



COMMUNITY DEVELOPMENT COMMISSION  
OF THE  
CITY OF CHICAGO

RESOLUTION NO. 07 - CDC - 80

AUTHORIZATION TO NEGOTIATE A  
REDEVELOPMENT AGREEMENT WITH 5007 LAWDALE CORPORATION  
AND  
RECOMMENDATION TO  
THE CITY COUNCIL OF THE CITY OF CHICAGO  
FOR THE DESIGNATION OF 5007 LAWDALE CORPORATION  
AS DEVELOPER

**WHEREAS**, the Community Development Commission (the "Commission") of the City of Chicago (the "City") has heretofore been appointed by the Mayor of the City with the approval of its City Council (the City Council referred to herein collectively with the Mayor as the "Corporate Authorities") as codified in Section 2-124 of the City's Municipal Code; and

**WHEREAS**, the Commission is empowered by the Corporate Authorities to exercise certain powers enumerated in Section 5/11-74.4-4(k) of the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1 et seq.), (as amended from time to time, the "Act"); and

**WHEREAS**, the City Council, upon the Commission's recommendation pursuant to Resolution 99-CDC-252 and pursuant to the Act, enacted three ordinances on May 17, 2000 pursuant to which the City approved and adopted a certain redevelopment plan and project (the "Plan") for the 51<sup>st</sup> and Archer Redevelopment Project Area (the "Area"), designated the Area as a redevelopment project area and adopted tax increment allocation financing for the Area. The street boundaries of the Area are described on Exhibit A hereto; and

**WHEREAS**, 5007 Lawndale Corporation (the "Developer"), has presented to the City's Department of Planning and Development ("DPD") a proposal for redevelopment of the Area or a portion thereof that is in compliance with the Plan, consisting of the construction of a 181 unit residential development (the "Project"); and

**WHEREAS**, DPD requests that the Commission recommend to City Council that the Developer be designated as the developer for the Project and that DPD be authorized to negotiate, execute and deliver a redevelopment agreement with the Developer for the Project; now, therefore,

**BE IT RESOLVED BY THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF CHICAGO:**

- Section 1. The above recitals are incorporated herein and made a part hereof.
- Section 2. The Commission hereby recommends to City Council that the Developer be designated as the developer for the Project and that DPD be authorized to negotiate, execute and deliver on the City's behalf a redevelopment agreement with the Developer for the Project.
- Section 3. If any provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this resolution.
- Section 4. All resolutions, motions or orders in conflict with this resolution are hereby repealed to the extent of such conflict.
- Section 5. This resolution shall be effective as of the date of its adoption.
- Section 6. A certified copy of this resolution shall be transmitted to the City Council.

ADOPTED: **September 11** 2007

Attachment: Exhibit A, Street Boundary Description

**EXHIBIT A**

Street Boundary Description of the  
51<sup>st</sup> and Archer Tax Increment Financing  
Redevelopment Project Area

The Area is generally bounded by Archer Avenue on the north, Kedzie Avenue on the east, 59<sup>th</sup> Street on the south, and Kolmar Avenue on the west.

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

**STAFF REPORT  
TO THE  
COMMUNITY DEVELOPMENT COMMISSION  
REQUESTING DEVELOPER DESIGNATION  
September 11, 2007**

**I. PROJECT IDENTIFICATION AND OVERVIEW**

Project Name:	Park Place Residential Development
Applicant Name:	5007 Lawndale Corporation
Project Address:	3606-3656 West 51 <sup>st</sup> Street and 4945-5059 South Lawndale Avenue.
Ward and Alderman:	14 <sup>th</sup> / Alderman Edward M. Burke
Community Area:	West Elsdon
Redevelopment Project Area:	51 <sup>st</sup> and Archer TIF
Requested Action:	TIF Developer Designation
Proposed Project:	Project includes 89 Single-family homes (SFH), 74 townhouses (TH), and 18 three-flats. The project will provide 181 housing units of which 36 units, or 20 percent will be affordable for households earning no more than 100 percent of the area median income.
TIF Assistance:	Not to exceed \$7.4M

## **II. PROPERTY DESCRIPTION**

Address: 3606-3656 West 51<sup>st</sup> Street and 4945-5059 South Lawndale Avenue

Location: Northeast corner of South Lawndale Avenue and West 51<sup>st</sup> Street.

Tax Parcel Numbers: 19-11-120-010 19-11-120-013 19-11-120-014  
19-11-120-016 19-11-120-021

Land Area: 15.18 acres (gross)

Current Use: Property is currently vacant land with 10 model homes and sales center. Property was formerly a warehouse for World's Finest Chocolate.

Current Zoning: Residential Planned Development No. 989

Proposed Zoning: same

Environmental Condition: Property will undergo final remediation and a draft NFR letter is on file.

## **III. BACKGROUND**

The surrounding neighborhood is generally single-family homes with some multi-unit buildings to the south and west, industrial uses to the north (World's Finest Chocolate manufacturing facility and offices-active) separated by the elevated Orange Line, vacant industrial land immediately east and separated by the Grand Trunk rail line and new residential development further east at 51<sup>st</sup> and Homan. This proposed development, together with the proposed 51<sup>st</sup> and Homan development, will be one of the largest new residential developments on the southwest side of the City in nearly fifty years. This development will provide current neighborhood residents new construction of high quality and an affordable alternative to suburban communities, and will also attract new residents looking for cheaper alternatives to the north side or other south side communities to the east. The property was previously owned by World's Finest Chocolate as excess warehouse space. The company closed this facility over three years ago and the property has sat vacant since without industrial interest. This former industrial pocket is undergoing change with the decline in industrial demand and increase in residential demand. Due to accessibility and nearby residential uses, the City agrees that this parcel is no longer appealing for industrial use and would better serve the area as residential. The developer acquired the parcel for \$6.9M. This parcel was acquired privately and was not the subject of previous CDC action.

#### IV. PROPOSED DEVELOPMENT TEAM

Development Entity: 5007 Lawndale Corp. consists of Ted Mazola, August Mauro, Neil Renzi, Anthony Tirtilli and Charles Papp. Ted Mazola and his company New West Realty is an established residential developer whose projects include, University Village, Heritage Homes of West Village and University Station, the rehabilitation of an Art-Deco loft building in the West Loop. The developer is licensed by the City as a Residential Developer.

Consultants: Louik and Schneider is TIF consultant for this development. Louik and Schneider have extensive experience with TIF applications and TIF redevelopment plans. The architect is Pappageorge/Haymes. New West will provide sales and marketing for this project.

#### V. PROPOSED PROJECT

##### Project Overview:

The developer proposes to construct a Residential Planned Development containing 181 dwelling units comprised of 89 single-family residences, 74 town-homes, 18 three-flat buildings and a one-acre park.

The developer proposes to establish a standard Chicago-style street grid system by the public dedication of West 50<sup>th</sup> Place, West 50<sup>th</sup> Street, South Millard and South Central Park plus two (2) east-west alleys and (2) north-south alleys. The dedication of the streets and alleys will allow the connection of the dwelling units to South Lawndale Avenue and west 51<sup>st</sup> Street.

The single-family homes will offer a variety of designs and facades and include a 2-car detached garage. Some SFH will include an attached 2-car garage depending upon the location of the home. Each structure will feature face brick on the front facade wrapped around the side and vinyl siding on the sides and rear. Some single family homes will feature a large, covered front porch. All structures facing a public street will include masonry construction. The three-flat buildings will also provide a two-car garage. The 74 town-homes will be masonry on fronts and sides and include a metal balcony on the rear. Each town-house will include an attached, 2-car garage and up to 3 bedrooms. The development will meet visitable/accessible requirements set forth by the Mayor's Office for People with Disabilities. The development will include a one-acre park and the sales center will be converted into a community center featuring a social room, fitness center, private community pool and locker rooms.

A site plan, floor plans and elevation are provided as exhibits to this report.

**Residential Unit Profile:** The following tables provide detailed descriptions of the market-rate and affordable components of the proposed project. The subject property will provide a total of 181 housing units of which 36 units or 20 percent will be affordable for households earning no more than 100 percent of the area median income. These units will satisfy the Chicago affordable housing ordinance, which required 20 percent affordable units in projects receiving TIF assistance. The Department of Housing has reviewed and approved the pricing of the affordable units.

### Market Rate For-Sale Units

Unit Type	Number	Size-sf	Price/sf	Price*	Total Revenue
Single Family C	1	1,644	246	404,000	404,000
Single Family A	2	1,690	239	404,000	808,000
Single Family B	3	1,876	237	444,900	1,334,700
Single Family D	58	1,727	219	377,000	21,866,000
Single Family E	18	1,626	218	354,000	6,372,000
Single Family E w/o Basement	7	1,626	216	350,900	2,456,300
Townhome A	2	1,801	186	334,900	669,800
Townhome A2	4	1,801	180	324,900	1,299,600
Townhome B	2	1,973	171	337,900	675,800
Townhome B2	9	1,973	171	337,900	3,041,100
Townhome D	18	1,862	180	334,900	6,028,200
Townhome F	21	1,634	195	317,900	6,675,900
<b>Average</b>	<b>145</b>	<b>1,737</b>	<b>\$205</b>	<b>\$356,494</b>	<b>\$51,631,400</b>

### Affordable For-Sale Units

Unit Type	Number	Size-sf	Market Price	Write-Down	Affordable Price*	Total Revenue
Townhome FP	8	1,862	334,900	119,900	215,000	1,720,000
Townhome F	10	1,634	317,900	121,900	196,000	1,960,000
Condo A	4	1,233	254,000	88,000	166,000	664,000
Condo B	4	1,151	247,000	80,000	167,000	668,000
Condo C	6	790	174,000	43,000	131,000	786,000
Condo D	4	1,050	225,000	71,000	154,000	616,000
<b>Total/Average</b>	<b>36</b>	<b>1,381</b>	<b>\$275,227</b>	<b>\$94,227</b>	<b>\$178,166</b>	<b>\$6,414,000</b>



**Environmental Features:** The project satisfies the department's 'Building Green/Green Matrix by incorporating energy efficient homes and achieving Energy Star Certification. Additionally, there will be a one-acre park located at the south end of the development site. The park will be owned by the homeowners association but open to the general public.

## VI. FINANCIAL STRUCTURE

This project is a for-sale residential development. There have been four pre-sales to date. The deal is conventionally financed through The Private Bank and Trust. The developer will participate in the Housing for Teachers program and Veteran's housing initiatives. The TIF assistance will be in an amount not to exceed \$7.4M, or 12% of total project costs. The TIF assistance will be in the form of two Developer Notes, which will not be issued until each of the project phases is complete. The first phase will include the necessary site work, infrastructure and the construction of a portion of the units. Construction for the first phase is expected to commence Fall 2007 and complete Fall 2008. The second phase will include the construction of the remaining the units and all development amenities. Construction of the second phase is expected to commence Fall 2008 and be completed by Winter 2010.

The Notes will be payable from the project PINs only. The TIF assistance amount of up to \$7.4M will represent no more than 90% of the total amount of increment expected to be generated by the new project over the remaining life of the TIF. This development is being built upon an industrial site that will require some environmental remediation and which lacks any residential infrastructure whatsoever. The Developer will be responsible for all utilities, infrastructure, and roads and sidewalks. The new streets will be dedicated to the City, and as such will have to be built to City standards. DPD would like to see high quality construction like this in emerging markets, such as this area, so existing residents have new construction options in their communities.

The following tables identify the sources and uses of funds and the estimated profit.

<b>Sources and Uses of Funds</b>		
<u>Sources</u>	<u>Amount</u>	<u>% of total</u>
Equity	\$1,997,000	3.2%
<u>Debt - Private Bank</u>	<u>\$59,910,713</u>	<u>96.8%</u>
 Total Sources	 \$61,907,713	 100%
<u>Uses</u>	<u>Amount</u>	<u>\$/sf of Building*</u>
Land Acquisition (\$10.43 /sf of land)	\$6,900,000	\$22.88 psf
Site Clearance and Preparation (\$10.99 /sf of land)	\$7,269,082	\$24.10 psf
Hard Costs	\$33,160,644	\$109.96 psf
Hard Cost Contingency	<u>\$850,380</u>	<u>\$2.82 psf</u>
Soft Costs	\$41,280,106	\$136.88psf
Soft Cost Contingency	\$300,000	

Architect/Eng Fee (2.2% of hard costs)	\$900,000	
Financing Costs/Interest (6.4% of loan)	\$3,835,573	
Legal/Acct Fees (0.3% of total costs)	\$180,000	
Marketing/Models (3.5% of total costs)	\$2,194,000	
Developer Fee	\$2,417,468	
Sales Commissions/Closing Costs	\$2,413,564	
Real Estate Taxes	\$529,802	
Insurance	\$120,000	
Permits/Fees/Expediting	\$452,500	
Letter of Credit	\$25,000	
Warranty Reserves	\$108,600	
Other soft costs (.04% of total costs)	<u>\$251,100</u>	
Total Soft Costs (22.2% of Project Total)	\$13,727,607	\$45.52 psf
 Total Uses	 \$61,907,713	 \$205.28 psf

### Profit Analysis

Unit Sales Revenue	
145 market rate units	\$51,631,400
36 affordable units	\$6,414,000
Upgrades (3.5% of market rate sales)	\$1,810,000
 Total Gross Unit Sales	 \$59,855,400
 Parking Revenue (included in unit price)	 \$0
 Total Revenue	 \$59,855,400
Less: Cost of Sales	
Closing Costs (<1% of sales)	\$271,500
Sales Commissions (3.6% of sales)	<u>\$2,142,064</u>
Total Cost of Sales	<u>-\$2,413,564</u>
 Net Sales Revenue	 \$57,441,836
 Plus: TIF	 \$7,400,000
 Net Sales Revenue Including TIF	 \$64,841,836
 Less: TPC (not incl. cost of sales/dev fee)	 <u>-\$57,076,681</u>
 Profit	 \$7,765,155
 <u>Indicators:</u>	
Profit as Percent of Total Project Costs	12.5%
Profit as Percent of Gross Sales Revenue	13%
Percent Equity Return	255%

## **VII. PUBLIC BENEFITS**

The proposed project will provide the following public benefits.

**Affordable Housing:** The project will provide **36** new affordable housing units.

**Housing for Teachers:** The developer has agreed to participate in the Chicago Public Schools' Housing for Teachers initiative.

**Veteran's Housing:** Adaptable housing marketed to and discounted for disabled veterans

**Property Taxes:** The project will expand the tax base because the investment in the property will result in an increase in its assessed value.

**Environmental Features:** Energy-efficient homes that achieve Energy Star Certification. This project will incorporate environmentally-sensitive, low-impact design with on-site water detention.

**Construction Jobs:** The project will produce approximately 150 temporary construction jobs.

**Affirmative Action:** The developer will comply with the requirements of Chicago's affirmative action ordinance, which requires contract participation of 24% by minority-owned business enterprises (MBEs) and 4% by woman-owned business enterprises (WBEs). The developer has provided notification of the proposed project, by certified mail, to several associations of minority and women contractors. A sample version of the letter and copies of the post office receipts for the certified letters are presented as exhibits to this report.

**City Residency:** The developer will comply with the requirements of Chicago's city residency ordinance, which requires that at least half of all construction-worker hours be filled by Chicago residents. The developer will also comply with the requirement that all construction jobs are paid the prevailing wage.

## **VIII. COMMUNITY SUPPORT**

Because this site is in a former industrial area, there are no local community organizations that represent this area.

## **IX. CONFORMANCE WITH REDEVELOPMENT AREA PLAN**

The proposed project is located in the 51<sup>st</sup> and Archer Tax Increment Financing Redevelopment Project Area. The proposed project will satisfy the following goals of the area's redevelopment plan: Encourage the development of a variety of residential housing types where adjacent residential units exist or in other appropriate areas and; support the expansion of residential uses in the Area.

The implementation strategy for achieving the plan's goals envisions the need to provide TIF financial assistance for the development of residential development. The proposed project also conforms to the plan's land use map, which calls for residential development at the subject site.

#### **X. CONDITIONS OF ASSISTANCE**

If the proposed resolution is approved by the CDC, DPD will negotiate a redevelopment agreement with the developer. The redevelopment agreement will incorporate the parameters of the proposed project as described in this staff report.

It is DPD policy that no business will be conducted with a development entity whose any principal has outstanding municipal debts (such as unpaid parking tickets, unpaid water bills, unpaid business licenses, and others), is in arrears of child support payments, or who is a debtor in bankruptcy, a defendant in a legal action for deficient performance, a respondent in an administrative action for deficient performance, or a defendant in any criminal action. Before today's action is presented to the city council for approval, the department will conduct a thorough background check of all principals having an ownership interest of 7.5 percent or greater, and of the boards of directors and trustees of non-profit organizations. Similar background checks will be conducted on the development entity itself.

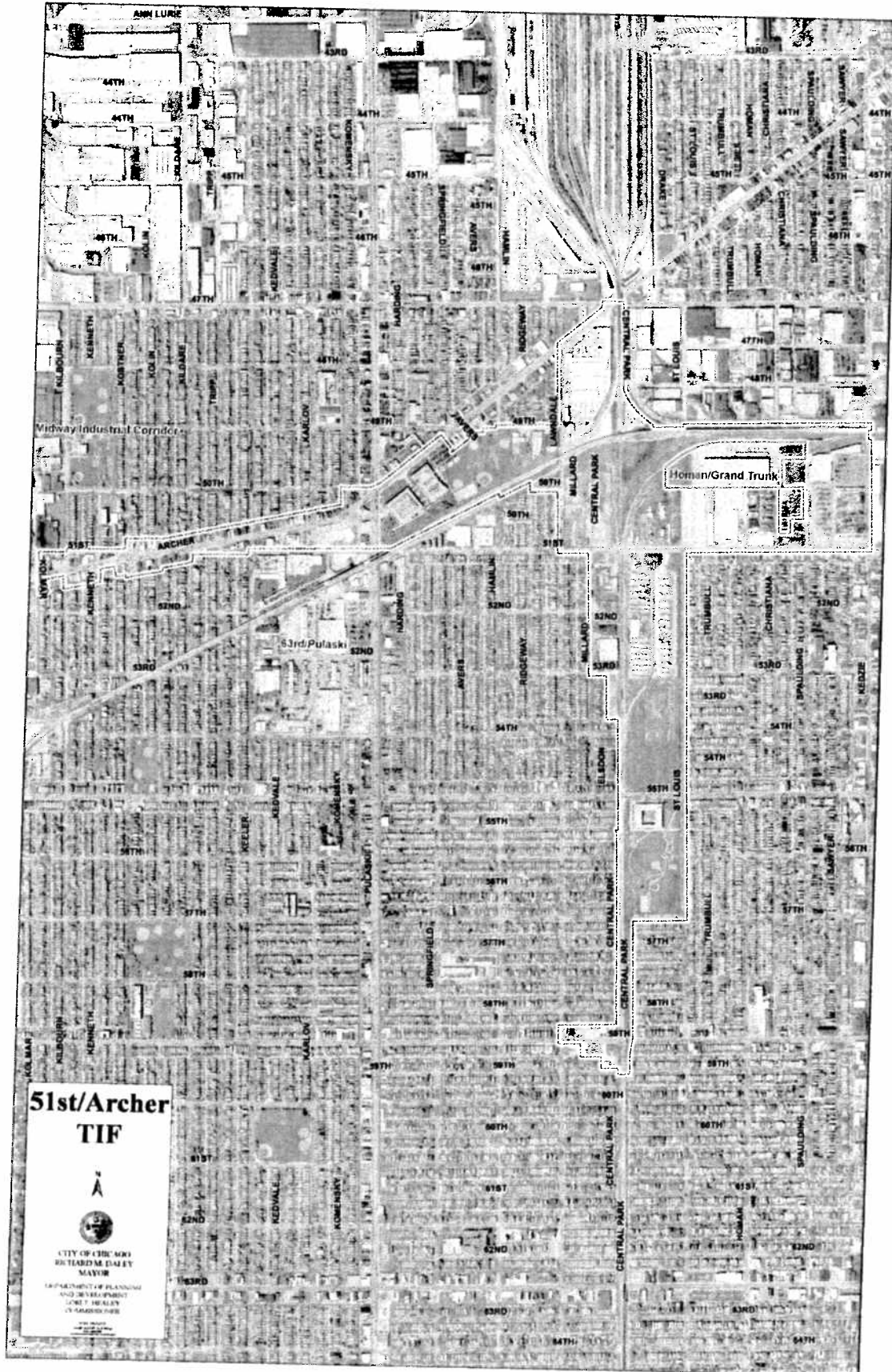
Closing of the redevelopment agreement will not occur before the City Council has approved the agreement, the developer has obtained all necessary City approvals including zoning and building permits, and the developer has presented proof of financing. The redevelopment agreement will include a development timetable.

#### **XI. RECOMMENDATION**

The Department of Planning and Development has thoroughly reviewed the proposed project, the qualifications of the development team, the financial structure of the project, its need for public assistance, its public benefits, and the project's conformance with the redevelopment area plan, and DPD recommends that the CDC recommend to the City Council the designation of 5007 Lawndale Corporation as Developer for the development of 181 residential units at 51<sup>st</sup> and Lawndale Ave.

**EXHIBITS**

Redevelopment Area Map  
Neighborhood Map or Aerial  
Site Plan  
Typical Floor Plan  
Front Elevation or Rendering  
Sample M/WBE Letter  
Copies of M/WBE Certified Letter Receipts  
Lender's Letter of Interest  
Alderman's Letter of Support





West 49th Street

5059 S. Lawndale, Chicago

South Morgan Avenue

West 51st Street

Imago NASA  
© 2007 Tele Atlas

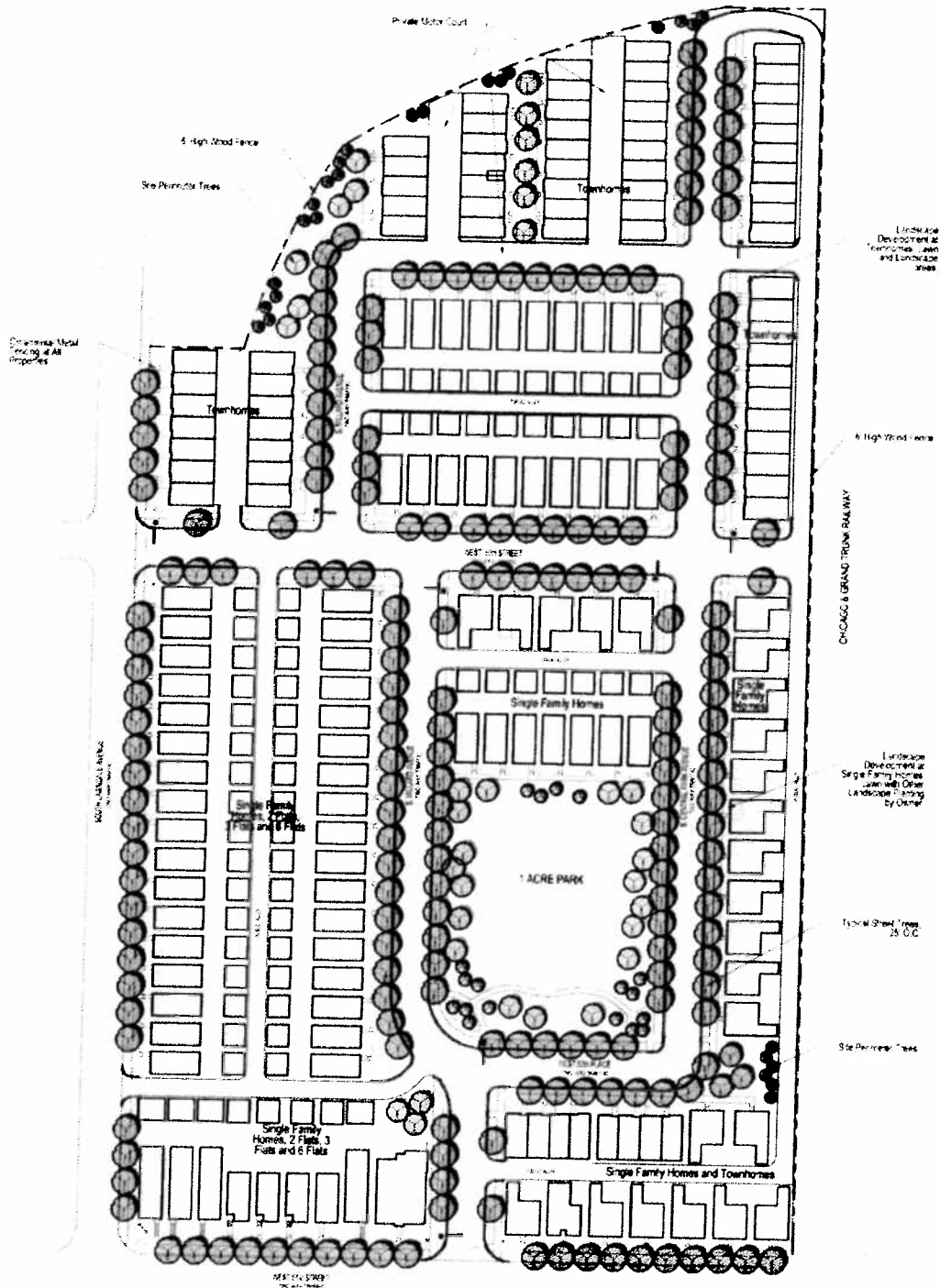
© 2007 Europa Technologies

Pointer 41°48'06.40" N 87°42'51.52" W elev 600 ft

Streaming 100%

Eye alt 3413 ft

Google



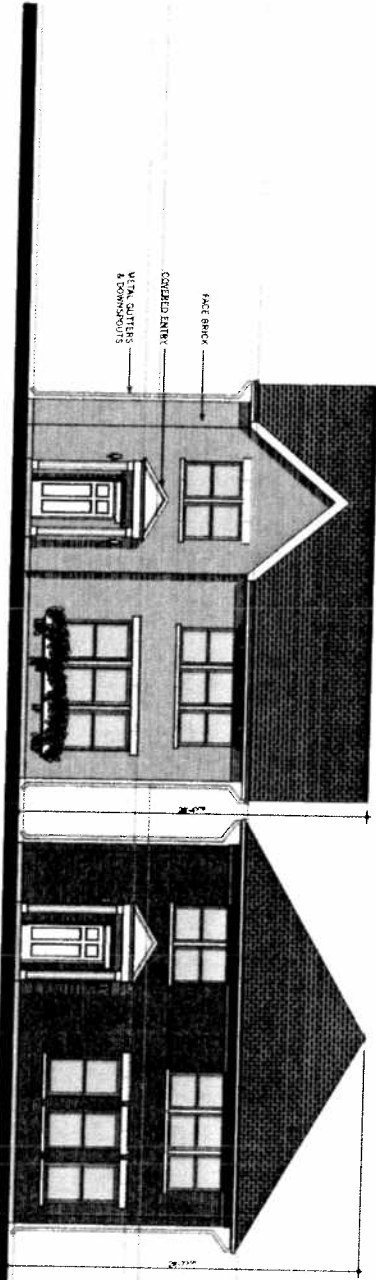
51st & S. LAWDALE AVENUE  
PRELIMINARY LANDSCAPE PLAN

PROJECT  
5007 South Lawndale Corp

ARCHITECT  
DANIEL W. BRACH & PARTNERS, LTD.

PROPERTY LOCATION  
605-606 West 51st Street  
645-609 South Lawndale Avenue  
DATE  
April 13th, 2007



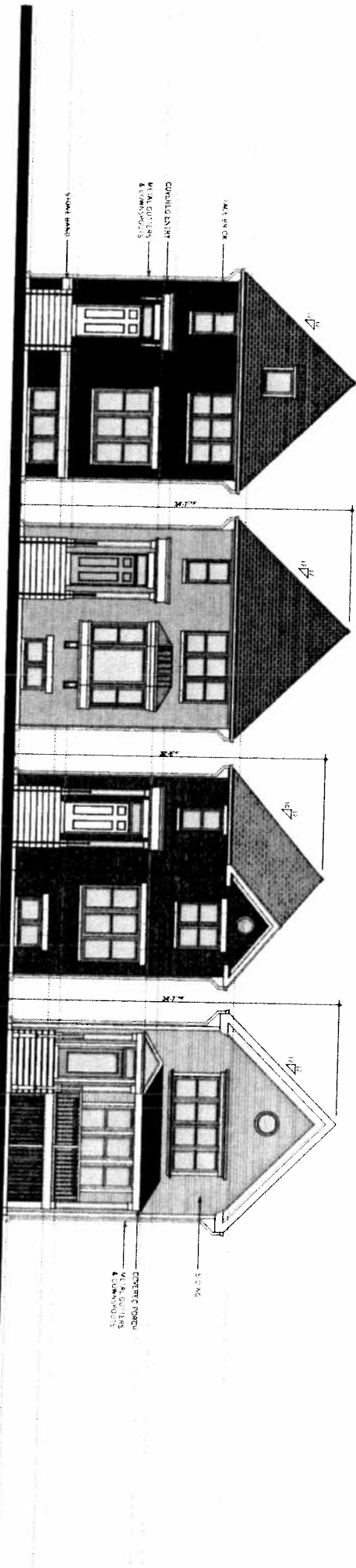


PARK PLACE  
 1000 Park Place  
 Dallas, TX 75201  
 © 2008 Park Place Homes, LLC

  
**PARK PLACE**  
 HOMES  
 NEW REALTY  
 SERVICES



PARK PLACE HOMES, LLC  
 1000 Park Place  
 Dallas, TX 75201  
 © 2008 Park Place Homes, LLC

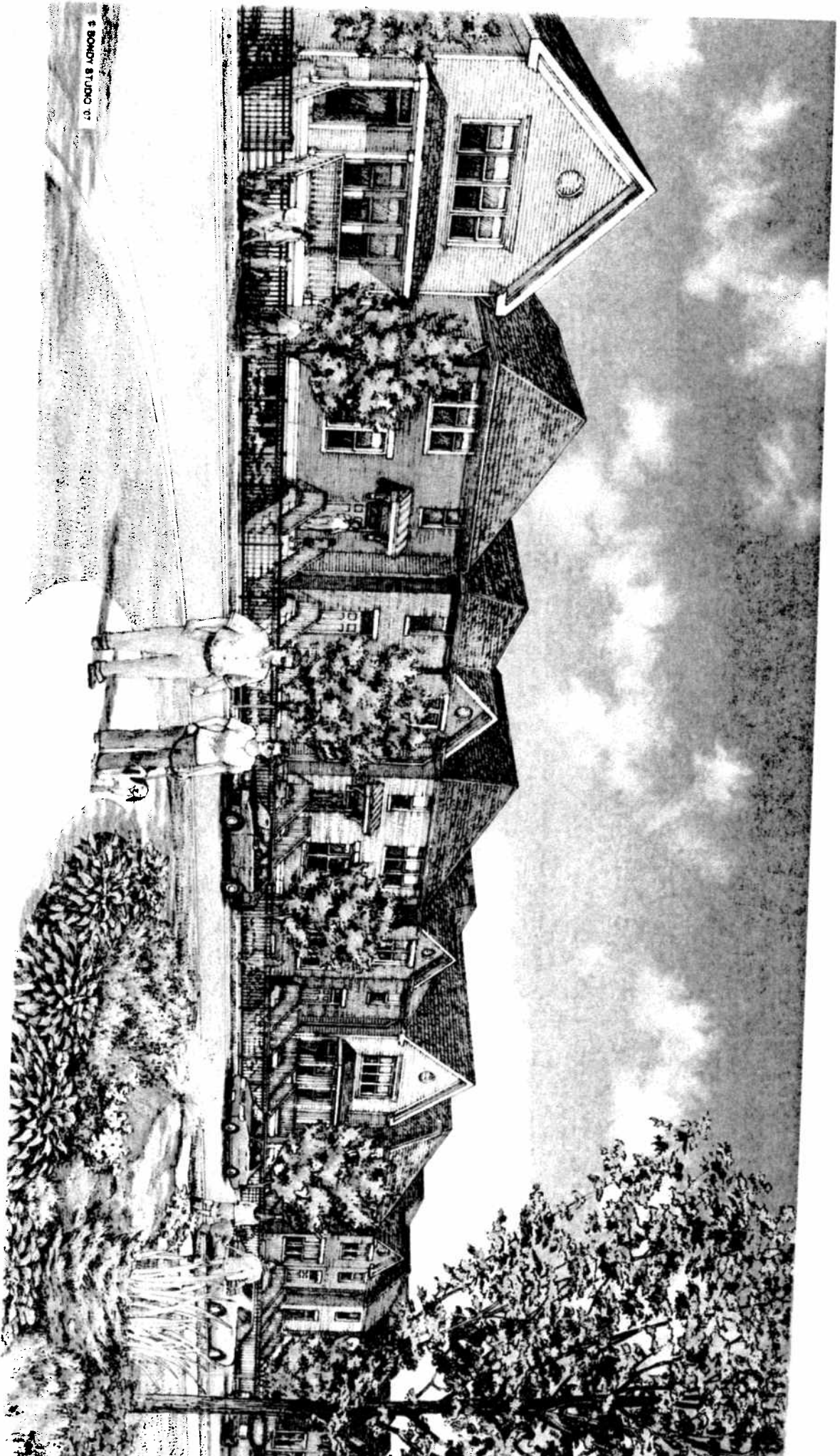


PARK PLACE  
 Single Family and Townhome Development  
 1000 Park Place  
 Parkville, MO 64154

**PARK PLACE**  
 HOMES  
 NEW VENT REALTY  
 DEVELOPMENT



PLANNING/REGULATORY LLC  
 ARCHITECT  
 1000 Park Place  
 Parkville, MO 64154

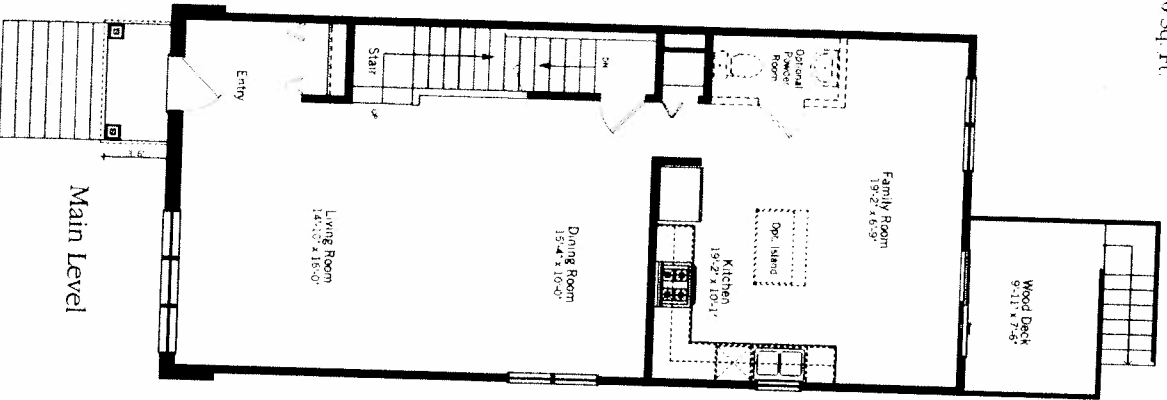


C. CARL'S STUDIO

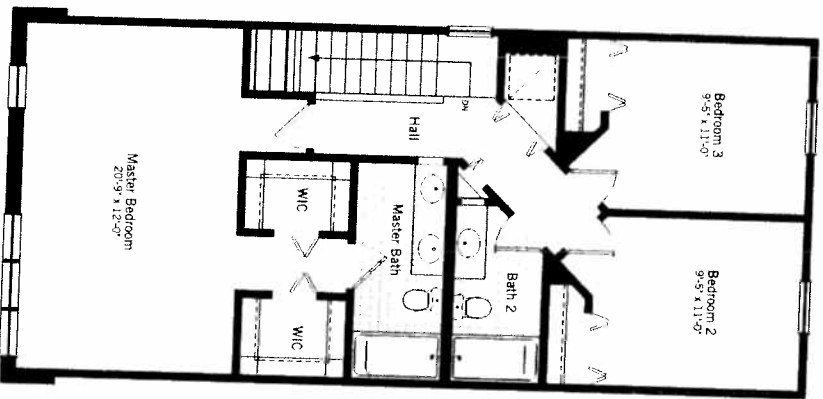


# The Dearborn

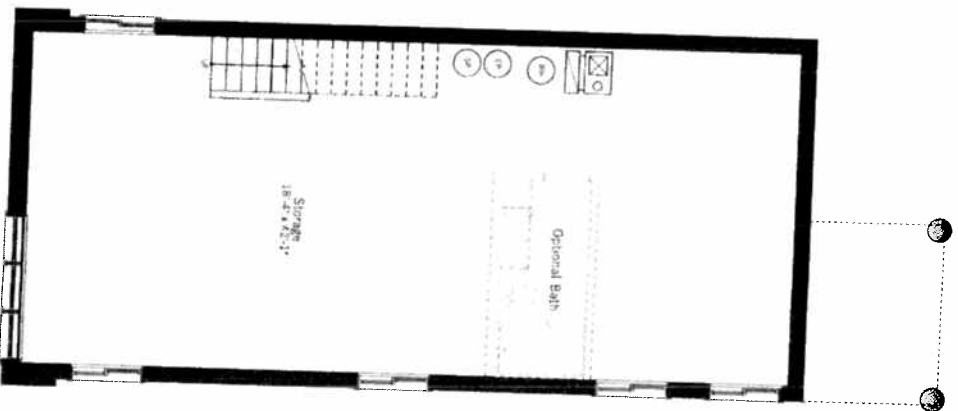
Single-Family Home  
 3-Bedroom, 2-Bath  
 Residence: 2,670 Sq. Ft.  
 Garage: 400 Sq. Ft.  
 Total: 3,070 Sq. Ft.



Main Level



Upper Level



Lower Level

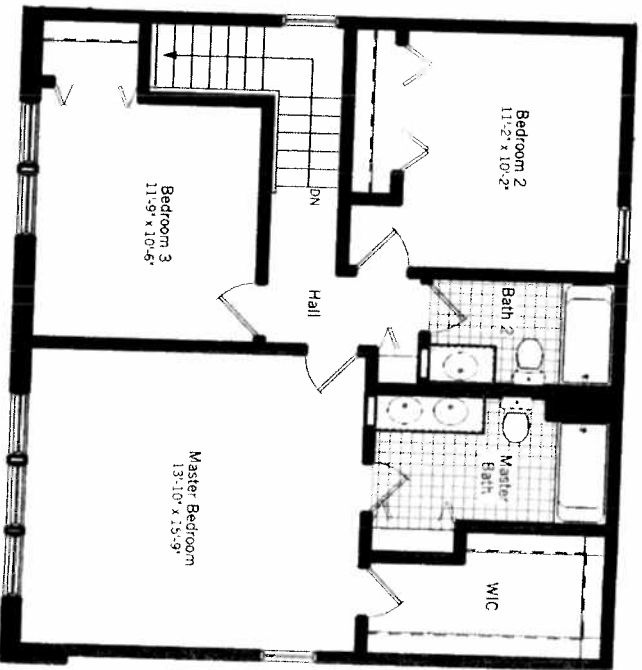
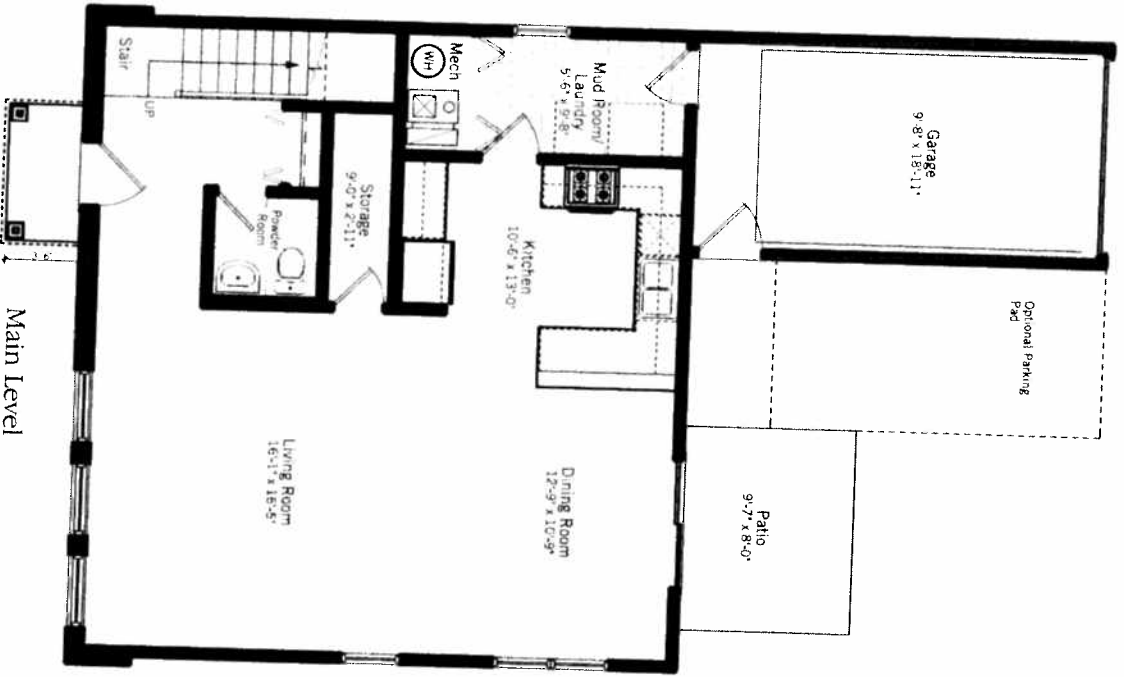
©2017 Lennar. Lennar Corp.'s policy of continual renovation, design and construction requires that all specific designs may vary depending on residential selected. Depicted floor plans, finishings and details.

\* Sizes, features and materials are subject to change without notice. Room dimensions are approximate and all on-site interpretation. Floorplans and finishes may vary depending on location.



# The Essex

Single-Family Home  
 3-Bedroom, 2.5-Bath  
 Residence: 1,708 Sq. Ft.  
 Garage: 202 Sq. Ft.  
 Total: 1,910 Sq. Ft.



5/20/21 Landmark Corp. reserves all rights of copyright and reproduction. All design and construction requires that all specific design's  
 must vary depending on preferences selected. Depicted floor plans, landscaping and colors

1/21/21. Features and materials are subject to change without notice. Room dimensions are approximate and  
 not an exact interpretation. Floorplans and window may vary depending on location

## TOWNHOME INCLUDED FEATURES

### COMMUNITY AMENITIES

- Master-planned community featuring a variety of architectural designs and finishes
- Clubhouse with fitness center, party room, and private community pool
- Inviting back entry, monuments
- Private 1-acre park featuring curved walking paths and benches showcasing a thoughtfully planned landscape design
- Community perimeter fencing and gated entrances
- Landscaped parkways

### LUXURY LIVING FEATURES

- 9' main level ceilings
- Designer track lighting in kitchen, corridors and living spaces, per plan
- Oak hardwood floors on main level, per plan
- Padded swing doors throughout
- Painted wood trim throughout
- Vinyl clad shelving in closets
- Formal foyer with ceramic tile entry in choice of colors, per plan
- Nickel finish door hardware with lever handles throughout
- Carpeted stairs

### KITCHEN FEATURES

- 1 1/4" granite countertops with 4" backsplash in choice of colors
- Oak cabinets with 42" upper cabinets
- Double bowl stainless steel sink
- Designer "Delta" faucet with pull-out spray
- Garbage disposal
- GFI\* appliance package in choice of white or black
  - Free-standing, self-cleaning 30" gas oven with sealed cooktop burners
  - Built-in, multi-functional microwave oven
  - Dishwasher with QuietDesign™ sound package
  - 21.7 cu. ft. refrigerator with ice maker

### MASTER BATHROOM FEATURES

- Oak vanity cabinets
- Luxurious tub with ceramic tile surround in hock of colors
- Cultured marble countertop with integral bowl sink in choice of colors
- Oversized mirror with Hollywood light bar
- Ceramic tile floor in choice of colors

### BATHROOM FEATURES

- Cultured marble countertop with integral bowl sink in choice of colors, per plan
- Oak vanity cabinets or pedestal sink, per plan
- Ceramic tile surround in tub and shower area in choice of colors, per plan
- Oversized mirror with Hollywood light bar
- Ceramic tile floor in choice of colors

### ENERGY EFFICIENT FEATURES & MECHANICAL SYSTEMS

- Gas-fired furnace with electronic ignition and built-in humidifier
- 200 amp electrical service
- Hardwired smoke and carbon monoxide detectors
- 50-gallon hot water heater
- Premium thermal-break vinyl windows
- Central air conditioning
- Hook-ups for washer and gas dryer
- Individually metered circuit breaker panels
- Pre-wired for Cat5-B cable television, internet and phone
- R-13 exterior wall insulation
- R-30 roof insulation

### EXTERIOR FEATURES

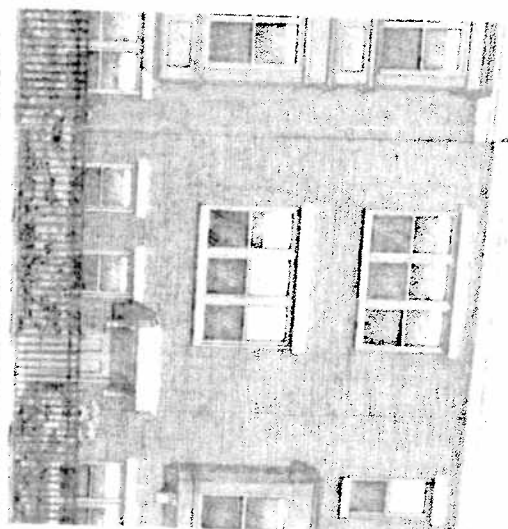
- Classic all-brick front and side facades, per plan
- Metal balconies, per plan
- 2 weathertight hose bibs, per plan
- Aluminum gutters and downspouts
- Fully landscaped yards
- 2-car attached garage with automatic door opener
- Wood wrapped bay, per plan



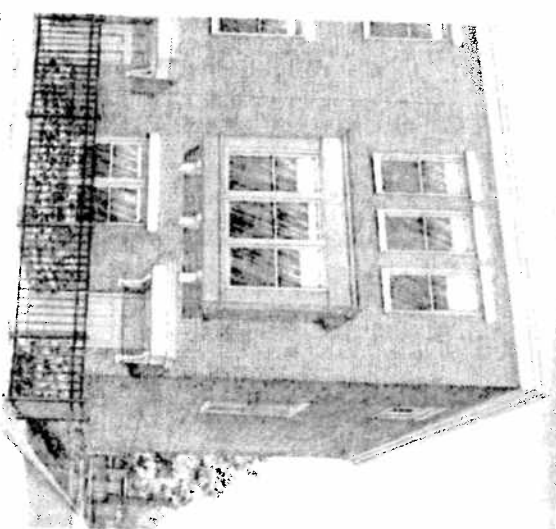
## PARK PLACE HOMES

3690 W. 51st Street  
Chicago, IL 60632  
773.735.7333  
www.ParkPlaceHomesChicago.com

**TOWNHOME**  
2-Bedroom, 2.5-Bath  
Residence: 1,799 Sq. Ft.  
Garage: 361 Sq. Ft.  
Total: 2,160 Sq. Ft.



Elevation 1



Elevation 2

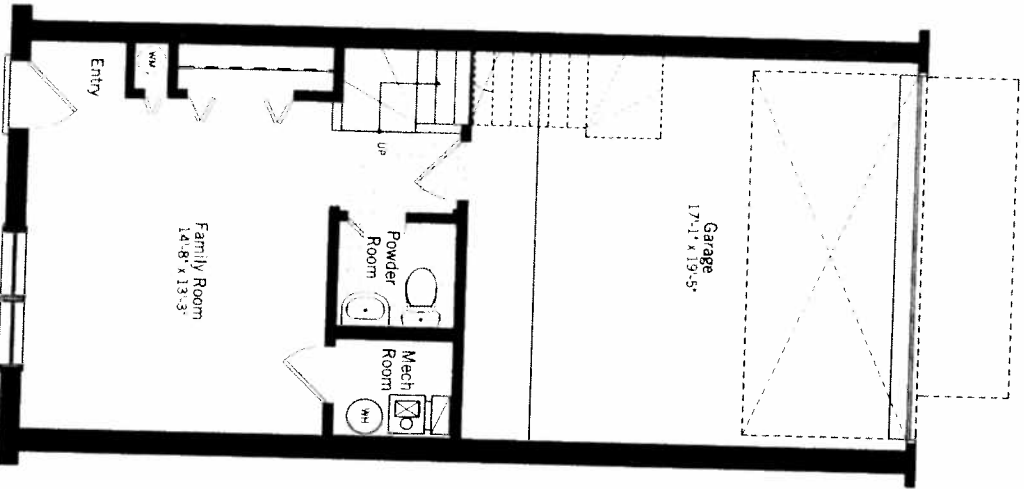
369' Townhome Corp's policy of continual attention to design and construction requires that all specific design, specifications, materials and standards are subject to change without notice. Room dimensions are approximate and may vary depending on materials selected. Depicted Park Place Landscaping and exterior finishes are only an artist's interpretation. Floorplans and workbooks may vary depending on elevation.



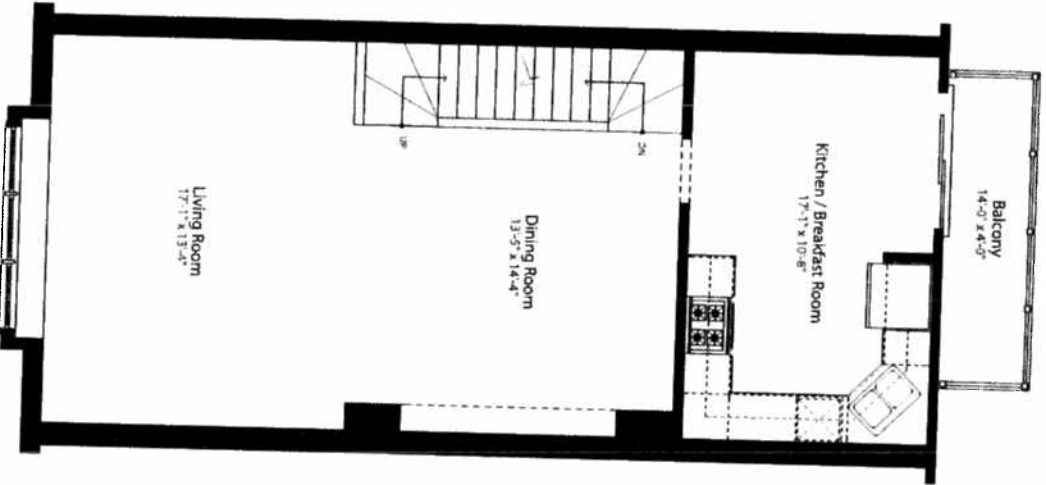


# The Archer

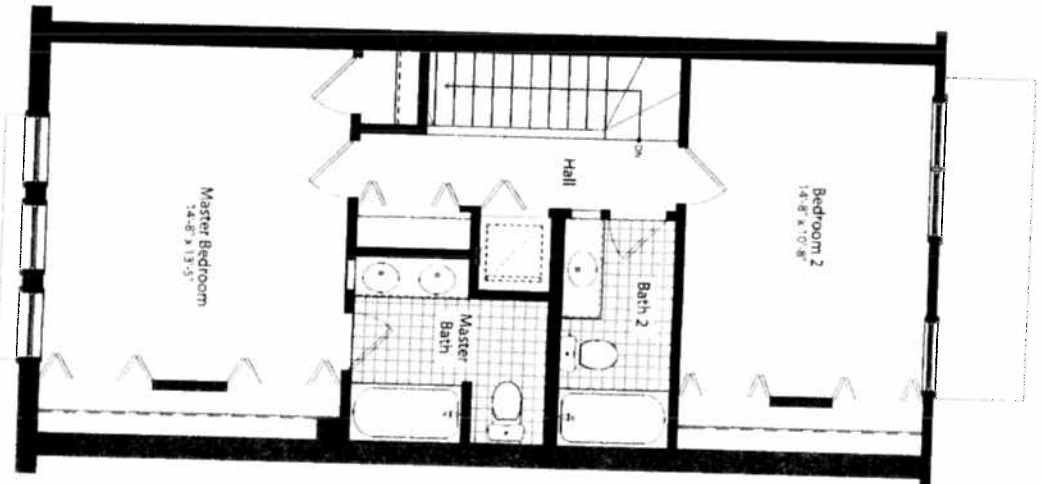
Townhome  
 2-Bedroom, 2.5-Bath  
 Residence: 1,799 Sq. Ft.  
 Garage: 361 Sq. Ft.  
 Total: 2,160 Sq. Ft.



Entry Level



Main Level



Upper Level

5/17/2017 Landmark Corp's policy of continual attention to design and construction requires that all specific design details and materials be subject to change without notice. Room dimensions are approximate and may vary depending on construction methods and materials. All dimensions are approximate and may vary depending on construction methods and materials.

August 22, 2007

Hedy Ratner  
Women Business Development Center  
8 S. Michigan Avenue  
Suite 400  
Chicago, Illinois 60603

**BY CERTIFIED MAIL**

7005 1820 0003 5833 9309

Re: Park Place Homes  
51<sup>st</sup> and Lawndale

Dear Ms Ratner:

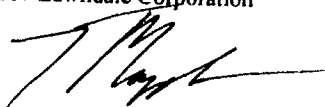
5007. Lawndale Corporation is pleased to announce the development of the property located at 5007 Lawndale, Chicago, Illinois. *Park Place Homes* will include approximately 340,000 square feet of residential housing, consisting of condos, town homes, and single family homes.

5007 Lawndale Corporation has chosen New West Realty Group-Construction, L.L.C. to be the general contractor for the project. The project will require participation of trades such as carpentry, electrical, mechanical, plumbing, paving, roofing, and others. Attached to this letter is the project budget with the amounts subject to minority business enterprise (MBE) participation of 24 percent and women business enterprise (WBE) participation of 4 percent. The attachment also includes the estimated project schedule and contact information for the general contractor.

At your request, the general contractor will meet with a representative of your organization to present the project budget and schedule. At your request, the general contractor will also provide your organization with one copy of the project bid documents (including plans and specifications).

5007 Lawndale Corporation is requesting that you make your member companies aware of this exciting project so they may submit bids for appropriate opportunities. Should you have any questions, please do not hesitate to call.

Sincerely,  
5007 Lawndale Corporation



Ted Mazola,  
Managing Partner

Cc: John Molloy  
Department of Planning and Development, City of Chicago

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Black Contractor's United  
 400 W. 76th Street  
 Chicago, IL 60620

PS Form 3800, June 2002 See Reverse for Instructions

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African American Contractor's Assoc.  
 3901 S. State St., Suite 103  
 Chicago, IL 60609

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Federation of Women Contractors  
 5650 S. Archer Avenue  
 Chicago, IL 60638

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Hispanic American Construction Industry Assoc.  
 901 W. Jackson Blvd #205  
 Chicago, IL 60607

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Juan Ochoa - 1111 W. Washington St  
 Mexican American Chamber  
 of Commerce  
 Chicago, IL 60602

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Women Business Development Center  
 9 S. Michigan Ave, Suite 400  
 Chicago, IL 60603

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Assoc. of Asian Construction Enterprises  
 333 N. Ogden Ave  
 Chicago, IL 60607

PS Form 3800, June 2002 See Reverse for Instructions

  
**THE PRIVATE BANK**  
 REAL ESTATE LOAN DEPARTMENT  
 LOAN SETTLEMENT STATEMENT

Loan No. _____	Closing Date: <u>June 28, 2008</u>		Amount <u>\$18,244,500.00</u>
To: <u>5007 Lawndale Corp</u>		Payment Amount _____	Interest Only _____
_____		Tax Escrow Reserve: _____	_____
_____		Hazard Insurance Reserve: _____	_____
_____		Mortgage Insurance Reserve: _____	_____
Property: _____		TOTAL PAYMENT: _____	Interest Only _____
<u>15 Acres at NE corner of 51st and Lawndale</u>		First Payment Due: _____	August 1, 2008

Your real estate loan is now ready for disbursement. For your information and approval, we have itemized the following expenses and made the necessary disbursements in regard to your real estate transaction. The distribution of your monthly payment is shown above.

**CHARGES MADE BY BANK:**

Loan Origination Fee - \$18,244,500 A&D Loan	0.50%		<u>\$81,222.50</u>
Loan Origination Fee - \$10,000,000 Revolver	0.50%		<u>\$50,000.00</u>
Loan Discount	0.00%		<u>\$0.00</u>
Interest to _____			<u>\$0.00</u>
Appraisal: to _____			<u>\$0.00</u>
Attorney Fees: to _____		Holcer & Company	<u>\$7,000.00</u>
Phase I Environmental Report to: _____		Deutsch, Levy, & Engel	<u>\$6,000.00</u>
Tax Service Fee			<u>\$0.00</u>
Credit Reports			<u>\$0.00</u>
UCC Searches			<u>\$0.00</u>
Title Company to: _____			<u>\$0.00</u>
Flood Certification			<u>\$0.00</u>
<b>TOTAL CHARGES:</b>			<u>\$25.00</u>
			<u>\$144,247.50</u>

**FUNDS HELD FOR BENEFIT OF BORROWER:**

Payoff PrivateBank loan #1987445 9001			<u>\$1,231,918.88</u>
Interest Reserve			<u>\$1,320,000.00</u>
Remaining availability			<u>\$9,023,302.35</u>
_____			<u>\$0.00</u>
_____			<u>\$0.00</u>
<b>TOTAL HELD:</b>			<u>\$0.00</u>
			<u>\$11,575,219.01</u>

**FUNDS DISBURSED AT BORROWER'S DIRECTION:**

Wire to Title Company (payoff Cole Taylor)			<u>\$4,525,033.49</u>
Title Company fees/costa			<u>\$0.00</u>
<b>TOTAL DISBURSED:</b>			<u>\$ 4,525,033.49</u>

TOTAL DISBURSED:			<u>\$18,244,500.00</u>
MORTGAGE PROCEEDS AND FUNDS HELD BY LENDER:			<u>\$18,244,500.00</u>
MORTGAGE PROCEEDS:			<u>\$ 4,525,033.49</u>
FUNDS PAID BY BORROWER: (BALANCE OWED BY BORROWER)			<u>\$0.00</u>

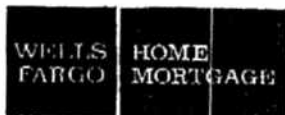
The undersigned acknowledges the receipt and correctness of this Loan Settlement Statement and authorizes and directs the disbursements of the funds as shown above.

Authorized Signer for 5007 Lawndale Corp \_\_\_\_\_

HOU-22-2007 WED 03:30 PM WELLS FARGO HOME MORTGAGE

FHA NO. 0303700003

P. 01/01



**Wells Fargo Home Mortgage**  
 4332 Fox Valley Center Dr.  
 Aurora, IL 60504  
 630 820-5200 Office  
 630 375-5862 Fax

August 22, 2007

Terrie Whittaker  
 New West Realty  
 1300 S. Paulina  
 Chicago, IL 60607

Dear Terrie:

Thank you again for the opportunity to work together again. We have enjoyed being able to help your purchasers enter homeownership over the past 5 years, and we look forward to continuing to support you and your team.

I'm sure you've seen the recent media focus on the challenges facing today's mortgage industry. Despite these challenges, Wells Fargo is uniquely positioned. As a well-capitalized, diversified financial services company, we are well-positioned to be successful through all market cycles - as evidenced by our 20 years of double-digit compound growth and 15 consecutive years as the #1 Retail mortgage lender. As a leader in responsible lending, we are the only AAA rated bank in the United States, and we continue to offer Sub-prime, Alt-A, Jumbo, FHA/VA and Prime mortgage at competitive terms. Furthermore, our closing guarantee is backed by 1 month mortgage payment if your purchaser is delayed. We believe in our ability to fund on-time, and invite you to enjoy that same piece of mind.

I understand that your newest property will have an affordable component to it. As you know, we are extremely capable to assisting that buyer profile. We will utilize our exclusive Home Opportunities® mortgage, specifically designed to meet the needs of low to moderate income purchasers. The loan provides up to 100% financing for them, allowing them access to home ownership with as little as \$500 invested into the purchase. We also have special enhanced qualifying guidelines for 'public employees', such as Nurses, Teachers, Police Officers, and Fire Fighters. We too see the value of supporting these important professionals, and will provide the resources to help them become homeowners.

Should you like to discuss any of our programs in further detail, please give me a call. We look forward to another successful development with you.

Sincerely,

Todd M. Olson  
 Regional Builder Sales Manager  
 Wells Fargo Home Mortgage  
 630-820-5205 Work Phone  
 815-846-0966 Fax  
 630-240-2600 Mobile

Wells Fargo Home Mortgage is the nation's leading new construction lender.  
 You can sell more homes when you are pitched to the right lender.

Wells Fargo Home Mortgage  
 is a division of Wells Fargo Bank, N.A.



**EDWARD M. BURKE**

ALDERMAN, 14TH WARD  
2650 WEST 51ST STREET  
CHICAGO, IL 60632  
TELEPHONE: (773) 471-1414

CITY COUNCIL  
CITY OF CHICAGO

COUNCIL CHAMBER

ROOM 302, CITY HALL  
TELEPHONE (312) 744-3380

COMMITTEE MEMBERSHIPS

FINANCE  
(CHAIRMAN)

COMMITTEES, RULES AND ETHICS  
(VICE-CHAIRMAN)

AVIATION

BUDGET AND GOVERNMENT OPERATION

ENERGY, ENVIRONMENTAL PROTECTION AND  
PUBLIC UTILITIES

POLICE AND FIRE

ZONING

August 30, 2007

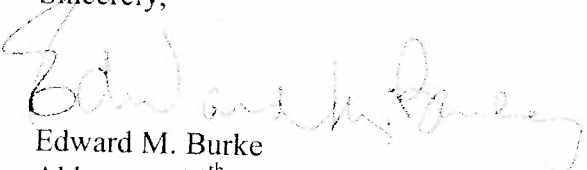
Arnold L. Randall  
Acting Commissioner  
Department of Planning and Development  
121 North LaSalle Street, Room 501  
Chicago, Illinois 60602

Dear Mr. Randall:

Please be informed that I fully support a request for Tax Increment Financing (TIF) assistance by 5007 Lawndale Corporation for a new residential development located at 51<sup>st</sup> and Lawndale Avenue within the 51<sup>st</sup> and Archer Tax Increment Financing District.

If you have any questions do not hesitate to call me at (312) 744-3380 or (773) 471-1414.

Sincerely,

  
Edward M. Burke  
Alderman, 14<sup>th</sup> Ward

EMB/kg