessed Value as shown on Exhibit J.

(v) Covenants Running with the Land. The parties agree that the restrictions contained in this Section 8.19 (c) are covenants running with the land and this Agreement shall be recorded by the Developer as a memorandum thereof, at the Developer's expense, with the Cook County Recorder of Deeds on the Closing Date. These restrictions shall be binding upon the Developer and its agents, representatives, lessees, successors, assigns and transferees from and after the date hereof, provided however, that the covenants shall be released when the Redevelopment Area is no longer in effect. The Developer agrees that any sale, lease, conveyance, or transfer of title to all or any portion of the Property or Redevelopment Area from and after the date hereof shall be made explicitly subject to such covenants and restrictions. Notwithstanding anything contained in this Section 8.19(c) to the contrary, the City, in its sole discretion and by its sole action, without the joinder or concurrence of the Developer, its successors or assigns, may waive and terminate the Developer's covenants and agreements set forth in this Section 8.19(c).

8.20 Public Benefits Program. The Developer shall, within three months after the Closing Date, undertake a public benefits program as described on Exhibit M. On a semi-annual basis the Developer shall provide the City with a status report describing in sufficient detail the Developer's compliance with the public benefits program.

8.21 Survival of Covenants. All warranties, representations, covenants and agreements of the Developer contained in this Section 8 and elsewhere in this Agreement shall be true, accurate and complete at the time of the Developer's execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties hereto and (except as provided in Section 7 hereof upon the issuance of a Certificate) shall be in effect throughout the Term of this Agreement.

## **SECTION 9. COVENANTS/REPRESENTATIONS/WARRANTIES OF CITY**

9.01 General Covenants. The City represents that it has the authority as a home rule unit of local government to execute and deliver this Agreement and to perform its obligations hereunder.



9.02 Survival of Covenants. All warranties, representations, and covenants of the City contained in this Section 9 or elsewhere in this Agreement shall be true, accurate, and complete at the time of the City's execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties hereto and be in effect throughout the Term of this Agreement.

## SECTION 10. DEVELOPER'S EMPLOYMENT OBLIGATIONS

10.01 Employment Opportunity. The Developer, on behalf of itself and its successors and assigns, hereby agrees, and shall contractually obligate its or their various contractors, subcontractors or any Affiliate of the Developer operating on the Property (collectively, with the Developer, the "Employers" and individually an "Employer") to agree, that for the Term of this Agreement with respect to Developer and during the period of any other party's provision of services in connection with the construction of the Project or occupation of the Property:

(a) No Employer shall discriminate against any employee or applicant for employment based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income as defined in the City of Chicago Human Rights Ordinance, Chapter 2-160, Section 2-160-010 et seq., Municipal Code, except as otherwise provided by said ordinance and as amended from time to time (the "Human Rights Ordinance"). Each Employer shall take affirmative action to ensure that applicants are hired and employed without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income and are treated in a non-discriminatory manner with regard to all job-related matters, including without limitation: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Each Employer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this nondiscrimination clause. In addition, the Employers, in all solicitations or advertisements for employees, shall state that all qualified applicants shall receive consideration for employment without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income.

(b) To the greatest extent feasible, each Employer is required to present opportunities for training and employment of low- and moderate-income residents of the City and preferably of the Redevelopment Area; and to provide that contracts for work in connection with the construction of the Project be awarded to business concerns that are located in, or owned in substantial part by persons residing in, the City and preferably in the Redevelopment Area.

(c) Each Employer shall comply with all federal, state and local equal employment and affirmative action statutes, rules and regulations, including but not limited to the City's Human

Rights Ordinance and the Illinois Human Rights Act, 775 ILCS 5/1-101 et seq. (1993), and any subsequent amendments and regulations promulgated thereto.

(d) Each Employer, in order to demonstrate compliance with the terms of this Section, shall cooperate with and promptly and accurately respond to inquiries by the City, which has the responsibility to observe and report compliance with equal employment opportunity regulations of federal, state and municipal agencies.

(e) Each Employer shall include the foregoing provisions of subparagraphs (a) through (d) in every contract entered into in connection with the Project, and shall require inclusion of these provisions in every subcontract entered into by any subcontractors, and every agreement with any Affiliate operating on the Property, so that each such provision shall be binding upon each contractor, subcontractor or Affiliate, as the case may be.

(f) Failure to comply with the employment obligations described in this Section 10.01 shall be a basis for the City to pursue remedies under the provisions of Section 15.02 hereof.

10.02 City Resident Construction Worker Employment Requirement. The Developer agrees for itself and its successors and assigns, and shall contractually obligate its General Contractor and shall cause the General Contractor to contractually obligate its subcontractors, as applicable, to agree, that during the construction of the Project they shall comply with the minimum percentage of total worker hours performed by actual residents of the City as specified in Section 2-92-330 of the Municipal Code of Chicago (at least 50 percent of the total worker hours worked by persons on the site of the Project shall be performed by actual residents of the City); provided, however, that in addition to complying with this percentage, the Developer, its General Contractor and each subcontractor shall be required to make good faith efforts to utilize qualified residents of the City in both unskilled and skilled labor positions. The parties hereto acknowledge that any deficiencies with respect to this obligation under Phase One may be remedied during Phase Two.

The Developer may request a reduction or waiver of this minimum percentage level of Chicagoans as provided for in Section 2-92-330 of the Municipal Code of Chicago in accordance with standards and procedures developed by the Chief Procurement Officer of the City.

"Actual residents of the City" shall mean persons domiciled within the City. The domicile is an individual's one and only true, fixed and permanent home and principal establishment.

The Developer, the General Contractor and each subcontractor shall provide for the maintenance of adequate employee residency records to show that actual Chicago residents are employed on the Project. Each Employer shall maintain copies of personal documents supportive of every Chicago employee's actual record of residence.

Weekly certified payroll reports (U.S. Department of Labor Form WH-347 or equivalent) shall be submitted to the Commissioner of DPD in triplicate, which shall identify clearly the actual residence of every employee on each submitted certified payroll. The first time that an employee's name appears on a payroll, the date that the Employer hired the employee should be written in after the employee's name.

The Developer, the General Contractor and each subcontractor shall provide full access to their employment records to the Chief Procurement Officer, the Commissioner of DPD, the Superintendent of the Chicago Police Department, the Inspector General or any duly authorized representative of any of them. The Developer, the General Contractor and each subcontractor shall maintain all relevant personnel data and records for a period of at least three (3) years after final acceptance of the work constituting the Project.

At the direction of DPD, affidavits and other supporting documentation will be required of the Developer, the General Contractor and each subcontractor to verify or clarify an employee's actual address when doubt or lack of clarity has arisen.

Good faith efforts on the part of the Developer, the General Contractor and each subcontractor to provide utilization of actual Chicago residents (but not sufficient for the granting of a waiver request as provided for in the standards and procedures developed by the Chief Procurement Officer) shall not suffice to replace the actual, verified achievement of the requirements of this Section concerning the worker hours performed by actual Chicago residents.

When work at the Project is completed, in the event that the City has determined that the Developer has failed to ensure the fulfillment of the requirement of this Section concerning the worker hours performed by actual Chicago residents or failed to report in the manner as indicated above, the City will thereby be damaged in the failure to provide the benefit of demonstrable employment to Chicagoans to the degree stipulated in this Section. Therefore, in such a case of non-compliance, it is agreed that 1/20 of 1 percent (0.0005) of the aggregate hard construction costs set forth in the Project budget (the product of .0005 x such aggregate hard construction costs) (as the same shall be evidenced by approved contract value for the actual contracts) shall be surrendered by the Developer to the City in payment for each percentage of shortfall toward the stipulated residency requirement. Failure to report the residency of employees entirely and correctly shall result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. The willful falsification of statements and the certification of payroll data may subject the Developer, the General Contractor and/or the subcontractors to prosecution.

Any retainage to cover contract performance that may become due to the Developer pursuant to Section 2-92-250 of the Municipal Code of Chicago may be withheld by the City pending the Chief Procurement Officer's determination as to whether the Developer must surrender damages as provided in this paragraph.

Nothing herein provided shall be construed to be a limitation upon the "Notice of Requirements for Affirmative Action to Ensure Equal Employment Opportunity, Executive Order 11246" and "Standard Federal Equal Employment Opportunity, Executive Order 11246," or other affirmative action required for equal opportunity under the provisions of this Agreement or related documents.

The Developer shall cause or require the provisions of this Section 10.02 to be included in all construction contracts and subcontracts related to the Project.

**10.03 The Developer's MBE/WBE Commitment.** The Developer agrees for itself and its successors and assigns, and, if necessary to meet the requirements set forth herein, shall contractually obligate the General Contractor to agree that, during the Project:

a. Consistent with the findings which support the Minority-Owned and Women-Owned Business Enterprise Procurement Program (the "MBE/WBE" Program"), Section 2-92-420 *et seq.*, Municipal Code of Chicago, and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, and as qualified by, the provisions of this Section 10.03, during the course of the Project, at least the following percentages of the MBE/WBE Budget, as set forth in Exhibit G-3 hereto (as these budgeted amounts may be reduced to reflect decreased actual costs), shall be expended for contract participation by MBEs or WBEs:

- i. At least 25 percent by MBEs.
- ii. At least 5 percent by WBEs.

b. For purposes of this Section 10.03 only, the Developer (and any party to whom a contract is let by the Developer in connection with the Project) shall be deemed a "contractor" and this Agreement (and any contract let by the Developer in connection with the Project) shall be deemed a "contract" as such terms are defined in Section 2-92-420, Municipal Code of Chicago.

c. Consistent with Section 2-92-440, Municipal Code of Chicago, the Developer's MBE/WBE commitment may be achieved in part by the Developer's status as an MBE or WBE (but only to the extent of any actual work performed on the Project by the Developer), or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of (i) the MBE or WBE participation in such joint venture or (ii) the amount of any actual work performed on the Project by the MBE or WBE), by the Developer utilizing a MBE or a WBE as a General Contractor (but only to the extent of any actual work performed on the Project by the General Contractor), by subcontracting or causing the General Contractor to subcontract a portion of the Project to one or more MBEs or WBEs, or by the purchase of materials used in the Project from one or more MBEs or WBEs, or by any combination of the foregoing. Those entities which constitute both a MBE and a WBE shall not be credited more than once with regard to the Developer's MBE/WBE commitment as described in this Section 10.03. The Developer or the General Contractor may meet all or part of this commitment through credits received pursuant to

Section 2-92-530 of the Municipal Code of Chicago for the voluntary use of MBEs or WBEs in its activities and operations other than the Project.

d. The Developer shall deliver quarterly reports to DPD during the Project describing its efforts to achieve compliance with this MBE/WBE commitment. Such reports shall include inter alia the name and business address of each MBE and WBE solicited by the Developer or the General Contractor to work on the Project, and the responses received from such solicitation, the name and business address of each MBE or WBE actually involved in the Project, a description of the work performed or products or services supplied, the date and amount of such work, product or service, and such other information as may assist DPD in determining the Developer's compliance with this MBE/WBE commitment. DPD shall have access to the Developer's books and records, including, without limitation, payroll records, books of account and tax returns, and records and books of account in accordance with Section 14 of this Agreement, on five (5) business days' notice, to allow the City to review the Developer's compliance with its commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the Project.

e. Upon the disqualification of any MBE or WBE General Contractor or subcontractor, if such status was misrepresented by the disqualified party, the Developer shall be obligated to discharge or cause to be discharged the disqualified General Contractor or subcontractor and, if possible, identify and engage a qualified MBE or WBE as a replacement. For purposes of this Subsection (e), the disqualification procedures are further described in Section 2-92-540, Municipal Code of Chicago.

f. Any reduction or waiver of the Developer's MBE/WBE commitment as described in this Section 10.03 shall be undertaken in accordance with Section 2-92-450, Municipal Code of Chicago.

g. Within 15 days of the date hereof, the Developer, the General Contractor and all major subcontractors shall be required to meet with the monitoring staff of DPD with regard to the Developer's compliance with its obligations under this Section 10.03. During this meeting, the Developer shall demonstrate to DPD its plan to achieve its obligations under this Section 10.03, the sufficiency of which shall be approved by DPD. During the Project, the Developer shall submit the documentation required by this Section 10.03 to the monitoring staff of DPD. Such documentation shall include: 1) sub-contractor's activity report, 2) contractor's certification concerning labor standards and prevailing wage requirements, 3) contractor letter of understanding, 4) monthly utilization report, 5) authorization for payroll agent, 6) certified payroll, and 7) evidence that MBE/WBE contractor associations have been informed of the project, via written notice and meetings. Failure to submit such documentation on a timely basis, or a determination by DPD, upon analysis of the documentation, that the Developer is not complying with its obligations hereunder shall, upon the delivery of written notice to the Developer, be deemed an Event of Default hereunder. Upon the occurrence of any such Event of Default, in addition to any other remedies provided in this Agreement, the City may: (1) issue

a written demand to the Developer to halt the Project, (2) withhold any further payment of any City Funds to the Developer or the General Contractor, or (3) seek any other remedies against the Developer available at law or in equity.

h. The parties acknowledge that any deficiencies with respect to the MBE/WBE commitment required prior to the date hereof may be and must be remedied by the work on the Final Building and any additional work needed on any Phase One or Phase Two building. Such work requires the expenditure of approximately \$3,400,000 on work performed solely by MBE and WBE contractors.

## **SECTION 11. ENVIRONMENTAL MATTERS**

The Developer hereby represents and warrants to the City that the Developer has conducted environmental studies sufficient to conclude that the Project may be constructed, completed and operated in accordance with all Environmental Laws and this Agreement and all Exhibits attached hereto, the Scope Drawings, Plans and Specifications and all amendments thereto and the Redevelopment Plan.

Without limiting any other provisions hereof, the Developer agrees to indemnify, defend and hold the City harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses or claims of any kind whatsoever including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under any Environmental Laws incurred, suffered by or asserted against the City as a direct or indirect result of any of the following, regardless of whether or not caused by, or within the control of the Developer: (i) the presence of any Hazardous Material on or under, or the escape, seepage, leakage, spillage, emission, discharge or release of any Hazardous Material from (A) all or any portion of the Property or (B) any other real property in which the Developer, or any person directly or indirectly controlling, controlled by or under common control with the Developer, holds any estate or interest whatsoever (including, without limitation, any property owned by a land trust in which the beneficial interest is owned, in whole or in part, by the Developer), or (ii) any liens against the Property permitted or imposed by any Environmental Laws, or any actual or asserted liability or obligation of the City (which arises after the Developer's acquisition of the Property) or the Developer or any of its Affiliates under any Environmental Laws relating to the Property.

## **SECTION 12. INSURANCE**

The Developer shall provide and maintain, or cause to be provided, at the Developer's own expense, during the Term of this Agreement, the insurance coverages and requirements specified below, insuring all operations related to this Agreement.

(a) Prior to Execution and Delivery of this Agreement

(i) Workers Compensation and Employers Liability Insurance

Workers Compensation and Employers Liability Insurance, as prescribed by applicable law covering all employees who are to provide a service under this Agreement and Employers Liability coverage with limits of not less than \$100,000 each accident or illness.

(ii) Commercial General Liability Insurance (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than \$1,000,000 per occurrence for bodily injury, personal injury, and property damage liability. coverages shall include the following: All premises and operations, products/completed operations, independent contractors, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

(b) Construction

(i) Workers Compensation and Employers Liability Insurance

Workers Compensation and Employers Liability Insurance, as prescribed by applicable law covering all employees who are to provide a service under this Agreement and Employers Liability coverage with limits of not less than \$500,000 each accident or illness.

(ii) Commercial General Liability Insurance (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than \$2,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages shall include the following: All premises and operations, products/completed operations (for a minimum of two (2) years following project completion), explosion, collapse, underground, independent contractors, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

(iii) Automobile Liability Insurance (Primary and Umbrella)

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Contractor shall provide Automobile Liability Insurance with limits of not less than \$2,000,000 per occurrence for bodily injury and property damage. The City of Chicago is to be named as an additional insured on a primary, non-contributory bases.

(iv) Railroad Protective Liability Insurance

When any work is to be done adjacent to or on railroad or transit property, Contractor shall provide, or cause to be provided with respect to the operations that the Contractor performs, Railroad Protective Liability Insurance in the name of railroad or transit entity. The policy shall have limits of not less than \$2,000,000 per occurrence and \$6,000,000 in the aggregate for losses arising out of injuries to or death of all persons, and for damage to or destruction of property, including the loss of use thereof.

(v) Builders Risk Insurance

When the Contractor undertakes any construction, including improvements, betterments, and/or repairs, the Contractor shall provide, or cause to be provided All Risk Builders Risk Insurance at replacement cost for materials, supplies, equipment, machinery and fixtures that are or will be part of the permanent facility. Coverages shall include but are not limited to the following: collapse, boiler and machinery if applicable. The City of Chicago shall be named as an additional insured and loss payee.

(vi) Professional Liability

When any architects, engineers, construction managers or other professional consultants perform work in connection with this Agreement, Professional Liability Insurance covering acts, errors, or omissions shall be maintained with limits of not less than \$1,000,000. Coverage shall include contractual liability. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work on this Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

(vii) Valuable Papers Insurance

When any plans, designs, drawings, specifications and documents are produced or used under this Agreement, Valuable Papers Insurance shall



be maintained in an amount to insure against any loss whatsoever, and shall have limits sufficient to pay for the re-creations and reconstruction of such records.

(viii) Contractor's Pollution Liability

When any remediation work is performed which may cause a pollution exposure, contractor's Pollution Liability shall be provided with limits of not less than \$1,000,000 insuring bodily injury, property damage and environmental remediation, cleanup costs and disposal. When policies are renewed, the policy retroactive date must coincide with or precede, start of work on this Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of one (1) year. The City of Chicago is to be named as an additional insured on a primary, non-contributory basis.

(c) Additional Insurance

(i) Prior to the execution and delivery of this Agreement and during construction of the Project, All Risk Property Insurance in the amount of the full replacement value of the Property. The City of Chicago is to be named as an additional insured.

(ii) Post-construction, throughout the Term of this Agreement, All Risk Property Insurance, including improvements and betterments in the amount of full replacement value of the Property. Coverage extensions shall include business interruption/loss of rents, flood and boiler and machinery, if applicable. The City of Chicago is to be named as an additional insured.

(d) Other Requirements

The Developer will furnish the City of Chicago, Department of Planning and Development, City Hall, Room 1000, 121 North LaSalle Street 60602, original Certificates of Insurance evidencing the required coverage to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in this Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. The failure of the City to obtain certificates or other insurance evidence from the Developer shall not be deemed to be a waiver by the City. The Developer shall advise all insurers of this Agreement provisions regarding insurance. Non-conforming insurance shall not relieve the Developer of the obligation to provide insurance as specified herein. Nonfulfillment of the

insurance conditions may constitute a violation of this Agreement, and the City retains the right to terminate this Agreement until proper evidence of insurance is provided.

The insurance shall provide for 60 days prior written notice to be given to the City in the event coverage is substantially changed, canceled, or non-renewed.

Any and all deductibles or self insured retentions on referenced insurance coverages shall be borne by the Developer.

The Developer agrees that insurers shall waive rights of subrogation against the City of Chicago, its employees, elected officials, agents, or representatives.

The Developer expressly understands and agrees that any coverages and limits furnished by the Developer shall in no way limit the Developer's liabilities and responsibilities specified within this Agreement documents or by law.

The Developer expressly understands and agrees that the Developer's insurance is primary and any insurance or self insurance programs maintained by the City of Chicago shall not contribute with insurance provided by the Developer under this Agreement.

The required insurance shall not be limited by any limitations expressed in the indemnification language herein or any limitation placed on the indemnity therein given as a matter of law.

The Developer shall require the General Contractor, and all subcontractors to provide the insurance required herein or Developer may provide the coverages for the General Contractor, or subcontractors. All General Contractors and subcontractors shall be subject to the same requirements (Section D) of Developer unless otherwise specified herein.

If the Developer, General Contractor or any subcontractor desires additional coverages, the Developer, General Contractor and any subcontractor shall be responsible for the acquisition and cost of such additional protection.

The City of Chicago Risk Management Department maintains the right to modify, delete, alter or change these requirements, so long as any change does not increase these requirements.

### **SECTION 13. INDEMNIFICATION**

The Developer agrees to indemnify, defend and hold the City harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses (including, without limitation, reasonable attorneys' fees and court costs) suffered or incurred by the City arising from or in connection with (i) the Developer's failure to comply with any of the

terms, covenants and conditions contained within this Agreement, or (ii) the Developer's or any contractor's failure to pay General Contractors, subcontractors or materialmen in connection with the TIF-Funded Improvements or any other Project improvement, or (iii) the existence of any material misrepresentation or material omission in this Agreement, any offering memorandum or the Redevelopment Plan or any other document related to this Agreement that is the result of information supplied or omitted by the Developer or its agents, employees, contractors or persons acting under the control or at the request of the Developer or (iv) the Developer's failure to cure any material misrepresentation in this Agreement or any other agreement relating hereto.

#### **SECTION 14. MAINTAINING RECORDS/RIGHT TO INSPECT**

14.01 Books and Records. The Developer shall keep and maintain separate, complete, accurate and detailed books and records necessary to reflect and fully disclose the total actual cost of the Project and the disposition of all funds from whatever source allocated thereto, and to monitor the Project. All such books, records and other documents, including but not limited to the Developer's loan statements, if any, General Contractors' and contractors' sworn statements, general contracts, subcontracts, purchase orders, waivers of lien, paid receipts and invoices, shall be available at the Developer's offices for inspection, copying, audit and examination by an authorized representative of the City, at the Developer's expense. The Developer shall incorporate this right to inspect, copy, audit and examine all books and records into all contracts entered into by the Developer with respect to the Project.

14.02 Inspection Rights. Upon three (3) business days' notice, any authorized representative of the City shall have access to all portions of the Project and the Property during normal business hours for the Term of this Agreement.

#### **SECTION 15. DEFAULT AND REMEDIES**

15.01 Events of Default. The occurrence of any one or more of the following events, subject to the provisions of Section 15.03, shall constitute an "Event of Default" by the Developer hereunder:

(a) the failure of the Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Developer under this Agreement or any related agreement;

(b) the failure of the Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Developer under any other agreement with any person or entity if such failure may have a material adverse effect on the Developer's ability to perform its obligations under this Agreement;

(c) the making or furnishing by the Developer to the City of any representation, warranty, certificate, schedule, report or other communication within or in connection with this Agreement or any related agreement which is untrue or misleading in any material respect;

(d) except as otherwise permitted hereunder, the creation (whether voluntary or involuntary) of, or any attempt to create, any lien or other encumbrance upon the Property, including any fixtures now or hereafter attached thereto, other than the Permitted Liens, or the making or any attempt to make any levy, seizure or attachment thereof;

(e) the commencement of any proceedings in bankruptcy by or against the Developer or for the liquidation or reorganization of the Developer, or alleging that the Developer is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of the Developer's debts, whether under the United States Bankruptcy Code or under any other state or federal law, now or hereafter existing for the relief of debtors, or the commencement of any analogous statutory or non-statutory proceedings involving the Developer; provided, however, that if such commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such proceedings are not dismissed within sixty (60) days after the commencement of such proceedings;

(f) the appointment of a receiver or trustee for the Developer, for any substantial part of the Developer's assets or the institution of any proceedings for the dissolution, or the full or partial liquidation, or the merger or consolidation, of the Developer; provided, however, that if such appointment or commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such appointment is not revoked or such proceedings are not dismissed within sixty (60) days after the commencement thereof;

(g) the entry of any judgment or order against the Developer which remains unsatisfied or undischarged and in effect for sixty (60) days after such entry without a stay of enforcement or execution;

(h) the occurrence of an event of default under the Lender Financing, which default is not cured within any applicable cure period;

(i) the dissolution of the Developer;

(j) the institution in any court of a criminal proceeding (other than a misdemeanor) against the Developer or any natural person who owns a material interest in the Developer, which is not dismissed within thirty (30) days, or the indictment of the Developer or any natural person who owns a material interest in the Developer, for any crime (other than a misdemeanor); or

(k) prior to the end of the five-year period following the issuance of the Certificate, the sale or transfer of all or a majority of the partnership interests of the Developer without the prior written consent of the City.

For purposes of Sections 15.01(i) and 15.01(j) hereof, a person with a material interest in the Developer shall be one owning in excess of thirty-three percent (33%) of the Developer's partnership interests.

**15.02 Remedies.** Upon the occurrence of an Event of Default, the City may terminate this Agreement and all related agreements, and may cease disbursement of City Funds. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to injunctive relief or the specific performance of this Agreements contained herein.

**15.03 Curative Period.** In the event the Developer shall fail to perform a monetary covenant which the Developer is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the Developer shall have failed to perform such monetary covenant within ten (10) days of its receipt of a written notice from the City specifying that it has failed to perform such monetary covenant. In the event the Developer shall fail to perform a non-monetary covenant which the Developer is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the Developer shall have failed to cure such default within thirty (30) days of its receipt of a written notice from the City specifying the nature of the default; provided, however, with respect to those non-monetary defaults which are not capable of being cured within such thirty (30) day period, the Developer shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured; provided, further, that there shall be no cure period under this Section 15.03 with respect to the Developer's failure to comply with the requirements of Section 8.06 hereof.

## SECTION 16. MORTGAGING OF THE PROJECT

All mortgages or deeds of trust in place as of the date hereof with respect to the Property or any portion thereof are listed on Exhibit F hereto (including but not limited to mortgages made prior to or on the date hereof in connection with Lender Financing) and are referred to herein as the "Existing Mortgages." Any mortgage or deed of trust that the Developer may hereafter elect to execute and record or permit to be recorded against the Property or any portion thereof is referred to herein as a "New Mortgage." Any mortgage or deed of trust that the Developer may hereafter elect to execute and record or permit to be recorded against the Property or any portion thereof with the prior written consent of the City is referred to herein as a "Permitted Mortgage." It is hereby agreed by and between the City and the Developer as follows:

(a) In the event that a mortgagee or any other party shall succeed to the Developer's interest in the Property or any portion thereof pursuant to the exercise of remedies under a mortgage or deed of trust (other than an Existing Mortgage or a Permitted Mortgage), whether by

foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of the Developer's interest hereunder in accordance with Section 18.15 hereof, the City may, but shall not be obligated to, attorn to and recognize such party as the successor in interest to the Developer for all purposes under this Agreement and, unless so recognized by the City as the successor in interest, such party shall be entitled to no rights or benefits under this Agreement, but such party shall be bound by those provisions of this Agreement that are covenants expressly running with the land.

(b) In the event that any mortgagee shall succeed to the Developer's interest in the Property or any portion thereof pursuant to the exercise of remedies under an Existing Mortgage or a Permitted Mortgage, whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of the Developer's interest hereunder in accordance with Section 18.15 hereof, the City hereby agrees to attorn to and recognize such party as the successor in interest to the Developer for all purposes under this Agreement so long as such party accepts all of the obligations and liabilities of "the Developer" hereunder; provided, however, that, notwithstanding any other provision of this Agreement to the contrary, it is understood and agreed that if such party accepts an assignment of the Developer's interest under this Agreement, such party shall have no liability under this Agreement for any Event of Default of the Developer which accrued prior to the time such party succeeded to the interest of the Developer under this Agreement, in which case the Developer shall be solely responsible. However, if such mortgagee under a Permitted Mortgage or an Existing Mortgage does not expressly accept an assignment of the Developer's interest hereunder, such party shall be entitled to no rights and benefits under this Agreement, and such party shall be bound only by those provisions of this Agreement, if any, which are covenants expressly running with the land.

(c) Prior to the issuance by the City to the Developer of a Certificate pursuant to Section 7 hereof, no New Mortgage shall be executed with respect to the Property or any portion thereof without the prior written consent of the Commissioner of DPD.

#### SECTION 17. NOTICE

Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth below, by any of the following means: (a) personal service; (b) overnight courier, or (c) registered or certified mail, return receipt requested.

If to the City:                   City of Chicago  
  Department of Planning and Development  
  121 North LaSalle Street, Room 1000  
  Chicago, IL 60602  
  Attention: Commissioner

With Copies To: City of Chicago  
Department of Law  
Finance and Economic Development Division  
121 North LaSalle Street, Room 600  
Chicago, IL 60602

If to the Developer: Greenwood Associated Limited Partnership  
4801 Golf Road, 2<sup>nd</sup> Floor  
Skokie, Illinois 60077  
Attention: Richard Allan

With Copies To: John J. George  
Daley and George, Ltd.  
20 South Clark Street, Suite 400  
Chicago, Illinois 60603

Such addresses may be changed by notice to the other parties given in the same manner provided above. Any notice, demand, or request sent pursuant to clause (a) hereof shall be deemed received upon such personal service. Any notice, demand or request sent pursuant to clause (b) shall be deemed received on the day immediately following deposit with the overnight courier and any notices, demands or requests sent pursuant to clause (c) shall be deemed received two (2) business days following deposit in the mail.

## SECTION 18. MISCELLANEOUS

18.01 Amendment. This Agreement and the Exhibits attached hereto may not be amended or modified without the prior written consent of the parties hereto; provided, however, that the City, in its sole discretion, may amend, modify or supplement Exhibits A and D hereto without the consent of any party hereto.

18.02 Entire Agreement. This Agreement (including each Exhibit attached hereto, which is hereby incorporated herein by reference) constitutes the entire Agreement between the parties hereto and it supersedes all prior agreements, negotiations and discussions between the parties relative to the subject matter hereof.

18.03 Limitation of Liability. No member, official or employee of the City shall be personally liable to the Developer or any successor in interest in the event of any default or breach by the City or for any amount which may become due to the Developer from the City or any successor in interest or on any obligation under the terms of this Agreement.

18.04 Further Assurances. The Developer and the City agree to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications

as may become necessary or appropriate to carry out the terms, provisions and intent of this Agreement.

18.05 Waiver. Waiver by the City or the Developer with respect to any breach of this Agreement shall not be considered or treated as a waiver of the rights of the respective party with respect to any other default or with respect to any particular default, except to the extent specifically waived by the City or the Developer in writing. No delay or omission on the part of a party in exercising any right shall operate as a waiver of such right or any other right unless pursuant to the specific terms hereof. A waiver by a party of a provision of this Agreement shall not prejudice or constitute a waiver of such party's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by a party, nor any course of dealing between the parties hereto, shall constitute a waiver of any such parties' rights or of any obligations of any other party hereto as to any future transactions.

18.06 Remedies Cumulative. The remedies of a party hereunder are cumulative and the exercise of any one or more of the remedies provided for herein shall not be construed as a waiver of any other remedies of such party unless specifically so provided herein.

18.07 Disclaimer. Nothing contained in this Agreement nor any act of the City shall be deemed or construed by any of the parties, or by any third person, to create or imply any relationship of third-party beneficiary, principal or agent, limited or general partnership or joint venture, or to create or imply any association or relationship involving the City.

18.08 Headings. The paragraph and section headings contained herein are for convenience only and are not intended to limit, vary, define or expand the content thereof.

18.09 Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement.

18.10 Severability. If any provision in this Agreement, or any paragraph, sentence, clause, phrase, word or the application thereof, in any circumstance, is held invalid, this Agreement shall be construed as if such invalid part were never included herein and the remainder of this Agreement shall be and remain valid and enforceable to the fullest extent permitted by law.

18.11 Conflict. In the event of a conflict between any provisions of this Agreement and the provisions of the TIF Ordinances such ordinance(s) shall prevail and control.

18.12 Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Illinois, without regard to its conflicts of law principles.

18.13 Form of Documents. All documents required by this Agreement to be submitted, delivered or furnished to the City shall be in form and content satisfactory to the City.



18.14 Approval. Wherever this Agreement provides for the approval or consent of the City, DPD or the Commissioner, or any matter is to be to the City's, DPD's or the Commissioner's satisfaction, unless specifically stated to the contrary, such approval, consent or satisfaction shall be made, given or determined by the City, DPD or the Commissioner in writing and in the reasonable discretion thereof. The Commissioner or other person designated by the Mayor of the City shall act for the City or DPD in making all approvals, consents and determinations of satisfaction, granting the Certificate or otherwise administering this Agreement for the City.

18.15 Assignment. Prior to the issuance by the City to the Developer of a Certificate, the Developer may not sell, assign or otherwise transfer its interest in this Agreement in whole or in part without the written consent of the City. Notwithstanding the issuance of a Certificate, any successor in interest to the Developer under this Agreement shall certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, including but not limited to Sections 8.19 (Real Estate Provisions) and 8.21 (Survival of Covenants) hereof, for the Term of this Agreement. Notwithstanding the issuance of a Certificate, the Developer may not sell, assign or otherwise transfer the City Note or any interest therein without the prior written consent of the City. The Developer consents to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part.

18.16 Binding Effect. This Agreement shall be binding upon the Developer, the City and their respective successors and permitted assigns (as provided herein) and shall inure to the benefit of the Developer, the City and their respective successors and permitted assigns (as provided herein). Except as otherwise provided herein, this Agreement shall not run to the benefit of, or be enforceable by, any person or entity other than a party of this Agreement and its successors and permitted assigns. This Agreement should not be deemed to confer upon third parties any remedy, claim, right of reimbursement or other right.

18.17 Force Majeure. Neither the City nor the Developer nor any successor in interest to either of them shall be considered in breach of or in default of its obligations under this Agreement in the event of any delay caused by damage or destruction by fire or other casualty, strike, shortage of material, unusually adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or for an abnormal duration, tornadoes or cyclones, and other events or conditions beyond the reasonable control of the party affected which in fact interferes with the ability of such party to discharge its obligations hereunder. The individual or entity relying on this section with respect to any such delay shall, upon the occurrence of the event causing such delay, immediately give written notice to the other parties to this Agreement. The individual or entity relying on this section with respect to any such delay may rely on this section only to the extent of the actual number of days of delay effected by any such events described above.

18.18 Exhibits. All of the exhibits attached hereto are incorporated herein by reference.

18.19 Business Economic Support Act. Pursuant to the Business Economic Support Act (30 ILCS 760/1 et seq.), if the Developer is required to provide notice under the WARN Act, the Developer shall, in addition to the notice required under the WARN Act, provide at the same time a copy of the WARN Act notice to the Governor of the State, the Speaker and Minority Leader of the House of Representatives of the State, the President and minority Leader of the Senate of State, and the Mayor of each municipality where the Developer has locations in the State. Failure by the Developer to provide such notice as described above may result in the termination of all or a part of the payment or reimbursement obligations of the City set forth herein.

18.20 Venue and Consent to Jurisdiction. If there is a lawsuit under this Agreement, each party may hereto agree to submit to the jurisdiction of the courts of Cook County, the State of Illinois and the United States District Court for the Northern District of Illinois.

18.21 Business Relationships. The Developer acknowledges (a) receipt of a copy of Section 2-156-030 (b) of the Municipal Code of Chicago, (b) that Developer has read such provision and understands that pursuant to such Section 2-156-030 (b), it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council meeting hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, (c) that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Agreement shall be grounds for termination of this Agreement and the transactions contemplated hereby. The Developer hereby represents and warrants that, to the best of its knowledge after due inquiry no violation of Section 2-156-030 (b) has occurred with respect to this Agreement or the transactions contemplated hereby.

18.22 Trustee's Exculpation. This Agreement is executed by First Bank and Trust Company of Illinois (formerly known as First Bank and Trust Co., Palatine, Illinois), not personally, but solely as Trustee under and pursuant to that certain Trust Agreement dated August 15, 1995 and known as Trust Number 10-1959, and the Trustee does not obligate itself hereunder, anything herein contained to the contrary notwithstanding, to the performance of any of the terms, conditions and representations made and contained in this Agreement, it being specifically understood by any and all parties dealing with this Agreement that said Trustee has affixed its signature hereto as such Trustee by direction in behalf of the beneficiary or beneficiaries under the said trust without any intention of binding the said Trustee in its individual capacity. The Trustee has no knowledge of the factual matters herein contained and all agreements, conditions and representations are made solely upon the direction and in behalf of the beneficiary or

beneficiaries as aforesaid, and no personal liability shall be asserted to be enforceable against said Bank by reason hereof or thereof, all such personal liability, if any, being expressly waived and released.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the parties hereto have caused this Redevelopment Agreement to be executed on or as of the day and year first above written.

GREENWOOD ASSOCIATES LIMITED PARTNERSHIP,  
an Illinois limited partnership

By:   
~~its General Partner~~

By: HSS Development Inc.  
its General Partner

By: Herbert Saywitz

Its: President

FIRST BANK AND TRUST COMPANY OF ILLINOIS  
(formerly known as First Bank and Trust Co., Palatine,  
Illinois), as Trustee under Trust Number 10-1959 and not  
individually.

By:   
Trust Officer

Attest:   
Assistant Trust Officer

(SEAL)

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

By: \_\_\_\_\_  
Alicia Mazur Berg,  
Commissioner

IN WITNESS WHEREOF, the parties hereto have caused this Redevelopment Agreement to be executed on or as of the day and year first above written.

**GREENWOOD ASSOCIATES LIMITED PARTNERSHIP,**  
an Illinois limited partnership

By: \_\_\_\_\_,  
its General Partner

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

Its: \_\_\_\_\_

**FIRST BANK AND TRUST COMPANY OF ILLINOIS**  
(formerly known as First Bank and Trust Co., Palatine, Illinois), as Trustee under Trust Number 10-1959 and not individually.

By: \_\_\_\_\_,  
Trust Officer

(SEAL)

Attest: \_\_\_\_\_,  
Assistant Trust Officer

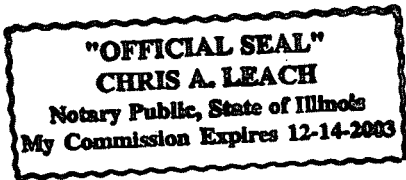
**CITY OF CHICAGO**, acting by and through its  
Department of Planning and Development

By: Alicia Mazur Berg  
Alicia Mazur Berg,  
Commissioner *AK*

STATE OF ILLINOIS     )  
                                  ) ss  
COUNTY OF COOK     )

I, Chris A. Leach, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Herbert Saywitz, personally known to me to be the President of HSS Development, Inc., an Illinois corporation and a General Partner of Greenwood Associates Limited Partnership, an Illinois limited partnership, and 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 he/she signed, sealed, and delivered said instrument, pursuant to the authority given to him/her by the Board of Directors of the General Partner, as his/her free and voluntary act and as the free and voluntary act of the General Partner, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 11<sup>th</sup> day of July, 2002.



Chris A. Leach  
Notary Public

My Commission Expires \_\_\_\_\_

(SEAL)

STATE OF ILLINOIS        )  
  ) ss  
COUNTY OF COOK         )

I, Cathy S. Hoffman, a Notary Public in and for said County, in State aforesaid, DO HEREBY CERTIFY THAT Jeremy Addis, Trust Officer and Carl R. Rath, Assistant Trust Officer, of First Bank and Trust Company of Illinois (formerly known as First Bank and Trust Co., Palatine, Illinois), who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Trust Officer and Assistant Trust Officer, respectively, appeared before me this day in person and acknowledge that they signed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of said Company, as Trustee as aforesaid, for the uses and purposes therein set forth; and the said Assistant Trust Officer, then and there acknowledged that he, as custodian of the corporate seal of said Company, did affix the corporate seal of said Company to said instrument as his own free and voluntary act and as the free and voluntary act of said Company, as Trustee as aforesaid, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal, this 12<sup>th</sup> day of JULY, 2002.



Cathy S. Hoffman  
Notary Public

My Commission Expires 7-29-06

(SEAL)

STATE OF ILLINOIS     )  
                                  ) ss  
COUNTY OF COOK     )

I, Yolanda Quesada, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Alicia Mazur Berg, personally known to me to be the Commissioner of the Department of Planning and Development of the City of Chicago (the "City"), and 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 she signed, sealed, and delivered said instrument pursuant to the authority given to her by the City, as her free and voluntary act and as the free and voluntary act of the City, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 11th day of July, 2002.

Yolanda Quesada  
Notary Public

My Commission Expires 8-17-2005

(SEAL)

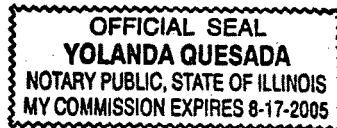




EXHIBIT A

0020770911

LEGAL DESCRIPTION OF REDEVELOPMENT AREA

6020770911

BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTH LINE OF E. 95th ST. AND THE EAST LINE OF S. WOODLAWN AVE.;

THENCE SOUTH ALONG SAID EAST LINE OF S. WOODLAWN AVE. TO THE EASTERLY EXTENSION OF THE SOUTH LINE OF THE ALLEY SOUTH OF E. 95th ST.;

THENCE WEST ALONG SAID EASTERLY EXTENSION AND THE SOUTH LINE OF THE ALLEY SOUTH OF E. 95th ST. TO THE EAST LINE OF THE ALLEY WEST OF S. DOBSON ST.;

THENCE SOUTH ALONG SAID EAST LINE OF THE ALLEY WEST OF S. DOBSON ST. TO THE NORTH LINE OF E. 97th ST.;

THENCE EAST ALONG SAID NORTH LINE OF E. 97th ST. TO THE CENTER LINE OF S. WOODLAWN AVE. ;

THENCE SOUTH ALONG SAID CENTER LINE OF S. WOODLAWN AVE. TO THE SOUTH LINE OF E. 97th ST.;

THENCE WEST ALONG SAID SOUTH LINE OF E. 97th ST. TO THE EAST LINE OF S. UNIVERSITY AVE.;

THENCE SOUTH ALONG SAID EAST LINE OF S. UNIVERSITY AVE. TO THE SOUTH LINE OF E. 98th ST.;

THENCE WEST ALONG SAID SOUTH LINE OF E. 98th ST. TO THE WEST LINE OF S. GREENWOOD AVE.;

THENCE NORTH ALONG SAID WEST LINE OF S. GREENWOOD AVE. TO THE SOUTH LINE OF E. 97th ST.;

THENCE WEST ALONG SAID SOUTH LINE OF E. 97th ST. TO THE SOUTHEASTERLY LINE OF S. INGLESIDE AVE.;

THENCE SOUTHWEST ALONG SAID SOUTHEASTERLY LINE OF S. INGLESIDE AVE., BEING THE NORTHWESTERLY LINE OF LOTS 1, 2, 3 AND 36 IN BLOCK 9 IN COTTAGE GROVE HEIGHTS TO THE EAST LINE OF S. INGLESIDE AVE., BEING THE WEST LINE OF LOTS 4 THRU 16, INCLUSIVE IN SAID BLOCK 9 IN COTTAGE GROVE HEIGHTS ;

THENCE WEST ALONG A STRAIGHT LINE TO THE NORTHEAST CORNER OF LOT 20 IN BLOCK 6 IN COTTAGE GROVE HEIGHTS, BEING A SUBDIVISION IN THE NORTH HALF OF SECTIONS 10 AND 11 , TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE SOUTHWEST ALONG THE NORTHWEST LINE OF SAID LOT 20, BEING ALSO THE SOUTHEAST LINE OF THE ALLEY NORTH OF E. 98th ST. AND ALONG SAID SOUTHEAST ALLEY LINE AND THE SOUTH LINE OF SAID ALLEY TO THE EAST LINE OF S. MARYLAND AVE., BEING ALSO THE WEST LINE OF LOTS 1 THRU 9, INCLUSIVE IN BLOCK 5 IN COTTAGE GROVE HEIGHTS AFORESAID;

THENCE SOUTH ALONG SAID EAST LINE TO THE SOUTHWEST CORNER OF LOT 7 IN BLOCK 5 IN COTTAGE GROVE HEIGHTS AFORESAID;

THENCE WEST ALONG A STRAIGHT LINE, CROSSING S. MARYLAND AVE. AFORESAID, TO THE SOUTHEAST CORNER OF LOT 14 IN BLOCK 1 IN COTTAGE

GROVE HEIGHTS, SAID SOUTHEAST CORNER BEING ON THE WEST LINE OF S. MARYLAND AVE. AFORESAID;

THENCE WEST ALONG THE SOUTH LINE OF SAID LOT 14 IN BLOCK 1 IN COTTAGE GROVE HEIGHTS TO THE EAST LINE OF THE NORTH-SOUTH ALLEY LYING EAST OF S. COTTAGE GROVE AVE., SAID EAST LINE BEING ALSO THE WEST LINE OF LOTS 12 THRU 20 INCLUSIVE IN BLOCK 1 IN COTTAGE GROVE HEIGHTS AFORESAID;

THENCE SOUTH ALONG SAID EAST ALLEY LINE TO THE NORTH LINE OF E. 98TH ST., BEING ALSO THE SOUTH LINE OF LOT 12 IN BLOCK 1 AFORESAID;

THENCE SOUTH ALONG A STRAIGHT LINE CROSSING E. 98TH ST., TO THE NORTHWEST CORNER OF LOT 21 IN BLOCK 2 IN COTTAGE GROVE HEIGHTS, BEING A SUBDIVISION IN THE NORTH HALF OF SECTIONS 10 AND 11, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID NORTHWEST CORNER BEING ON THE SOUTH LINE OF E. 98TH ST. AFORESAID;

THENCE WEST ALONG SAID SOUTH LINE OF E. 98th ST. TO THE WEST LINE OF LOT 22 IN BLOCK 2 IN COTTAGE GROVE HEIGHTS, BEING ALSO THE EAST LINE OF THE ALLEY EAST OF S. COTTAGE GROVE AVE.;

THENCE SOUTH ALONG SAID EAST LINE OF THE ALLEY EAST OF S. COTTAGE GROVE AVE. TO THE NORTH LINE OF E. 98th PL.;

THENCE SOUTH ALONG A STRAIGHT LINE TO THE NORTHWEST CORNER OF LOT 26 IN BLOCK 3 IN COTTAGE GROVE HEIGHTS;

THENCE SOUTH ALONG THE WEST LINE OF SAID LOT 26, BEING ALSO THE EAST LINE OF THE ALLEY EAST OF S. COTTAGE GROVE AVE. AND ALONG SAID EAST ALLEY LINE TO THE NORTH LINE OF E. 99th ST.;

THENCE EAST ALONG SAID NORTH LINE OF E. 99th ST. TO THE WEST LINE OF THE ROCK ISLAND RAILROAD RIGHT OF WAY;

THENCE SOUTHWEST ALONG SAID WEST LINE OF THE ROCK ISLAND RAILROAD RIGHT OF WAY TO THE NORTH LINE OF THE RIGHT OF WAY FOR THE BISHOP FORD EXPRESSWAY;

THENCE WEST ALONG SAID NORTH LINE OF THE BISHOP FORD EXPRESSWAY TO THE WEST LINE OF S. COTTAGE GROVE AVE.;

THENCE NORTHEAST ALONG SAID WEST LINE OF S. COTTAGE GROVE AVE. TO THE NORTH LINE OF E. 95th ST.;

THENCE CONTINUING NORTH ALONG THE EAST LINE OF THE ILLINOIS CENTRAL RAILROAD RIGHT OF WAY TO THE NORTH LINE OF E. 93rd ST.;

THENCE EAST ALONG SAID NORTH LINE OF E. 93rd ST. TO THE NORTHERLY PROJECTION OF THE WEST LINE OF STAUNTON O. FLANDERS SUBDIVISION IN THE SOUTHWEST QUARTER OF SECTION 2, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE SOUTH ALONG SAID NORTHERLY PROJECTION AND THE WEST LINE OF STAUNTON O. FLANDERS SUBDIVISION IN THE SOUTHWEST QUARTER OF SECTION 2, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN TO THE SOUTH LINE OF LOTS 8, 9, AND 10 IN STAUNTON O. FLANDERS SUBDIVISION IN THE SOUTHWEST QUARTER OF SECTION 2, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

0020770911

THENCE EAST ALONG SAID SOUTH LINE OF LOTS 8, 9, AND 10 IN STAUNTON O. FLANDERS SUBDIVISION TO THE WEST LINE OF LOT 17 IN SAID STAUNTON O. FLANDERS SUBDIVISION;

THENCE SOUTH ALONG SAID WEST LINE OF LOT 17 IN STAUNTON O. FLANDERS SUBDIVISION AND THE SOUTHWARD EXTENSION THEREOF TO THE CENTER LINE OF 93rd PL.;

THENCE EAST ALONG SAID CENTER LINE OF 93rd PL. TO THE WEST LINE OF S. GREENWOOD AVE.;

THENCE SOUTH ALONG SAID WEST LINE OF S. GREENWOOD AVE. TO THE LINE 595 FEET NORTH OF AND PARALLEL WITH THE SOUTH LINE OF SECTION 2, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE EAST ALONG SAID LINE 595 FEET NORTH OF AND PARALLEL WITH THE SOUTH LINE OF SECTION 2, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN TO THE WEST LINE OF S. WOODLAWN AVE.

THENCE NORTH ALONG SAID WEST LINE OF S. WOODLAWN AVE. TO THE NORTH LINE OF E. 94th ST.;

THENCE EAST ALONG SAID NORTH LINE OF E. 94th ST. TO THE EAST LINE OF S. KIMBARK AVE.;

THENCE SOUTH ALONG SAID EAST LINE OF S. KIMBARK AVE. TO THE SOUTH LINE OF LOT 24 IN STEWART'S SUBDIVISION OF THAT PART OF THE EAST HALF OF THE SOUTHWEST QUARTER AND THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 2, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTH OF THE SOUTH 595 FEET THEREOF AND WEST OF THE WEST LINE OF THE NEW YORK CENTRAL AND St. LOUIS RAILROAD COMPANY'S RIGHT OF WAY;

THENCE EAST ALONG SAID SOUTH LINE OF LOT 24 IN STEWART'S SUBDIVISION AND ALONG THE SOUTH LINE OF LOTS 25, 26 AND 27 IN SAID SUBDIVISION TO THE WESTERLY LINE OF S. KENWOOD AVE.;

THENCE NORTHWESTERLY ALONG SAID WESTERLY LINE OF S. KENWOOD AVE. TO THE SOUTH LINE OF E. 93rd ST.;

THENCE WEST ALONG SAID SOUTH LINE OF E. 93rd ST. TO THE WEST LINE OF S. KIMBARK AVE.;

THENCE NORTH ALONG SAID WEST LINE OF S. KIMBARK AVE. TO THE SOUTH LINE OF E. 92nd ST.;

THENCE WEST ALONG SAID SOUTH LINE OF E. 92nd ST. TO THE WEST LINE OF S. AVALON AVE.;

THENCE NORTH ALONG SAID WEST LINE OF S. AVALON AVE. TO THE SOUTH LINE OF E. 91st ST.;

THENCE WEST ALONG SAID SOUTH LINE OF E. 91st ST. TO THE WEST LINE OF S. WOODLAWN AVE.;

THENCE NORTH ALONG SAID WEST LINE OF S. WOODLAWN AVE. TO THE SOUTH LINE OF E. 89th ST.;

THENCE WEST ALONG SAID SOUTH LINE OF E. 89th ST. TO THE EAST LINE OF S. GREENWOOD AVE.;

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THENCE SOUTH ALONG SAID EAST LINE OF S. GREENWOOD AVE. TO THE SOUTH LINE OF E. 90th ST.;

THENCE WEST ALONG SAID SOUTH LINE OF E. 90th ST. TO THE EASTERLY LINE OF S. DREXEL AVE.;

THENCE SOUTHWESTERLY AND SOUTH ALONG SAID EASTERLY LINE AND THE EAST LINE OF S. DREXEL AVE. TO THE SOUTH LINE OF E. 91st ST.;

THENCE WEST ALONG SAID SOUTH LINE OF E. 91st ST. TO THE CENTER LINE OF THE ILLINOIS CENTRAL RAILROAD RIGHT OF WAY;

THENCE SOUTHWESTERLY ALONG SAID CENTER LINE OF THE ILLINOIS CENTRAL RAILROAD RIGHT OF WAY TO THE CENTER LINE OF E. 95th ST.;

THENCE WEST ALONG SAID CENTER LINE OF E. 95th ST. TO THE WESTERLY LINE OF THE ILLINOIS CENTRAL RAILROAD RIGHT OF WAY;

THENCE NORTHEASTERLY ALONG SAID WESTERLY LINE OF THE ILLINOIS CENTRAL RAILROAD RIGHT OF WAY TO THE SOUTHERLY LINE OF THE C.R.I.&P. R.R.-SO. CHICAGO BRANCH RIGHT OF WAY;

THENCE NORTHWESTERLY ALONG SAID SOUTHERLY LINE OF THE C.R.I.&P. R.R.-SO. CHICAGO BRANCH RIGHT OF WAY TO THE EAST LINE OF S. COTTAGE GROVE AVE.;

THENCE NORTH ALONG SAID EAST LINE OF S. COTTAGE GROVE AVE. TO THE SOUTHWEST CORNER OF LOT 18 IN BLOCK 10 OF BURNSIDE, A SUBDIVISION IN THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 2, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE NORTHEAST ALONG THE SOUTHEAST LINE OF SAID LOT 18, AND THE SOUTHEAST LINE OF LOTS 19, 20, AND 21, TO THE EAST LINE OF SAID LOT 21, BEING ALSO THE WEST LINE OF S. DAUPHIN AVE.;

THENCE NORTH ALONG SAID WEST LINE OF S. DAUPHIN AVE. TO THE SOUTH LINE OF E. 93rd ST.;

THENCE WEST ALONG SAID SOUTH LINE OF E. 93rd ST. TO THE SOUTHERLY EXTENSION OF THE EAST LINE OF LOT 17 IN BLOCK 10 IN DAUPHIN PARK A SUBDIVISION OF THAT PART OF THE NORTH THREE FOURTHS OF THE NORTH HALF OF SECTION 2, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN WEST OF THE I.C.R.R. RIGHT OF WAY, SAID SOUTHERLY EXTENSION OF THE EAST LINE OF LOT 17 BEING ALSO THE SOUTHERLY EXTENSION OF THE WEST LINE OF S. DAUPHIN AVE.;

THENCE NORTH ALONG SAID SOUTHERLY EXTENSION AND THE WEST LINE OF S. DAUPHIN AVE. TO THE SOUTH LINE OF W. 92nd ST.;

THENCE WEST ALONG SAID SOUTH LINE OF E. 92nd ST. TO THE SOUTHERLY EXTENSION OF THE WESTERLY LINE OF S. DAUPHIN AVE., BEING ALSO THE SOUTHERLY EXTENSION OF THE EAST LINE OF LOTS 1 THRU 12, INCLUSIVE, IN BLOCK 9 IN DAUPHIN PARK, BEING A SUBDIVISION OF THAT PART OF THE NORTH THREE FOURTHS OF THE NORTH HALF OF SECTION 2, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, WEST OF THE ILLINOIS CENTRAL RAILROAD RIGHT OF WAY;

THENCE NORTHEASTERLY ALONG SAID SOUTHERLY EXTENSION AND THE

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WESTERLY LINE OF S. DAUPHIN AVE. TO THE WESTERLY EXTENSION OF THE SOUTH LINE OF LOT 6 IN THE SUBDIVISION OF OUTLOT 1 IN DAUPHIN PARK;

THENCE EAST ALONG SAID WESTERLY EXTENSION AND THE SOUTH LINE OF LOT 6 IN THE SUBDIVISION OF OUTLOT 1 IN DAUPHIN PARK TO THE WESTERLY LINE OF THE ILLINOIS CENTRAL RAIL ROAD RIGHT OF WAY;

THENCE NORTHEASTERLY ALONG SAID WESTERLY LINE OF THE ILLINOIS CENTRAL RAIL ROAD RIGHT OF WAY TO A LINE PERPENDICULAR TO THE EAST LINE OF S. DAUPHIN AVE., WHICH PASSES THROUGH A POINT ON THE EAST LINE OF SAID S. DAUPHIN AVE., 268.91 FEET SOUTH OF THE SOUTH LINE OF E. 89th ST. AS MEASURED ALONG SAID EAST LINE OF S. DAUPHIN AVE.;

THENCE NORTHWESTERLY ALONG SAID PERPENDICULAR LINE AND THE NORTHWESTERLY EXTENSION THEREOF TO THE WESTERLY LINE OF S. DAUPHIN AVE.;

THENCE NORTHEASTERLY ALONG SAID WESTERLY LINE OF DAUPHIN AVE. TO THE NORTH LINE OF E. 87th ST.;

THENCE EAST ALONG SAID NORTH LINE OF E. 87th ST. TO THE WESTERLY LINE OF THE ILLINOIS CENTRAL RAIL ROAD RIGHT OF WAY;

THENCE NORTHEASTERLY ALONG SAID WESTERLY LINE OF THE ILLINOIS CENTRAL RAIL ROAD RIGHT OF WAY TO CENTER LINE OF VACATED E. 85th PL.;

THENCE WEST ALONG SAID CENTER LINE OF VACATED E. 85th PL. TO THE NORTHERLY EXTENSION OF THE EAST LINE OF THE VACATED 16 FOOT ALLEY EAST OF AND ADJOINING THE EAST LINE OF LOT 1 IN WOODRICH BROTHER'S SUBDIVISION OF PART OF THE EAST HALF OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 35, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE SOUTHWESTERLY ALONG SAID NORTHERLY EXTENSION AND THE EAST LINE OF THE VACATED 16 FOOT ALLEY AND ALONG THE SOUTHERLY EXTENSION THEREOF TO THE NORTH LINE OF LOTS 8 THRU 14, INCLUSIVE, IN WOODRICH BROTHER'S SUBDIVISION, BEING ALSO THE SOUTH LINE OF THE ALLEY NORTH OF E. 86th ST.;

THENCE WEST ALONG SAID SOUTH LINE OF THE ALLEY NORTH OF E. 86th ST. AND THE WESTERLY EXTENSION THEREOF TO THE WEST LINE OF S. INGLESIDE AVE.;

THENCE NORTH ALONG SAID WEST LINE OF S. INGLESIDE AVE. TO THE NORTH LINE OF E. 85th ST.;

THENCE EAST ALONG SAID NORTH LINE OF E. 85th ST. TO A LINE 16 FEET EAST OF AND PARALLEL WITH THE EASTERLY LINE OF LOT 22 IN FRANK JAMISON'S SUBDIVISION IN THE SOUTHWEST QUARTER OF SECTION 35, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID LINE BEING ALSO THE EAST LINE OF THE ALLEY EAST OF S. INGLESIDE AVE., AND THE WESTERLY LINE OF THE ILLINOIS CENTRAL RAIL ROAD RIGHT OF WAY;

THENCE NORTHEASTERLY ALONG SAID WESTERLY LINE OF THE ILLINOIS CENTRAL RAIL ROAD RIGHT OF WAY TO THE SOUTH LINE OF E. 83rd ST.;

THENCE EAST ALONG SAID SOUTH LINE OF E. 83rd ST. TO THE EAST LINE OF

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THE NEW YORK, CHICAGO & ST. LOUIS RAILROAD RIGHT OF WAY;

THENCE SOUTH ALONG SAID EAST LINE OF THE NEW YORK, CHICAGO & ST. LOUIS RAILROAD RIGHT OF WAY TO SOUTHWESTERLY LINE OF LOTS 111 THRU 118, INCLUSIVE, IN J. E. MERRION'S MARYNOOK ADDITION, A RESUBDIVISION OF PART OF THE WEST HALF OF THE SOUTHEAST QUARTER AND PART OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 35, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE SOUTHEASTERLY ALONG SAID SOUTHWESTERLY LINE OF LOTS 111 THRU 118, INCLUSIVE, IN J. E. MERRION'S MARYNOOK ADDITION TO THE SOUTH LINE OF LOTS 119 THRU 122, INCLUSIVE, IN SAID J. E. MERRION'S MARYNOOK ADDITION;

THENCE EAST ALONG SAID SOUTH LINE OF LOTS 119 THRU 122, INCLUSIVE, IN J. E. MERRION'S MARYNOOK ADDITION AND THE EASTERLY EXTENSION THEREOF TO THE EAST LINE OF S. AVALON AVE.;

THENCE SOUTH ALONG SAID EAST LINE OF S. AVALON AVE. TO THE SOUTH LINE OF E. 87th ST.;

THENCE WEST ALONG SAID SOUTH LINE OF E. 87th ST. TO THE EAST LINE OF THE NEW YORK CHICAGO AND ST. LOUIS RAILROAD RIGHT OF WAY, BEING ALSO THE EAST LINE OF THE STONY ISLAND RAILROAD YARD;

THENCE SOUTHEAST ALONG SAID EAST LINE OF THE NEW YORK CHICAGO AND ST. LOUIS RAILROAD RIGHT OF WAY TO THE NORTH LINE OF E. 91st. ST.;

THENCE EAST ALONG SAID NORTH LINE OF E. 91st. ST. TO THE NORTHERLY EXTENSION OF THE WEST LINE OF LOT 6 IN BLOCK 4 IN CALUMET AND CHICAGO CANAL AND DOCK COMPANY'S SUBDIVISION OF THAT PART OF THE SOUTHEAST QUARTER OF SECTION 2, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN LYING EAST AND NORTH OF THE RAILROAD, SAID WEST LINE OF LOT 6 BEING ALSO THE EAST LINE OF OUTLOT A IN CALUMET AND CHICAGO CANAL AND DOCK COMPANY'S SUBDIVISION;

THENCE SOUTHERLY ALONG SAID NORTHERLY EXTENSION AND THE WEST LINE OF LOT 6 IN BLOCK 4 IN CALUMET AND CHICAGO CANAL AND DOCK COMPANY'S SUBDIVISION AND ALONG THE EAST LINE OF SAID OUTLOT A AND ALONG THE EAST LINE OF OUTLOTS B AND C IN SAID CALUMET AND CHICAGO CANAL AND DOCK COMPANY'S SUBDIVISION TO THE NORTH LINE OF E. 94th ST.;

THENCE EAST ALONG SAID NORTH LINE OF E. 94th ST. TO THE WEST LINE OF S. STONY ISLAND AVE.;

THENCE NORTH ALONG SAID WEST LINE OF S. STONY ISLAND AVE. TO THE NORTH LINE OF LOT 25 IN BLOCK 8 IN SAID CALUMET AND CHICAGO CANAL AND DOCK COMPANY'S SUBDIVISION, BEING ALSO THE SOUTH LINE OF THE ALLEY NORTH OF E. 94th ST.;

THENCE WEST ALONG SAID SOUTH LINE OF THE ALLEY NORTH OF E. 94th ST. TO THE SOUTHERLY EXTENSION OF THE EAST LINE OF LOTS 36 THRU 48, INCLUSIVE, IN BLOCK 8 IN CALUMET AND CHICAGO CANAL AND DOCK COMPANY'S SUBDIVISION, BEING ALSO THE WEST LINE OF THE ALLEY WEST OF STONY ISLAND AVE.

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THENCE NORTH ALONG SAID WEST LINE OF THE ALLEY WEST OF STONY ISLAND AVE. TO THE SOUTH LINE OF LOT 6 IN SAID BLOCK 8 IN CALUMET AND CHICAGO CANAL AND DOCK COMPANY'S SUBDIVISION, BEING ALSO THE NORTH LINE OF THE ALLEY SOUTH OF E. 93rd ST.;

THENCE WEST ALONG SAID NORTH LINE OF THE ALLEY SOUTH OF E. 93rd ST. TO THE WEST LINE OF SAID LOT 6 IN SAID BLOCK 8 IN CALUMET AND CHICAGO CANAL AND DOCK COMPANY'S SUBDIVISION;

THENCE NORTH ALONG SAID WEST LINE OF LOT 6 IN BLOCK 8 IN CALUMET AND CHICAGO CANAL AND DOCK COMPANY'S SUBDIVISION AND THE NORTHERLY EXTENSION THEREOF AND THE WEST LINE OF LOT 24 IN BLOCK 7 IN SAID CALUMET AND CHICAGO CANAL AND DOCK COMPANY'S SUBDIVISION AND THE NORTHERLY EXTENSION THEREOF TO THE SOUTHEASTERLY LINE OF LOT 30 IN SAID BLOCK 7 IN CALUMET AND CHICAGO CANAL AND DOCK COMPANY'S SUBDIVISION;

THENCE NORTHEASTERLY ALONG SAID SOUTHEASTERLY LINE OF LOT 30 TO THE EAST LINE OF SAID LOT 30, BEING ALSO THE WEST LINE OF THE ALLEY WEST OF S. STONY ISLAND AVE.;

THENCE NORTH ALONG SAID WEST LINE OF THE ALLEY WEST OF S. STONY ISLAND AVE. TO NORTH LINE OF E. 91st ST.;

THENCE EAST ALONG SAID NORTH LINE OF E. 91st ST. TO THE WEST LINE OF S. STONY ISLAND AVE.;

THENCE NORTH ALONG SAID WEST LINE OF S. STONY ISLAND AVE. TO THE SOUTH LINE OF E. 90th ST.;

THENCE WEST ALONG SAID SOUTH LINE OF E. 90th ST. TO THE EAST LINE LOT 42 IN BLOCK 1 IN CALUMET GATEWAY, BEING A RESUBDIVISION OF PART OF CALUMET AND CHICAGO CANAL AND DOCK COMPANY'S SUBDIVISION, SAID EAST LINE OF LOT 42 BEING ALSO THE WEST LINE OF THE ALLEY WEST OF S. STONY ISLAND AVE.;

THENCE NORTH ALONG SAID WEST LINE OF THE ALLEY WEST OF S. STONY ISLAND AVE. TO THE WESTERLY EXTENSION OF THE SOUTH LINE OF LOT 18 IN BLOCK 5 IN 1st ADDITION TO CALUMET GATEWAY, BEING A RESUBDIVISION OF PART OF CALUMET AND CHICAGO CANAL AND DOCK COMPANY'S SUBDIVISION;

THENCE EAST ALONG SAID WESTERLY EXTENSION AND THE SOUTH LINE OF LOT 18 IN BLOCK 5 IN 1st ADDITION TO CALUMET GATEWAY TO THE WEST LINE OF S. STONY ISLAND AVE.;

THENCE NORTH ALONG SAID WEST LINE OF S. STONY ISLAND AVE. TO THE SOUTH LINE OF NORTH 5 FEET OF LOT 7 IN BLOCK 6 IN 1st ADDITION TO CALUMET GATEWAY;

THENCE WEST ALONG SAID SOUTH LINE OF NORTH 5 FEET OF LOT 7 IN BLOCK 6 IN 1st ADDITION TO CALUMET GATEWAY TO THE WEST LINE OF SAID NORTH 5 FEET OF LOT 7, BEING ALSO THE EAST LINE OF THE ALLEY WEST OF S. STONY ISLAND AVE.;

THENCE NORTH ALONG SAID EAST LINE OF THE ALLEY WEST OF S. STONY ISLAND AVE. TO THE EASTERLY EXTENSION OF THE NORTH LINE OF



LOT 38 IN SAID BLOCK 6 IN 1st ADDITION TO CALUMET GATEWAY, SAID NORTH LINE OF LOT 38 BEING ALSO THE SOUTH LINE OF THE ALLEY SOUTH OF E. 87th ST.;

THENCE WEST ALONG SAID SOUTH LINE OF THE ALLEY SOUTH OF E. 87th ST. TO THE WEST LINE OF S. BLACKSTONE AVE.;

THENCE NORTH ALONG SAID WEST LINE OF S. BLACKSTONE AVE. TO THE NORTH LINE OF E. 87th ST.;

THENCE EAST ALONG SAID NORTH LINE OF E. 87th ST. TO THE WEST LINE OF S. BLACKSTONE AVE.;

THENCE NORTH ALONG SAID WEST LINE OF S. BLACKSTONE AVE. TO THE WESTERLY EXTENSION OF THE SOUTH LINE OF LOTS 26 THRU 38, INCLUSIVE, IN BLOCK 1 IN CEPEK'S SUBDIVISION IN THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 35, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE EAST ALONG SAID WESTERLY EXTENSION AND THE SOUTH LINE OF LOTS 26 THRU 38, INCLUSIVE, IN BLOCK 1 IN CEPEK'S SUBDIVISION, SAID SOUTH LINE BEING ALSO THE NORTH LINE OF THE ALLEY NORTH OF E. 87th ST., TO THE WEST LINE OF LOT 5 IN SAID BLOCK 1 IN CEPEK'S SUBDIVISION, SAID WEST LINE OF LOT 5, BEING ALSO THE EAST LINE OF THE ALLEY WEST OF S. STONY ISLAND AVE.;

THENCE SOUTH ALONG SAID EAST LINE OF THE ALLEY WEST OF S. STONY ISLAND AVE. TO THE NORTH LINE OF E. 87th ST.;

THENCE EAST ALONG SAID NORTH LINE OF E. 87th ST. TO THE WEST LINE OF S. STONY ISLAND AVE. ;

THENCE NORTH ALONG SAID WEST LINE OF S. STONY ISLAND AVE. TO THE SOUTH LINE OF E. 86th ST.;

THENCE WEST ALONG SAID SOUTH LINE OF E. 86th ST. TO THE SOUTHERLY EXTENSION OF THE EAST LINE OF LOT 11 IN BLOCK 3 IN CEPEK'S SUBDIVISION, SAID EAST LINE OF LOT 11 BEING ALSO THE WEST LINE OF THE ALLEY WEST OF S. STONY ISLAND AVE.;

THENCE NORTH ALONG SAID WEST LINE OF THE ALLEY WEST OF S. STONY ISLAND AVE. TO THE NORTH LINE OF E. 84th PL.;

THENCE EAST ALONG SAID NORTH LINE OF E. 84th PL. TO THE WEST LINE OF S. STONY ISLAND AVE.;

THENCE NORTH ALONG SAID WEST LINE OF S. STONY ISLAND AVE. TO THE SOUTH LINE OF E. 84th ST.;

THENCE WEST ALONG SAID SOUTH LINE OF E. 84th ST. TO THE SOUTHERLY EXTENSION OF THE EAST LINE OF LOT 11 IN BLOCK 4 IN THE STONY ISLAND BOULEVARD ADDITION, BEING A SUBDIVISION OF THE NORTH HALF OF THE NORTH HALF OF THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 35, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID EAST LINE OF LOT 11 BEING ALSO THE WEST LINE OF THE ALLEY WEST OF S. STONY ISLAND AVE.;

THENCE NORTH ALONG SAID WEST LINE OF THE ALLEY WEST OF S. STONY ISLAND AVE. TO THE NORTH LINE OF E. 80th ST.;

THENCE EAST ALONG SAID NORTH LINE OF E. 80th ST. TO THE NORTHEASTERLY LINE OF S. ANTHONY AVE.;

THENCE SOUTHEAST ALONG SAID NORTHEASTERLY LINE OF S. ANTHONY AVE. TO THE NORTHEASTERLY EXTENSION OF THE NORTHWESTERLY LINE OF LOT 58 IN BLOCK 1 IN STONY ISLAND PARK, A SUBDIVISION OF THAT PART OF THE NORTHWEST QUARTER OF SECTION 36, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE SOUTHWEST ALONG SAID NORTHEASTERLY EXTENSION AND THE NORTHWESTERLY LINE OF LOT 58 IN BLOCK 1 IN STONY ISLAND PARK TO THE WEST LINE OF SAID LOT 58, SAID WEST LINE OF LOT 58 BEING ALSO THE EAST LINE OF THE ALLEY EAST OF S. STONY ISLAND AVE.;

THENCE SOUTH ALONG SAID EAST LINE OF THE ALLEY EAST OF S. STONY ISLAND AVE. TO THE SOUTH LINE OF E. 84th PL.;

THENCE WEST ALONG SAID SOUTH LINE OF E. 84th PL. TO THE EAST LINE OF S. STONY ISLAND AVE.;

THENCE SOUTH ALONG SAID EAST LINE OF S. STONY ISLAND AVE. TO THE NORTH LINE E. 85th ST.;

THENCE EAST ALONG SAID NORTH LINE E. 85th ST. TO THE NORTHERLY EXTENSION OF THE WEST LINE OF LOT 15, SAID WEST LINE OF LOT 15 BEING ALSO THE EAST LINE OF THE ALLEY EAST OF S. STONY ISLAND AVE.;

THENCE SOUTH ALONG SAID EAST LINE OF THE ALLEY EAST OF S. STONY ISLAND AVE. TO THE SOUTH LINE OF LOTS 1 THRU 15, INCLUSIVE, IN BLOCK 3 IN ARCHIBALD'S STONY ISLAND MANOR, A SUBDIVISION OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 36, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID SOUTH LINE OF LOTS 1 THRU 15, INCLUSIVE, IN BLOCK 3 IN ARCHIBALD'S STONY ISLAND MANOR BEING ALSO THE NORTH LINE OF THE ALLEY NORTH OF E. 87th ST.;

THENCE EAST ALONG SAID NORTH LINE OF THE ALLEY NORTH OF E. 87th ST. TO THE EAST LINE OF S. CREGIER;

THENCE SOUTH ALONG SAID EAST LINE OF S. CREGIER TO THE SOUTH LINE OF LOT 30 IN BLOCK 2 IN THE SUBDIVISION OF BLOCKS 13 AND 14 IN "CONSTANCE", BEING A SUBDIVISION IN THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 36, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID SOUTH LINE OF LOT 30 BEING ALSO THE NORTH LINE OF THE ALLEY NORTH OF E. 87th ST.;

THENCE EAST ALONG SAID NORTH LINE OF THE ALLEY NORTH OF E. 87th ST. TO THE EAST LINE OF S. CONSTANCE AVE.;

THENCE SOUTH ALONG SAID EAST LINE OF S. CONSTANCE AVE. TO THE SOUTH LINE OF LOT 29 IN BLOCK 15 IN THE SUBDIVISION OF BLOCKS 12 AND 15 IN "CONSTANCE", BEING A SUBDIVISION IN THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 36;

THENCE EAST ALONG SAID SOUTH LINE OF LOT 29 AND ALONG THE SOUTH LINE OF LOT 20 IN SAID BLOCK 15 IN THE SUBDIVISION OF BLOCKS 12 AND 15 IN "CONSTANCE", BEING A SUBDIVISION IN THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 36, TO THE WEST LINE OF S. BENNETT AVE.;

THENCE NORTH ALONG SAID WEST LINE OF S. BENNETT AVE. TO THE WESTERLY EXTENSION OF THE SOUTH LINE OF LOT 27 IN PERNOD'S RESUBDIVISION OF BLOCK 16 IN KYLE'S SUBDIVISION OF BLOCKS 11 AND 16 IN "CONSTANCE", BEING A SUBDIVISION IN THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 36, SAID SOUTH LINE OF LOT 27 IN PERNOD'S RESUBDIVISION BEING ALSO THE NORTH LINE OF THE ALLEY NORTH OF E. 87th ST.;

THENCE EAST ALONG SAID NORTH LINE OF THE ALLEY NORTH OF E. 87th ST. TO THE EAST LINE OF S. EUCLID AVE.;

THENCE SOUTH ALONG SAID EAST LINE OF S. EUCLID AVE. TO THE SOUTH LINE OF LOT 29 IN GEORGE AND WANNER'S RESUBDIVISION OF BLOCKS 10 AND 17 IN "CONSTANCE", BEING A SUBDIVISION IN THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 36;

THENCE EAST ALONG SAID SOUTH LINE OF LOT 29 IN GEORGE AND WANNER'S RESUBDIVISION TO THE EAST LINE OF SAID LOT 29, BEING ALSO THE WEST LINE OF THE ALLEY EAST OF S. EUCLID AVE.;

THENCE NORTH ALONG SAID WEST LINE OF THE ALLEY EAST OF S. EUCLID AVE. TO THE WESTERLY EXTENSION OF THE SOUTH LINE OF LOT 18 IN SAID GEORGE AND WANNER'S RESUBDIVISION;

THENCE EAST ALONG SAID WESTERLY EXTENSION AND THE SOUTH LINE OF LOT 18 IN SAID GEORGE AND WANNER'S RESUBDIVISION TO EAST LINE OF S. JEFFERY AVE.;

THENCE SOUTH ALONG SAID EAST LINE OF S. JEFFERY AVE. TO THE SOUTH LINE OF THE NORTH 9 FEET OF LOT 19 IN MOORE'S SUBDIVISION OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 36, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE EAST ALONG SAID SOUTH LINE OF THE NORTH 9 FEET OF LOT 19 IN MOORE'S SUBDIVISION TO THE WEST LINE OF LOT 30 IN SAID MOORE'S SUBDIVISION;

THENCE SOUTH ALONG SAID WEST LINE OF LOT 30 IN MOORE'S SUBDIVISION TO THE SOUTH LINE OF THE NORTH 17 FEET OF SAID LOT 30;

THENCE EAST ALONG SAID SOUTH LINE OF THE NORTH 17 FEET OF SAID LOT 30 IN MOORE'S SUBDIVISION TO THE WEST LINE OF S. CHAPPEL AVE.;

THENCE NORTH ALONG SAID WEST LINE OF S. CHAPPEL AVE. TO THE NORTH LINE OF E. 85th ST.;

THENCE EAST ALONG SAID NORTH LINE OF E. 85th ST. TO THE NORTHEAST LINE OF ANTHONY AVE.;

THENCE SOUTHEAST ALONG SAID NORTHEAST LINE OF ANTHONY AVE. TO THE SOUTH LINE OF E. 87th ST.;

THENCE WEST ALONG SAID SOUTH LINE OF E. 87th ST. TO THE EAST LINE OF S. CLYDE AVE.;

THENCE SOUTH ALONG SAID EAST LINE OF S. CLYDE AVE. TO THE SOUTH LINE OF E. 89th ST.;

THENCE WEST ALONG SAID SOUTH LINE OF E. 89th ST. TO THE WEST LINE OF

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S. JEFFERY AVE.;

THENCE NORTH ALONG SAID WEST LINE OF S. JEFFERY AVE. TO THE NORTH LINE OF LOT 40 IN BLOCK 2 IN W. G. WRIGHT'S 1st ADDITION TO JACKSON PARK BEING A SUBDIVISION OF LOTS 1, 2, 3, 4 AND 8 IN THE COMMISSIONER'S PARTITION OF THE EAST HALF OF THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 1, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID NORTH LINE OF LOT 40 BEING ALSO THE SOUTH LINE OF THE ALLEY SOUTH OF E. 87th ST.;

THENCE WEST ALONG SAID SOUTH LINE OF THE ALLEY SOUTH OF E. 87th ST. TO THE WEST LINE OF LOT 25 IN MORNINGSIDE LANE, A RESUBDIVISION OF LOT 2, (EXCEPT THE WEST 248.52 FEET THEREOF) IN THE PARTITION BY OWNERS IN THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 1, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE SOUTH ALONG SAID WEST LINE OF LOT 25 IN MORNINGSIDE LANE AND THE SOUTHERLY EXTENSION THEREOF TO THE NORTH LINE OF LOT 1 IN BLOCK 4 IN FRED E. DOWNEY'S SUBDIVISION IN THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 1, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE WEST ALONG SAID NORTH LINE OF LOT 1 IN BLOCK 4 IN FRED E. DOWNEY'S SUBDIVISION TO THE WEST LINE OF SAID LOT 1, BEING ALSO THE EAST LINE OF THE ALLEY EAST OF S. STONY ISLAND AVE.;

THENCE SOUTH ALONG SAID EAST LINE OF THE ALLEY EAST OF S. STONY ISLAND AVE. TO THE NORTH LINE OF E. 91st PL.;

THENCE EAST ALONG SAID NORTH LINE OF E. 91st PL. TO THE NORTHERLY EXTENSION OF THE LINE 165 FEET EAST OF AND PARALLEL WITH THE EAST LINE OF S. STONY ISLAND AVE.;

THENCE SOUTH ALONG SAID NORTHERLY EXTENSION AND THE LINE 165 FEET EAST OF AND PARALLEL WITH THE EAST LINE OF S. STONY ISLAND AVE. TO THE NORTH LINE OF E. 92nd ST.;

THENCE EAST ALONG SAID NORTH LINE OF E. 92nd ST. TO THE NORTHERLY EXTENSION OF THE LINE 200 FEET EAST OF AND PARALLEL WITH THE EAST LINE OF S. STONY ISLAND AVE.;

THENCE SOUTH ALONG SAID NORTHERLY EXTENSION AND THE LINE 200 FEET EAST OF AND PARALLEL WITH THE EAST LINE OF S. STONY ISLAND AVE. AND THE SOUTHERLY EXTENSION THEREOF TO THE SOUTH LINE OF E. 92nd PL.;

THENCE WEST ALONG SAID SOUTH LINE OF E. 92nd PL. TO THE WEST LINE OF LOT 17 GIDEON E. CLARK'S SUBDIVISION OF BLOCK 4 IN STONY ISLAND HEIGHTS, SAID WEST LINE OF LOT 4 BEING ALSO THE EAST LINE OF THE ALLEY EAST OF S. STONY ISLAND AVE., SAID EAST ALLEY LINE BEING A LINE 141 FEET EAST OF AND PARALLEL WITH THE EAST LINE OF S. STONY ISLAND AVE.;

THENCE SOUTH ALONG SAID LINE 141 FEET EAST OF AND PARALLEL WITH THE EAST LINE OF S. STONY ISLAND AVE. TO THE LINE 947.5 NORTH OF AND PARALLEL WITH THE NORTH LINE OF E. 95th ST.;

THENCE EAST ALONG SAID LINE 947.5 NORTH OF AND PARALLEL WITH THE

NORTH LINE OF E. 95th ST. TO THE LINE 433.75 FEET EAST OF AND PARALLEL WITH THE EAST LINE OF S. STONY ISLAND AVE.;

THENCE SOUTH ALONG SAID LINE 433.75 FEET EAST OF AND PARALLEL WITH THE EAST LINE OF S. STONY ISLAND AVE. TO THE NORTH LINE OF THE CHICAGO & WESTERN INDIANA RAIL ROAD RIGHT OF WAY;

THENCE WEST ALONG SAID NORTH LINE OF THE CHICAGO & WESTERN INDIANA RAIL ROAD RIGHT OF WAY TO THE EAST LINE OF S. STONY ISLAND AVE.;

THENCE SOUTH ALONG SAID EAST LINE OF S. STONY ISLAND AVE. TO THE SOUTH LINE OF THE CHICAGO ROCK ISLAND & PACIFIC RAIL ROAD;

THENCE WEST ALONG SAID SOUTH LINE OF THE CHICAGO ROCK ISLAND & PACIFIC RAIL ROAD TO THE WESTERLY LINE OF THE NEW YORK, CHICAGO AND ST. LOUIS RAIL ROAD RIGHT OF WAY;

THENCE SOUTHEAST ALONG SAID WESTERLY LINE OF THE NEW YORK, CHICAGO AND ST. LOUIS RAIL ROAD RIGHT OF WAY TO THE SOUTH LINE OF E. 95th ST.;

THENCE WEST ALONG SAID SOUTH LINE OF E. 95th ST. TO THE POINT OF BEGINNING.

0020770911

EXHIBIT B

0020770911

LEGAL DESCRIPTION OF PROPERTY

LOTS 1, 2, 3 AND 4 IN GREENWOOD PLACE SUBDIVISION, BEING A  
SUBDIVISION OF LOT 4 IN KLARICH'S SUBDIVISION OF THE EAST 1 /2  
OF THE NORTHEAST 1 /4 OF THE NORTHWEST 1 /4 OF SECTION 2,  
TOWNSHIP 37 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL  
MERIDIAN ACCORDING TO THE PLAT THEREOF RECORDED  
NOVEMBER 30, 2001 AS DOCUMENT NUMBER 0011124054, IN COOK  
COUNTY, ILLINOIS.

PIN # 25-02-102-012  
25-02-102-016  
25-02-102-017

**EXHIBIT C**

0020770911

**TIF-FUNDED IMPROVEMENTS**

<u>Cost</u>	<u>Amount</u>
Acquisition	\$ 670,000
Demolition	110,000
Site Preparation	360,000
Rehabilitation	1,360,000
Environmental Remediation	0
Public Improvements*	<u>100,000</u>
Total	<u>\$ 2,600,000</u>

Notwithstanding the total above, the assistance to be provided by the City hereunder is limited to the amount set forth in Section 4.03 hereof.

\*If the Developer expends less than \$100,000 on public improvements, the figure of \$2,600,000 as referenced in Section 4.03(b) and elsewhere in this Agreement, as well as the maximum principal amount of the City Note, shall be reduced by the amount less than \$100,000 that the Developer expends on public improvements.

EXHIBIT D

REDEVELOPMENT PLAN

0020770911

[NOT ATTACHED FOR RECORDING PURPOSES]



**EXHIBIT E**

**0020770911**

**CONSTRUCTION CONTRACT**

[NOT ATTACHED FOR RECORDING PURPOSES]

**EXHIBIT F**

0020770911

**PERMITTED LIENS**

The following liens or encumbrances against the Property:

Those matters set forth as Schedule B title exceptions in the attached owner's pro forma title insurance policy issued by the Title Company, but only so long as applicable title endorsements issued in conjunction therewith, if any, continue to remain in full force and effect, excluding the following numbered Schedule B exceptions for which the Developer has agreed to obtain releases within sixty days after the Closing Date: No. 28 (original contractor's claim for lien in favor of Osman Construction Corporation) and No. 29 (subcontractor's lien in favor of Alcor Electric, Inc.).

**EXHIBIT G-1**

**0020770911**

**FINAL BUILDING BUDGET**

MBE / WBE consultant	\$100,000
Building hard construction	\$2,086,700
Tenant Improvements	\$532,000
Architect / Engineering / Consultants	\$133,043
Marketing / Leasing	\$171,000
Legal	\$20,000
Contingency	\$200,000
Interest Expense	\$216,000
Utilities	\$92,000
<b>Total Final Building Costs</b>	<b>\$3,550,743</b>

**EXHIBIT G-2**

0020770911

**PROJECT BUDGET**

Land acquisition	\$750,000
Site Work	\$761,820
Shell	\$7,747,500
Tenant Improvements	\$2,977,920
Fence, Security and Other Costs	\$474,393
<b>Total Construction Costs</b>	<b>\$12,711,633</b>
Architect / Engineering / Consultants	\$342,074
Marketing / Leasing	\$110,000
Legal / Accounting	\$80,000
Relocation Expense	\$400,000
General Conditions / Contractor Fee	\$629,111
Leasing Commissions	\$336,780
Interest Expense / Construction and Rent-up	\$712,000
Mortgage Loan Costs	\$160,000
<b>Total Leasing, Loan, Other</b>	<b>\$2,769,966</b>
<b>Total Project Costs</b>	<b>\$15,481,599</b>

**EXHIBIT G-3**

0020770911

**MBE/WBE BUDGET**

Site Work	\$761,820
Shell	\$7,747,500
Tenant Improvements	\$2,977,920
Fence, Security and Other Costs	\$474,393
<b>Total Construction Costs</b>	<b>\$11,961,633</b>

**EXHIBIT H**

**APPROVED PRIOR EXPENDITURES**

**0020770911**

The Prior Expenditures approved by DPD are all of the costs set forth in the Project Budget attached hereto as Exhibit G-2.

**EXHIBIT I**

**0020770911**

**OPINION OF DEVELOPER'S COUNSEL**

[NOT ATTACHED FOR RECORDING PURPOSES]

**EXHIBIT J**

**PRELIMINARY TIF PROJECTION - REAL ESTATE TAXES** 0020770911

0020770911



Stony Island Commercial / Burnside Industrial Corridors TIF District

0020770911

Exhibit J

Rehabilitation of 1111 East 87th Street, and construction of three new buildings

Note: all figures are estimates

Year	Assessed Value	Equalized AV	Estimated Taxes
2002	\$2,071,103	\$4,628,916	\$180,065
2003	\$2,071,103	\$4,628,916	\$360,130
2004	\$2,071,103	\$4,628,916	\$360,130
2005	\$2,197,872	\$4,912,243	\$382,173
2006	\$2,197,872	\$4,912,243	\$382,173
2007	\$2,197,872	\$4,912,243	\$382,173
2008	\$2,332,399	\$5,212,912	\$405,565
2010	\$2,332,399	\$5,212,912	\$405,565
2011	\$2,332,399	\$5,212,912	\$405,565
2012	\$2,475,161	\$5,531,984	\$430,388
2013	\$2,475,161	\$5,531,984	\$430,388
2014	\$2,475,161	\$5,531,984	\$430,388
2015	\$2,475,161	\$5,531,984	\$430,388
2016	\$2,626,660	\$5,870,586	\$456,732
2017	\$2,626,660	\$5,870,586	\$456,732
2018	\$2,626,660	\$5,870,586	\$456,732
2019	\$2,626,660	\$5,870,586	\$456,732
2020	\$2,787,433	\$6,229,913	\$484,687
2021	\$2,935,084	\$6,559,913	\$510,361
2022	\$2,935,084	\$6,559,913	\$510,361

**EXHIBIT K**

**FORM OF CITY NOTE**

0020770911

[NOT ATTACHED FOR RECORDING PURPOSES]

0020770911

**EXHIBIT L**

**FORM OF CERTIFICATE OF EXPENDITURE**

(Closing Date)

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")  
\$2,600,000 Tax Increment Allocation Revenue Note  
Stony Island Avenue Commercial and Burnside Industrial Corridors  
Tax Increment Financing Redevelopment Project Area  
(Greenwood Associates Redevelopment Project),  
Taxable Series 2002A (the "Redevelopment Note")

This Certificate is submitted to you, as Registered Owner of the Redevelopment Note, pursuant to the Ordinance of the City authorizing the execution of the Redevelopment Note adopted by the City Council of the City on January 10, 2001 (the "Ordinance"). All terms used herein shall have the same meanings as when used in the Ordinance.

The City hereby certifies that \$ \_\_\_\_\_ is advanced as principal under the Redevelopment Note as of the date hereof. Such amount has been properly incurred, is a proper charge made or to be made in connection with the redevelopment project costs defined in the Ordinance, and has not been the basis of any previous principal advance. As of the date hereof, the outstanding principal balance under the Redevelopment Note is \$ \_\_\_\_\_, including the amount of this Certificate and less payments made on the Note.

IN WITNESS WHEREOF, the City has caused this Certificate to be signed on its behalf as of (Closing Date).

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

BY: \_\_\_\_\_,  
Alicia Mazur Berg,  
Commissioner

AUTHENTICATED BY:

\_\_\_\_\_  
REGISTRAR

**EXHIBIT M**

0020770911

**PUBLIC BENEFITS PROGRAM**

The Developer commits to a public benefits program that shall consist of the provision of computer equipment, training and assistance to the Arthur Ashe school, and efforts, coordinated with the local alderman's office, to secure maximum hiring within the Project from the local residential community.

EXHIBIT N

0020770911

PROPORTIONATE SHARE EXAMPLES

1. Assume, for a given year, that the TIF area generates \$100 of Incremental Taxes. The city has issued a note to a bank under the Small business Improvement Program, and the scheduled principal and interest payment under the note for that year is \$25. The City would reserve \$7.50 for its administrative costs (7.5% of \$100). The City has reached arrangements with two developers in the TIF area, and has pledged to one of the developers 100% of the Incremental Taxes it generates ("Developer 1"), and to the other 90% of the Incremental Taxes it generates ("Developer 2"). Developer 1 has generated \$40 of increment that year, while Developer 2 has generated \$50.

The amounts payable to Developer 1 and Developer 2 would be calculated as follows:

Available Incremental Taxes would be equal to \$67.5, which is \$100, less the City fee (7.5% of \$100, or \$7.50), less the scheduled payment on the City SBIF note (\$25)

The Developer Incremental Taxes for each Developer (or the amounts to be paid to each Developer, based solely on what they generate in increment), is \$40 to Developer 1 and \$45 to Developer 2 (90% of \$50), for a total of \$85. There is a shortfall, so the Proportionate Share of each Developer must be calculated.

Proportionate Share (Developer 1): \$40 divided by \$85, which equals 47%, multiplied by \$67.5 equals \$31.72.

Proportionate Share (Developer 2): \$45 divided by \$85, which equals 53%, multiplied by \$67.5 equals \$35.78.

Note: even if the City actually pledged to Developer 1 110% of the Incremental Taxes it generates, for purposes of this calculation Developer 1 would be deemed to have had only 100% of its Incremental Taxes pledged by the City.

2. Same facts as in item 1, but if the Incremental Taxes for the TIF Area equaled \$130 for that year, the amount paid would have been as follows:

Payment of City Fee:	\$9.75
Remainder:	\$120.25
Payment on SBIF Note:	\$ 25
Remainder:	\$ 95.25

Since this amount exceeds the totals pledged to Developer 1 and Developer 2 (\$85), there is no shortfall, and each developer will received the entire amount pledged to him.

**EXHIBIT O**

**FORM OF SUBORDINATION AGREEMENT**

0020770911

[NOT ATTACHED FOR RECORDING PURPOSES]