

Contract Summary Sheet

Contract (PO) Number: 19382

Specification Number: 71846

Name of Contractor: WILSON YARD SENIOR HOUSING LP

City Department: DEPARTMENT OF HOUSING

Title of Contract: Multi/Wilson Yard Senior Apts

Term of Contract: Start Date: 10/1/2008

End Date: 10/1/2032

Dollar Amount of Contract (or maximum compensation if a Term Agreement) (DUR):
\$6,500,000.00

Brief Description of Work: Multi/Wilson Yard Senior Apts

Procurement Services Contract Area: COMPTROLLER-OTHER

Vendor Number: 50091345

Submission Date:

FEB -5 2009

City Funds	\$ 41,565,313*†##
Equity (subject to Sections 4.03(b) and 4.06)	19,384,491
Lender Financing	<u>89,139,828</u>
ESTIMATED TOTAL:	\$150,089,632

The Developers shall have the right to re-allocate line items in the sources of funds between the aforesaid Equity and Lender Financing, provided that the Developers shall, at all times, have sufficient funds to complete construction of the Project and to advance all Project costs in connection therewith⁷.

5.02 Aggregate Principal Of City Notes.

The reference in Section 4.03(b) of the Agreement to Thirty-five Million Five Hundred Sixty-five Thousand Three Hundred Thirteen Dollars (\$35,565,313) as the maximum aggregate principal amount of the City Notes is hereby adjusted to Thirty-two Million Sixty-five Thousand Three Hundred Thirteen Dollars (\$32,065,313). The Maximum Reimbursement Amount defined in the same section shall be an amount not to exceed Forty-one Million Five Hundred Sixty-five Thousand Three Hundred Thirteen Dollars (\$41,565,313) and all references in the Agreement to "twenty-seven and three-tenths percent (27.3%)" shall be replaced with "twenty-eight and seven-tenths percent (28.7%)". In addition, the pay-as-you go obligations described in the last sentence of the first paragraph of Section 4.03(b) shall be deemed to include the approximately One Million Five Hundred Thousand Dollars (\$1,500,000) (present value) interest subsidy, which shall not be subject to the Maximum Reimbursement Amount limitation.

* Because only Nine Million Five Hundred Thousand Dollars (\$9,500,000) of the City Funds will be paid prior to the issuance of the Phase I Certificate, such amounts over Nine Million Five Hundred Thousand Dollars (\$9,500,000) must be initially financed with additional Equity or Lender Financing.

† Because the maximum amount of environmental remediation costs are not known at this time, the maximum amount of City Funds may increase above the current estimate in accordance with Section 4.03(a) below.

Prior to the Closing Date (and afterwards solely with the prior written consent of D.P.D.), the maximum principal amount of each of the City Notes may be adjusted and reallocated as among the City Notes provided that the total maximum principal amount of the City Notes in the aggregate shall not exceed Thirty-two Million Sixty-five Thousand Three Hundred Thirteen Dollars (\$32,065,313).

+ The maximum principal amount of the City Note Number 1 shall be reduced dollar-for-dollar to the extent that certain of the infrastructure improvements included in Phase I Improvements are actually undertaken by the Chicago Department of Transportation.

5.03 Interest Payable Prior To Certificate Issuance.

The last sentence of Section 4.03(b) is hereby amended by replacing the phrase "(or the fourth anniversary of the Closing Date, if earlier)" with the phrase "(or the fourth anniversary of the closing of the Construction Loan, as defined in the Pledge Agreement)".

5.04 Pledge Of Notes.

Section 4.07(c) of the Agreement is hereby amended by replacing the existing subsection (c) with the following: "(c) the proceeds of any such loan (or the proceeds of any loan which is secured by such loan proceeds) are disbursed through the Escrow to fund T.I.F.-Funded Improvements".

Section Six.

Miscellaneous.

6.01

Except as amended hereby, the provisions of the Agreement remain in full force and effect in accordance with its terms.

6.02

In the event of any conflict between the provisions of the Agreement and the provisions of this Amendment, the provisions of this Amendment shall control.

6.03

All prior agreements, whether written or oral, regarding the amendment of the Agreement are superseded by this Amendment.

6.04

This Amendment may be executed in counterparts, each of which shall be deemed an original.

6.05

The Developer shall cause one original counterpart of this Amendment, certain exhibits (as specified by Corporation Counsel), all amendments and supplements hereto to be recorded and filed on the date hereof in the conveyance and real property records of the county in which the Project is located. The Developer 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 this Amendment showing the date and recording number of record.

6.06

The City approves the selection of Walsh Construction Company as the General Contractor for the Project.

6.07

The City acknowledges that the Pledge Agreement will be amended on terms satisfactory to the City, the Developers and the Construction Lender (as defined therein).

6.08

Section 18.15 of the Agreement is hereby amended to allow City Note Number 3 and City Note Number 5 to be assigned to a lender, and not only to the Master Developer.

In Witness Whereof, The parties hereto have caused this First Amendment to the Wilson Yard Development Project Area Redevelopment Agreement to be executed on or as of the day and year first above written.

City:

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

By: _____

Commissioner

Master Developer:

Wilson Yard Development I, L.L.C., an
Illinois limited liability company

By: _____
Peter Holsten, its managing member

L.I.H.T.C. Developer:

Wilson Yard Partners, L.P., an Illinois
limited partnership

By: Wilson Yard Development Corporation,
an Illinois corporation and its sole
general partner

By: _____
Peter Holsten, President

L.I.H.T.C. General Partner:

Wilson Yard Development Corporation,
an Illinois corporation

By: _____
Peter Holsten, President

Senior Developer:

Wilson Yard Senior Housing, L.P., an
Illinois limited partnership

By: Wilson Yard Senior Development
Corporation, an Illinois corporation
and its sole general partner

By: _____
Peter Holsten, President

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Senior Developer
General Partner:

Wilson Yard Senior Development
Corporation, an Illinois corporation

By: _____
Peter Holsten, President

State of Illinois)
)SS.
County of Cook)

I, _____, a notary public in and for the said County, in the State aforesaid, do hereby certify that Peter Holsten, personally known to me to be the managing member of Wilson Yard Development I, L.L.C., an Illinois limited liability company (the "Master Developer"), 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 signed, sealed and delivered said instrument, pursuant to the authority given to him by the members of the Master Developer, as his free and voluntary act and as the free and voluntary act of the Master Developer, for the uses and purposes therein set forth.

Given under my hand and official seal this _____ day of _____ 2007.

Notary Public

My commission expires: _____.

[Seal]

State of Illinois)
)SS.
County of Cook)

I, _____, a notary public in and for the said County, in the State aforesaid, do hereby Certify that Peter Holsten, personally known to me to be

the _____ of Wilson Yard Development Corp., an Illinois corporation (the "L.I.H.T.C. General Partner") and sole general partner of Wilson Yard Partners, L.P., an Illinois limited partnership (the "L.I.H.T.C. Developer"), 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 signed, sealed and delivered said instrument, pursuant to the authority given to him by the shareholders of the L.I.H.T.C. General Partner, and the partners of the L.I.H.T.C. Developer as his free and voluntary act and as the free and voluntary act of the L.I.H.T.C. General Partner and the L.I.H.T.C. Developer, for the uses and purposes therein set forth.

Given under my hand and official seal this _____ day of _____, 2007.

Notary Public

My commission expires: _____

[Seal]

State of Illinois)
)SS.
County of Cook)

I, _____, a notary public in and for the said County, in the State aforesaid, do hereby certify that Peter Holsten, personally known to me to be the _____ of Wilson Yard Senior Development Corporation, an Illinois corporation (the "Senior Developer General Partner") and sole general partner of Wilson Yard Senior Housing, L.P., an Illinois limited partnership (the "Senior Developer"), 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 signed, sealed, and delivered said instrument, pursuant to the authority given to him by the shareholders of the Senior Developer General Partner, and the partners of the Senior Developer as his free and voluntary act and as the free and voluntary act of the Senior Developer General Partner and the Senior Developer, for the uses and purposes therein set forth.

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Given under my hand and official seal this _____ day of _____, 2007.

Notary Public

My commission expires: _____.

[Seal]

State of Illinois)
)SS.
County of Cook)

I, _____, a notary public in and for the said County, in the State aforesaid, do hereby certify that _____, 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 s/he signed, sealed and delivered said instrument pursuant to the authority given to her/him by the City, as her/his 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 _____ day of _____, 2007.

Notary Public

My commission expires: _____.

[Seal]

[Schedule 1 referred to in this First Amendment to Wilson Yard Redevelopment Project Area Redevelopment Agreement unavailable at time of printing.]

[(Sub)Exhibits "A", "D", "F", "G", "H" and "I" not referenced in this First Amendment to Wilson Yard Redevelopment Project Area Redevelopment Agreement.]

[(Sub)Exhibits "J-1", "J-2" and "J-3" referred to in this First Amendment to Wilson Yard Redevelopment Project Area Redevelopment Agreement printed on pages 625 through 630 of this *Journal*.]

(Sub)Exhibits "B", "C-6", "E-1", "E-2", "E-3", "E-4" and "E-5" referred to in this First Amendment to Wilson Yard Redevelopment Project Area Redevelopment Agreement read as follows:

(Sub)Exhibit "B".

(To First Amendment To Wilson Yard Redevelopment Project Area Redevelopment Agreement)

T.I.F.-Funded Improvements.

Capital Budget Costs	\$ 42,364,374
Acquisition and site assembly	13,613,750
Remediation/contaminated soils haul-off	3,100,000
Demolition of existing Aldi and Azusa	433,000
Landscape and site architect, civil engineer, borings, environmental testing, GC related to environmental/demolition	834,314
Alley parallel to tracks and Sunnyside extension paving only	1,400,000
Seniors building	9,900,945
Family housing (L.I.H.T.C.)	12,157,365
Eligible legal	425,000
Job training	500,000

Additional T.I.F. eligibility	\$ 799,061
Total T.I.F. (notes and cash)	\$41,565,313
Percent	27.69%
Pay-As-You-Go	
Retail, office and surface parking first mortgage interest	\$1,500,000
C.T.A. land lease (annual lease amount)	39,816

(Sub)Exhibit" C-6".

(To First Amendment To Wilson Yard Redevelopment
Project Area Redevelopment Agreement)

New Aldi Property.

That part of the northwest quarter of Section 17, Township 40 North, Range 14 East of the Third Principal Meridian, bounded and described as follows:

beginning at a point on the west line of Broadway 465 feet southeast from the south line of Wilson Avenue, measured along the westerly line of Broadway; thence southwesterly on a line perpendicular to the westerly line of Broadway, a distance of 85.00 feet; thence northwesterly on a line parallel with and 85 feet southwesterly of the westerly line of Broadway, a distance of 96 feet; thence southwesterly on a line perpendicular to the westerly line of Broadway, a distance of 36.24 feet; thence south 13 degrees, 14 minutes, 33 seconds east, a distance of 19.22 feet; thence south 14 degrees, 58 minutes, 13 seconds east, a distance of 59.42 feet; thence south 75 degrees, 01 minutes, 49 seconds west, a distance of 15.43 feet; thence south 10 degrees, 05 minutes, 41 seconds east, a distance of 180.32 feet; thence south 78 degrees, 22 minutes, 45 seconds west, a distance of 32.80 feet; thence south 11 degrees, 37 minutes, 15 seconds east, a distance of 6.34 feet; thence north 79 degrees, 18 minutes, 44 seconds east, a distance of 235.37 feet to the westerly line of Broadway; thence northwesterly on the westerly line of Broadway, a distance of 208.69 feet to the point of beginning, all in Cook County, Illinois.

(Sub)Exhibit "E-1" Revised.
(To First Amendment To Wilson Yard Redevelopment)
Project Area Redevelopment Agreement).

City Note Number 1.

Registered
Number R-1

Maximum Amount
\$4,818,439

United States Of America

State Of Illinois

County Of Cook

City Of Chicago

Tax Increment Allocation Revenue Note
(Wilson Yard Redevelopment Project),
Taxable Series A.

Registered Owner: Wilson Yard Development 1, L.L.C., an Illinois limited liability company.

Interest Rate: a floating rate equal to the rate announced by Bridgeview Bank Group from time to time as its prime or base rate plus one-half of one percent (0.50%); then

____% per annum upon the closing of construction financing secured by this Note ("Initial Interest Rate") [which shall not exceed the prime interest rate as reported in the *Wall Street Journal* on the date one week prior to such closing plus three hundred forty-five (345) basis points]; then

____% per annum commencing on the date of issuance of the last to issue of the Phase I Certificate, the Phase II Certificate and the Phase III Certificate (as defined in the hereinafter defined Redevelopment Agreement) [the Initial Interest Rate less forty-three (43) basis points]; then

the interest rate on this Note shall be reset as of the fifth (5th) anniversary of the Closing of the Construction Loan (as defined in the hereinafter defined Redevelopment Agreement), and every rate reset date thereafter to be that rate of interest per annum, which shall not exceed the Initial Interest Rate plus two hundred fifty-seven (257) basis points, necessary to pay interest on the Construction Loan (as defined in the hereinafter defined Pledge Agreement) assuming placement of the Construction Loan at the minimum interest rate necessary for placement at par for the longest term not to exceed five (5) years; the date which is the last day of such term shall be the next rate reset date.

Maturity Date: June 30, 2025

Know All Persons By These Presents, That the City of Chicago, Cook County, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, the principal amount of this Note from time to time advanced by the Registered Owner to pay costs of the Project (as hereafter defined) in accordance with the ordinance hereinafter referred to up to the principal amount of Four Million Eight Hundred Eighteen Thousand Four Hundred Thirty-nine Dollars (\$4,818,439) and to pay the Registered Owner interest on that amount at the Interest Rate per year specified above from the date of issuance.

This Note is one of a series of notes issued or to be issued in accordance with that certain Redevelopment Agreement dated as of _____, 2005 and amended as of _____, 2007 between, inter alia, the City and the Registered Owner (the "Redevelopment Agreement"), and this Note shall be paid pari passu with the other City Notes (as defined in the Redevelopment Agreement). This Note is also the subject of a Pledge Agreement dated as of _____, 2005 among, inter alia, the City, the Registered Owner and the Registered Owner's construction lender (the "Pledge Agreement").

Interest shall be computed on the basis of a three hundred sixty (360) day year of twelve (12) thirty (30) day months. Interest is due March 1 of each year commencing in the first year following the issuance of the Phase I Certificate (but interest shall be paid on March 1 of each year prior to that time and used in accordance with the Pledge Agreement) until the earlier of Maturity or until this note is paid in full. Accrued but unpaid interest on this Note shall also accrue at the interest rate per year until paid.

Principal of this Note shall be payable until the earlier of Maturity or until this Note is paid in full in installments on March 1 of each year commencing March 1, 2011 in the amount necessary to amortize the outstanding principal balance of this

Note in level payments over the remaining term to Maturity at the then current interest rate payable hereon. Payments shall first be applied to interest. The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying agent (the "Registrar"), at the close of business on the fifteenth (15) day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City. The Registered Owner of this Note shall note on the Payment Record attached hereto the amount and the date of any payment of the principal of this Note promptly upon receipt of such payment.

This Note is issued by the City in the principal amount of advances made from time to time by the Registered Owner up to Four Million Eight Hundred Eighteen Thousand Four Hundred Thirty-nine Dollars (\$4,818,439) for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Master Developer in connection with the Phase I Improvements of the Project (as such terms are defined in the Redevelopment Agreement) located in the Wilson Yard Project Area (the "Project Area") in the City, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1, et seq.) (the "T.I.F. Act"), the Local Government Debt Reform Act (30 ILCS 350/1, et seq.) and an Ordinance adopted by the City Council of the City on June 27, 2001 (the "Ordinance"), in all respects as by law required.

The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the T.I.F. Act and the Ordinance, in order to pay the principal and interest of this Note. Reference is hereby made to the aforesaid Ordinance and the Redevelopment Agreement for a description, among others, with respect to the determination, custody and application of said revenues, the nature and extent of such security with respect to this Note and the terms and conditions under which this Note is issued and secured. This Note Is A Special Limited Obligation Of The City, And Is Payable Solely From Available Incremental Taxes, And Shall Be A Valid Claim Of The Registered Owner Hereof Only Against Said Sources. This Note Shall Not Be Deemed To Constitute An Indebtedness Or A Loan Against The General Taxing Powers Or Credit Of The City, Within The Meaning Of Any Constitutional Or Statutory Provision. The Registered Owner Of This Note Shall Not Have The Right To Compel Any Exercise Of The Taxing Power Of The City, The State Of Illinois Or Any Political Subdivision Thereof To Pay The Principal Or Interest Of This Note. The principal of this Note is subject to redemption on any date on or after one thousand ninety (1,090) days following the

Closing Date (as defined in the Redevelopment Agreement), as a whole or in part, at a redemption price of one hundred percent (100%) of the principal amount thereof being redeemed. There shall be no prepayment penalty. Notice of any such redemption shall be sent by registered or certified mail not less than five (5) days nor more than sixty (60) days prior to the date fixed for redemption to the Registered Owner of this Note at the address shown on the registration books of the City maintained by the Registrar or at such other address as is furnished in writing by such Registered Owner to the Registrar.

This Note is issued in fully registered form in the denomination of its outstanding principal amount. This Note may not be exchanged for a like aggregate principal amount of notes of other denominations.

This Note is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the principal office of the Registrar in Chicago, Illinois, but only in the manner and subject to the limitations provided in the Ordinance, and upon surrender and cancellation of this Note. Upon such transfer, a new Note of authorized denomination of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange herefor. The Registrar shall not be required to transfer this Note during the period beginning at the close of business on the fifteenth (15th) day of the month immediately prior to the maturity date of this Note nor to transfer this Note after notice calling this Note or a portion hereof for redemption has been mailed, nor during a period of five (5) days next preceding mailing of a notice of redemption of this Note. Such transfer shall be in accordance with the form at the end of this Note.

This Note hereby authorized shall be executed and delivered as the ordinance and the Redevelopment Agreement provide.

Pursuant to the Redevelopment Agreement, the Registered Owner has agreed to acquire and construct the Phase I Improvements and to advance funds for the construction of certain facilities related to the Project on behalf of the City. The cost of such acquisition and construction in an amount not to exceed Four Million Eight Hundred Eighteen Thousand Four Hundred Thirty-nine Dollars (\$4,818,439) shall be deemed to be a disbursement of the proceeds of this Note.

Pursuant to Section 15.01 and Section 15.02 of the Redevelopment Agreement, the City has reserved the right to suspend and/or terminate payments of principal and of interest on this Note upon the occurrence of certain conditions. Such rights shall survive any transfer of this Note. The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

It is hereby certified and recited that all conditions, acts and things required by law to exist, to happen, or to be done or performed precedent to and in the issuance

of this Note did exist, have happened, have been done and have been performed in regular and due form and time as required by law; that the issuance of this Note, together with all other obligations of the City, does not exceed or violate any constitutional or statutory limitation applicable to the City.

This Note shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Registrar.

In Witness Whereof, The City of Chicago, Cook County, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and has caused this Note to be signed by the duly authorized signature of the Mayor and attested by the duly authorized signature of the City Clerk of the City, all as of _____, _____.

Mayor

[Seal]

Attest:

City Clerk

Certificate
Of
Authentication

Registrar and Paying Agent:

Comptroller of the
City of Chicago,
Cook County, Illinois

This Note is described in the within mentioned Ordinance and is the Tax Increment Allocation Revenue Note (Wilson Yard Redevelopment Project), Taxable Series A, of the City of Chicago, Cook County, Illinois.

Comptroller

Date: _____

Principal Payment Record.

Date Of Payment	Principal Payment	Principal Balance Due
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

(Assignment)

For Value Received, The undersigned sells, assigns and transfers unto the within Note and does hereby irrevocably constitute and appoint attorney to transfer the said Note on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____
Registered Owner

Notice: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the Note in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed: _____

Notice: Signature(s) must be guaranteed by a member of the New York Stock Exchange or a commercial bank or trust company.

Consented to by:

City of Chicago
Department of Planning and Development

By: _____

Its: _____

Certification Of Expenditure.

(_____, 2____)

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")
\$_____ Tax Increment Allocation Revenue Note
(Wilson Yard Redevelopment Project), Taxable
Series A (the "City Note Number 1")

This Certification is submitted to you, Registered Owner of the City Note Number 1, pursuant to the ordinance of the City authorizing the execution of the City Note Number 1 adopted by the City Council of the City on September 14, 2005 (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 City Note Number 1 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 City Note Number 1 is \$_____, including the amount of this Certificate and less payment made on the City Note Number 1.

In Witness Whereof, The City has caused this Certification to be signed on its behalf as of (Closing Date).

5/23/2007

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City of Chicago

By: _____
Commissioner,
Department of Planning
and Development

Authenticated By:

Registrar

(Sub)Exhibit "E-2" Revised.
(To First Amendment To Wilson Yard Redevelopment
Project Area Redevelopment Agreement).

City Note Number 2.

Registered
Number R-2

Maximum Amount
\$12,547,891

United States Of America

State Of Illinois

County Of Cook

City Of Chicago

Tax Increment Allocation Revenue Note
(Wilson Yard Redevelopment Project),
Taxable Series A.

Registered Owner: Wilson Yard Development Corporation, an Illinois Corporation.

Interest Rate: a floating rate equal to the rate announced by Bridgeview Bank Group from time to time as its prime or base rate plus one-half of one percent (0.50%); then

_____% per annum upon the closing of construction financing secured by this Note ("Initial Interest Rate") [which shall not exceed the prime interest rate as reported in the *Wall Street Journal* on the date one week prior to such closing plus three hundred forty-five (345) basis points]; then

_____% per annum commencing on the date of issuance of the last to issue of the Phase I Certificate, the Phase II Certificate and the Phase III Certificate (as defined in the hereinafter defined Redevelopment Agreement) [the Initial Interest Rate less forty-three (43) basis points]; then

the interest rate on this Note shall be reset as of the fifth (5th) anniversary of the Closing of the Construction Loan (as defined in the hereinafter defined Redevelopment Agreement), and every rate reset date thereafter to be that rate of interest per annum, which shall not exceed the Initial Interest Rate plus two hundred fifty-seven (257) basis points, necessary to pay interest on the Construction Loan (as defined in the hereinafter defined Pledge Agreement) assuming placement of the Construction Loan at the minimum interest rate necessary for placement at par for the longest term not to exceed five (5) years; the date which is the last day of such term shall be the next rate reset date.

Maturity Date: June 30, 2025

Know All Persons By These Presents, That the City of Chicago, Cook County, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, the principal amount of this Note from time to time advanced by the Registered Owner to pay costs of the Project (as hereafter defined) in accordance with the ordinance hereinafter referred to up to the principal amount of Twelve Million Five Hundred Forty-seven Thousand Eight Hundred Ninety-one Dollars (\$12,547,891) and to pay the Registered Owner interest on that amount at the Interest Rate per year specified above from the date of issuance.

This Note is one of a series of notes issued or to be issued in accordance with that certain Redevelopment Agreement dated as of _____, 2005 and amended as of _____, 2007 between, inter alia, the City and the Registered Owner (the "Redevelopment Agreement"), and this Note shall be paid *pari passu* with the other

City Notes (as defined in the Redevelopment Agreement). This Note is also the subject of a Pledge Agreement dated as of _____, 2005 among, inter alia, the City, the Registered Owner and the Registered Owner's construction lender (the "Pledge Agreement").

Interest shall be computed on the basis of a three hundred sixty (360) day year of twelve (12) thirty (30) day months. Interest is due March 1 of each year commencing in the first year following the issuance of the Phase II Certificate (but interest shall be paid on March 1 of each year prior to that time and used in accordance with the Pledge Agreement) until the earlier of Maturity or until this note is paid in full. Accrued but unpaid interest on this Note shall also accrue at the interest rate per year until paid.

Principal of this Note shall be payable until the earlier of Maturity or until this Note is paid in full in installments on March 1 of each year commencing March 1, 2011 in the amount necessary to amortize the outstanding principal balance of this Note in level payments over the remaining term to Maturity at the then current interest rate payable hereon. Payments shall first be applied to interest. The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying agent (the "Registrar"), at the close of business on the fifteenth (15th) day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City. The Registered Owner of this Note shall note on the Payment Record attached hereto the amount and the date of any payment of the principal of this Note promptly upon receipt of such payment.

This Note is issued by the City in the principal amount of advances made from time to time by the Registered Owner up to Twelve Million Five Hundred Forty-seven Thousand Eight Hundred Ninety-one Dollars (\$12,547,891) for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Registered Owner in connection with the Phase II Improvements of the Project (as such terms are defined in the Redevelopment Agreement) located in the Wilson Yard Project Area (the "Project Area") in the City, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1, et seq.) (the "T.I.F. Act"), the Local Government Debt Reform Act (30 ILCS 350/1, et seq.) and an Ordinance adopted by the City Council of the City on June 27, 2001 (the "Ordinance"), in all respects as by law required.

The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the T.I.F. Act and the Ordinance, in order to pay the principal and interest of this Note. Reference is hereby made to the aforesaid Ordinance and the Redevelopment Agreement for a description, among others, with respect to the determination, custody and application of said revenues, the nature and extent of such security with respect to this Note and the terms and conditions under which this Note is issued and secured. This Note Is A Special Limited Obligation Of The City, And Is Payable Solely From Available Incremental Taxes, And Shall Be A Valid Claim Of The Registered Owner Hereof Only Against Said Sources. This Note Shall Not Be Deemed To Constitute An Indebtedness Or A Loan Against The General Taxing Powers Or Credit Of The City, Within The Meaning Of Any Constitutional Or Statutory Provision. The Registered Owner Of This Note Shall Not Have The Right To Compel Any Exercise Of The Taxing Power Of The City, The State Of Illinois Or Any Political Subdivision Thereof To Pay The Principal Or Interest Of This Note. The principal of this Note is subject to redemption on any date on or after one thousand ninety (1,090) days following the Closing Date (as defined in the Redevelopment Agreement), as a whole or in part, at a redemption price of one hundred percent (100%) of the principal amount thereof being redeemed. There shall be no prepayment penalty. Notice of any such redemption shall be sent by registered or certified mail not less than five (5) days nor more than sixty (60) days prior to the date fixed for redemption to the Registered Owner of this Note at the address shown on the registration books of the City maintained by the Registrar or at such other address as is furnished in writing by such Registered Owner to the Registrar.

This Note is issued in fully registered form in the denomination of its outstanding principal amount. This Note may not be exchanged for a like aggregate principal amount of notes of other denominations.

This Note is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the principal office of the Registrar in Chicago, Illinois, but only in the manner and subject to the limitations provided in the ordinance, and upon surrender and cancellation of this Note. Upon such transfer, a new Note of authorized denomination of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange herefor. The Registrar shall not be required to transfer this Note during the period beginning at the close of business on the fifteenth (15th) day of the month immediately prior to the maturity date of this Note nor to transfer this Note after notice calling this Note or a portion hereof for redemption has been mailed, nor during a period of five (5) days next preceding mailing of a notice of redemption of this Note. Such transfer shall be in accordance with the form at the end of this Note.

This Note hereby authorized shall be executed and delivered as the ordinance and the Redevelopment Agreement provide.

Pursuant to the Redevelopment Agreement, the Registered Owner has agreed to acquire and construct the Phase II Improvements and to advance funds for the construction of certain facilities related to the Project on behalf of the City. The cost of such acquisition and construction in an amount not to exceed Twelve Million Five Hundred Forty-seven Thousand Eight Hundred Ninety-one Dollars (\$12,547,891) shall be deemed to be a disbursement of the proceeds of this Note.

Pursuant to Section 15.01 and Section 15.02 of the Redevelopment Agreement, the City has reserved the right to suspend and/or terminate payments of principal and of interest on this Note upon the occurrence of certain conditions. Such rights shall survive any transfer of this Note. The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

It is hereby certified and recited that all conditions, acts and things required by law to exist, to happen, or to be done or performed precedent to and in the issuance of this Note did exist, have happened, have been done and have been performed in regular and due form and time as required by law; that the issuance of this Note, together with all other obligations of the City, does not exceed or violate any constitutional or statutory limitation applicable to the City.

This Note shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Registrar.

In Witness Whereof, The City of Chicago, Cook County, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and has caused this Note to be signed by the duly authorized signature of the Mayor and attested by the duly authorized signature of the City Clerk of the City, all as of

Mayor

[Seal]

Attest:

City Clerk

Certificate
Of
Authentication

Registrar and Paying Agent:

Comptroller of the
City of Chicago,
Cook County, Illinois

This Note is described in the within
mentioned Ordinance and is the Tax
Increment Allocation Revenue Note
(Wilson Yard Redevelopment Project),
Taxable Series A, of the City of
Chicago, Cook County, Illinois.

Comptroller

Date: _____

Principal Payment Record.

Date Of Payment	Principal Payment	Principal Balance Due
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

(Assignment)

For Value Received, The undersigned sells, assigns and transfers unto the within
Note and does hereby irrevocably constitute and appoint attorney to transfer the

said Note on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____
Registered Owner

Notice: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the Note in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed: _____

Notice: Signature(s) must be guaranteed by a member of the New York Stock Exchange or a commercial bank or trust company.

Consented to by:

City of Chicago,
Department of Planning and Development

By: _____

Its: _____

Certification Of Expenditure.

(_____, 2____)

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")
\$_____ Tax Increment Allocation Revenue Note
(Wilson Yard Redevelopment Project, Taxable Series A)
(the "City Note Number 2")

This Certification is submitted to you, Registered Owner of the City Note Number 2, pursuant to the Ordinance of the City authorizing the execution of the

City Note Number 2 adopted by the City Council of the City on September 14, 2005 (the "Ordinance"). All terms used herein shall have the same meaning as when used in the Ordinance.

The City hereby certifies that \$_____ is advanced as principal under the City Note Number 2 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 City Note Number 2 is \$_____, including the amount of this Certificate and less payment made on the City Note Number 2.

In Witness Whereof, The City has caused this Certification to be signed on its behalf as of (Closing Date).

City of Chicago

By: _____
Commissioner,
Department of Planning and
Development

Authenticated By:

Registrar

(Sub)Exhibit "E-3" Revised.
(To First Amendment To Wilson Yard Redevelopment
Project Area Redevelopment Agreement)

City Note Number 3.

Registered
Number R-3

Maximum Amount
\$2,773,017

United States Of America

State Of Illinois

County Of Cook

City Of Chicago

Tax Increment Allocation Revenue Note
(Wilson Yard Redevelopment Project),
Taxable Series A.

Registered Owner: Wilson Yard Development Corporation, an Illinois Corporation.

Interest Rate: a floating rate equal to the rate announced by Bridgeview Bank Group from time to time as its prime or base rate plus one-half of one percent (0.50%); then

_____ % per annum upon the closing of construction financing secured by this Note ("Initial Interest Rate") [which shall not exceed the prime interest rate as reported in the *Wall Street Journal* on the date one (1) week prior to such closing plus three hundred forty-five (345) basis points]; then

_____ % per annum commencing on the date of issuance of the last to issue of the Phase I Certificate, the Phase II Certificate and the Phase III Certificate (as defined in the hereinafter defined Redevelopment Agreement) [the Initial Interest Rate less forty-three (43) basis points]; then

the interest rate on this Note shall be reset as of the fifth (5th) anniversary of the Closing of the Construction Loan (as defined in the hereinafter defined Redevelopment Agreement), and every rate reset date thereafter to be that rate of interest per annum, which shall not exceed the Initial Interest Rate plus two hundred fifty-seven (257) basis points, necessary to pay interest on the Construction Loan (as defined in the hereinafter defined Pledge Agreement) assuming placement of the Construction Loan at the minimum interest rate necessary for placement at par for the longest term not to exceed five (5) years; the date which is the last day of such term shall be the next rate reset date.

Maturity Date: June 30, 2025

Know All Persons By These Presents, That the City of Chicago, Cook County, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, the principal amount of this Note from time to time advanced by the Registered Owner to pay costs of the Project (as hereafter defined) in accordance with the ordinance hereinafter referred to up to the principal amount of Two Million Seven Hundred Seventy-three Thousand Seventeen Dollars (\$2,773,017) and to pay the Registered Owner interest on that amount at the Interest Rate per year specified above from the date of issuance.

This Note is one of a series of notes issued or to be issued in accordance with that certain Redevelopment Agreement dated as of _____, 2005 and amended as of _____, 2007 between, inter alia, the City and the Registered Owner (the "Redevelopment Agreement"), and this Note shall be paid pari passu with the other City Notes (as defined in the Redevelopment Agreement). This Note is also the subject of a Pledge Agreement dated as of _____, 2005 among, inter alia, the City, the Registered Owner and the Registered Owner's construction lender (the "Pledge Agreement").

Interest shall be computed on the basis of a three hundred sixty (360) day year of twelve (12) thirty (30) day months. Interest is due March 1 of each year commencing in the first year following the issuance of the Phase II Certificate (but interest shall be paid on March 1 of each year prior to that time and used in accordance with the Pledge Agreement) until the earlier of Maturity or until this note is paid in full. Accrued but unpaid interest on this Note shall also accrue at the interest rate per year until paid.

Principal of this Note shall be payable until the earlier of Maturity or until this Note is paid in full in installments on March 1 of each year commencing March 1, 2011 in the amount necessary to amortize the outstanding principal balance of this Note in level payments over the remaining term to Maturity at the then current interest rate payable hereon. Payments shall first be applied to interest. The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying agent (the "Registrar"), at the close of business on the fifteenth (15th) day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City. The Registered Owner of this Note shall note on the Payment Record attached hereto the amount and the

date of any payment of the principal of this Note promptly upon receipt of such payment.

This Note is issued by the City in the principal amount of advances made from time to time by the Registered Owner up to Two Million Seven Hundred Seventy-three Thousand Seventeen Dollars (\$2,773,017) for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Registered Owner in connection with the Phase II Improvements of the Project (as such terms are defined in the Redevelopment Agreement) located in the Wilson Yard Project Area (the "Project Area") in the City, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1, et seq.) (the "T.I.F. Act"), the Local Government Debt Reform Act (30 ILCS 350/1, et seq.) and an Ordinance adopted by the City Council of the City on June 27, 2001 (the "Ordinance"), in all respects as by law required.

The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the T.I.F. Act and the Ordinance, in order to pay the principal and interest of this Note. Reference is hereby made to the aforesaid Ordinance and the Redevelopment Agreement for a description, among others, with respect to the determination, custody and application of said revenues, the nature and extent of such security with respect to this Note and the terms and conditions under which this Note is issued and secured. This Note Is A Special Limited Obligation Of The City, And Is Payable Solely From Available Incremental Taxes, And Shall Be A Valid Claim Of The Registered Owner Hereof Only Against Said Sources. This Note Shall Not Be Deemed To Constitute An Indebtedness Or A Loan Against The General Taxing Powers Or Credit Of The City, Within The Meaning Of Any Constitutional Or Statutory Provision. The Registered Owner Of This Note Shall Not Have The Right To Compel Any Exercise Of The Taxing Power Of The City, The State Of Illinois Or Any Political Subdivision Thereof To Pay The Principal Or Interest Of This Note. The principal of this Note is subject to redemption on any date on or after one thousand ninety (1,090) days following the Closing Date (as defined in the Redevelopment Agreement), as a whole or in part, at a redemption price of one hundred percent (100%) of the principal amount thereof being redeemed. There shall be no prepayment penalty. Notice of any such redemption shall be sent by registered or certified mail not less than five (5) days nor more than sixty (60) days prior to the date fixed for redemption to the Registered Owner of this Note at the address shown on the registration books of the City maintained by the Registrar or at such other address as is furnished in writing by such Registered Owner to the Registrar.

This Note is issued in fully registered form in the denomination of its outstanding principal amount. This Note may not be exchanged for a like aggregate principal amount of notes of other denominations.

This Note is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the principal office of the Registrar in Chicago, Illinois, but only in the manner and subject to the limitations provided in the ordinance, and upon surrender and cancellation of this Note. Upon such transfer, a new Note of authorized denomination of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange herefor. The Registrar shall not be required to transfer this Note during the period beginning at the close of business on the fifteenth (15th) day of the month immediately prior to the maturity date of this Note nor to transfer this Note after notice calling this Note or a portion hereof for redemption has been mailed, nor during a period of five (5) days next preceding mailing of a notice of redemption of this Note. Such transfer shall be in accordance with the form at the end of this Note.

This Note hereby authorized shall be executed and delivered as the ordinance and the Redevelopment Agreement provide.

Pursuant to the Redevelopment Agreement, the Registered Owner has agreed to acquire and construct the Phase II Improvements and to advance funds for the construction of certain facilities related to the Project on behalf of the City. The cost of such acquisition and construction in an amount not to exceed Two Million Seven Hundred Seventy-three Thousand Seventeen Dollars (\$2,773,017) shall be deemed to be a disbursement of the proceeds of this Note.

Pursuant to Section 15.01 and Section 15.02 of the Redevelopment Agreement, the City has reserved the right to suspend and/or terminate payments of principal and of interest on this Note upon the occurrence of certain conditions. Such rights shall survive any transfer of this Note. The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

It is hereby certified and recited that all conditions, acts and things required by law to exist, to happen, or to be done or performed precedent to and in the issuance of this Note did exist, have happened, have been done and have been performed in regular and due form and time as required by law; that the issuance of this Note, together with all other obligations of the City, does not exceed or violate any constitutional or statutory limitation applicable to the City.

This Note shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Registrar.

In Witness Whereof, The City of Chicago, Cook County, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed,

5/23/2007

REPORTS OF COMMITTEES

607

and has caused this Note to be signed by the duly authorized signature of the Mayor and attested by the duly authorized signature of the City Clerk of the City, all as of

Mayor

[Seal]

Attest:

City Clerk

Certificate
Of
Authentication

Registrar and Paying Agent:

Comptroller of the
City of Chicago,
Cook County, Illinois

This Note is described in the within mentioned Ordinance and is the Tax Increment Allocation Revenue Note (Wilson Yard Redevelopment Project), Taxable Series A, of the City of Chicago, Cook County, Illinois.

Comptroller

Date: _____

Principal Payment Record.

Date Of Payment	Principal Payment	Principal Balance Due
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

(Assignment)

For Value Received, The undersigned sells, assigns and transfers unto the within Note and does hereby irrevocably constitute and appoint attorney to transfer the said Note on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____
Registered Owner

Notice: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the Note in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed: _____

Notice: Signature(s) must be guaranteed by a member of the New York Stock Exchange or a commercial bank or trust company.

5/23/2007

REPORTS OF COMMITTEES

609

Consented to by:

City of Chicago
Department of Planning and Development

By: _____

Its: _____

Certification Of Expenditure.

(_____, 2__)

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")
\$_____ Tax Increment Allocation Revenue Note
(Wilson Yard Redevelopment Project), Taxable
Series A (the "City Note Number 3")

This Certification is submitted to you, Registered Owner of the City Note Number 3, pursuant to the Ordinance of the City authorizing the execution of the City Note Number 3 adopted by the City Council of the City on September 14, 2005 (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 City Note Number 3 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 City Note Number 3 is \$_____, including the amount of this Certificate and less payment made on the City Note Number 3.

In Witness Whereof, The City has caused this Certification to be signed on its behalf as of (Closing Date).

City of Chicago

By: _____

Commissioner,
Department of Planning
and Development

Authenticated By:

Registrar

(Sub)Exhibit "E-4" Revised.
(To First Amendment To Wilson Yard Redevelopment
Project Area Redevelopment Agreement).

*City Note Number 4.*Registered
Number R-4Maximum Amount
\$9,261,452

United States Of America

State Of Illinois

County Of Cook

City Of Chicago

Tax Increment Allocation Revenue Note
(Wilson Yard Redevelopment Project),
Taxable Series A.

Registered Owner: Wilson Yard Senior Development Corporation, an Illinois
Corporation.

Interest Rate: a floating rate equal to the rate announced by Bridgeview
Bank Group from time to time as its prime or base rate
plus one-half of one percent (0.50%); then

____% per annum upon the closing of construction financing secured by this Note ("Initial Interest Rate") [which shall not exceed the prime interest rate as reported in the Wall Street Journal on the date one week prior to such closing plus three hundred forty-five (345) basis points]; then

____% per annum commencing on the date of issuance of the last to issue of the Phase I Certificate, the Phase II Certificate and the Phase III Certificate (as defined in the hereinafter defined Redevelopment Agreement) [the Initial Interest Rate less forty-three (43) basis points]; then

the interest rate on this Note shall be reset as of the fifth (5th) anniversary of the Closing of the Construction Loan (as defined in the hereinafter defined Redevelopment Agreement), and every rate reset date thereafter to be that rate of interest per annum, which shall not exceed the Initial Interest Rate plus two hundred fifty-seven (257) basis points, necessary to pay interest on the Construction Loan (as defined in the hereinafter defined Pledge Agreement) assuming placement of the Construction Loan at the minimum interest rate necessary for placement at par for the longest term not to exceed five (5) years; the date which is the last day of such term shall be the next rate reset date.

Maturity Date: June 30, 2025

Know All Persons By These Presents, That the City of Chicago, Cook County, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, the principal amount of this Note from time to time advanced by the Registered Owner to pay costs of the Project (as hereafter defined) in accordance with the ordinance hereinafter referred to up to the principal amount of Nine Million Two Hundred Sixty-one Thousand Four Hundred Fifty-two Dollars (\$9,261,452) and to pay the Registered Owner interest on that amount at the Interest Rate per year specified above from the date of issuance.

This Note is one of a series of notes issued or to be issued in accordance with that certain Redevelopment Agreement dated as of _____, 2005 and amended as of _____, 2007 between, inter alia, the City and the Registered Owner (the "Redevelopment Agreement"), and this Note shall be paid pari passu with the other City Notes (as defined in the Redevelopment Agreement). This Note is also the

subject of a Pledge Agreement dated as of _____, 2005 among, inter alia, the City, the Registered Owner and the Registered Owner's construction lender (the "Pledge Agreement").

Interest shall be computed on the basis of a three hundred sixty (360) day year of twelve (12) thirty (30) day months. Interest is due March 1 of each year commencing in the first year following the issuance of the Phase II Certificate (but interest shall be paid on March 1 of each year prior to that time and used in accordance with the Pledge Agreement) until the earlier of Maturity or until this note is paid in full. Accrued but unpaid interest on this Note shall also accrue at the interest rate per year until paid.

Principal of this Note shall be payable until the earlier of Maturity or until this Note is paid in full in installments on March 1 of each year commencing March 1, 2011 in the amount necessary to amortize the outstanding principal balance of this Note in level payments over the remaining term to Maturity at the then current interest rate payable hereon. Payments shall first be applied to interest. The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying agent (the "Registrar"), at the close of business on the fifteenth (15th) day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City. The Registered Owner of this Note shall note on the Payment Record attached hereto the amount and the date of any payment of the principal of this Note promptly upon receipt of such payment.

This Note is issued by the City in the principal amount of advances made from time to time by the Registered Owner up to Nine Million Two Hundred Sixty-one Thousand Four Hundred Fifty-two Dollars (\$9,261,452) for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Registered Owner in connection with the Phase III Improvements of the Project (as such terms are defined in the Redevelopment Agreement) located in the Wilson Yard Project Area (the "Project Area") in the City, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1, et seq.) (the "T.I.F. Act"), the Local Government Debt Reform Act (30 ILCS 350/1, et seq.) and an Ordinance adopted by the City Council of the City on June 27, 2001 (the "Ordinance"), in all respects as by law required.

The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the T.I.F. Act and the Ordinance, in order to pay the principal and interest of this Note. Reference is hereby made to the aforesaid Ordinance and the Redevelopment Agreement for a description, among others, with respect to the determination, custody and application of said revenues, the nature and extent of such security with respect to this Note and the terms and conditions under which this Note is issued and secured. This Note Is A Special Limited Obligation Of The City, And Is Payable Solely From Available Incremental Taxes, And Shall Be A Valid Claim Of The Registered Owner Hereof Only Against Said Sources. This Note Shall Not Be Deemed To Constitute An Indebtedness Or A Loan Against The General Taxing Powers Or Credit Of The City, Within The Meaning Of Any Constitutional Or Statutory Provision. The Registered Owner Of This Note Shall Not Have The Right To Compel Any Exercise Of The Taxing Power Of The City, The State Of Illinois Or Any Political Subdivision Thereof To Pay The Principal Or Interest Of This Note. The principal of this Note is subject to redemption on any date on or after one thousand ninety (1,090) days following the Closing Date (as defined in the Redevelopment Agreement), as a whole or in part, at a redemption price of one hundred percent (100%) of the principal amount thereof being redeemed. There shall be no prepayment penalty. Notice of any such redemption shall be sent by registered or certified mail not less than five (5) days nor more than sixty (60) days prior to the date fixed for redemption to the Registered Owner of this Note at the address shown on the registration books of the City maintained by the Registrar or at such other address as is furnished in writing by such Registered Owner to the Registrar.

This Note is issued in fully registered form in the denomination of its outstanding principal amount. This Note may not be exchanged for a like aggregate principal amount of notes of other denominations.

This Note is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the principal office of the Registrar in Chicago, Illinois, but only in the manner and subject to the limitations provided in the ordinance, and upon surrender and cancellation of this Note. Upon such transfer, a new Note of authorized denomination of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange herefor. The Registrar shall not be required to transfer this Note during the period beginning at the close of business on the fifteenth (15th) day of the month immediately prior to the maturity date of this Note nor to transfer this Note after notice calling this Note or a portion hereof for redemption has been mailed, nor during a period of five (5) days next preceding mailing of a notice of redemption of this Note. Such transfer shall be in accordance with the form at the end of this Note.

This Note hereby authorized shall be executed and delivered as the ordinance and the Redevelopment Agreement provide.

Pursuant to the Redevelopment Agreement, the Registered Owner has agreed to acquire and construct the Phase III Improvements and to advance funds for the construction of certain facilities related to the Project on behalf of the City. The cost of such acquisition and construction in an amount not to exceed Nine Million Two Hundred Sixty-one Thousand Four Hundred Fifty-two Dollars (\$9,261,452) shall be deemed to be a disbursement of the proceeds of this Note.

Pursuant to Section 15.01 and Section 15.02 of the Redevelopment Agreement, the City has reserved the right to suspend and/or terminate payments of principal and of interest on this Note upon the occurrence of certain conditions. Such rights shall survive any transfer of this Note. The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

It is hereby certified and recited that all conditions, acts and things required by law to exist, to happen, or to be done or performed precedent to and in the issuance of this Note did exist, have happened, have been done and have been performed in regular and due form and time as required by law; that the issuance of this Note, together with all other obligations of the City, does not exceed or violate any constitutional or statutory limitation applicable to the City.

This Note shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Registrar.

In Witness Whereof, The City of Chicago, Cook County, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and has caused this Note to be signed by the duly authorized signature of the Mayor and attested by the duly authorized signature of the City Clerk of the City, all as of

Mayor

[Seal]

Attest:

City Clerk

Certificate
Of
Authentication

Registrar and Paying Agent:

Comptroller of the
City of Chicago,
Cook County, Illinois

This Note is described in the within
mentioned Ordinance and is the Tax
Increment Allocation Revenue Note
(Wilson Yard Redevelopment Project),
Taxable Series A, of the City of
Chicago, Cook County, Illinois.

Comptroller

Date: _____

Principal Payment Record.

Date Of Payment	Principal Payment	Principal Balance Due
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

(Assignment)

For Value Received, The undersigned sells, assigns and transfers unto the within
Note and does hereby irrevocably constitute and appoint attorney to transfer the

said Note on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____
Registered Owner

Notice: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the Note in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed: _____

Notice: Signature(s) must be guaranteed by a member of the New York Stock Exchange or a commercial bank or trust company.

Consented to by:

City of Chicago
Department of Planning and Development

By: _____

Its: _____

Certification Of Expenditure

(_____, 2 ____)

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")
\$ _____ Tax Increment Allocation Revenue Note
(Wilson Yard Redevelopment Project, Taxable Series A)
(the "City Note Number 4")

This Certification is submitted to you, Registered Owner of the City Note

Number 4, pursuant to the Ordinance of the City authorizing the execution of the City Note Number 4 adopted by the City Council of the City on September 14, 2005 (the "Ordinance"). All terms used herein shall have the same meaning as when used in the Ordinance.

The City hereby certifies that \$_____ is advanced as principal under the City Note Number 4 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 City Note Number 4 is \$_____, including the amount of this Certificate and less payment made on the City Note Number 4.

In Witness Whereof, The City has caused this Certification to be signed on its behalf as of (Closing Date).

City of Chicago

By: _____
Commissioner,
Department of Planning
and Development

Authenticated by:

Registrar

(Sub)Exhibit "E-5" Revised.
(To First Amendment To Wilson Yard Redevelopment
Project Area Redevelopment Agreement)

City Note Number 5.

Registered
Number R-5

Maximum Amount
\$2,664,515

United States Of America

State Of Illinois

County Of Cook

City Of Chicago

Tax Increment Allocation Revenue Note
(Wilson Yard Redevelopment Project),
Taxable Series A.

Registered Owner: Wilson Yard Senior Development Corporation, an Illinois corporation

Interest Rate: a floating rate equal to the rate announced by Bridgeview Bank Group from time to time as its prime or base rate plus one-half of one percent (0.50%); then; then

____% per annum upon the closing of construction financing secured by this Note ("Initial Interest Rate") [which shall not exceed the prime interest rate as reported in the *Wall Street Journal* on the date one week prior to such closing plus three hundred forty-five (345) basis points]; then

____% per annum commencing on the date of issuance of the last to issue of the Phase I Certificate, the Phase II Certificate and the Phase III Certificate (as defined in the hereinafter defined Redevelopment Agreement) [the Initial Interest Rate less forty-three (43) basis points]; then

the interest rate on this Note shall be reset as of the fifth (5th) anniversary of the Closing of the Construction Loan (as defined in the hereinafter defined Redevelopment Agreement), and every rate reset date thereafter to be that rate of interest per annum, which shall not exceed the Initial Interest Rate plus two hundred fifty-seven (257) basis points, necessary to pay interest on the Construction Loan (as defined in the hereinafter defined Pledge Agreement) assuming placement of the Construction Loan at the minimum interest rate necessary for placement at par for the longest term not to exceed five (5) years; the date which is the last day of such term shall be the next rate reset date.

Maturity Date: June 30, 2025

Know All Persons By These Presents, That the City of Chicago, Cook County,

Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, the principal amount of this Note from time to time advanced by the Registered Owner to pay costs of the Project (as hereafter defined) in accordance with the ordinance hereinafter referred to up to the principal amount of Two Million Six Hundred Sixty-four Thousand Five Hundred Fifteen Dollars (\$2,664,515) and to pay the Registered Owner interest on that amount at the Interest Rate per year specified above from the date of issuance.

This Note is one of a series of notes issued or to be issued in accordance with that certain Redevelopment Agreement dated as of _____, 2005 and amended as of _____, 2007 between, inter alia, the City and the Registered Owner (the "Redevelopment Agreement"), and this Note shall be paid pari passu with the other City Notes (as defined in the Redevelopment Agreement). This Note is also the subject of a Pledge Agreement dated as of _____, 2005 among, inter alia, the City, the Registered Owner and the Registered Owner's construction lender (the "Pledge Agreement").

Interest shall be computed on the basis of a three hundred sixty (360) day year of twelve (12) thirty (30) day months. Interest is due March 1 of each year commencing in the first year following the issuance of the Phase III Certificate (but interest shall be paid on March 1 of each year prior to that time and used in accordance with the Pledge Agreement) until the earlier of Maturity or until this note is paid in full. Accrued but unpaid interest on this Note shall also accrue at the interest rate per year until paid.

Principal of this Note shall be payable until the earlier of Maturity or until this Note is paid in full in installments on March 1 of each year commencing March 1, 2011 in the amount necessary to amortize the outstanding principal balance of this Note in level payments over the remaining term to Maturity at the then current interest rate payable hereon. Payments shall first be applied to interest. The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying agent (the "Registrar"), at the close of business on the fifteenth (15th) day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City. The Registered Owner of this Note shall note on the Payment Record attached hereto the amount and the date of any payment of the principal of this Note promptly upon receipt of such payment.

This Note is issued by the City in the principal amount of advances made from

time to time by the Registered Owner up to Two Million Six Hundred Sixty-four Thousand Five Hundred Fifteen Dollars (\$2,664,515) for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Registered Owner in connection with the Phase III Improvements of the Project (as such terms are defined in the Redevelopment Agreement) located in the Wilson Yard Project Area (the "Project Area") in the City, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1, et seq.) (the "T.I.F. Act"), the Local Government Debt Reform Act (30 ILCS 350/1, et seq.) and an Ordinance adopted by the City Council of the City on June 27, 2001 (the "Ordinance"), in all respects as by law required.

The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the T.I.F. Act and the Ordinance, in order to pay the principal and interest of this Note. Reference is hereby made to the aforesaid Ordinance and the Redevelopment Agreement for a description, among others, with respect to the determination, custody and application of said revenues, the nature and extent of such security with respect to this Note and the terms and conditions under which this Note is issued and secured. This Note Is A Special Limited Obligation Of The City, And Is Payable Solely From Available Incremental Taxes, And Shall Be A Valid Claim Of The Registered Owner Hereof Only Against Said Sources. This Note Shall Not Be Deemed To Constitute An Indebtedness Or A Loan Against The General Taxing Powers Or Credit Of The City, Within The Meaning Of Any Constitutional Or Statutory Provision. The Registered Owner Of This Note Shall Not Have The Right To Compel Any Exercise Of The Taxing Power Of The City, The State Of Illinois Or Any Political Subdivision Thereof To Pay The Principal Or Interest Of This Note. The principal of this Note is subject to redemption on any date on or after one thousand ninety (1,090) days following the Closing Date (as defined in the Redevelopment Agreement), as a whole or in part, at a redemption price of one hundred percent (100%) of the principal amount thereof being redeemed. There shall be no prepayment penalty. Notice of any such redemption shall be sent by registered or certified mail not less than five (5) days nor more than sixty (60) days prior to the date fixed for redemption to the Registered Owner of this Note at the address shown on the registration books of the City maintained by the Registrar or at such other address as is furnished in writing by such Registered Owner to the Registrar.

This Note is issued in fully registered form in the denomination of its outstanding principal amount. This Note may not be exchanged for a like aggregate principal amount of notes of other denominations.

This Note is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the principal office of the Registrar in Chicago, Illinois, but only in the manner and subject to the limitations provided in the ordinance, and upon surrender and cancellation of this Note. Upon such transfer, a new Note of authorized denomination of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange herefor. The Registrar shall not be required to transfer this Note during the period

beginning at the close of business on the fifteenth (15th) day of the month immediately prior to the maturity date of this Note nor to transfer this Note after notice calling this Note or a portion hereof for redemption has been mailed, nor during a period of five (5) days next preceding mailing of a notice of redemption of this Note. Such transfer shall be in accordance with the form at the end of this Note.

This Note hereby authorized shall be executed and delivered as the ordinance and the Redevelopment Agreement provide.

Pursuant to the Redevelopment Agreement, the Registered Owner has agreed to acquire and construct the Phase III Improvements and to advance funds for the construction of certain facilities related to the Project on behalf of the City. The cost of such acquisition and construction in an amount not to exceed Two Million Six Hundred Sixty-four Thousand Five Hundred Fifteen Dollars (\$2,664,515) shall be deemed to be a disbursement of the proceeds of this Note.

Pursuant to Section 15.01 and Section 15.02 of the Redevelopment Agreement, the City has reserved the right to suspend and/or terminate payments of principal and of interest on this Note upon the occurrence of certain conditions. Such rights shall survive any transfer of this Note. The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

It is hereby certified and recited that all conditions, acts and things required by law to exist, to happen, or to be done or performed precedent to and in the issuance of this Note did exist, have happened, have been done and have been performed in regular and due form and time as required by law; that the issuance of this Note, together with all other obligations of the City, does not exceed or violate any constitutional or statutory limitation applicable to the City.

This Note shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Registrar.

In Witness Whereof, The City of Chicago, Cook County, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and has caused this Note to be signed by the duly authorized signature of the Mayor and attested by the duly authorized signature of the City Clerk of the City, all as of

Mayor

[Seal]

Attest:

City Clerk

Certificate
Of
Authentication

Registrar and Paying Agent:

Comptroller of the
City of Chicago,
Cook County, Illinois

This Note is described in the within mentioned Ordinance and is the Tax Increment Allocation Revenue Note (Wilson Yard Redevelopment Project), Taxable Series A, of the City of Chicago, Cook County, Illinois.

Comptroller

Date: _____

Principal Payment Record.

Date Of Payment	Principal Payment	Principal Balance Due
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

(Assignment)

For Value Received, The undersigned sells, assigns and transfers unto the within Note and does hereby irrevocably constitute and appoint attorney to transfer the said Note on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____
Registered Owner

Notice: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the Note in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed: _____

Notice: Signature(s) must be guaranteed by a member of the New York Stock Exchange or a commercial bank or trust company.

Consented to by:

City of Chicago
Department of Planning and Development

By: _____

Its: _____

Certification Of Expenditure.

(_____, 2__)

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")
\$_____ Tax Increment Allocation Revenue Note
(Wilson Yard Redevelopment Project), Taxable
Series A (the "City Note Number 5")

This Certification is submitted to you, Registered Owner of the City Note Number 5, pursuant to the ordinance of the City authorizing the execution of the City Note Number 5 adopted by the City Council of the City on September 14, 2005 (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 City Note Number 5 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 City Note Number 5 is \$_____, including the amount of this Certificate and less payment made on the City Note Number 5.

In Witness Whereof, The City has caused this Certification to be signed on its behalf as of (Closing Date).

City of Chicago

By: _____

Commissioner,
Department of Planning
and Development

Authenticated By:

Registrar

(Sub)Exhibit "J-1" Revised.
 (To First Amendment To Wilson Yard Redevelopment
 Project Area Redevelopment Agreement)

Project Budget - Phase I
 (Page 1 of 2)

SOURCES	
TIF CASH	9,980,000
TIF NOTES-Dougherty	3,449,414
Retail Lease	6,646,000
Property Rights Sale- Aldi	1,875,000
Aldi Construction Contributor	1,325,000
CYA Share remediation	183,621
Minus Funds offset	530,000
CAP- New market Tax Credit	2,863,243
TOTAL	26,192,280

	TOTAL MASTER DEVELOPER	ALDI	Master Developer- Other Costs	Ret: 1' & Surface Parking
ACQUISITION:				
Land	\$ 7,332,132			
TOTAL ACQUISITION COSTS:	\$ 7,332,132	\$ -	\$ -	\$ -

HARD COSTS:				
Construction	\$ 5,041,834	\$ 3,061,265		\$ 2,980,569
Construction Parking	\$ 793,750			\$ 793,750
Common Share	\$ 187,489			\$ 187,489
Tenant Improvements	\$ 829,000	\$ 100,000		\$ 729,000
Site Fencing	\$ 3,363		\$ -	\$ 3,363
Landscaping	\$ 18,696			\$ 18,696
Infrastructure	\$ 1,564,214	\$ 1,364,588		\$ 289,634
Remediation	\$ 289,634			\$ 289,634
Private Utilities	\$ 326,230	\$ 54,740	\$ 199,495	\$ 71,995
Contingency	\$ 266,785			\$ 266,785
TOTAL HARD COSTS:	\$ 10,491,957	\$ 4,600,585	\$ 199,495	\$ 5,601,876

SOFT COSTS:				
Professional Services:				
Architect Design	\$ 878,966	\$ 120,000	\$ 517,701	\$ 241,265
Architect Reimbursables	\$ 29,379		\$ 20,840	\$ 8,339
Architect Supervision	\$ 11,305		\$ -	\$ 11,305
Landscape Architect	\$ 19,190	\$ 3,220	\$ 11,735	\$ 4,235
Inspecting Architect	\$ 18,886		\$ -	\$ 18,886
Structural, Map & Sound Engineer	\$ 690,840	\$ 115,320	\$ 422,460	\$ 152,460
Civil & Acoustic Engineer	\$ 85,950	\$ 16,100	\$ 68,676	\$ 21,174
LEED Soft Costs	\$ 17,372	\$ 3,703	\$ -	\$ 13,669

(Sub)Exhibit "J-1" Revised.
 (To First Amendment To Wilson Yard Redevelopment
 Project Area Redevelopment Agreement)

Project Budget -- Phase I.
 (Page 2 of 2)

	TOTAL MASTER DEVELOPER	ALDI	Master Developer- Other Costs	Retail & Surface Parking
ACQUISITION:				
Land	\$ 7,332,132			
TOTAL ACQUISITION COSTS:	\$ 7,332,132	\$ -	\$ -	\$ -
SOFT COSTS:				
Legal - Zoning, TIF, vertical Subdivision	\$ 183,115	\$ 27,370	\$ 99,748	\$ 36,998
Legal- Other	\$ 288,840	\$ 45,080	\$ 164,290	\$ 89,290
Accounting	\$ 37,305	\$ 2,958	\$ 23,429	\$ 10,918
Appraisal	\$ 9,675	\$ 1,610	\$ 5,869	\$ 2,118
Environmental reports/ Testing	\$ 35,958	\$ 16,100	\$ 58,675	\$ 21,175
Market Study	\$ 12,241		\$ 8,358	\$ 3,891
Application	\$ 4,961	\$ 832	\$ 3,033	\$ 1,095
Permits & Permit Expediting	\$ 98,000	\$ 19,000	\$ -	\$ 80,000
Survey	\$ 57,578	\$ 9,668	\$ 35,205	\$ 12,705
TIF & Traffic Consultant	\$ 44,905	\$ 7,535	\$ 27,460	\$ 9,910
Parking Consultant	\$ 15,000		\$ -	\$ 15,000
Consulting & CC Fee	\$ -		\$ -	\$ -
Consulting Leasing Sales	\$ -		\$ -	\$ -
Job Training	\$ 500,000		\$ 500,000	\$ -
Land Lease CTA	\$ 119,000		\$ -	\$ 119,000
Brokerage Fee	\$ 150,000		\$ -	\$ 150,000
Marketing, Advertising	\$ 25,000		\$ -	\$ 25,000
Permanent Loan Fee	\$ 40,000		\$ -	\$ 40,000
Pre-construction interest & fees	\$ 580,840	\$ 116,920	\$ 422,460	\$ 152,460
TIF loan issuance Costs	\$ 411,566	\$ 69,126	\$ 251,924	\$ 90,516
Construction Period Interest	\$ 250,000	\$ -	\$ 0.00	\$ 250,000
Construction Period Taxes	\$ 21,822	\$ -	\$ 0.00	\$ 21,822
Construction Period Insurance	\$ 58,000	\$ 48,000	\$ 0.00	\$ 10,000
Title & Recording	\$ 57,678	\$ 9,860	\$ 35,285	\$ 12,705
Soft Cost Contingency	\$ 145,000		\$ 100,000	\$ 45,000
Developer Overhead	\$ 1,128,507	\$ 162,559	\$ 686,250	\$ 387,698
Developer Profit	\$ 1,587,856	\$ 487,508	\$ 437,936	\$ 572,407
Construction Period Carry Costs	\$ 344,944	\$ 165,800	\$ 122,745	\$ 57,203
Damage Reserves	\$ 280,000		\$ -	\$ 280,000
TIF Reserve	\$ 100,000		\$ -	\$ 100,000
Return on Equity	\$ 164,500		\$ 164,500	
TOTAL SOFT COSTS	\$ 8,458,193	\$ 1,437,860	\$ 4,151,889	\$ 2,688,644
USES OF FUNDS: TOTAL	\$ 26,192,281	\$ 6,938,445	\$ 4,351,194	\$ 8,478,920

(Sub)Exhibit "J-2" Revised.
 (To First Amendment To Wilson Yard Redevelopment
 Project Area Redevelopment Agreement)

Project Budget -- Phase II
 (Page 1 of 2)

Development Budget	Wilson Yard Family
ACQUISITION:	
Land	\$ 1,906,776
TOTAL ACQUISITION COSTS:	\$ 1,906,776

HARD COSTS:	
Construction Residential	\$ 10,968,735
Construction Parking	\$ 2,711,738
Common Share	\$ 448,724
Landscaping	\$ 43,096
Landscaping- Playground	\$ 100,000
Site fencing	\$ 7,757
Infrastructure	\$ 867,891
Remediation	\$ 867,891
Private Utilities	\$ 158,035
Contingency	\$ 1,163,453
TOTAL HARD COSTS:	\$ 24,882,722

SOFT COSTS:	
Professional Services:	
Architect Design	\$ 856,437
Architect Reimbursables	\$ 21,638
Architect Supervision	\$ 28,073
Landscape Architect	\$ 9,355
Inspecting Architect	\$ 43,896
Structural, MEP & Sound Engineer	\$ 336,780
Civil & Acoustic Engineer	\$ 46,775
LEED Soft Costs	\$ 31,524
Legal - Zoning, TIF, vertical Subdivision	\$ 79,518
Legal- Other	\$ 139,970
Legal-Partnership	\$ 75,000

SOURCES	
WDA Trust Fund	\$ 2,750,000
Dougherty -TIF	\$ 12,547,891
FHLB	\$ 600,000
CTA Share remediation	\$ 134,622
LHTC	\$ 17,680,000
Total Sources	\$ 33,712,513

(Sub)Exhibit "J-2" Revised.
 (To First Amendment To Wilson Yard Redevelopment
 Project Area Redevelopment Agreement)

Project Budget -- Phase II.
 (Page 2 of 2)

Development Budget	Wilson Yard Family
ACQUISITION:	
Land	\$ 1,906,776
TOTAL ACQUISITION COSTS:	\$ 1,906,776

SOFT COSTS:

Legal-Tax Credit & Bond Council	\$ 145,562
Accounting	\$ 81,515
Appraisal	\$ 13,411
Environmental reports/ Testing	\$ 48,775
Market Study	\$ 8,975
Application	\$ 2,418
Permits & Permit Expediting	\$ 20,800
Survey	\$ 28,065
TIF & Traffic Consultant	\$ 21,851
Job Training	\$ -
Marketing, Advertising, PR	\$ 160,000
Model Unit & Leasing Office	\$ 30,000
Tax Credit Fees	\$ 288,200
Lenders Fees-	
Pre-construction interest & fees	\$ 336,780
TIF loan issuance Costs	\$ 200,831
Construction Period Interest	\$ 1,109,000
Construction Period Taxes	\$ 48,483
Construction Period Insurance	\$ 180,000
Title & Recording	\$ 28,065
Lease Up Reserve	\$ 150,000
Insurance & Tax Escrow	\$ 78,000
Construction Period Carry Costs	\$ 131,929
Operating Reserve & Replacement Reserve	\$ 361,500
Developer Fee	\$ 2,081,548
TOTAL SOFT COSTS	\$ 6,823,015
USES OF FUNDS: TOTAL	\$ 33,712,513

(Sub)Exhibit "J-3" Revised.
 (To First Amendment To Wilson Yard Redevelopment
 Project Area Redevelopment Agreement)

Project Budget -- Phase III.
 (Page 1 of 2)

DEVELOPMENT PROJECT	WILSON YARD SENIOR
ACQUISITION :	
Land	\$ 1,171,817
TOTAL ACQUISITION COSTS:	\$ 1,171,817

HARD COSTS:	
Construction Residential	\$ 16,811,822
Construction Parking	\$ 1,460,168
Common Share	\$ 488,724
Tenant Improvement	\$ 47,505
Landscaping	\$ 38,821
Site Fencing	\$ 5,568
Infrastructure	\$ 478,274
Remediation	\$ 478,274
Private Utilities	\$ 87,750
Contingency	\$ 984,855
TOTAL HARD COSTS:	\$ 20,675,156

SOFT COSTS:	
Professional Services:	
Architect Design	\$ 399,235
Architect Reimbursables	\$ 15,454
Architect Supervision	\$ 18,707
Landscape Architect	\$ 9,750
Inspecting Architect	\$ 30,821
Structural, Map & Sound Engineer	\$ 287,888
Civil & Acoustic Engineer	\$ 28,758
LEED Soft Costs	\$ 22,818
Legal - Zoning, TF, vertical Subdivision	\$ 48,875
Legal- Other	\$ 89,589
Legal-Partnership	\$ 75,898
Legal-Tax Credit	\$ 184,438
Legal- Bond Council	\$ 150,000
Accounting	\$ 58,485

SOURCES	
First Mortgage	1,788,491
Daugherty- TF Note	9,261,452
OOH Home & 750K	4,750,000
Trust Fund Soft Loan	750,000
FIRL	549,699
CTA Share Remediation	96,583
LBTC	11,447,678
TOTAL SOURCES	28,914,282

AMENDMENT OF PRIOR ORDINANCE WHICH AUTHORIZED
ISSUANCE OF MULTI-FAMILY HOUSING REVENUE
BONDS AND NOTES TO AND EXECUTION OF
LOAN AGREEMENT WITH WILSON
YARD SENIOR HOUSING, L.P.

The Committee on Finance submitted the following report:

CHICAGO, May 23, 2007.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance authorizing the amending of an ordinance that authorized the issuance of Multi-Family Housing Revenue Bonds for Wilson Yard Senior Housing L.P. amount of bonds not to exceed \$17,000,000, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the Committee.

Alderman Edward M. Burke abstained from voting pursuant to Rule 14 of the City Council's Rules of Order and Procedure.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

On motion of Alderman Burke, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Flores, Fioretti, Dowell, Preckwinkle, Hairston, Lyle, Jackson, Harris, Beale, Pope, Balcer, Cárdenas, Olivo, Foulkes, Thompson, Thomas, Lane, Rugai, Cochran, Brookins, Muñoz, Zalewski, Dixon, Solis, Ocasio, Burnett, E. Smith, Carothers, Suarez, Waguespack, Mell, Austin, Colón, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Reilly, Tunney, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 47.

Nays -- None.

Alderman Zalewski moved to reconsider the foregoing vote. The motion was lost.

Alderman Burke invoked Rule 14 of the City Council's Rules of Order and Procedure, disclosing that he had represented parties to this ordinance in previous and unrelated matters.

The following is said ordinance as passed:

WHEREAS, By virtue of Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois, the City of Chicago (the "City") is a home rule unit of local government and, as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, The City Council of the City (the "City Council") adopted an ordinance on February 8, 2006 (the "Bond Ordinance") which is published at pages 68821 -- 69118 of the *Journal of the Proceedings of the City Council of the City of Chicago*, authorizing the City to issue, sell and deliver the City's Multi-Family Housing Revenue Bonds (Wilson Yard Senior Apartments), Series 2006 (F.H.A.-Insured (G.N.M.A.)) in the aggregate principal amount of not to exceed Three Million Dollars (\$3,000,000) (the "Bonds") and its Multi-Family Housing Revenue Notes (Wilson Yard Senior Apartments), Series 2006 in the aggregate principal amount of not to exceed Eleven Million Dollars (\$11,000,000) (the "Notes", as defined in this Amendatory Ordinance as the "Bonds"), to be issued in one or more series as herein provided under the terms and conditions set forth in the Bond Ordinance, in each case to lend the proceeds to Wilson Yard Senior Housing, L.P., an Illinois limited partnership (the "Borrower") to enable the Borrower to pay a portion of the costs of acquisition of real estate and construction thereon, and equipping of an approximately ninety-nine (99) unit senior citizen multi-family housing project (the "Project") located generally on the north side of Montrose Avenue and approximately west of Broadway in Chicago, Illinois 60640 (the "Site") and pay a portion of the costs of issuance and other costs in connection therewith; and

WHEREAS, The structure of the proposed financing is to, among other things, eliminate the issuance of the Bonds authorized by the original Bond Ordinance and to increase the amount of the aggregate principal amount of the Notes authorized in the Original Bond Ordinance to an amount not to exceed Seventeen Million Dollars (\$17,000,000), to change the name of those Notes to "Bonds" and to revise Exhibit A-1 to reflect modified sources of financing; and

WHEREAS, The proposed modifications to the financing structure require an amendment to the original Bond Ordinance; now, therefore,

Be It Ordained by the City Council of the City of Chicago, as follows:

SECTION 1. Incorporation Of Recitals. The recitals contained in the preambles

to this Amendatory Ordinance are hereby incorporated into this Amendatory Ordinance by this reference.

SECTION 2. Amendments. The Bond Ordinance is hereby amended by deleting certain language by strikeout as follows and adding the following underlined language:

(a) The Bond Ordinance Title is amended to read as follows:

~~Ordinance Authorizing The Issuance And Sale Of Not To Exceed Three Million Dollars (\$3,000,000) Multi-Family Housing Revenue Bonds (Wilson Yard Senior Apartments) Series 2006 (F.H.A. insured/G.N.M.A.) And Not To Exceed Eleven Million Dollars (\$11,000,000)~~ Seventeen Million Dollars (\$17,000,000) Multi-Family Housing Revenue Notes Bonds (Wilson Yard Senior Apartments) Series ~~2006, In Each Case~~ 2007, To Finance A Loan To Wilson Yard Senior Housing, L.P. To Finance A Portion Of The Costs Of Acquiring Real Estate And Constructing Thereon And Equipping A Residential Facility For Senior Citizens, Authorizing The Execution And Delivery Of ~~A Loan Agreement, A Trust Indenture, A Note Issuance Agreement, A Financing Agreement, An Assignment And Security Agreement And A Regulatory Agreement With Respect To The Bonds, And The Notes And~~ Authorizing Other Matters Relative Thereto.

(b) Preambles D., E., F., G. H., I. to the Bond Ordinance is amended to read as follows:

D. The Borrower desires that the City issue, sell and deliver the City's ~~Multi Family Housing Revenue Bonds (Wilson Yard Senior Apartments), Series 2006 (F.H.A. insured/G.N.M.A.), in the aggregate principal amount of not to exceed Three Million Dollars (\$3,000,000) (the "Bonds") and its Multi-Family Housing Revenue Notes~~ Bonds (Wilson Yard Senior Apartments), Series ~~2006~~ 2007 in the aggregate principal amount of not to exceed ~~Eleven Millions Dollars (\$11,000,000)~~ Seventeen Million Dollars (\$17,000,000) (the "Notes Bonds"), to be issued in one or more series as herein provided under the terms and conditions of this Ordinance, and lend the proceeds therefrom to the Borrower, to enable it to pay a portion of the costs of the acquisition of real estate and construction thereon, and equipping of an approximately ninety-nine (99) unit senior citizen multi-family housing project (the "Project") located generally on the north side of Montrose Avenue immediately west of Broadway Street in Chicago, Illinois 60640 (the "Site"), and pay a portion of the costs of issuance and other costs in connection therewith.

E. In connection with the issuance of the Bonds ~~and the Notes~~, the City Council has determined by this Ordinance that it is necessary and in the best interests of the City to enter into (i) a ~~Trust Indenture (the "Indenture") between the City and a trustee to be selected by the Executive Officer (as defined in Section 7 hereof) as provided therein (the "Trustee")~~ providing for the security for

~~and terms and conditions of the Bonds to be issued and providing for the use of the proceeds of the Bonds to purchase fully modified mortgage-backed securities guaranteed by G.N.M.A. from Prairie Mortgage Company, an Illinois corporation, or another entity acceptable to the City (the "Lender"), and the corresponding making of a mortgage loan by the Lender to the Borrower backing those securities and insured by the Federal Housing Administration ("F.H.A."), all for the purposes described above, (ii) a Loan Agreement (the "Loan Agreement") among the City, the Borrower and the Trustee, (iii) a Note Issuance Agreement (the "Note Issuance Agreement") between the City and the Trustee (in its capacity as trustee of the trust established by the Note Issuance Agreement), providing for the security for and terms and conditions of the Notes Bonds to be issued, (iv) a Financing Agreement (the "Financing Agreement") between the City and the Borrower providing for the loan of proceeds of the Notes Bonds for the purposes described above, (v) an Assignment and Security Agreement (the "Assignment") between the City and the Trustee for the Notes Bonds, (vi) one or more Bond Purchase Agreements (each, a "Bond Purchase Agreement") among the City, the Borrower and the Underwriter (as defined below) for the Bonds and the Notes, providing for the sale of the Bonds and the Notes, and the preparation and circulation of one or more preliminary offering documents for the Bonds and the Notes (the "Preliminary Official Statements") and one or more official statements for the Bonds and the Notes (the "Official Statements"), and (vii) a Regulatory Agreement (the "Regulatory Agreement") among the City, the Borrower and the Trustee.~~

F. ~~The Bonds and the Notes~~ issued pursuant to this Ordinance, together with interest thereon, shall be special, limited obligations of the City secured under ~~the Indenture and the Note Issuance Agreement, respectively,~~ for the benefit of the owners of the Bonds ~~and the Notes~~. The Bonds will be payable from the loan payments received by the City pursuant to the Loan Agreement and the Financing Agreement, respectively, between the City and the Borrower, pursuant to which the City will lend the proceeds of the Bonds ~~and the Notes~~ to the Borrower to finance a portion of the cost of the Project in return for loan payments sufficient to pay when due, the principal of, redemption premium, if any, and interest on the Bonds ~~and the Notes~~.

G. ~~The Bonds and the Notes~~ and the obligation to pay interest thereon do not now and shall never constitute an indebtedness or an obligation of the City, the State of Illinois or any political subdivision thereof, within the purview of any Constitutional limitation or statutory provision, or a charge against the general credit or taxing powers of any of them. No owner of the Bonds ~~or the Notes~~ shall have the right to compel the taxing power of the City, the State of Illinois or any political subdivision thereof to pay any principal installment of, premium, if any, or interest on the Bonds ~~or the Notes Bonds~~.

H. In order that interest on the Bonds ~~and the Notes~~ be excluded from gross income for federal income tax purposes under the Internal Revenue Code of

1986, as amended (the "Code"), the Borrower must comply with certain restrictions on the use and occupancy of the Project, as set forth in a Regulatory Agreement.

I. There has been presented to this meeting of the City Council of the City forms of the following documents in connection with the Bonds and the Notes:

~~(1) the forms of Indenture, which includes a form of the Bonds to be issued by the City, attached as Exhibits B-1 and B-2 hereto;~~

~~(2) the forms of Loan Agreement, attached as Exhibits C-1 and C-2 hereto;~~

(1)(3) the form of the Note Issuance Agreement, which includes a form of the Notes Bonds to be issued by the City, attached as Exhibit DE hereto;

(2)(4) the form of the Financing Agreement, attached as Exhibit EC hereto:

(3)(5) the form of Regulatory Agreement, attached as Exhibit FD hereto; and

(4)(6) the form of Assignment, attached as Exhibit GE hereto;

(c) Sections 1 through 25 of the original Bond Ordinance are amended to read as follows:

1. Findings And Determinations. The City Council hereby finds and determines that the delegations of authority that are contained in this Ordinance, including the authority to make the specific determinations described herein, are necessary and desirable because the City Council cannot itself as advantageously, expeditiously or conveniently exercise such authority and make such specific determinations. Thus, authority is granted to the executive officer (as defined below) to determine to sell the Bonds and the Notes on such terms as and to the extent such officers determine that such sale or sales is desirable and in the best financial interest of the City.

2. The Loan. The loan of Bond and Note proceeds to the Borrower pursuant to the terms of the Loan Agreement and the Financing Agreement by the City and the issuance of the Bonds and the Notes by the City are hereby authorized.

~~3. The Bonds. The issuance of the Bonds by the City in the principal amount of not to exceed Three Million Dollars (\$3,000,000) in one or more series is hereby authorized, subject to the provisions of this Ordinance and the Indenture hereinafter authorized. The aggregate principal amount of the Bonds to be issued shall be set forth in the related Notification of Sale.~~

~~The Bonds shall contain a provision that they are issued under the authority of the Constitution and this Ordinance. The Bonds shall mature not later than~~

~~forty-five (45) years from the first day of the month immediately succeeding the date of issue of the Bonds and shall bear interest, subject to the last sentence of this paragraph, at such rate or rates as shall be determined pursuant to the Indenture and the related Notification of Sale, which interest shall be payable on the interest payment dates set forth in the Indenture and the related Notification of Sale. The Bonds shall be dated, shall be subject to redemption prior to maturity, shall be payable in such places and in such manner and shall have such other details and provisions as prescribed by the Indenture and form of the Bonds therein. The interest rate on the Bonds and the method of determining such interest rate from time to time is subject to the terms of the related Indenture, notwithstanding any of the foregoing, no such interest rate shall exceed the rate of ten percent (10%) per annum.~~

~~The provisions for execution, signatures, authentication, payment and prepayment, with respect to the Bonds, shall be as set forth in the related and the form of the Bonds therein.~~

3.4 The Notes Bonds. The issuance of the Notes Bonds in a principal amount not to exceed ~~Eleven Million Dollars (\$11,000,000)~~ Seventeen Million Dollars (\$17,000,000) is hereby authorized.

The Notes Bonds shall contain a provision that it is issued under the authority of this Ordinance. The Notes Bonds shall mature not later than five (5) years from the first day of the month immediately succeeding the date of issue of the Notes Bonds. The Notes Bonds shall bear interest at a rate not to exceed ten percent (10%), payable on the interest payment date(s) as set forth in the Note Issuance Agreement and in the related Notification of Sale. The Notes Bonds shall be dated, shall be subject to prepayment, shall be payable in such places and in such manner and shall have such other details and provisions as prescribed by the Note Issuance Agreement, the form of Notes Bonds therein and the related Notification of Sale.

4. ~~5:~~ Assignment Of Rights. The right, title and interest of the City (except for certain rights to notice, indemnification, and reimbursement) in, to and under the Loan Agreement, the Financing Agreement, and the Assignment, and the revenues to be derived by the City thereunder, will be assigned to the Trustee in its respective capacity as trustee for the Bonds and the Notes Bonds. (The Bonds and the Notes Bonds are separately secured.) The payment of the principal of and interest on the Bonds and the Notes Bonds and the purchase price therefor will be secured as specified in the Indenture and the Note Issuance Agreement, respectively.

5. ~~6:~~ Limited Obligations. The Bonds ~~and the Notes~~, when issued and outstanding, will be a limited obligation of the City. The Bonds ~~and the Notes~~ and the interest thereon shall never constitute a debt or general obligation or a pledge of the faith, the credit or the taxing power of the City within the meaning

of any Constitutional or statutory provision of the State of Illinois. The City shall not be liable on the Bonds or the Notes, nor shall the Bonds and the Notes be payable out of any funds of the City other than those pledged therefor pursuant to the terms of the Indenture and the Note Issuance Agreement, respectively. ~~The Bonds shall be limited obligations of the city, payable solely from (i) all right, title and interest of the city in the GNMA mortgage backed securities purchased pursuant to the Loan Agreement, (ii) all right, title and interest of the City (other than certain reserved rights of the city, as described in the Loan Agreement) in the Loan Agreement, and (iii) the proceeds of the Bonds and income from the temporary investment thereof, as provided in the Indenture. In order to secure the payment of the principal of, premium, if any, and interest on the Bonds, such rights, proceeds and investment income shall be pledged to the extent and for the purposes as provided in the Indenture and are hereby appropriated for the purposes set forth in the Indenture.~~

~~7. The Indenture. The execution and delivery of an Indenture, substantially in the form attached hereto as Exhibit B-1 or Exhibit B-2, as determined in the related Notification of Sale, is hereby authorized. Each of (i) the Mayor of the City (the "Mayor"), (ii) the Chief Financial Officer of the City (as defined below) or (iii) any other officer designated in writing by the Mayor (the Mayor, the Chief Financial Officer and any such other officer being hereinafter referred to collectively as the "Executive Officer") is hereby authorized to execute, acknowledge and deliver the Indenture with such changes, insertions and omissions as may be approved by the Executive Officer. The Executive Officer is hereby authorized to make such changes, insertions and omissions to the form of Indenture attached hereto as Exhibit B-1 or Exhibit B-2 as shall be determined by the Executive Officer to be necessary and appropriate. The execution of the Indenture by the Executive Officer shall be conclusive evidence of such approval.~~

~~As used herein, the term "Chief Financial Officer" shall mean the Chief Financial Officer of the City appointed by the Mayor, or, if there is no such officer then holding said office, the City Comptroller.~~

~~8. The Loan Agreement. The execution and delivery of a Loan Agreement relating to the Bonds, substantially in the form attached hereto as Exhibit C-1 or Exhibit C-2, as determined in the related Notification of Sale, is hereby authorized. The Executive Officer is hereby authorized to execute, acknowledge and deliver the Loan Agreement with such changes, insertions and omissions as may be approved by the Executive Officer, including all such changes, insertions and omissions as shall be necessary to conform the terms of the Loan Agreement to the terms of the Indenture. The execution of the Loan Agreement by the Executive Officer shall be conclusive evidence of such approval.~~

6. 9. The Note Issuance Agreement. The execution and delivery of a Note Issuance Agreement relating to the Notes Bonds, substantially in the form

attached hereto as Exhibit ~~DC~~ is hereby authorized. Each of (i) the Mayor of the City (the "Mayor"), (ii) the Chief Financial Officer of the City (as defined below) or (iii) any other officer designated in writing by the Mayor (the Mayor, the Officer and any such other officer being hereinafter referred to collectively as the "Executive Officer") is hereby authorized to execute, acknowledge and deliver the Note Issuance Agreement with such changes, insertions and omissions as may be approved by the Executive Officer, including all such changes, insertions and omissions as shall be necessary to conform the terms of the Note Issuance Agreement to the terms of the Notification of Sale. The execution of the Note Issuance Agreement by the Executive Officer shall be conclusive evidence of such approval.

As used herein, the term "Chief Financial Officer" shall mean the Chief Financial Officer of the City appointed by the Mayor, or, if there is no such officer then holding said office, the City Comptroller.

7. ~~10:~~ The Financing Agreement. The execution and delivery of the Financing Agreement, substantially in the form attached hereto as Exhibit ~~ED~~, is hereby authorized. The Executive Officer is hereby authorized to execute, acknowledge and deliver the Financing Agreement with such changes, insertions and omissions as may be approved by the Executive Officer. The Executive Officer is hereby authorized to make such changes, insertions and omissions to the form of Financing Agreement attached hereto as Exhibit ~~ED~~ as shall be determined by the Executive Officer to be necessary and appropriate. The execution of the Financing Agreement by the Executive Officer shall be conclusive evidence of such approval.

8. ~~11:~~ The Assignment. The execution and delivery of the Assignment, substantially in the form attached hereto as Exhibit ~~GE~~, is hereby authorized. The Executive Officer is hereby authorized to execute, acknowledge and deliver the Assignment with such changes, insertions and omissions as may be approved by the Executive Officer. The Executive Officer is hereby authorized to make such changes, insertions and omissions to the form of Assignment attached hereto as Exhibit ~~GE~~ as shall be determined by the Executive Officer to be necessary and appropriate. The execution of the Assignment by the Executive Officer shall be conclusive evidence of such approval.

9. ~~12:~~ Bond Purchase Agreements. The Bonds and the Notes shall be sold in accordance with the provisions of one or more Bond Purchase Agreements (which may contemplate an underwriting or a private placement) among the City, the Borrower and such underwriter, underwriters or placement agent as shall be selected by the Executive Officer (the "Underwriter"), substantially in a form of similar agreements executed by the City in transactions similar to the Bonds and the ~~Notes~~ Bonds, with such changes, insertions and omissions as may be approved by the Executive Officer. The Executive Officer is hereby authorized to execute and deliver each Bond Purchase Agreement and the

Chairman of the Committee on Finance of the City Council shall concur in the execution and delivery of each Bond Purchase Agreement. The execution of each Bond Purchase Agreement by the Executive Officer and the concurrence by the Chairman of the Committee on Finance of the City Council shall be conclusive evidence of such approval.

The Executive Officer is hereby authorized to participate in the preparation of, and to execute on behalf of the City, if necessary, such Preliminary Official Statements and Official Statements (which may be private placement memoranda or other disclosure documents) as shall be determined by the Executive Officer to be necessary or appropriate in connection with the placement of the Bonds and the Bonds and the Notes by the Underwriter (the "Disclosure Document"), provided that the City shall not be responsible for the content of the Disclosure Document except as specifically provided in the Bond Purchase Agreement executed by the Executive Officer. Any such Disclosure Document shall be in a form determined by the Executive Officer to adequately describe the terms and provisions of and the security for ~~the Bonds and the Notes~~ Bonds and the Bonds and may contain such other information relating to the Bonds and the ~~Notes~~ Bonds as the Executive Officer shall deem necessary or appropriate. The distribution and use of any such Disclosure Document in connection with the placement of the Bonds and the ~~Notes~~ Bonds is hereby approved.

10. ~~13~~. The Tax Agreements. The execution and delivery of one or more agreements regarding arbitrage and regulations regarding the issuance of tax-exempt obligations (each, a "Tax Agreements" and collectively, the "Tax Agreements") among the City, the Borrower and the Trustee, substantially in the form of similar agreements executed by the City in transactions similar to the issuance of the ~~Bonds and the Notes~~, with such changes, insertions and omissions as may be approved by the Executive Officer, is hereby authorized. The Executive Officer is hereby authorized to execute, acknowledge and deliver a Tax Agreement for the Bonds ~~and Notes~~ with such changes, insertions and omissions as may be approved by the Executive Officer. The execution of each Tax Agreement by the Executive Officer shall be conclusive evidence of such approval.

11. ~~14~~. Regulatory Agreement. The execution and delivery of a Regulatory Agreement relating to the Bonds ~~and the Notes~~, substantially in the form attached hereto as Exhibit FE is hereby authorized. The Executive Officer is hereby authorized to execute, acknowledge and deliver the Regulatory Agreement with such changes, insertions and omissions as may be approved by the Executive Officer, including such changes, insertions and deletions conforming to the Code and the regulations promulgated thereunder relating to the tax-exempt status of the Bonds ~~and the Notes~~ reflecting the anticipated use and occupancy of the Project. The execution of the Regulatory Agreement by the Executive Officer shall be conclusive evidence of such approval.

12. ~~15:~~ Sale Of Bonds And Notes. ~~The Bonds are hereby authorized to be sold by the Underwriter at the purchase price (which shall be not less than ninety-seven and five-tenths percent (97.5%) of the principal amount of the Bonds, without giving effect to any original issue discount for the Bonds) and on the terms and conditions set forth in the Indenture and the Bond Purchase Agreement(s) and as may be approved by the Chief Financial Officer. The Notes, The Bonds~~ are hereby authorized to be sold by the Underwriter at the purchase price (which shall be not less than ninety-eight percent (98%) of the principal amount of the ~~Notes Bonds~~, without giving effect to any original issue discount for the ~~Notes Bonds~~) and on the terms and conditions set forth in the Note Issuance Agreement and the Bond Purchase Agreement(s) and as may be approved by the Chief Financial Officer.

13. ~~16:~~ Execution Of Bonds and Notes. The Bonds and Notes shall be executed by manual or facsimile signature of the Mayor of the City or the Chief Financial Officer and the seal of the City shall be affixed or imprinted and attested to by the manual or facsimile signature of the City Clerk or any Deputy Clerk, as set forth in the related Indenture Note Issuance Agreement and the same shall be delivered to the Trustee for proper authentication and delivery upon instructions to that effect.

14. ~~17:~~ Trustee. The Executive Officer is authorized to select the Trustee under the ~~Indenture and the~~ Note Issuance Agreement. The City shall have no obligation or liability as principal of the Trustee, for acts of the Trustee.

15. ~~18:~~ Notification Of Sale. Subsequent to the sale of the Bonds and the ~~Notes~~ the Executive Officer shall file in the Office of the City Clerk a Notification of Sale for the Bonds and the Notes directed to the City Council setting forth (i) the aggregate original principal amount of, maturity schedule, redemption provisions for and nature of the Bonds and Notes sold, (ii) the extent of any tender rights to be granted to the holder of the Bonds, including, without limitation, the right of the holder to tender the Bonds in exchange for one or more mortgage certificates held by the Trustee under the Indenture, (iii) ~~sold~~, (ii) the identity of the Trustee, (iv) the interest rates on the Bonds and Notes, (v) the identity of any Underwriter or institutional investors who purchase the Bonds directly from the City or through the Underwriter, and (vi) the compensation paid to the Underwriter in connection with such sale. There shall be attached to such Notification of Sale the final form of the Indenture Note Issuance Agreement.

16. ~~19:~~ Approval Of Affordable Housing Loan.

(a) Upon the approval and availability of the Additional Financing as shown on Exhibit A-1 hereto, the Commissioner of D.O.H. (the "Commissioner") and any designee of the Commissioner are each hereby authorized, subject to approval by the Corporation Counsel, to enter into and execute such agreements

and instruments, and perform any and all acts as shall be necessary or advisable in connection with the implementation of the Affordable Housing Loan and the terms and program objectives of the HOME Program. The Commissioner is hereby authorized, subject to the approval of the Corporation Counsel, to negotiate any and all terms and provisions in connection with the Affordable Housing Loan which do not substantially modify the terms described in Exhibit A-1 hereto. Upon the execution and receipt of proper documentation, the Commissioner is hereby authorized to disburse the proceeds of the Affordable Housing Loan to the Borrower.

(b) In connection with the Affordable Housing Loan by the City to the Borrower, the City shall waive those certain fees, if applicable, imposed by the City with respect to the Project and as more fully described in Exhibit A-2 hereto. The Project shall be deemed to qualify as "Affordable Housing" for purposes of Chapter 16-18 of the Municipal Code of Chicago (the "Municipal Code").

17. ~~20~~: Further Assurances. The Executive Officer, the Commissioner, the City Clerk and any Deputy Clerk of the City are hereby designated the authorized representatives of the City, and each of them is hereby authorized and directed to do any and all things necessary to effect the performance of all obligations of the City under and pursuant to this Ordinance and the performance of all other acts of whatever nature necessary to effect and carry out the authority conferred by this Ordinance, including but not limited to, the exercise following the delivery date of any of the Bonds of any power or authority delegated to such official of the City under this Ordinance with respect to the Bonds upon the initial issuance thereof, but subject to any limitations on or restrictions of such power or authority as herein set forth. The Executive Officer, the Commissioner, the City Clerk, any Deputy City Clerk and the other officers, agents and employees of the City are hereby further authorized, empowered and directed for and on behalf of the City, to execute and deliver all papers, documents, certificates and other instruments that may be required to carry out the authority conferred by this Ordinance or to evidence said authority.

18. ~~21~~: Declaration Of Official Intent. A portion of the cost of the acquisition, construction and equipping of the Project which the City intends to finance with the proceeds of the Bonds has been paid from available monies of the Borrower prior to the date of this Ordinance, it is the intention of the City to utilize a portion of the proceeds of the Bonds to reimburse such expenditures which have been or will be made for those costs, to the extent allowed by the Code and related regulations. It is necessary and in the best interests of the City to declare its official intent under Section 1.150-2 of the Treasury Regulations promulgated under the Code to so utilize those ~~Bond~~Bonds proceeds.

19. ~~22~~: Severability. The provisions of this ordinance are hereby declared

to be separable and if any section, phrase or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereof; provided that no holding of invalidity shall require the City to make any payments on the Bonds from revenues other than those derived from the Loan Agreements.

20. ~~23~~: No Recourse. No recourse shall be had for the payment of the principal of, premium, if any, or interest on any of the Bonds ~~or the Notes~~, or for any claim based thereon, or upon any obligation, covenant or agreement contained in this ordinance, ~~the Indenture, the Loan Agreement~~; the Note Issuance Agreement, the Financing Agreement, the Bond Purchase Agreement, the Regulatory Agreement, the Assignment or the Tax Agreements against any past, present or future officer, member or employee of the City, or any officer, employee, director or trustee of any successor, as such, either directly or through the City, or any such successor, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such member, officer, employee, director or trustee as such is hereby expressly waived and released as a condition of and consideration for the execution of any of such documents or the issuance of the Bonds ~~and the Notes~~.

21. ~~24~~: Volume Cap. The Bonds ~~and the Notes~~ are obligations taken into account under Section 146 of the Code in the allocation of the City's volume cap.

22. ~~25~~: Repealer. All ordinances and resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

23. ~~26~~: Effect Of Municipal Code. No provision of the Municipal Code or violation of any provision of the Municipal Code shall be deemed to impair the validity of this ordinance or the instruments authorized by this ordinance or to impair the rights of the owners of the Bonds to receive payment of the principal of, premium, if any, or interest on the Bonds or to impair the security for the Bonds; provided further that the foregoing shall not be deemed to affect the availability of any other remedy or penalty for any violation of any provision of the Municipal Code. Section 2-44-090 of the Municipal Code shall not apply to the Project or the Site.

24. ~~27~~: Proxies. The Mayor and the Chief Financial Officer may each designate another to act as their respective proxy and to affix their respective signatures to, in the case of the Mayor, each ~~Bond~~Note, whether in temporary or definitive form, and to any other instrument, certificate or document required or authorized to be signed by the Mayor or the Chief Financial Officer pursuant to this ordinance. In each case, each shall send to the City Council written notice of the person so designated by each, such notice stating the name of the person so selected and identifying the instruments, certificates and documents which such person shall be authorized to sign as proxy for the Mayor or the Chief Financial Officer, respectively. A written signature of the Mayor or the Chief Financial Officer, respectively, executed by the person so designated

underneath, shall be attached to each notice. Each notice, with signatures attached, shall be recorded in the *Journal* and filed with the City Clerk. When the signature of the Mayor is placed on an instrument, certificate or document at the direction of the Mayor in the specified manner, the same, in all respects, shall be as binding on the City as if signed by the Mayor in person. When the signature of the Chief Financial Officer is placed on an instrument, certificate or document at the direction of the Chief Financial Officer in the specified manner, the same, in all respects, shall be as binding on the City as if signed by the Chief Financial Officer in person.

25. 28: Effective Date. This ordinance shall be in full force and effect immediately upon its passage and approval.

(d) Exhibit "A-1" is amended to read as follows:

Exhibit "A-1".

Terms Of Affordable Housing Loan.

Affordable
Housing
Loan:

1. Source: HOME Program, Corporate Funds, Program Income and/or I.H.D.A. Funds
- Amount: Not to exceed \$4,750,000
- Term: Not to exceed 45 years
- Interest: Zero percent per annum
- Security: Non-recourse loan; second mortgage on the Project

Additional
Financing:

1. ~~The Bonds and the Notes, as described in this ordinance. The Bond proceeds will be used to purchase one or more G.N.M.A. securities issued by the Lender. The Lender will make a loan in an aggregate amount not to exceed \$3,000,000 to the Borrower, secured by a first mortgage on the Project. Repayments on that loan will be insured by the F.I.A. The Notes Bonds will be secured as provided by the Note Issuance Agreement, with the Notes Bonds earmarked to be paid with proceeds received by the Borrower from the sale of tax-credit~~

equity and proceeds of the loan secured by the City T.I.F. Note described below.

2. Construction Financing:

Lender: A lender acceptable to the Commissioner

Amount: Up to \$6,000,000

Term: Not to exceed 30 months

Interest: variable, not to exceed 7.50%

Security: First mortgage on the Project

Repaid: By tax credit equity and permanent loan proceeds

3. Permanent Financing:

Lender: EF & A, L.L.C., or another source acceptable to the Commissioner

Amount: Up to \$2,000,000

Term: 30 years

Interest: not to exceed 8% fixed

Security: First Mortgage on the Project

4. I.H.D.A. Loan:

Lender: Illinois Housing Development Authority, or another source acceptable to the Commissioner

Amount: \$750,000

Security: Third mortgage on the Project

5. Low-Income Housing Tax Credit ("L.I.H.T.C.")

Proceeds: Approximately \$9,035,271,11,700,000, all or a portion of which will be applied to the payment of some or all of the Notes Bonds

- Source: To be derived from the syndication of approximately \$~~876,031~~1,090,000 L.I.H.T.C. annually
- ~~3-6.~~ Source: Federal Home Loan Bank of Chicago, or another source acceptable to the Commissioner
- Amount: \$600,000
- Security: ~~Third~~ Fourth mortgage on the Project
- ~~4-7.~~ Source: Loan by General Partner of proceeds of loan secured by City T.I.F. Note issued to General Partner
- Amount: Approximately \$~~5,759,882,930,000~~9,300,000, or such other amount acceptable to the Commissioner
- ~~5-8.~~ Amount: \$100
- Source: General Partner

(e) Exhibits "B-1", "B-2", "C-1" and "C-2" are hereby deleted.

Section 3. Separability. If any provision of this Amendatory Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any remaining provisions of this Amendatory Ordinance.

Section 4. Inconsistent Provisions. All ordinances, resolutions, motions or orders in conflict with this Amendatory Ordinance are hereby repealed to the extent of such conflict, provided that the Bond Ordinance, except as amended by this Amendatory Ordinance, shall remain in full force and effect.

Section 5. No Impairment. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code, or part thereof is in conflict with the provisions of this Amendatory Ordinance, the provisions of this Amendatory Ordinance shall be controlling. No provision of the Municipal Code or violation of any provision of the Municipal Code shall be deemed to render voidable at the option of the City any document, instrument or agreement authorized hereunder or to impair the validity of this Amendatory Ordinance or the instruments authorized by this Amendatory Ordinance or to impair the rights of the owners of the Bonds to receive payment of the principal of or interest on the Bonds or to

impair the security for the Bonds; provided further that the foregoing shall not be deemed to affect the availability of any other remedy or penalty for any violation of any provision of the Municipal Code.

Section 6. Effective Date. This Amendatory Ordinance shall be in full force and effect immediately upon its passage and approval.

AUTHORIZATION FOR EXECUTION OF FIRST AMENDMENT TO
REDEVELOPMENT AGREEMENT WITH MOO AND OINK, L.L.C.
BY TERMINATION OF CERTAIN CITY RESTRICTIONS
ON PROPERTY WITHIN MADISON/AUSTIN TAX
INCREMENT FINANCING DISTRICT.

The Committee on Finance submitted the following report:

CHICAGO, May 23, 2007.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance authorizing the execution of a first amendment to the redevelopment agreement with Moo and Oink, L.L.C., having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the Committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

On motion of Alderman Burke, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Flores, Fioretti, Dowell, Preckwinkle, Hairston, Lyle, Jackson, Harris, Beale, Pope, Balcer, Cárdenas, Olivo, Burke, Foulkes, Thompson, Thomas, Lane, Rugai, Cochran, Brookins, Muñoz, Zalewski, Dixon, Solis, Ocasio, Burnett, E. Smith, Carothers, Suarez, Waguespack, Mell, Austin, Colón, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Reilly, Tunney, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 48.

Nays -- None.

Alderman Zalewski moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The City of Chicago ("City") is a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois and may exercise any power related to its local governmental affairs; and

WHEREAS, Pursuant to an ordinance adopted by the City Council of the City of Chicago ("City Council") on October 2, 1991, The Home of Moo and Oink, an Illinois general partnership ("Moo and Oink"), and the City entered into a Redevelopment Agreement for Tax Reactivation Program dated September 15, 1992 ("Original Agreement") for that property commonly known as 4801 -- 4815 West Washington Boulevard (Permanent Index Number 16-09-428-016) ("Property") and other property which is not the subject of this ordinance; and

WHEREAS, Pursuant to the Original Agreement, the City conveyed the Property to Moo and Oink by quitclaim deed dated February 25, 1993 ("City Deed") and recorded in the Recorder's Office of Cook County ("Recorder's Office") on March 18, 1993 as Document Number 93205528; and

WHEREAS, Pursuant to an ordinance adopted by the City Council on May 19, 1993, the City and Moo and Oink entered into an Agreement for the Sale and Redevelopment of Land dated June 28, 1993 and recorded in the Recorder's Office on July 2, 1993 as Document Number 93511974 ("Second Agreement") which governed the sale and development of certain additional property in the immediate vicinity of the Property to Moo and Oink; and

WHEREAS, On June 17, 1993, the City and Moo and Oink executed a Mutual Release recorded with the Recorder's Office on July 2, 1993 as Document Number 93511976 releasing Moo and Oink from its obligations to construct certain improvements on the Property as required under the Original Agreement; and

WHEREAS, The City and Moo and Oink entered into a Joinder Agreement dated June 17, 1993 and recorded with the Recorder's Office as Document

Number 93511975 ("Joinder") whereby Moo and Oink agreed to construct ancillary parking on the Property in conjunction with the terms of the Second Agreement; and

WHEREAS, Moo and Oink has been converted from a general partnership to a limited liability company and is now known as The Home of Moo and Oink, L.L.C. ("Owner"); and

WHEREAS, The Owner has fulfilled the majority of the obligations contained in the Second Agreement, including the construction of a retail and wholesale meat processing plant and parking lot which has resulted in the creation of a number of full and part-time jobs within the City; and

WHEREAS, The Owner has met its parking needs and no longer requires the Property for ancillary parking and thus has not completed the improvements on the Property as required by the Second Agreement; and

WHEREAS, The Owner desires to donate the Property to Chetwyn Rodgers Drive Development Committee, an Illinois not-for-profit corporation ("Developer") for construction of a four-story senior living facility with retail on the first floor ("Developer's Proposal"); and

WHEREAS, The Property is located in a redevelopment area known as the Madison/Austin Tax Increment Financing District Area ("Arca"); and

WHEREAS, The Deed, the Joinder and the Second Agreement contain several restrictions pertaining to the nature and timing of construction of the improvements to be constructed on the Property as well as certain resale restrictions ("City Restrictions"); and

WHEREAS, The City, through its Department of Planning and Development ("D.P.D.") has determined that the Developer's proposal is in conformance with the Plan for the Area and is consistent with the City's policy of sound urban planning; and

WHEREAS, In order to facilitate the donation and development of the Property, the Owner has requested that the City release certain of the City Restrictions and the City has determined that a release of the City Restrictions is in the best public interest; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The above recitals are incorporated herein and made a part hereof.

SECTION 2. The Mayor or his proxy is authorized to execute, and the City Clerk is authorized to attest, such recordable instrument as may be necessary or

appropriate to terminate and release the following City Restrictions ("Release"): (A) covenants First through Third in the City Deed; the covenant numbered Fifth in the City Deed shall remain in effect without any limitation as to time; (B) Section 2 of the Joinder; and (C) covenants contained in Sections 8, 11 and 12 in the Second Agreement; the covenant contained in Section 10 in the Second Agreement shall remain in effect without any limitation as to time. The Commissioner of D.P.D. shall have authority to execute and deliver such recordable instrument and such other documents as may be reasonably necessary to implement the terms of this ordinance.

SECTION 3. The issuance by the City of the Release shall be contingent on the actual transfer, without monetary consideration, of the Property to the Developer.

SECTION 4. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the other provisions of this ordinance.

SECTION 5. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 6. This ordinance shall be in full force and effect immediately upon its passage and approval.

AMENDMENT OF PRIOR ORDINANCE WHICH AUTHORIZED
EXECUTION OF REDEVELOPMENT AGREEMENT WITH
WILSON YARD DEVELOPMENT I, L.L.C.

The Committee on Finance submitted the following report:

CHICAGO, May 23, 2007.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance authorizing the execution of an amendment to the redevelopment agreement with Wilson Yard Developer I, L.L.C., having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the Committee.

Alderman Burke abstained from voting pursuant to Rule 14 of the City Council's Rules of Order and Procedure.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

On motion of Alderman Burke, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Flores, Fioretti, Dowell, Preckwinkle, Hairston, Lyle, Jackson, Harris, Beale, Pope, Balcer, Cárdenas, Olivo, Foulkes, Thompson, Thomas, Lane, Rugai, Cochran, Brookins, Muñoz, Zalewski, Dixon, Solis, Ocasio, Burnett, E. Smith, Carothers, Suarez, Waguespack, Mell, Austin, Colón, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Reilly, Tunney, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 47.

Nays -- None.

Alderman Zalewski moved to reconsider the foregoing vote. The motion was lost.

Alderman Burke invoked Rule 14 of the City Council's Rules of Order and Procedure, disclosing that he had represented parties to this ordinance in previous and unrelated matters.

The following is said ordinance as passed:

WHEREAS, As a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois, the City of Chicago (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; and

WHEREAS, 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 through the use of tax increment allocation financing for redevelopment projects; and

WHEREAS, Pursuant to an ordinance adopted by the City Council (the "City Council") of the City on June 27, 2001, a certain redevelopment plan and project (the "Plan") for the Wilson Yard Redevelopment Project Area (the "Area") was approved pursuant to the Act; and

WHEREAS, Pursuant to an ordinance adopted by the City Council on June 27, 2001, the Area was designated as a redevelopment project area pursuant to the Act; and

WHEREAS, Pursuant to an ordinance adopted by the City Council on June 27, 2001, tax increment allocation financing was adopted pursuant to the Act as a means of financing certain Area redevelopment project costs (as defined in the Act) incurred pursuant to the Plan; and

WHEREAS, Pursuant to an ordinance ("T.I.F. Redevelopment Agreement Ordinance") adopted by the City Council on September 14, 2005 and published at pages 54740 -- 54918 of the *Journal of the Proceedings of the City Council of the City of Chicago*, the City entered into that certain Wilson Yard Redevelopment Project Area Redevelopment Agreement dated as of November 30, 2005 and recorded on December 20, 2005 as Document Number 0535403030 in the Office of the Cook County Recorder of Deeds (the "Agreement") with Wilson Yard Development I, L.L.C., an Illinois limited liability company (the "Master Developer"), Wilson Yard Partners, L.P., an Illinois limited partnership (the "L.I.H.T.C. Developer"), Wilson Yard Development Corporation, an Illinois corporation (the "L.I.H.T.C. General Partner"), Wilson Yard Senior Housing, L.P., an Illinois limited partnership (the "Senior Developer"), and Wilson Yard Senior Development Corporation, an Illinois corporation (the "Senior Developer General Partner" and together with the Master Developer, the L.I.H.T.C. Developer, the L.I.H.T.C. General Partner, the Senior Developer and the Senior Developer General Partner, the "Developers"); and

WHEREAS, Subsequent to the execution of the Agreement, Developers have encountered a number of challenges that have caused changes to the nature, budget and timing of the Project, which changes include, without limitation, increasing the amount of City Funds, amending the City Notes, increasing the Project Budgets, deleting the movie theater from the Project, reducing the number of parking spaces, re-allocating the number of housing units between the Phase II Improvements and the Phase III Improvements, and releasing the grocery store property from the lien of the Agreement (all undefined capitalized terms used herein have the meanings ascribed to them in the Agreement, as amended by the Amendment, unless otherwise noted); and

WHEREAS, Such aforementioned changes to the nature, budget and timing of the Project require amendments to certain provisions of the Agreement and to the T.I.F. Redevelopment Agreement Ordinance; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The above recitals are incorporated herein and made a part hereof.

SECTION 2. The Commissioner of D.P.D. (the "Commissioner") or a designee of the Commissioner are each hereby authorized, with the approval of the City's Corporation Counsel as to form and legality, to negotiate, execute and deliver an amendment to the Agreement among the City, Wilson Yard Development I, L.L.C., an Illinois limited liability company, Wilson Yard Partners, L.P., an Illinois limited partnership, Wilson Yard Development Corporation, an Illinois corporation, Wilson Yard Senior Housing, L.P., an Illinois limited partnership, and Wilson Yard Senior Development Corporation, an Illinois corporation, in substantially in the form attached hereto as Exhibit A and made a part hereof (the "Amendment"), and such other supporting documents as may be necessary to carry out and comply with the provisions of the Amendment, with such changes, deletions and insertions as shall be approved by the persons executing the Amendment. The Commissioner or a designee of the Commissioner is each hereby authorized to give such approvals and consents on behalf of the City as are expressly provided for in the Amendment.

SECTION 3. The definition of Available Incremental Taxes in Section 12(b) of the T.I.F. Redevelopment Agreement Ordinance includes one hundred percent (100%) of the Incremental Taxes (as defined in the T.I.F. Redevelopment Agreement Ordinance) deposited into the Tax Allocation Fund (as defined in the T.I.F. Redevelopment Agreement Ordinance) after June 30, 2005. Section 12(b) of the T.I.F. Redevelopment Agreement Ordinance is hereby amended so that the date of June 30, 2005 is changed to June 30, 2007.

SECTION 4. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the other provisions of this ordinance.

SECTION 5. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 6. This ordinance shall be in full force and effect immediately upon its passage and approval.

Exhibit "A" referred to in this ordinance reads as follows:

Exhibit "A".

*First Amendment To
Wilson Yard Redevelopment Project Area
Redevelopment Agreement.*

This First Amendment to the Wilson Yard Redevelopment Project Area Redevelopment Agreement (the "First Amendment") is made as of this ____ day of _____, 2007, by and among the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Planning and Development ("D.P.D."), Wilson Yard Development I, L.L.C., an Illinois limited liability company (the "Master Developer"), Wilson Yard Partners, L.P., an Illinois limited partnership (the "L.I.H.T.C. Developer"), Wilson Yard Development Corporation, an Illinois corporation (the "L.I.H.T.C. General Partner"), Wilson Yard Senior Housing, L.P., an Illinois limited partnership (the "Senior Developer"), and Wilson Yard Senior Development Corporation, an Illinois corporation (the "Senior Developer General Partner").

Recitals.

A. 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. 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. To induce redevelopment pursuant to the Act, the City Council of the City (the "the City Council") adopted the following ordinances on June 27, 2001: (1) "Approval of Wilson Yard Redevelopment Project Area Tax Increment Finance Program Redevelopment Plan and Project"; (2) "Designation of Wilson Yard Redevelopment Project Area as a Redevelopment Project Area Pursuant to Tax Increment Allocation Redevelopment Act;" and (3) "Adoption of Tax Increment Allocation Financing for the Wilson Yard Redevelopment Project Area" (the "T.I.F. Adoption Ordinance"), (collectively referred to herein as the "T.I.F. Ordinances"). The redevelopment

project area (the "Redevelopment Area") is legally described on (Sub)Exhibit A to the Agreement.

D. Pursuant to an ordinance adopted by the City Council on September 14, 2005, the City entered into that certain Wilson Yard Redevelopment Project Area Redevelopment Agreement dated as of November 30, 2005 and recorded on December 20, 2005 as Document Number 0535403030 in the Office of the Cook County Recorder of Deeds (the "Agreement") with the Developers.

E. Subsequent to the execution of the Agreement, Developers have encountered a number of challenges that have caused changes to the nature, budget and timing of the project. Developers and the City have agreed to enter into this Amendment to memorialize such changes, which include, without limitation, increasing the amount of City Funds, amending the City Notes, increasing the Project Budgets, deleting the movie theater from the project, reducing the number of parking spaces, re-allocating the number of housing units between the Phase II Improvements and the Phase III Improvements, and releasing the grocery store property from the lien of this Agreement.

F. Such aforementioned changes to the nature, budget and timing of the project require amendments to certain provisions of the Agreement.

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 One.

Incorporation; Definitions.

1.01

The recitals set forth above and the exhibits attached hereto are incorporated herein by reference and made a part hereof.

1.02

Any capitalized term used but not otherwise defined herein shall have the same meaning as set forth in the Agreement.

Section Two.

Amended Definitions.

2.01 Project.

Recital D of the Agreement is hereby amended as follows:

"D. The Project: The Developers will complete their respective portions of the Project (as defined below) within the time frames set forth in Section 3.01 hereof, which shall include demolition of two (2) buildings and construction of the Phase I Improvements, the Phase II Improvements, and the Phase III Improvements (as defined below), which include a department store of approximately one hundred eighty thousand (180,000) square feet, a grocery store of approximately fifteen thousand one hundred fifty (15,150) square feet, buildings containing senior housing, low-income housing, small retail and office space, and parking (above-ground garage and surface lots) for approximately five hundred fifty-five (555) cars on the Property (as defined below). Such improvements (including but not limited to those T.I.F.-Funded Improvements as defined below and set forth on (Sub)Exhibit B), together with the Developer's other obligations under this Agreement, are collectively referred to herein as the "Project". The "Project" also includes (1) the City's acquisition from the C.T.A. of the land legally described on (Sub)Exhibit C-1 hereto (the "C.T.A. Property") and the sale of the C.T.A. Property to the Master Developer, (2) the City's acquisition from Broadway Montrose Building L.L.C. (the "Azusa Property Owner") of the land legally described on (Sub)Exhibit C-2 hereto (the "Azusa Property") and the sale of the Azusa Property to the Master Developer, (3) the Master Developer's acquisition from Aaron Montrose of the land legally described on (Sub)Exhibit C-3 hereto (the "Montrose Property"), (4) the Master Developer's acquisition from Aldi, Inc. of the land legally described on (Sub)Exhibit C-4 hereto (the "Aldi Property"), (5) the Master Developer's acquisition from the C.T.A. of a leasehold interest or an easement in the land depicted on (Sub)Exhibit C-5 hereto (the "Excess Parking Property"), and (6) the Master Developer's transfer of the land legally described on (Sub)Exhibit C-6 hereto (the "New Aldi Property") to Aldi, Inc. following construction of the new grocery store. The completion of the Project would not reasonably be anticipated without the financing contemplated by this Agreement".

2.02 City Note Number 1.

Each reference in the following sections of the Agreement to Fourteen Million Five Hundred Nineteen Thousand Six Hundred Eight Dollars (\$14,519,608) as the maximum principal amount of City Note Number is hereby adjusted to Four Million Eight Hundred Eighteen Thousand Four Hundred Thirty-nine Dollars (\$4,818,439): Sections 4.01, 5.17 and the definition of City Note Number in Section 2.

(Sub)Exhibit E-1 to the Agreement is hereby amended to be in the form attached to this Amendment as (Sub)Exhibit E-1 Revised. As of the date of this Amendment, City Note Number will be deemed for all purposes to have a maximum principal amount of Four Million Eight Hundred Eighteen Thousand Four Hundred Thirty-nine Dollars (\$4,818,439) irrespective of the amount on the face of City Note Number 1. Upon Master Developer's return to the City of City Note Number 1, the City will reissue City Note Number 1 in the maximum principal amount of Four Million Eight Hundred Eighteen Thousand Four Hundred Thirty-nine Dollars (\$4,818,439).

2.03 City Note Number 2.

The reference in the Section 2 definition of City Note Number 2 to Four Million Eighty-two Thousand Six Hundred Twenty Dollars (\$4,082,620) as the maximum principal amount of City Note Number 2 is hereby adjusted to Twelve Million Five Hundred Forty-seven Thousand Eight Hundred Ninety-one Dollars (\$12,547,891). (Sub)Exhibit E-2 to the Agreement is hereby amended to be in the form attached to this Amendment as (Sub) Exhibit E-2 Revised. As of the date of this Amendment, City Note Number 2 will be deemed for all purposes to have a maximum principal amount of Twelve Million Five Hundred Forty-seven Thousand Eight Hundred Ninety-one Dollars (\$12,547,891) irrespective of the amount on the face of City Note Number 2. Upon Master Developer's return to the City of City Note Number 2, the City will reissue City Note Number 2 in the maximum principal amount of Twelve Million Five Hundred Forty-seven Thousand Eight Hundred Ninety-one Dollars (\$12,547,891).

2.04 City Note Number 3.

The reference in the Section 2 definition of City Note Number 3 to Four Million Five Hundred Thousand Two Hundred Dollars (\$4,500,200) as the maximum principal amount of City Note Number 3 is hereby adjusted to Two Million Seven Hundred Seventy-three Thousand Seventeen Dollars (\$2,773,017). (Sub)Exhibit E-3 to the Agreement is hereby amended to be in the form attached to this Amendment as (Sub)Exhibit E-3 Revised. As of the date of this Amendment, City Note Number 3 will be deemed for all purposes to have a maximum principal amount of Two Million Seven Hundred Seventy-three Thousand Seventeen Dollars (\$2,773,017) irrespective of the amount on the face of City Note Number 3. Upon Master Developer's return to the City of City Note Number 3, the City will reissue City Note Number 3 in the maximum principal amount of Two Million Seven Hundred Seventy-three Thousand Seventeen Dollars (\$2,773,017).

2.05 City Note Number 4.

The reference in the Section 2 definition of City Note Number 4 to Six Million Six Hundred Twenty-five Thousand Eight Hundred Forty-eight Dollars (\$6,625,848)

as the maximum principal amount of City Note Number 4 is hereby adjusted to Nine Million Two Hundred Sixty-one Thousand Four Hundred Fifty-two Dollars (\$9,261,452). (Sub)Exhibit E-4 to the Agreement is hereby amended to be the form attached to this Amendment as (Sub)Exhibit E-4 Revised. As of the date of this Amendment, City Note Number 4 will be deemed for all purposes to have a maximum principal amount of Nine Million Two Hundred Sixty-one Thousand Four Hundred Fifty-two Dollars (\$9,261,452) irrespective of the amount on the face of City Note Number 4. Upon Master Developer's return to the City of City Note Number 4, the City will reissue City Note Number 4 in the maximum principal amount of Nine Million Two Hundred Sixty-one Thousand Four Hundred Fifty-two Dollars (\$9,261,452).

2.06 City Note Number 5.

The reference in the Section 2 definition of City Note Number 5 to Eight Hundred Thirty-seven Thousand Thirty-seven Dollars (\$837,037) as the maximum principal amount of City Note Number 5 is hereby adjusted to Two Million Six Hundred Sixty-four Thousand Five Hundred Fifteen Dollars (\$2,664,515). (Sub)Exhibit E-5 to the Agreement is hereby amended to be the form attached to this Amendment as (Sub)Exhibit E-5 Revised. As of the date of this Amendment, City Note Number 5 will be deemed for all purposes to have a maximum principal amount of Two Million Six Hundred Sixty-four Thousand Five Hundred Fifteen Dollars (\$2,664,515) irrespective of the amount on the face of City Note Number 5. Upon Master Developer's return to the City of City Note Number 5, the City will reissue City Note Number 5 in the maximum principal amount of Two Million Six Hundred Sixty-four Thousand Five Hundred Fifteen Dollars (\$2,664,515).

2.07 City Notes Definition.

The reference in the Section 2 definition of City Notes is hereby amended by replacing Thirty Million Five Hundred Sixty-five Thousand Three Hundred thirteen Dollars (\$30,565,313) to Thirty-two Million Sixty-five Thousand Three Hundred Fourteen Dollars (\$32,065,314).

2.08 Phase I Improvements.

The definition of Phase I Improvements in Section 2 of the Agreement is hereby amended as follows:

"Phase I Improvements" shall mean the Master Developer's construction of (a) building "1", which will include a department store, and a three hundred eighty-two (382) space parking garage, (b) building "2", formerly known as the Azusa

Building, which will include approximately sixteen thousand (16,000) square feet of restaurants and retail stores, (c) building "5", which will be the relocated grocery store, (d) construction and dedication as a public right-of-way (and the City's acceptance of such dedication) of an extension of West Sunnyside Avenue and an alley extending from West Sunnyside Avenue to West Montrose Avenue, and (e) the additional work and improvements identified in the column entitled "Phase I Structures" on the Project Budget attached hereto as (Sub)Exhibit J-1 Revised and depicted in the site plan attached thereto as Schedule 1, and any necessary acquisitions, dedications, vacations, demolition, site preparation and environmental remediation required in connection therewith. In connection with the undertaking of the Phase I Improvements, the Master Developer will incorporate design elements which reflect the character of the existing terra cotta facade of the Azusa Building, which may include: restoration of the current facade, use of materials similar in appearance to the existing terra cotta facade, and/or incorporation of original medallions and other elements from the existing facade, all as Developer may determine to be commercially feasible (including appropriateness of the cost thereof) in Developer's reasonable opinion.

2.09 Phase II Improvements.

The definition of Phase II Improvements in Section 2 of the Agreement is hereby amended as follows:

"Phase II Improvements" shall mean the L.I.H.T.C. Developer's construction of (a) building "3", which will include approximately eighty (80) affordable rental dwelling units for families, and (b) the additional work and improvements identified in the column entitled "Phase II Structures" on the Project Budget attached hereto as (Sub)Exhibit J-2 Revised and depicted in the site plan attached thereto as Schedule 1, and any necessary acquisitions, dedications, vacations, demolition, site preparation and environmental remediation required in connection therewith, provided that the Master Developer may propose, and the Commissioner shall have the authority to approve, changes in uses and in the number and composition of dwelling units included in the Phase II Improvements, in accordance with the Change Order provisions set forth in Section 3.06 hereof provided, any such changes also must include appropriate changes to the Plans and Specifications and the Project Budget.

2.10 Phase III Improvements.

The definition of Phase III Improvements in Section 2 of the Agreement is hereby amended as follows:

"Phase III Improvements" shall mean the Senior Developer's construction of (a)

building "4", which will include approximately ninety-eight (98) affordable rental dwelling units for seniors, and (b) the additional work and improvements identified in the column entitled "Phase III Structures" on the Project Budget attached hereto as (Sub)Exhibit J-3 Revised and depicted in the site plan attached thereto as Schedule 1, and any necessary acquisitions, dedications, vacations, demolition, site preparation and environmental remediation required in connection therewith. The Master Developer may propose, and the Commissioner shall have the authority to approve, changes in the proposed uses and design of improvements (including changes in the number and composition of dwelling units) included in the Phase III Improvements, in accordance with the Change Order provisions set forth in Section 3.06 hereof; provided, any such changes also must include appropriate changes to the Plans and Specifications and the Project Budget.

2.11 Available Incremental Taxes.

The definition of Available Incremental Taxes in Section 2 of the Agreement is hereby amended as follows:

"Available Incremental Taxes" shall mean an amount equal to Incremental Taxes deposited in such year in the Wilson Yard T.I.F. Fund that will be sufficient to cover the debt service (including, without limitation, all interest required to be deposited in the Escrow Account established and maintained pursuant to the Pledge Agreement) at the then current interest rate on the Lender Financing secured by the City Notes or is sufficient to repay the City Notes by their maturity. Available Incremental Taxes shall include Incremental Taxes accrued in 2024 but paid in 2025, as permitted by the Act.

2.12 Anchor Site End Users.

The definition of Anchor Site End Users in Section 8.06(b) is hereby amended to delete all references to "Kerasotes Theaters".

Section Three.

Amended Project Budgets, Budget Exhibits And Project Timing.

3.01

Section 3.05(a) is hereby amended to replace Eighty-five Million Four Hundred Sixty-three Thousand Two Hundred Four Dollars (\$85,463,204) as the total costs

for Phase I Improvements with Eighty-seven Million Four Hundred Sixty-two Thousand Nine Hundred Sixteen Dollars (\$87,462,916).

3.02

Section 3.05(b) is hereby amended to replace Twenty-two Million Nine Hundred Thirty-one Thousand Four Hundred Thirteen Dollars (\$22,931,413) as the total costs for Phase II Improvements with Thirty-three Million Seven Hundred Twelve Thousand Five Hundred Thirteen Dollars (\$33,712,513).

3.03

Section 3.05(c) is hereby amended to replace Twenty-one Million Eight Hundred Seventy-eight Thousand Four Hundred Twenty Dollars (\$21,878,420) as the total costs for Phase III Improvements with Twenty-eight Million Nine Hundred Fourteen Thousand Two Hundred Two Dollars (\$28,914,202).

3.04

(Sub)Exhibits J-1, J-2 and J-3 of the Agreement are hereby amended as set forth on (Sub)Exhibit J-1 Revised, (Sub)Exhibit J-2 Revised and (Sub)Exhibit J-3 Revised attached to this Amendment.

3.05

(Sub)Exhibit B of the Agreement is hereby amended as set forth on (Sub)Exhibit B Revised attached to this Amendment.

3.06

Each reference in the following sections of the Agreement to Five Million Dollars (\$5,000,000) for acquisition of the Property is hereby adjusted to Nine Million Five Hundred Thousand Dollars (\$9,500,000): Sections 3.05(a), 4.01, 4.02, 4.03(b), 4.05(a) and 15.02.

3.07

The references in Section 3.01 of the Agreement to "September 30, 2008" are hereby amended to read "September 30, 2010".

Section Four.

Release Of New Aldi Property.

4.01

A new Section 3.15, as set forth below, is hereby added to the Agreement.

"Section 3.15 Conveyance And Release Of New Aldi Property. The City acknowledges that the New Aldi Property, which comprises portions of the Montrose Property and the C.T.A. Property, is being acquired by Master Developer for purposes of constructing thereon a new grocery store. Upon completion of such construction, Master Developer shall convey the New Aldi Property to Aldi, Inc.. In connection with such conveyance to Aldi, Inc., the City agrees to execute a release of the Agreement with respect to the New Aldi Property".

4.02

A new (Sub)Exhibit C-6 in the form attached to this Amendment is hereby added to the Agreement.

Section Five.

City Funds.

5.01

Revised Project Costs And Sources Of Funds. Section 4.01 of the Agreement is hereby amended as follows:

"4.01 Total Project Cost And Sources Of Funds. The cost of the Project is estimated to be One Hundred Fifty Million Eighty-nine Thousand Six Hundred Thirty-two Dollars (\$150,089,632), to be applied in the manner set forth in the Project Budgets. Such costs shall be funded from the following sources:

AMENDATORY ORDINANCE

WHEREAS, by virtue of Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois, the City of Chicago (the "*City*") is a home rule unit of local government and as such may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the City Council of the City (the "City Council") adopted an Ordinance on February 8, 2006 which is published at pages 68821-69118 of the Journal of Proceedings of the City Council (the "Journal"); as first amended by an Ordinance adopted by the City Council on May 23, 2007 which is published at pages 548 - 563 of the Journal, as second amended by an Ordinance adopted by the City Council on December 12, 2007 which is published at pages 16827 - 16832 of the Journal (collectively, the "Bond Ordinance") authorizing the City (a) to make a loan to Wilson Yard Senior Housing, L.P., an Illinois limited partnership (the "*Borrower*") in an amount not to exceed \$5,750,000 (the "*Affordable Housing Loan*"), to be funded from HOME Funds, Corporate Funds, Program Income and/or IHDA Funds as defined in the Bond Ordinance, and (b) to issue, sell and deliver the City's Multi-Family Housing Revenue Bonds (Wilson Yard Senior Apartments), Series 2007 in the principal amount of not to exceed \$17,000,000 (the "*Bonds*"), to be issued in one or more series as provided under the terms and conditions set forth in the Bond Ordinance, to lend the proceeds to the Borrower, which proceeds will pay a portion of the costs of acquisition of real estate and construction thereon, and equipping of an approximately 99-unit senior citizen multi-family housing project (the "*Project*") located generally on the north side of Montrose Avenue and approximately west of Broadway Street in Chicago, Illinois 60640 (the "*Site*"); and

WHEREAS, subsequent to the Bond Ordinance, the Borrower has experienced increases in construction costs and has requested an increase in the Bonds to \$20,000,000 and the City's Department of Housing ("DOH") has approved such increase; and

WHEREAS, subsequent to the Bond Ordinance, IHDA has determined not to lend funds separately to the Project, and the Borrower has asked DOH for a corresponding increase in the Affordable Housing Loan, and DOH has approved such increase, as set forth on the revised Exhibit A-1; and

WHEREAS, the proposed increase in the Bonds and the Affordable Housing Loan amount requires an amendment to the Bond Ordinance:

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO AS FOLLOWS:

Section 1. Incorporation of Recitals. The recitals contained in the preambles to this Amendatory Ordinance are hereby incorporated into this Amendatory Ordinance by this reference.

Section 2. Bonds. All references in the title, Preamble D and Section 3 of the Bond Ordinance to "\$17,000,000" as the principal amount of the Bonds are hereby amended to read "\$20,000,000." All references in the title and Preamble D of the Bond Ordinance to "Series 2007" are hereby amended to read "Series 2008."

Section 3. Affordable Housing Loan. Exhibit A-1 of the Bond Ordinance is hereby amended by deleting certain language by ~~strikeout~~ as follows and adding the following underlined language to read as follows:

Exhibit A-1

TERMS OF AFFORDABLE HOUSING LOAN

AFFORDABLE HOUSING LOAN

1. **Source:** HOME Program, Corporate Funds, Program Income, and/or IHDA Funds
Amount: Not to exceed ~~\$5,750,000~~ 6,500,000
Term: Not to exceed 45 years
Interest: Zero percent per annum
Security: Non-recourse loan; ~~second~~ third mortgage on the Project

ADDITIONAL FINANCING

1. The Bonds, as described in this Ordinance. The Bonds will be secured as provided by the Note Issuance Agreement as well as by a second mortgage in the Project, with the Bonds earmarked to be paid with proceeds received by the Borrower from the sale of tax-credit equity and proceeds of the loan secured by the City TIF Note described below:
2. Construction Financing:
Lender: Bank of America or another source ~~A Lender~~ acceptable to the Commissioner
Amount: Up to \$12,000,000
Term: not to exceed ~~30~~ 36 months
Interest: variable, not to exceed 7.50% or a rate acceptable to the Commissioner
Security: First mortgage on the Project
Repaid: By tax credit equity and permanent loan proceeds
3. Permanent Financing:
Lender: ~~EF & A, LLC~~ Bank of America or another source acceptable to the Commissioner
Amount: Up to \$2,000,000
Term: Up to 35 years
Interest: not to exceed ~~7%~~ 8% fixed or a rate acceptable to the Commissioner
Security: First mortgage on the Project
4. ~~IHDA Loan:~~
Lender: ~~Illinois Housing Development Authority, or another source acceptable to the Commissioner~~
Amount: ~~\$750,000~~
Security: ~~Third mortgage on the Project~~
5. ~~4.~~ Low-Income Housing Tax Credit ("LIHTC")
Proceeds: Approximately ~~\$41,700,000~~ 12,700,000, all or a portion of which will be applied to the payment of some or all of the Bonds and/or Construction Financing
Source: To be derived from the syndication of approximately ~~\$4,090,000~~ 1,280,000 LIHTC annually
6. ~~5.~~ **Source:** Federal Home Loan Bank of Chicago or the General Partner or another source acceptable to the Commissioner

Amount: \$600,000
Security: Fourth mortgage on the Project

7. 6. **Source:** Loan by General Partner or Wilson Yard Development I, LLC of proceeds of loan secured by City TIF Note issued to General Partner
Amount: Approximately ~~\$9,300,000~~ 11,800,000 or such other amount acceptable to the Commissioner
Security: Fifth mortgage on the Project

8. 7. **Amount:** \$100
Source: General Partner

Section 4. Separability. If any provision of this Amendatory Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any remaining provisions of this Amendatory Ordinance.

Section 5. Inconsistent Provisions. All ordinances, resolutions, motions or orders in conflict with this Amendatory Ordinance are hereby repealed to the extent of such conflict, provided that the Bond Ordinance, except as amended by this Amendatory Ordinance, shall remaining full force and effect.

Section 6. No Impairment. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code, or part thereof, is in conflict with the provisions of this Amendatory Ordinance, the provisions of this Amendatory Ordinance shall be controlling. No provision of the Municipal Code or violation of any provision of the Municipal Code shall be deemed to render voidable at the option of the City any document, instrument or agreement authorized hereunder or to impair the validity of this Amendatory Ordinance or the instruments authorized by this Amendatory Ordinance or to impair the rights of the owners of the Bonds to receive payment of the principal of or interest on the Bonds or to impair the security for the Bonds; provided further that the foregoing shall not be deemed to affect the availability of any other remedy or penalty for any violation of any provision of the Municipal Code.

Section 7. Effective Date. This Amendatory Ordinance shall be in full force and effect immediately upon its passage and approval.

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CHICAGO APRIL 9, 2008

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration

AN ORDINANCE AUTHORIZING A THIRD AMENDMENT TO A PREVIOUSLY EXECUTED LOAN AGREEMENT AND TO A PREVIOUSLY APPROVED BOND ISSUANCE WITH WILSON YARD SENIOR HOUSING, L.P.

AMOUNT OF BONDS
NOT TO EXCEED: \$20,000,000

AMOUNT OF LOAN
NOT TO EXCEED: \$6,500,000

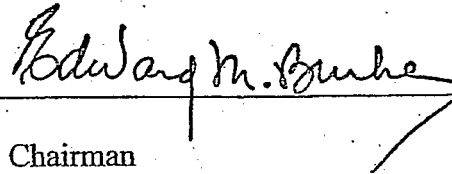
Having had the same under advisement, begs leave to report and recommend that your Honorable Body pass the proposed ORDINANCE TRANSMITTED HEREWITH

This recommendation was concurred in by _____ (a viva voce vote of members of the committee with _____ dissenting vote(s).)

ALDERMAN BURKE ABSTAINED FROM VOTING PURSUANT TO RULE 14

Respectfully submitted

(signed)



Chairman



FIN.

7

OFFICE OF THE MAYOR
CITY OF CHICAGO

RICHARD M. DALEY
MAYOR

March 12, 2008

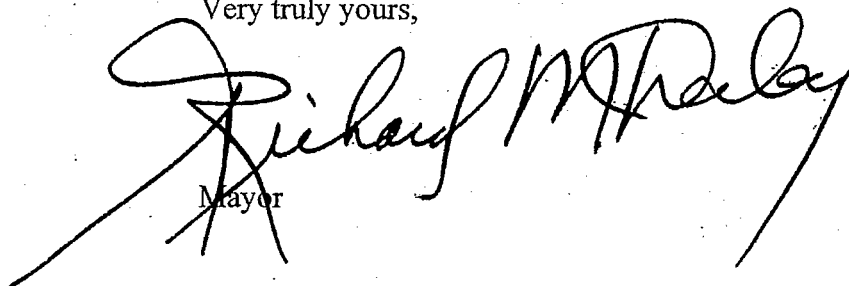
TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Housing, I transmit herewith an ordinance amending a previously authorized bond issuance for Wilson Yard Senior Housing.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,


Mayor

AMENDATORY ORDINANCE

WHEREAS, by virtue of Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois, the City of Chicago (the "City") is a home rule unit of local government and as such may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the City Council of the City (the "City Council") adopted an Ordinance on February 8, 2006 which is published at pages 68821-69118 of the Journal of Proceedings of the City Council (the "Journal"), as first amended by an Ordinance adopted by the City Council on May 23, 2007 which is published at pages 548 - 563 of the Journal, as second amended by an Ordinance adopted by the City Council on December 12, 2007 which is published at pages 16827 - 16832 of the Journal (collectively, the "Bond Ordinance") authorizing the City (a) to make a loan to Wilson Yard Senior Housing, L.P., an Illinois limited partnership (the "Borrower") in an amount not to exceed \$5,750,000 (the "Affordable Housing Loan"), to be funded from HOME Funds, Corporate Funds, Program Income and/or IHDA Funds as defined in the Bond Ordinance, and (b) to issue, sell and deliver the City's Multi-Family Housing Revenue Bonds (Wilson Yard Senior Apartments), Series 2007 in the principal amount of not to exceed \$17,000,000 (the "Bonds"), to be issued in one or more series as provided under the terms and conditions set forth in the Bond Ordinance, to lend the proceeds to the Borrower, which proceeds will pay a portion of the costs of acquisition of real estate and construction thereon, and equipping of an approximately 99-unit senior citizen multi-family housing project (the "Project") located generally on the north side of Montrose Avenue and approximately west of Broadway Street in Chicago, Illinois 60640 (the "Site"); and

WHEREAS, subsequent to the Bond Ordinance, the Borrower has experienced increases in construction costs and has requested an increase in the Bonds to \$20,000,000 and the City's Department of Housing ("DOH") has approved such increase; and

WHEREAS, subsequent to the Bond Ordinance, IHDA has determined not to lend funds separately to the Project, and the Borrower has asked DOH for a corresponding increase in the Affordable Housing Loan, and DOH has approved such increase, as set forth on the revised Exhibit A-1; and

WHEREAS, the proposed increase in the Bonds and the Affordable Housing Loan amount requires an amendment to the Bond Ordinance:

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO AS FOLLOWS:

Section 1. Incorporation of Recitals. The recitals contained in the preambles to this Amendatory Ordinance are hereby incorporated into this Amendatory Ordinance by this reference.

Section 2. Bonds. All references in the title, Preamble D and Section 3 of the Bond Ordinance to "\$17,000,000" as the principal amount of the Bonds are hereby amended to read "\$20,000,000." All references in the title and Preamble D of the Bond Ordinance to "Series 2007" are hereby amended to read "Series 2008."

Section 3. Affordable Housing Loan. Exhibit A-1 of the Bond Ordinance is hereby amended by deleting certain language by ~~strikeout~~ as follows and adding the following underlined language to read as follows:

Exhibit A-1

TERMS OF AFFORDABLE HOUSING LOAN

AFFORDABLE HOUSING LOAN

- Source:** HOME Program, Corporate Funds, Program Income, and/or IHDA Funds
Amount: Not to exceed ~~\$5,750,000~~ 6,500,000
Term: Not to exceed 45 years
Interest: Zero percent per annum
Security: Non-recourse loan; ~~second~~ third mortgage on the Project

ADDITIONAL FINANCING

- The Bonds, as described in this Ordinance. The Bonds will be secured as provided by the Note Issuance Agreement as well as by a second mortgage in the Project, with the Bonds earmarked to be paid with proceeds received by the Borrower from the sale of tax-credit equity and proceeds of the loan secured by the City TIF Note described below:
- Construction Financing:
Lender: Bank of America or another source ~~A Lender~~ acceptable to the Commissioner
Amount: Up to \$12,000,000
Term: not to exceed ~~30~~ 36 months
Interest: variable, not to exceed 7.50% or a rate acceptable to the Commissioner
Security: First mortgage on the Project
Repaid: By tax credit equity and permanent loan proceeds
- Permanent Financing:
Lender: ~~EF & A, LLC~~ Bank of America or another source acceptable to the Commissioner
Amount: Up to \$2,000,000
Term: Up to 35 years
Interest: not to exceed ~~7%~~ 8% fixed or a rate acceptable to the Commissioner
Security: First mortgage on the Project
- ~~IHDA Loan:~~
~~**Lender:** Illinois Housing Development Authority, or another source acceptable to the Commissioner~~
~~**Amount:** \$750,000~~
~~**Security:** Third mortgage on the Project~~
4. Low-Income Housing Tax Credit ("LIHTC")
Proceeds: Approximately ~~\$41,700,000~~ 12,700,000, all or a portion of which will be applied to the payment of some or all of the Bonds and/or Construction Financing
Source: To be derived from the syndication of approximately ~~\$1,090,000~~ 1,280,000 LIHTC annually
5. **Source:** Federal Home Loan Bank of Chicago or the General Partner or another source acceptable to the Commissioner

Amount: \$600,000
Security: Fourth mortgage on the Project

7. 6. **Source:** Loan by General Partner or Wilson Yard Development I, LLC of proceeds of loan secured by City TIF Note issued to General Partner
Amount: Approximately ~~\$9,300,000~~ 11,800,000 or such other amount acceptable to the Commissioner
Security: Fifth mortgage on the Project

8. 7. **Amount:** \$100
Source: General Partner

Section 4. Separability. If any provision of this Amendatory Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any remaining provisions of this Amendatory Ordinance.

Section 5. Inconsistent Provisions. All ordinances, resolutions, motions or orders in conflict with this Amendatory Ordinance are hereby repealed to the extent of such conflict; provided that the Bond Ordinance, except as amended by this Amendatory Ordinance, shall remaining full force and effect.

Section 6. No Impairment. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code, or part thereof, is in conflict with the provisions of this Amendatory Ordinance, the provisions of this Amendatory Ordinance shall be controlling. No provision of the Municipal Code or violation of any provision of the Municipal Code shall be deemed to render voidable at the option of the City any document, instrument or agreement authorized hereunder or to impair the validity of this Amendatory Ordinance or the instruments authorized by this Amendatory Ordinance or to impair the rights of the owners of the Bonds to receive payment of the principal of or interest on the Bonds or to impair the security for the Bonds; provided further that the foregoing shall not be deemed to affect the availability of any other remedy or penalty for any violation of any provision of the Municipal Code.

Section 7. Effective Date. This Amendatory Ordinance shall be in full force and effect immediately upon its passage and approval.

Document No. PO2008-1316

Document No. 02008-1433

REFERRED TO COMMITTEE ON
FINANCE
MAR 12 2008
Miguel del Valle
City Clerk City of Chicago

PASSED by the City Council of the City of
Chicago and deposited in the office of the
City Clerk of said City.
APR -9 2008
Miguel del Valle
City Clerk City of Chicago

APPROVED

Mara S. Georgas
CORPORATION COUNSEL

APPROVED

Richard M. Daley
4-15-08 Mayor

HOUSING LOAN AGREEMENT

THIS HOUSING LOAN AGREEMENT is entered into and executed as of this 1st day of October, 2008 by and between the City of Chicago, Illinois, an Illinois municipal corporation (the "City"), through its Department of Housing ("DOH"), having its offices at 33 N. LaSalle Street, Chicago, Illinois 60602, and Wilson Yard Senior Housing, L.P., an Illinois limited partnership (the "Borrower").

RECITALS

WHEREAS, DOH was established on December 20, 1979 by ordinance of the City Council of the City; and

WHEREAS, DOH has the power and authority to act on behalf of the City and has as its primary purpose the revitalization of Chicago neighborhoods by improving the quality of housing through various rehabilitation and housing redevelopment programs; and

WHEREAS, the City has received from the United States Department of Housing and Urban Development ("HUD") an allocation of HOME Investment Partnerships Program ("HOME Program") grant funds, pursuant to the Cranston-Gonzalez National Affordable Housing Act, 42 U.S.C. Section 12701 *et seq.*, which authorizes the United States Department of Housing and Urban Development to make funds available to participating jurisdictions to increase the number of families served with decent, safe, sanitary and affordable housing and to expand the long-term supply of affordable housing, through, among other things, acquisition, new construction, reconstruction and moderate and substantial rehabilitation; and

WHEREAS, the Illinois Housing Development Authority, a body politic and corporate established pursuant to the Illinois Housing Development Act, 20 ILCS 3895/1 *et seq.*, as amended from time to time ("IHDA"), has allocated to the City Illinois Affordable Housing Program funds ("IHDA Funds"), pursuant to (i) the Illinois Affordable Housing Act, 310 ILCS 65/1 *et seq.*, (ii) an ordinance enacted on December 17, 2003 by the City Council of Chicago ("City Council") and published in the Journal of City Council Proceedings ("Journal") for such date at pages 15794 through 15799, and (iii) that certain Program Grant Agreement entered into by the City and IHDA on March 1, 2004 and first amended as of February 27, 2006, which collectively authorize IHDA to make funds available to the City to finance a portion of the costs of acquisition, rehabilitation and construction of multi-family residential rental housing developments to ameliorate the affordable housing shortage in the City; and

WHEREAS, the Borrower desires to borrow and the City desires to lend a sum (the "Loan") to be funded from HOME Funds (as hereinafter defined) and to be used as more specifically described on Exhibit A attached hereto and hereby made a part hereof; and

WHEREAS, the Borrower desires to borrow and the City desires to lend a sum to be funded from the IHDA Funds and to be used as more specifically described on Exhibit A attached hereto and hereby made a part hereof; and

WHEREAS, the City Council of the City adopted an ordinance on the date described on Exhibit A authorizing the Loan to the Borrower;

NOW, THEREFORE, in consideration of the mutual covenants contained herein and for other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto agree as follows:

SECTION 1. RECITALS The above recitals are incorporated herein and made a part hereof by reference.

SECTION 2. DEFINITIONS

"Affidavits" shall mean, collectively, those certain Economic Disclosure Statement and Affidavits, in each case dated the Closing Date and executed by or on behalf of the Borrower or a related party thereto in connection with the Loan.

"Affiliate" when used to indicate a relationship with a specified person or entity, shall mean a person or entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified person or entity, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

"Architect" shall mean that certain architect identified on Exhibit A.

"Assignment of Contracts" shall mean that certain Assignment of Contracts and Documents dated as of the Closing Date from the Borrower to the City, as from time to time supplemented, amended and restated.

"Assignment of Rents" shall mean that certain Assignment of Rents and Leases dated as of the Closing Date from the Borrower to the City with respect to the Premises, as from time to time supplemented, amended and restated.

"Available Funds" shall have the meaning given to such term in Section 27 hereof.

"Borrower's Liabilities" shall mean all obligations and liabilities of the Borrower to the City (including without limitation all debts, claims and indebtedness), whether primary, secondary, direct, contingent, fixed or otherwise heretofore, now and/or from time to time

hereafter owing, due or payable, however evidenced, created, incurred, acquired or owing and however arising whether under this Loan Agreement, the Escrow Agreement, the Mortgage, the Assignment of Rents, the Assignment of Contracts, the Environmental Agreement, the Regulatory Agreement, the Note or the other Loan Documents.

"Business Day" shall mean a day on which banks in the City of Chicago, Illinois are not authorized or required to remain closed and which shall not be a public holiday under the laws of the State of Illinois or any ordinance or resolution of the City of Chicago, Illinois:

"Change Orders" shall mean any amendments or modifications to the Plans and Specifications, the Project Budget or the Construction Contract for the Project.

"Claims" shall mean any and all claims, demands, actions, notices, liens, suits, causes of action, complaints, enforcement actions, citations, notices of violation, legal or administrative proceedings, warnings or inquiries.

"Closing Date" shall mean the date hereof.

"Construction Contract" shall have the meaning given to that term as provided on Exhibit A.

"Construction Schedule" shall mean the detailed schedule for completion of the Project, which shall be approved by the City and is attached as Exhibit C to the Regulatory Agreement.

"Corporation Counsel" shall mean the Law Department of the City.

"Costs" shall mean any and all costs, expenses, damages, judgments, obligations, contribution, cost recovery compensation, penalties, fines or fees (including attorneys', experts' and consulting fees and disbursements and expenses incurred in investigating, defending or prosecuting any Claim).

"Disbursement" shall mean a disbursement of Loan proceeds for or in connection with the Project.

"Eligible Costs" shall mean any Project Costs for activities for which HOME Funds may be used, pursuant to the HOME Regulations in the exclusive determination of HUD.

"Environmental Agreement" shall mean that certain Environmental Indemnity Agreement dated as of the date hereof between the parties described on Exhibit A, as from time to time supplemented, amended and restated.

"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, including but not limited to: (i) the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. §9601 et seq.); (ii) any so-called "Superlien" law; (iii) the Hazardous Materials Transportation Act (49 U.S.C. §1801 et seq.); (iv) the Resource Conservation and Recovery Act (42 U.S.C. §6901 et seq.); (v) the Clean Air Act (42 U.S.C. §7401 et seq.); (vi) the Clean Water Act (33 U.S.C. §1251 et seq.); (vii) the Toxic Substances Control Act (15 U.S.C. §2601 et seq.);

(viii) the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. §136 et seq.); (ix) Executive Order 11738; (x) regulations of the United States Environmental Protection Agency (40 C.F.R. Part 15); (xi) the Illinois Environmental Protection Act (415 ILCS 5/1 et seq.); and (xii) the Municipal Code of Chicago.

"Equity" shall mean the funds provided by the Borrower, unencumbered by any debt, obligation, lien or encumbrance, irrevocably committed to the Project, subject to the terms and conditions of the Partnership Agreement, in the amounts described on Exhibit D attached hereto and hereby made a part hereof, and which represent the Borrower's equity contribution to the Project.

"Escrow Account" shall have the meaning given to such term in the Escrow Agreement.

"Escrow Agent" shall mean that certain escrow agent identified on Exhibit A, and its successors and assigns.

"Escrow Agreement" shall mean that certain Escrow Agreement among the City, the Borrower, the Senior Lender, if any, the Junior Lender, if any, and the Escrow Agent, dated as of the Closing Date, as from time to time amended, supplemented and restated.

"FHLB Repayment Agreement" shall mean that certain Repayment and Recapture Agreement dated as of October 1, 2008 between LaSalle Bank National Association, the General Partner and the Borrower.

"Financial Statements" shall mean those financial statements provided to the City with the Loan application of the Borrower on or prior to the Closing Date.

"General Contractor" shall mean that certain general contractor identified on Exhibit A.

"General Partner" shall mean the sole general partner of the Borrower identified on Exhibit A.

"Gross Income" shall mean an aggregate amount calculated in accordance with generally accepted accounting principles equal to the gross income from the Premises actually collected during such period including rental subsidies, rental income from leases of any portion of the Premises, concessions, forfeited security deposits and late charges; however, capital contributions, grants, proceeds of any permitted sale, transfer, exchange, refinancing or other disposition or encumbrance of all or any portion of the Premises, insurance proceeds, condemnation proceeds and awards or payments in place of them, tax reduction or abatement proceeds, and interest earned on any bank accounts maintained by or on behalf of the Borrower or its manager with respect to the Premises shall not be included as part of Gross Income.

"Guaranty" shall mean that certain Guaranty dated as of the Closing Date by the parties described on Exhibit A in favor of the City.

"Hazardous Materials" shall mean: (i) any hazardous substance, material or waste, toxic substance or regulated material including but not limited to any substance defined in or regulated by any and all Environmental Laws; (ii) crude oil, petroleum or any fraction thereof, which is liquid at standard conditions of temperature and pressure (60 degrees Fahrenheit and 14.7 pounds per square inch absolute); (iii) any waste oil; (iv) any flammable or explosive material; (v) any radioactive materials; (vi) asbestos and asbestos-containing materials in any form or condition; (vii) polychlorinated biphenyls (PCBs) or substances or compounds containing PCBs; (viii) urea formaldehyde foam insulation; (ix) pesticides, rodenticides and insecticides; (x) "special waste," as defined in 415 ILCS 5/3.45; (xi) lead-based paint; and (xii) any and all other chemicals, pollutants, contaminants, mixtures or dangerous substances, materials or wastes.

"HOME Funds" shall mean the HOME Program funds awarded by HUD to the City under the National Affordable Housing Act.

"HOME Program" shall mean the HOME Program created under the National Affordable Housing Act.

"HOME Regulations" shall mean 24 C.F.R. Part 92, and such additional regulations, orders, rulings, interpretations and directives for the HOME Program as may be promulgated or issued by HUD from time to time.

"HUD" shall mean the United States Department of Housing and Urban Development.

"In Balance" shall have the meaning given to such term in Section 27 hereof.

"Initial Payment Date" shall have the meaning given to that term as provided on Exhibit A.

"Junior Assignment," if any, shall have the meaning given to that term as provided on Exhibit A.

"Junior Lender," if any, shall mean that certain junior lender, if any, as identified on Exhibit A, and its successors and assigns.

"Junior Loan," if any, shall mean a loan by the Junior Lender, if any, to the Borrower in the principal amount identified on Exhibit A, for financing a portion of the costs of the Project.

"Junior Loan Documents," if any, shall mean all documents executed by or on behalf of the Borrower in connection with the Junior Loan, if any.

"Junior Mortgage," if any, shall have the meaning given to that term as provided on Exhibit A.

"Junior Note," if any, shall have the meaning given to that term as provided on Exhibit A.

"Junior Regulatory Agreement," if any, shall have the meaning given to that term as provided on Exhibit A.

"Loan" shall mean the loan by the City to the Borrower in the principal amount identified on Exhibit A for financing a portion of the costs of the Project.

"Loan Agreement" shall mean this Housing Loan Agreement as hereafter amended, supplemented and restated.

"Loan Documents" shall mean collectively all agreements, instruments and documents pertaining to the Loan executed and delivered to the City previously, now or hereafter by, on behalf of or for the benefit of the Borrower in connection with the Project including, but not limited to, this Loan Agreement, the Mortgage, the Note, the Guaranty, the Assignment of Rents, the Assignment of Contracts, the Escrow Agreement, the Environmental Agreement, the Regulatory Agreement, the Loan application, the Affidavits and any additional documents specified on Exhibit A, all as from time to time amended, supplemented and restated.

"Loan Term" shall mean the period from the Closing Date through and including the Maturity Date.

"Losses" shall mean, subject to the limitation in Section 6.01(h), injuries, Costs, Claims, liabilities and taxes (of any character or nature whatsoever, regardless of by whom imposed), and losses of every conceivable kind, character and nature whatsoever arising out of, resulting from or in any way connected with the Borrower, the General Partner, the Owner (if any), the Project, the Premises and/or the Loan Documents, including, but not limited to, (i) Claims for loss or damage to any property or injury to or death of any person asserted by or on behalf of any person, firm, corporation, governmental authority or other entity arising out of, resulting from, or in any way connected with the Project or the Premises, or the condition, occupancy, use, possession, conduct or management of, or any work done in, about or involving the Project or the Premises; or (ii) any Claim arising out of any performance by the City of any act required of it under any of the Loan Documents or requested by the Borrower.

"Maturity Date" shall have the meaning given to that term as provided on Exhibit A.

"MBE" and "MBE/WBE Program" shall have the respective meanings given to such terms in Section 11.01 hereof.

"Mortgage" shall mean that certain Junior Mortgage, Security Agreement and Financing Statement dated as of the Closing Date, executed from the Borrower to the City, as from time to time supplemented, amended and restated.

"National Affordable Housing Act" shall mean the Cranston-Gonzalez National Affordable Housing Act, 42 U.S.C. Section 12701 et seq.

"Note" shall mean the Note evidencing the Loan (and all amendments or supplements thereto, extensions thereof and notes which may be taken in whole or partial renewal,

substitution or extension thereof), dated the Closing Date, executed by the Borrower and payable to the City in the principal amount of the Loan.

"Operating Deficit(s)" shall mean the amount, if any, by which Operating Expenses exceed Gross Income.

"Operating Deficit Reserve Account" shall mean that certain escrow account established by the Borrower in connection with the Project to the satisfaction of the City for the purpose of paying, reducing or avoiding an Operating Deficit in connection with the Premises, initially funded through a line item in the Project Budget entitled "operating reserve."

"Operating Expenses" shall mean the aggregate amount, calculated in accordance with generally accepted accounting principles of all cash expenses of the operation of the Premises, including costs of utilities, reasonable maintenance, repairs and necessary replacements, real estate taxes, reasonable replacement reserves, insurance premiums, reasonable professional and management fees and reasonable miscellaneous fees, but not including (1) any fees payable to the Borrower, General Partner, Owner, or any affiliate thereof (except as may be approved under (i) that certain Property Management Agreement executed in connection with the Premises in effect as of the date hereof, and (ii) partnership management fees not to exceed, in the aggregate in any given calendar year, the amount permitted under the terms of the Partnership Agreement in effect as of the date hereof, without respect to any subsequent amendments or modifications), and (2) depreciation expenses and any other non-cash expenses.

"Owner," if any, shall mean that certain person or entity, if any, which comprises the sole owner of the General Partner, as identified on Exhibit A, and its successors and assigns.

"Partnership Agreement" shall have the meaning given to that term as provided on Exhibit A.

"Permitted Encumbrances" shall mean (i) the Senior Mortgage, if any, the Senior Regulatory Agreement, if any, and the Senior Assignment, if any, and liens arising from any Permitted Refinancing, (ii) the Mortgage, (iii) the Assignment of Rents, (iv) the Regulatory Agreement and the Redevelopment Agreement, (v) those liens and encumbrances, if any, shown on Exhibit C to the Mortgage, (vi) leases of portions of the Premises entered into after the date hereof in the Borrower's ordinary course of business, if any, (vii) the Junior Mortgage, if any, the Junior Assignment, if any, and the Junior Regulatory Agreement, if any, and (viii) the FHLB Repayment Agreement (it being acknowledged and agreed that the items described in clauses (iii), (vi), (vii) and (viii) above shall be subordinate to the lien of the Mortgage and the rights of the City established thereunder and shall be reflected as such in the lender's title insurance policy and date-down endorsements issued to the City by the Title Company as provided hereunder).

"Plans and Specifications" shall mean the final plans and specifications for the Project prepared by the Architect as approved by DOH prior to the execution of this Loan Agreement along with evidence of appropriate governmental approvals thereon.

"Premises" shall have the meaning given to such term in the Mortgage.

"Prohibited Transfer" shall have the meaning given to such term in the Mortgage.

"Project" shall have the meaning given to that term as provided on Exhibit A.

"Project Budget" shall mean the detailed budget, including the sworn statement of all Project Costs, along with the name of the funding source used to pay each such cost, which Project Budget shall be approved by the City and is attached as Exhibit C to the Regulatory Agreement, together with any changes thereto as may be approved in writing by the City.

"Project Costs" shall mean all costs, expenses and expenditures directly or indirectly incurred or anticipated to be incurred in completion of the Project including, but not limited to, the purchase price of the Premises (if approved by the City), loan fees, real estate taxes, amounts paid to contractors and tradesmen for labor and materials, and all other construction costs, costs of relocating utilities and other site work, amounts paid for fixtures, machinery, equipment and furnishings of all types and kinds, tenant relocation costs, title insurance premiums and charges, architects' fees, surveyors' fees, attorneys' fees, permit, zoning and land use fees, management fees, consultants' fees, construction manager's fees, developer fees, acquisition fees (if approved by the City), heat, electricity, fuel, and insurance costs, brokers' and leasing commissions, marketing costs, and such other costs as set forth in the Project Budget.

"Project Term" shall have the meaning given to such term in the Regulatory Agreement.

"Redevelopment Agreement" shall mean that certain Wilson Yard Redevelopment Agreement dated as of November 30, 2005 among the Borrower, the City, Wilson Yard Development I LLC, an Illinois limited liability company, Wilson Yard Partners, LP, an Illinois limited partnership, Wilson Yard Development Corporation, an Illinois corporation, and Wilson Yard Senior Development Corporation, an Illinois corporation.

"Regulatory Agreement" shall mean that certain Regulatory Agreement dated as of the Closing Date between the Borrower and the City with respect to the Premises, as from time to time supplemented, amended and restated.

"Senior Assignment," if any, shall have the meaning given to that term as provided on Exhibit A.

"Senior Lender," if any, shall mean that certain senior lender, if any, identified on Exhibit A, and its successors and assigns.

"Senior Loan," if any, shall mean a loan by the Senior Lender, if any, to the Borrower in the principal amount identified on Exhibit A for financing a portion of the costs of the Project.

"Senior Loan Documents," if any, shall mean all documents executed by or on behalf of the Borrower in connection with the Senior Loan, if any.

"Senior Mortgage," if any, shall have the meaning given to that term as provided on Exhibit A.

"Senior Note," if any, shall have the meaning given to that term as provided on Exhibit A.

"Senior Regulatory Agreement," if any, shall have the meaning given to that term as provided on Exhibit A.

"Subcontract" shall mean any contract between the General Contractor or a Subcontractor and any Subcontractor for the equipping of any portion of the Project or the furnishing of labor or materials for any portion of the Project.

"Subcontractor" shall mean any person or entity having a contract with the General Contractor or any Subcontractor for the construction, equipping or supplying of labor or materials by such Subcontractor of any portion of the Project.

"Title Company" shall mean that certain title company identified on Exhibit A, and its successors and assigns.

"U.C.C." shall mean the Uniform Commercial Code as adopted in Illinois.

"WBE" shall have the meaning given to such term in Section 11.01 hereof.

Capitalized terms used herein and not otherwise defined herein shall have the meanings given such terms in the Mortgage.

SECTION 3. LOAN

The Loan shall be made upon the following terms and conditions:

3.01 The principal sum of the Loan shall be the amount specified on Exhibit A.

3.02 In any case where the date of payment of interest, if any, on or principal of the Note or the date of payment of any other amount under the Loan Documents shall not be a Business Day, then payment of such interest or principal or such amount need not be made on such date but may be made on the next succeeding Business Day. If interest is charged on the Note, the Note shall continue to bear interest until such date of payment.

3.03 The interest rate, if any, on the Loan shall be computed on the outstanding principal balance from time to time and shall be in the amount specified on Exhibit A. Interest, if any, shall begin to accrue as of the date hereof. The interest rate, if any, shall be computed on the basis of a year consisting of 360 days.

3.04 Subject to Sections 3.06 and 3.07 hereof, repayment of the Loan shall be as specified on Exhibit A, with the full amount of the Loan due and payable on the Maturity Date, or such earlier date as the same may become due and payable because of acceleration or prepayment as provided in any of the Loan Documents.

3.05 The proceeds of the Loan shall be paid by the City to the Escrow Agent from time to time for deposit in the Escrow Account and shall be disbursed by the Escrow Agent from the Escrow Account, all as provided in the Escrow Agreement and all subject to the terms and conditions herein contained. As provided in Section 38 of the Mortgage, the City hereby binds itself to make advances pursuant to and subject to the terms of this Loan Agreement and the other Loan Documents. Disbursements of Loan proceeds, other than the final disbursement, shall not, in the aggregate, exceed 90% of the value of the materials and labor incorporated from time to time in the Project until the Project has achieved 90% completion (as determined by DOH in its discretion), at which time disbursement shall not exceed 95% of such value.

3.06 Subject to the terms of any subordination and/or intercreditor agreement, the Loan may be prepaid by the Borrower at any time, in whole or in part, at a price equal to 100% of the principal amount being prepaid plus accrued interest, if any, on such amount to the prepayment date. A prepayment of the Loan shall not be deemed to release or terminate the Regulatory Agreement.

3.07 (a) Upon any transfer by the Escrow Agent to the City of amounts in the Escrow Account pursuant to the Escrow Agreement, such amounts shall be applied as set forth in the Note.

(b) The Loan may be prepaid, at the option of the City, in the event the City receives proceeds pursuant to the Assignment of Rents or the Mortgage, in amounts and at times determined by the City and as provided in the Assignment of Rents or the Mortgage, respectively.

(c) In the event that either (i) not all of the Loan proceeds shall have been disbursed after payment of all Eligible Costs approved by the City, or (ii) excess funds from the Loan Proceeds shall remain in the Escrow Account after the final disbursement from the Escrow Account shall have been made by the Escrow Agent pursuant to the Escrow Agreement, the Loan shall be prepaid in the amount of such excess proceeds or funds, subject to the terms of such Escrow Agreement.

(d) The Loan shall be prepaid by the Borrower upon demand by the City in the event that the City is legally obligated to repay HOME Program funds to HUD as described in Section 8.06(c) hereof. The amount of such prepayment shall be the lesser of (i) the amount the City is required to repay to HUD, or (ii) the amount of the developer fee specified in Exhibit A.

3.08 The Loan shall be evidenced by the Note. The Note shall be secured by the Mortgage, the Assignment of Rents, the Assignment of Contracts and any other instruments

under which the Borrower has granted the City a lien or security interest in all or any portion of the Premises.

3.09 To repay the Loan, the Borrower agrees to make all payments when due of principal of and interest, if any, on the Note.

3.10 Subject to Section 8.06 hereof, the obligations of the Borrower to make the payments required hereunder and under any of the other Loan Documents shall be absolute and unconditional and shall be without defense (except payment) or set-off, to the extent permitted by law, by reason of any default by the City under this Loan Agreement or any other Loan Document or under any other agreement between the Borrower and the City, or for any other reason, including, without limitation, failure to complete the Project, any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, destruction of or damage to the Premises, commercial frustration of purpose, any change in the tax or other laws or administrative rulings of or administrative actions by the United States of America or the State of Illinois or any political subdivision of either, or any failure of the City to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Loan Agreement or any other Loan Document, it being the intention of the parties hereto that the payments required hereunder and under any of the other Loan Documents will be paid in full when due without any delay or diminution whatsoever.

3.11 Subject to applicable notice and cure periods, if any payment of principal or interest, if any, due on the Note, or any other charges due to the City as required under the Note or the other Loan Documents, shall not be paid on the date such payment is due, the Borrower shall pay the City as liquidated damages and not as a penalty an additional "late charge" of fifteen percent (15%) of such delinquent payment or the maximum permitted by law, whichever is less, in order to defray the increased cost of collection occasioned by any such late payments. Further, any such delinquent payments (not including interest payments) shall bear interest from and after the date due at the lesser of the rate of 15% per annum or the maximum rate permitted by law until so paid. Demand, presentment for payment, protest, notice of non-payment and notice of protest are hereby waived by the Borrower.

SECTION 4. CONDITIONS PRECEDENT

4.01 The making of the Loan by the City to the Borrower shall be subject to the compliance by the Borrower with the provisions of Sections 4.02, 4.03, 4.04, 4.05 and 4.06 hereof, which compliance shall be determined by the City in its sole discretion.

4.02 Not less than 15 days prior to the Closing Date (or within such lesser time as may be approved by the City), the Borrower shall provide the following documents to the City, each in form and content satisfactory to the City and the Corporation Counsel:

- (a) a commitment for title insurance in the 1987 ALTA or equivalent form of mortgagee's policy in the principal amount of the Loan and issued by the Title Company;

- (b) copies of all easements and encumbrances of record (other than those arising from the Loan Documents, the Junior Loan Documents, if any, or the Senior Loan Documents, if any) with respect to the Premises;
- (c) two copies of a Class A plat of survey in the most recently revised form of ALTA/ACSM land title survey, dated within 45 days prior to the Closing Date, acceptable in form and content to the Title Company, prepared by a surveyor registered in the State of Illinois, certified to the Borrower, the City, the Senior Lender, if any, the Junior Lender, if any, and the Title Company, and certifying as to whether the Premises are in an area as identified by the Federal Emergency Management Agency as having special flood hazards;
- (d) an executed copy of the Construction Contract, certified by the Borrower;
- (e) a standard form of Subcontract to be used by the General Contractor, and copies of any Subcontracts executed as of or prior to the fifteenth day prior to the Closing Date;
- (f) the Plans and Specifications;
- (g) the Project Budget;
- (h) the Construction Schedule; and
- (i) an appraisal prepared by an appraiser who is approved by the City evidencing that the Premises will have, after completion of the Project, a fair market value acceptable to the City, in its sole discretion.

4.03 Not less than five days prior to the Closing Date (or within such lesser time as may be approved by the City), the Borrower shall provide the following documents to the City, each in form and content satisfactory to the City and the Corporation Counsel:

- (a) all required building permits and governmental approvals for the Project;
- (b) (i) a performance and payment bond in the full amount of the Construction Contract, underwritten by a surety satisfactory to the City and the Corporation Counsel, and naming the City as co-obligee on such bond, or
(ii) a letter of credit in an amount not less than 15 percent of the full amount of the Construction Contract or an amount satisfactory to the City, from a bank satisfactory to the City and the Corporation Counsel, and naming the City as a payee on such letter of credit;

- (c) an executed copy of an owner's sworn statement detailing the total costs of the Project, including indirect costs incidental thereto and setting forth a description of all contracts executed by the Borrower with respect to the Project;
- (d) an executed copy of the General Contractor's sworn statement, setting forth a description of all contracts executed by the General Contractor with respect to the Project, the names and addresses of all Subcontractors under Subcontracts, the date of each such Subcontract and of any supplements or amendments thereto, the nature and scope of the work covered thereby, and the aggregate amounts theretofore paid and thereafter to be paid to each Subcontractor thereunder; and further stating whether said Subcontracts embrace all of the work required to be done and all of the material necessary for completion of the Project in accordance with the Plans and Specifications, and, if not, providing sufficient information to enable the City to estimate the cost of any work or materials not so covered;
- (e) an executed copy of the Partnership Agreement, certified by the General Partner;
- (f) evidence of the authority granted by the Board of Directors of the General Partner for the General Partner to execute and deliver the Environmental Agreement and the Guaranty and to enter into the transactions contemplated by the Senior Loan Documents, if any, the Junior Loan Documents, if any, and the Loan Documents on behalf of the Borrower;
- (g) evidence of the authority granted by the Board of Directors of the Owner, if any, for the Owner to execute and deliver the Environmental Agreement and the Guaranty;
- (h) written consent by the Senior Lender, if any, and the Junior Lender, if any, to the liens on the Premises of the Permitted Encumbrances other than such lender's documents; and
- (i) evidence of searches of current financing statements, judgments, pending litigation, bankruptcy proceedings and federal and state tax liens showing no security interests, judgments, pending litigation, bankruptcies or federal or state tax liens on the Premises or affecting the Borrower, the General Partner or the Owner, if any, other than Permitted Encumbrances.

4.04 On the Closing Date, the Borrower shall provide the following documents to the City, each in form and content satisfactory to the City and the Corporation Counsel:

- (a) copies of each of the Senior Loan Documents, if any, and the Junior Loan Documents, if any, executed by all of the parties thereto;
- (b) originals of each of the Loan Documents and the Guaranty, executed by all parties other than the City;
- (c) evidence that Equity in the amount described in the Escrow Agreement has been deposited in the Escrow Account pursuant to the Escrow Agreement;
- (d) policies, binders or certificates of insurance evidencing the coverage required by Section 4 of the Mortgage;
- (e) if the Project includes acquisition of the Premises, evidence of the purchase price of the Premises in the form of a real estate sales contract or a deed and closing statement, certified by the Borrower;
- (f) a copy of the most recent real estate tax bill with respect to the Premises;
- (g) an opinion of the Borrower's counsel, substantially similar in form and content to the opinion attached hereto as Exhibit B and hereby made a part hereof;
- (h) written agreement by the Senior Lender, if any, and the Junior Lender, if any, to give notice to the City of any default, event of default or waiver thereof under any of the Senior Loan Documents, if any, or the Junior Loan Documents, if any, as the case may be;
- (i) a U.C.C.-1 financing statement authorized by the Borrower;
- (j) a lender's title insurance policy in the full amount of the Loan, issued by the Title Company pursuant to the commitment described in Section 4.02(a) hereof, insuring the marketability of title to the Premises, indicating that the lien of the Mortgage constitutes a valid third lien on the Premises (subject only to those Permitted Encumbrances described in clauses (i), (iv) and (v) of the definition of such term and setting forth the Permitted Encumbrances described in clauses (iii), (vi) and (vii) of such definition as Schedule B - Part II exceptions - i.e. subordinate to the lien of the Mortgage), and containing such endorsements as shall be required by the Corporation Counsel (including comprehensive #1, survey, zoning 3.1 (with parking), contiguity, access, usury, creditors rights, interim mechanic's lien and pending disbursements endorsements);

- (k) evidence of the recordation of the Regulatory Agreement, the Mortgage, and the Assignment of Rents, and that all costs with respect thereto have been paid;
- (l) certified copies of the Construction Contract and any Subcontracts executed by the General Contractor with respect to the Project after the fifteenth day prior to the Closing Date and not later than the Closing Date;
- (m) a copy of the owner's sworn statement and the General Contractor's sworn statement described in Sections 4.03(c) and 4.03(d) hereof, respectively, and dated as of the Closing Date;
- (n) an original executed Architect's Certificate (Opening) from the Architect in the form thereof attached hereto as Exhibit E and hereby made a part hereof; and
- (o) such other documents, agreements, instruments, certificates and affidavits as the City may require.

4.05 At least five Business Days prior to, and as a condition of, each Disbursement, the Borrower shall furnish to the City the following documents, each in form and content satisfactory to the City and the Corporation Counsel:

- (a) the Borrower's application for advance specifying the amount of the requested Disbursement and directing the City to disburse such funds in accordance with this Loan Agreement. Delivery of such request for advance shall, in addition to the items therein expressly set forth, constitute a certification to the City (without waiving any rights or claims against any other person for latent defects or otherwise), as of the date of the applicable request for Disbursement, that:
 - (i) the total amount of such request represents the actual amount payable to the General Contractor and/or Subcontractors who have performed work on the Project and indicating what payment requests, if any, have been received by the Borrower from the General Contractor or the Subcontractors but have not yet been approved by the Borrower for payment;
 - (ii) 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 under this Loan Agreement or any of the other Loan Documents;

- (iii) the representations and warranties contained in this Loan Agreement and in all other Loan Documents are true and correct in all material respects;
 - (iv) the Borrower has received no notice and has no knowledge of any liens or claims of lien either filed or threatened against the Premises except for Permitted Encumbrances;
 - (v) all amounts shown as previous payments on the current Disbursement request have been paid to the parties entitled to such payment;
 - (vi) the Borrower has approved all work and materials for which a payment is then due and for which a Disbursement is thereby requested;
 - (vii) all work and materials theretofore furnished for the Project conform with the Plans and Specifications;
 - (viii) copies of all Subcontracts, as then in effect, have been delivered to the City; and
 - (ix) the Loan is In Balance;
- (b) a copy of the owner's sworn statement and the General Contractor's sworn statement described in Sections 4.03(c) and 4.03(d) hereof, respectively, and dated as of such Disbursement request;
- (c) waivers of lien from the General Contractor and all Subcontractors covering all work done with respect to the Project and paid for from sums disbursed from the previous Disbursement, or otherwise paid for, and including the work to be paid for from the requested Disbursement, all in compliance with the mechanics' lien laws of the State of Illinois and with the requirements of the City and the Title Company (for issuance of interim title endorsements covering such Disbursement), together with such invoices, contracts or other supporting data as the City or the Title Company may require;
- (d) endorsements to the lender's title insurance policy issued as of the Closing Date to cover the amount and date of the Disbursement, insuring that nothing has intervened from the date of the issuance of the title insurance policy to affect the validity or priority of the Mortgage, containing a mechanics' lien interim certification to cover the amount of the Loan then disbursed (including the current Disbursement) and otherwise raising no new Schedule B title exceptions (other than those bonded and insured

over) other than those initially set forth on the title insurance policy issued as of the Closing Date and the lien of general real property taxes not then delinquent;

- (e) an original executed Architect's Certificate (Interim) from the Architect in the form thereof attached hereto as part of Exhibit E and hereby made a part hereof, dated as of the date of such Disbursement;
- (f) such other documents as the City may require under the terms of this Loan Agreement or any of the other Loan Documents; and
- (g) such other papers and documents as the Title Company may require for the issuance of the required endorsements to the lender's title insurance policy for each Disbursement.

4.06 In addition to the requirements for each Disbursement contained in this Section 4, it shall be a condition to the final advancement of Loan proceeds hereunder that the following items have been satisfied to the City's satisfaction:

- (a) the Architect has delivered an executed Architect's Certificate (Final) in the form and content thereof as set forth as part of Exhibit E attached hereto and hereby made a part hereof, stating, among other things, that the Project has been completed in accordance with the Plans and Specifications;
- (b) the General Contractor and all Subcontractors have supplied the City and the Title Company with final sworn statements and full and complete waivers of all mechanics' lien claims;
- (c) the City has received the appropriate endorsement to the lender's title insurance policy as described in Section 4.05(d) above, including an endorsement acknowledging that the amount of coverage under said policy has been increased to cover the entire amount of the Loan (it being acknowledged that such endorsement may be delivered to the City concurrently with the final Disbursement);
- (d) the Borrower shall have furnished the City with all governmental licenses and permits required to use, occupy and operate the Premises as contemplated from all appropriate governmental authorities;
- (e) all fixtures and equipment required for the operation of the Premises shall have been installed free and clear of all liens, title retention agreements and security interests except security interests granted to the City, the Junior Lender, if any, or the Senior Lender, if any; and

- (f) the City shall have received evidence confirming compliance with all other requirements of this Loan Agreement and confirming that no Event of Default exists hereunder or under any of the other Loan Documents.

SECTION 5. WARRANTIES AND REPRESENTATIONS OF BORROWER

5.01 The Borrower warrants and represents to the City as follows:

- (a) all warranties and representations of the Borrower contained in this Loan Agreement and the other Loan Documents are true, accurate and complete at the time of the Borrower's execution hereof and thereof, and shall be true, accurate and complete in all material respects at the time of each Disbursement, and shall survive the execution, delivery and acceptance hereof by the parties hereto for as long as the Loan is outstanding;
- (b) the Borrower is a limited partnership duly organized and validly existing under the laws of the State of Illinois;
- (c) the Borrower has the right, power and authority to enter into, execute, deliver and perform this Loan Agreement and the other Loan Documents;
- (d) the execution, delivery and performance by the Borrower of this Loan Agreement and the other Loan Documents have been duly authorized by all necessary action of the Borrower and will not violate any provision of law (including any order, writ, injunction or decree binding upon the Borrower or the Premises) or the Partnership Agreement, or result in the breach of or constitute a default under or require any consent under, or result in the creation of any lien, charge or encumbrance (except for any lien, charge or encumbrance created by the Loan Documents, the Junior Loan Documents, if any, or the Senior Loan Documents, if any) upon the Premises or any other property or assets of the Borrower under any agreement, instrument, restriction or document to which the Borrower is now or hereafter a party or by which the Borrower or the Premises are or may become bound or affected;
- (e) the Borrower has good, indefeasible and merchantable title to the Premises and all beneficial interest therein free and clear of all liens, charges and encumbrances except Permitted Encumbrances;
- (f) the Borrower is now solvent and able to pay its debts as they mature;
- (g) there are no actions or proceedings by or before any court or governmental commission, board, bureau or other administrative agency pending or, to the Borrower's knowledge, threatened, against or affecting the Borrower which if adversely determined could materially and adversely affect the Borrower's ability to perform under the Senior Loan Documents, if any,

the Junior Loan Documents, if any, or the Loan Documents or which might result in any material, adverse change to the Borrower's financial condition or may materially affect the Premises or the Borrower's other property or assets;

- (h) the Borrower has obtained and has been and is in compliance with, as applicable, any and all governmental notices, permits, certificates and consents (including, without limitation, all environmental permits and other authorizations) necessary to carry out and complete the Project;
- (i) the Borrower is not in default with respect to any indenture, loan agreement, mortgage, deed or other agreement or instrument relating to the borrowing of monies to which it is a party or by which it may be bound;
- (j) the Financial Statements were prepared by an independent public accountant in accordance with generally accepted accounting principles and practices consistently maintained throughout the periods involved and are complete and correct and fairly represent the financial condition of the Borrower, the General Partner or the Owner, if any, as applicable;
- (k) there has been no material adverse change in the financial condition of the Borrower, the General Partner or the Owner, if any, as applicable, since the date of the Financial Statements;
- (l) no current member, official or employee or former member, official or employee of the City has any personal interest, direct or indirect, in the Borrower's business;
- (m) the statements, information, descriptions, estimates and assumptions contained in the Plans and Specifications, the Construction Schedule and the Project Budget are based upon the best information available to the Borrower, do not contain any untrue statement or misleading statement of a material fact, and do not omit to state a material fact required to be stated therein or necessary to make the statements, information, descriptions, estimates and assumptions contained therein, in the light of the circumstances under which they were made, not misleading;
- (n) except as disclosed in the Hazardous Materials listed on Exhibit C attached hereto and hereby made a part hereof, neither the Borrower, the General Partner, the Owner, if any, nor, to the best of the Borrower's knowledge after due inquiry, any other person or entity has ever caused or permitted at any time or for any duration any Hazardous Materials to be generated, manufactured, handled, treated, stored, used, recycled, refined, processed, placed, held, located or disposed of, on, under or at or transported to or released from (i) the Premises or any part thereof or (ii)

any other real property in which the Borrower has any estate or interest whatsoever (including, without limitation, any property owned by a land trust, the beneficial interest in which is owned, in whole or in part, by the Borrower), and neither the Premises nor the property described in (ii) above has ever been used by the Borrower, the General Partner, the Owner, if any, or, to the best of the Borrower's knowledge after due inquiry, any other person or entity as a temporary or permanent dump or storage site for any Hazardous Materials;

- (o) except for the City building code violations, if any (all of which are to be remedied in the course of the Project), the Premises and the Project have been (to the best of the Borrower's knowledge after due inquiry) and are in compliance with all applicable federal, state and local laws, statutes, rules, regulations, executive orders, ordinances, codes, decrees and judgments, including any and all Environmental Laws, pertaining to or affecting the Premises or the Project and the use thereof and the conduct of any business or operations thereon;
- (p) the Mortgage is subordinate only to the Senior Regulatory Agreement, if any, the Regulatory Agreement, the Senior Mortgage, if any, the Senior Assignment, if any, and those Permitted Encumbrances, if any, described on Exhibit C to the Mortgage; and
- (q) the Borrower's purchase of the Premises was an arms-length transaction and the purchase price paid by the Borrower for the Premises was not greater than the fair market value of the Premises at the time of such purchase; and
- (r) neither the Borrower, the General Partner, the Owner, if any, nor any Affiliate of the Borrower, the General Partner and/or the Owner, if any, is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

SECTION 6. COVENANTS OF BORROWER

6.01 The Borrower covenants to the City as follows:

- (a) the Borrower shall be subject to, obey and adhere to any and all federal, state and local laws, statutes, ordinances, rules, regulations and executive orders as are now or may be in effect during the Loan Term which may be applicable to the Borrower, the Premises or the Project, including but not

limited to: (i) the Lead-Based Paint Poisoning Prevention Act, 42 U.S.C. Section 4831(b); (ii) the Contract Work Hours and Safety Standards Act, 40 U.S.C. Section 327 et seq., as supplemented by U.S. Department of Labor regulations at 29 C.F.R. Part 5; (iii) the Copeland "Anti-kickback" Act, 18 U.S.C. Section 874, as supplemented by U.S. Department of Labor regulations at 29 C.F.R. Part 3; (iv) Section 104(g) of the Housing and Community Development Act of 1974, 42 U.S.C. Section 5301 et seq., and 24 C.F.R. Part 58; (v) Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. Section 794 and implementing regulations at 24 C.F.R. Part 8, Subpart C; (vi) 24 C.F.R. Part 24; (vii) the Americans with Disabilities Act of 1990, Public Law 101-336 dated July 26, 1990; (viii) the Fair Housing Amendments Act of 1988, Public Law 100-430 dated September 13, 1988; (ix) the City of Chicago Landlord - Tenant Ordinance, Municipal Code of Chicago, Chapter 5-12; and (x) all Environmental Laws, including but not limited to the Municipal Code of Chicago, Section 7-28-390, 7-28-440, 11-4-1410, 11-4-1420, 11-4-1450, 11-4-1500, 11-4-1530, 11-4-1550, or 11-4-1560, whether or not in the performance of this Agreement;

- (b) the Borrower shall maintain good, indefeasible and merchantable title to the Premises and all beneficial interest therein free and clear of all liens, charges and encumbrances except Permitted Encumbrances, subject to Borrower's right to bond or insure over any liens, charges and encumbrances in a manner reasonably satisfactory to the City;
- (c) the Borrower shall remain solvent and able to pay its debts as they mature;
- (d) the Borrower shall obtain and comply with, as applicable, all governmental notices, permits, certificates and consents (including, without limitation, all environmental permits and other authorizations) necessary to carry out and complete the Project;
- (e) the Borrower shall immediately notify the City of any and all events or actions which may materially adversely affect the Borrower's ability to carry on its operations or perform all its obligations under the Loan Documents, the Senior Loan Documents, if any, the Junior Loan Documents, if any, or any other documents or agreements to which it is or may become a party or by which it is or may become bound, as long as the Loan remains outstanding;
- (f) no member, official or employee of the City shall have any personal interest, direct or indirect, in the Borrower's business or shall participate in any decision relating to the Borrower's business which affects his/her personal interests or the interests of any corporation, partnership or association in which he/she is directly interested;

- (g) no former member, official or employee of the City shall, for a period of one year after the termination of the member's, official's or employee's term of office or employment, assist or represent the Borrower in any business transaction involving the City or any of its agencies, if the member, official or employee participated personally and substantially in the subject matter of the transaction during his/her term of office or employment, provided that if the member, official or employee exercised contract management authority with respect to a contract (including any loan from the City), this prohibition shall be permanent as to that contract;
- (h) the Borrower shall pay, indemnify and save the City and the City's officers, employees and agents harmless of, from and against any and all Losses incurred by any such party in any Claim brought by reason of any such Loss, excluding, however, any Loss arising out of the City's gross negligence or willful misconduct following the City's acquisition of title to or control of the Premises, unless such act is taken in response to (1) any willful misconduct or negligent act or omission of the Borrower, the General Partner or the Owner, if any, or (2) any breach (other than failure to repay the Loan) by the Borrower, the General Partner or the Owner, if any, of any provisions of the instruments executed by the Borrower, the General Partner or the Owner, if any, in connection with the Loan. In the event that any Claim is brought against the City or any of the City's officers, employees or agents by reason of any such Loss, the Borrower, upon notice from the City, covenants to resist and defend such Claim on behalf of the City and the City's officers, employees and agents. The City shall have the right to employ separate counsel in any such Claim and to participate in the defense thereof. The fees and expenses of such counsel so incurred shall be at the expense of the Borrower without regard to any authorization of such employment by the Borrower;
- (i) apart from the other loans contemplated under this Agreement, the Borrower shall not enter into any transaction which would materially and adversely affect the Borrower's ability to repay any of the Borrower's Liabilities;
- (j) the Borrower shall maintain and provide to the City, at the earliest practicable date but no later than 90 days following the end of the Borrower's fiscal year (which 90-day period shall be automatically extended to 120 days upon the delivery during said 90-day period of a written request for such extension from the Borrower to the City), annual audited financial statements prepared by a certified public accountant in accordance with generally accepted accounting principles and practices consistently maintained throughout the appropriate periods acceptable to the City thereafter so long as the Loan is outstanding. In addition, upon the City's request, the Borrower shall submit statements of the Borrower's financial condition prepared in accordance with generally accepted

accounting principles and practices consistently maintained throughout such periods as required by the City;

- (k) the Mortgage and the Assignment of Rents shall be subordinate solely to the Regulatory Agreement, the Senior Mortgage, if any, the Senior Regulatory Agreement, if any, the Senior Assignment, if any, and documents executed in connection with any Permitted Refinancing, and those Permitted Encumbrances, if any, described on Exhibit C to the Mortgage;
- (l) the Project shall be completed under the terms of this Loan Agreement, the Construction Contract, the Construction Schedule and the Project Budget and in accordance with the Plans and Specifications for the Project, and any Change Order shall be submitted by the Borrower to the City for its express, prior written approval prior to the submission of any request for disbursement of the proceeds of the Equity, the Loan, the Junior Loan, if any, or the Senior Loan, if any, pursuant to such Change Order;
- (m) the Borrower shall not commence the Project without the prior written consent of the City; after such consent has been obtained, the Borrower shall complete the Project with due diligence and shall provide notice of such completion promptly thereafter to the City, the Senior Lender, if any, the Junior Lender, if any, and the Escrow Agent;
- (n) the Borrower shall do or cause to be done all things necessary to preserve and keep in full force and effect its existence as an Illinois limited partnership and shall not change its General Partner or add additional general partners without the prior written consent of the City, which consent shall not be unreasonably withheld provided such change or addition is consummated pursuant to the terms of the Partnership Agreement, provided, however, that the City's consent shall not be required if the General Partner is removed by the Borrower's limited partners and replaced with the Borrower's administrative limited partner or Bank of America exercises its rights under its Security Agreement (Assignment of Partnership Interests);
- (o) the Borrower shall comply with all of the terms and provisions of the Regulatory Agreement and shall provide to the City such reports as shall be required therein;
- (p) the Borrower shall immediately advise the City in writing of: (i) any notices received by the Borrower from any federal, state or local governmental agency or regional office thereof of the violation or potential violation or of any inquiry regarding any such potential violation by the Borrower of any applicable Environmental Laws; (ii) any and all

enforcement, clean-up, removal, remedial or other governmental or regulatory actions instituted, completed or threatened pursuant to any Environmental Laws; (iii) all Claims made or threatened by any third party against the Borrower or the Premises relating to any Losses resulting from any Hazardous Materials (the matters set forth in clauses (i), (ii) and (iii) above are hereinafter collectively referred to as "Hazardous Materials Claims"); and (iv) the Borrower's discovery of any occurrence or condition on any real property adjoining or in the vicinity of the Premises that could cause the Premises or any part thereof to be subject to any Hazardous Materials Claims;

- (q) the Borrower will cause the General Contractor to maintain a payment and performance bond or a letter of credit, as described in Section 4.03(b) hereof and acceptable to the City, in full force and effect until completion of the Project;
- (r) construction or rehabilitation, as applicable, of the Premises will commence within twelve months from the date hereof;
- (s) all rights to discoveries, inventions, materials, copyrights and rights in data generated under this Loan Agreement shall be subject to the regulations issued by HUD or the City, where applicable; and
- (t) the Borrower shall cause the Premises to comply with all applicable mandatory standards and policies relating to energy efficiency which are contained in the energy conservation plan of the State of Illinois issued in compliance with the Energy Policy and Conservation Act, 42 U.S.C. Section 6321 et seq;
- (u) no payment, gratuity or offer of employment shall be made in connection with the Project, by or on behalf of a Subcontractor to the General Contractor or higher tier Subcontractor or any person associated therewith, as an inducement for the award of a Subcontract or order;
- (v) the Borrower shall establish and maintain the Operating Deficit Reserve Account and the Replacement Reserve Account in accordance with the requirements of the Partnership Agreement in effect as of the date hereof, without respect to any subsequent amendments or modifications, to the satisfaction of the City, for the purpose of paying, reducing or avoiding an Operating Deficit or for the purpose of capital expenditures, respectively, in connection with the operation of the Premises;
- (w) the Borrower shall notify the City of (i) each disbursement from the Operating Deficit Reserve Account and/or the Replacement Reserve Account in excess of \$10,000 promptly after such disbursement has been made, (ii) after the Borrower has disbursed in the aggregate \$25,000 from

the Operating Deficit Reserve Account and/or the Replacement Reserve Account in any fiscal year, each disbursement from the Operating Deficit Reserve Account and/or the Replacement Reserve Account promptly after such disbursement has been made, and (iii) all amounts, if any, remaining in the Operating Deficit Reserve Account and the Replacement Reserve Account upon the sale or refinancing of the Premises;

- (x) the Borrower shall furnish a report with respect to the Operating Deficit Reserve Account and the Replacement Reserve Account to the City annually within 90 days of the end of the Borrower's fiscal year, commencing with the year subsequent to year hereof, and within 90 days of the end of the Borrower's fiscal year for each subsequent year thereafter;
- (y) subject to the Senior Loans, the Borrower shall use all amounts, if any, remaining in the Operating Deficit Reserve Account and the Replacement Reserve Account to repay the Loan upon the sale or refinancing of the Premises, which such sale or refinancing shall not take place except in compliance with Section 8 of the Mortgage;
- (z) the Borrower shall not change the manager of the Premises without the prior written consent of the City, and shall make no amendments to or renewals of the Management Agreement (as defined in the Assignment of Contracts) without the prior written consent of the City; and
- (aa) the Borrower shall administer the social services plan, if any, submitted to the City as of the date hereof in a manner acceptable to the City in its sole discretion.

SECTION 7. EVENTS OF DEFAULT

The occurrence of any "Event of Default" as defined in the Mortgage shall constitute an event of default under this Loan Agreement (an "Event of Default"). Notwithstanding anything to the contrary contained herein, the City hereby agrees that any cure of any defaults made or tendered by Senior Lender or one or more of the Borrower's limited partners shall be deemed to be a cure by the Borrower and shall be accepted or rejected on the same basis as if made or tendered by the Borrower.

SECTION 8. REMEDIES

8.01 Upon, or at any time after, the occurrence of an Event of Default hereunder, the City may elect to accelerate the maturity of the Note and upon such election the principal sum remaining unpaid on the Note, together with all accrued interest thereon, if any, and any other amounts then due to the City from the Borrower under any of the Loan Documents, shall be immediately due and payable at the place of payment as aforesaid, without presentment, demand, protest or notice of any kind, and the City may proceed to foreclose the Mortgage and to exercise

any other rights and remedies available to the City under this Loan Agreement or any of the other Loan Documents against the Borrower, which the City may have at law, in equity or otherwise; provided, however, that upon the occurrence of an Event of Default under Section 10(x) or (xi) of the Mortgage, the entire unpaid principal of and interest, if any, on the Note shall, without any declaration, notice or other action on the part of the City, be immediately due and payable, anything in the Note or the other Loan Documents to the contrary notwithstanding. Upon the occurrence of any Event of Default under Section 10(xvi) of the Mortgage, the City may pursue any remedies described in Section 11.01(g) hereof, in addition to and not in lieu of any other remedies available to it hereunder.

8.02 Subject to Section 8.06 hereof, upon the occurrence of an Event of Default, the City may pursue any available remedy at law or in equity by suit, action, mandamus or other proceeding to enforce the payment of the principal of and interest, if any, on the Note and all other amounts due to the City from the Borrower under the Loan Documents, and to enforce and compel the performance of the duties and obligations of the Borrower as herein set forth, and the City may require the Escrow Agent to pay over to the City, pursuant to the Escrow Agreement, the balance of the Loan proceeds remaining in the Escrow Account for application, at the sole discretion of the City, to the payment of the unpaid principal of and interest, if any, on the Note and/or the payments of all other amounts due to the City from the Borrower under the Loan Documents.

8.03 In case the City shall have proceeded to enforce its rights under this Loan Agreement and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the City, then and in every such case the Borrower and the City shall be restored respectively to their respective positions and rights hereunder, and all rights, remedies and powers of the Borrower and the City shall continue as though no such proceedings had been taken.

8.04 In the event the Borrower should default under any of the provisions of this Loan Agreement and the City should employ attorneys or incur other Costs for the collection of the payments due under this Loan Agreement or the Note or the enforcement of performance or observance of any obligation or agreement on the part of the Borrower herein contained, the Borrower agrees that it will, on demand therefor, pay to the City the fees of such attorneys and such other Costs so incurred by the City.

8.05 The remedies of the City, as provided in this Loan Agreement or the other Loan Documents or any other instruments securing the Note shall be cumulative and concurrent and may be pursued singularly, successively or together, at the sole discretion of the City and may be exercised as often as occasion therefor shall arise, and shall not be exclusive but shall be in addition to every other remedy now or hereafter existing at law, in equity, or by statute. Except as otherwise specifically required herein, notice of the exercise of any right or remedy granted to the City hereunder or by the Note is not required to be given.

8.06 (a) Subject to the terms of Sections 8.06(b), (c) and (d) hereof, the indebtedness evidenced by the Note and the other Loan Documents shall be non-recourse, and in the event of default hereunder or thereunder, the City's sole source of satisfaction of repayment of the

amounts due to the City hereunder or under any of the other Loan Documents shall be limited to the City's rights with respect to the collateral pledged and assigned under the Mortgage, the Assignment of Rents, the Assignment of Contracts or any of the other Loan Documents.

(b) Notwithstanding paragraph (a) of this Section, nothing herein or in any of the Loan Documents shall limit the rights of the City, following any of the events hereinafter described and after expiration of all applicable notice and cure periods, to take any action as may be necessary or desirable to pursue the Borrower, the General Partner and/or the Owner, if any, for any and all Losses incurred by the City arising from: (i) a material misrepresentation, fraud made in writing or misappropriation of funds by the Borrower, the General Partner and/or the Owner, if any; (ii) intentional or material waste to the Premises; (iii) use of proceeds of the Loan for costs other than Eligible Costs; (iv) the occurrence of a Prohibited Transfer without the City's prior written consent, to the extent such Prohibited Transfer results from the intentional, willful, voluntary and/or negligent acts or omissions of the Borrower, the General Partner and/or the Owner, if any; (v) any breach of the Borrower's representations, warranties or covenants regarding Hazardous Materials or Environmental Laws contained in any of the Loan Documents (including, without limitation, the Environmental Agreement); (vi) the occurrence of any uninsured casualty to the Premises or other collateral or security provided under any of the Loan Documents for which there has been a failure to maintain insurance coverage as required by the terms and provisions of the Loan Documents; (vii) the misappropriation or misapplication of insurance proceeds or condemnation awards relating to the Premises or other collateral or security provided under any of the Loan Documents; or (viii) any inaccuracy in the statements in the Affidavits.

(c) Notwithstanding paragraph (a) of this Section, nothing herein or in any of the Loan Documents shall limit the right of the City to assert liability against the Borrower, the General Partner and/or the Owner, if any, for the repayment of the Loan in the amount described in Section 3.07(d) hereof in the event of a breach by the Borrower, after expiration of applicable notice and cure periods, if any, of the requirements set forth in Sections 2.5(b), 2.7, 2.8 or 2.12(b) of the Regulatory Agreement as modified by Section 2.9(c) of the Regulatory Agreement, but only to the extent that such breach results in a demand by HUD on the City for repayment of the Loan in whole or in part, and only to the extent that as a result of such demand, the City is legally obligated to make such payment to HUD. Such payment may be made either by a direct payment from the City to HUD or by a deduction by HUD from other monies allocated or to be allocated to the City by HUD. If the City so chooses, the City shall pursue a diligent contest of any such demand by HUD through the administrative procedures outlined in 24 C.F.R. Section 92.552, but shall not be required to pursue the matter any further than reasonably prudent, as determined by the City. The Borrower agrees to pay, as a recourse obligation of the Borrower, all attorneys', experts' and consulting fees and disbursements and expenses incurred in connection with any such contest.

(d) The City waives any and all right to seek or demand any personal deficiency judgment against the Borrower, in conjunction with a foreclosure proceeding, under or by reason of the non-recourse monetary obligations of the Borrower; provided, however, that the foregoing shall not limit or affect the City's right to sue or otherwise seek recourse against the Borrower, the General Partner and/or the Owner, if any, in any separate action or proceeding for all Losses

incurred by the City arising from any of the matters described in Section 8.06(b) or (c) hereof.

SECTION 9. NO WAIVER

9.01 The City's failure to require strict performance by the Borrower of any provision of this Loan Agreement shall not waive, affect or diminish any right of the City thereafter to demand strict compliance and performance therewith, nor shall any waiver by the City of an Event of Default waive, suspend or affect any other Event of Default under this Loan Agreement, whether the same is prior or subsequent thereto, or of the same or a different type.

9.02 Failure of the City, for any period of time or on more than one occasion, to exercise any remedy available to the City as described in Section 8.05 hereof shall not constitute a waiver of the right to exercise the same at any time thereafter or in the event of any subsequent Event of Default. No act of omission or commission of the City, including specifically any failure to exercise any right, remedy or recourse, shall be deemed to be a waiver or release of the same; any such waiver or release is to be effected only through a written document executed by the City and then only to the extent specifically recited therein.

SECTION 10. COSTS AND EXPENSES

The Borrower shall pay all Costs related to the Loan including survey costs, title charges (including endorsements), premiums, escrow expenses, recording fees, filing fees, taxes, opinions of counsel to the Borrower rendered as required by the City, and all Costs associated with any subsequent amendments, substitutions or modifications to the Loan Documents.

SECTION 11. MBE/WBE COMMITMENT

11.01 The Borrower agrees for itself and shall contractually obligate the General Contractor to agree that during the Project:

(a) Consistent with the findings which support, as applicable, (i) the Minority-Owned and Women-Owned Business Enterprise Procurement Program, Section 2-92-420 *et seq.*, Municipal Code of Chicago (the "Procurement Program"), and (ii) the Minority- and Women-Owned Business Enterprise Construction Program, Section 2-92-650 *et seq.*, Municipal Code of Chicago (the "Construction Program," and collectively with the Procurement Program, the "MBE/WBE Program"), 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 11.01, during the course of the Project, at least the following percentages of the aggregate hard construction costs (as set forth in the Project Budget) shall be expended for contract participation by minority-owned businesses ("MBEs") and by women-owned businesses ("WBEs"):

- (1) At least 24 percent by MBEs.
- (2) At least four percent by WBEs.

(b) For purposes of this Section 11.01 only:

(i) The Borrower (and any party to whom a contract is let by the Borrower in connection with the Project) shall be deemed a "contractor" and this Loan Agreement (and any contract let by the Borrower in connection with the Project) shall be deemed a "contract" or a "construction contract" as such terms are defined in Sections 2-92-420 and 2-92-670, Municipal Code of Chicago, as applicable.

(ii) The term "minority-owned business" or "MBE" shall mean a business identified in the Directory of Certified Minority Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a minority-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable.

(iii) The term "women-owned business" or "WBE" shall mean a business identified in the Directory of Certified Women Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a women-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable.

(c) Consistent with Sections 2-92-440 and 2-92-720, Municipal Code of Chicago, the Borrower's MBE/WBE commitment may be achieved in part by the Borrower's status as an MBE or WBE (but only to the extent of any actual work performed on the Project by the Borrower) 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 Borrower utilizing a MBE or a WBE as the 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 or services 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 Borrower's MBE/WBE commitment as described in this Section 11.01. In accordance with Section 2-92-730, Municipal Code of Chicago, the Borrower shall not substitute any MBE or WBE General Contractor or Subcontractor without the prior written approval of DOH.

(d) The Borrower shall deliver quarterly reports to DOH 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 Borrower 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 DOH in determining the Borrower's compliance with this MBE/WBE commitment. The Borrower shall maintain records of all relevant data with respect to the utilization of MBEs and WBEs in connection with the Project for at least five years after completion of the Project, and DOH shall have access to all such records maintained by the Borrower, on five Business Days' notice, to allow the City to review the Borrower'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 Borrower 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 Sections 2-92-540 and 2-92-730, Municipal Code of Chicago, as applicable.

(f) Any reduction or waiver of the Borrower's MBE/WBE commitment as described in this Section 11.01 shall be undertaken in accordance with Sections 2-92-450 and 2-92-730, Municipal Code of Chicago, as applicable.

(g) Prior to the commencement of the Project, the Borrower shall be required to meet with the monitoring staff of DOH with regard to the Borrower's compliance with its obligations under this Section 11.01. The General Contractor and all major Subcontractors shall be required to attend this pre-construction meeting. During said meeting, the Borrower shall demonstrate to DOH its plan to achieve its obligations under this Section 11.01, the sufficiency of which shall be approved by DOH. During the Project, the Borrower shall submit the documentation required by this Section 11.01 to the monitoring staff of DOH. Failure to submit such documentation on a timely basis, or a determination by DOH, upon analysis of the documentation, that the Borrower is not complying with its obligations under this Section 11.01, shall, upon the delivery of written notice to the Borrower, be deemed an Event of Default. Upon the occurrence of any such Event of Default, in addition to any other remedies provided under any of the Loan Documents, the City may: (1) issue a written demand to the Borrower to halt the Project, (2) withhold any further payment of any Loan proceeds to the Borrower or the General Contractor, or (3) seek any other remedies against the Borrower available at law or in equity.

SECTION 12. MAINTAINING RECORDS/RIGHTS TO INSPECT

12.01 The Borrower shall keep and maintain, until the fifth anniversary of the date of repayment of the Loan in full, such books, records and other documents as shall be required by the City and HUD to reflect and disclose fully the amount and disposition of the total cost of activities paid for in whole or in part, with the Loan proceeds, and the nature of all activities of the Borrower in connection with the Premises which are supplied or to be supplied by other sources. All such books, records and other documents shall be available at the offices of the Borrower for inspection, copying (including excerpts and transcriptions), audit and examination at all reasonable times by any authorized representatives of the City and HUD.

12.02 Any authorized representative of the City or of HUD shall, at all reasonable times, have access to all portions of the Premises.

12.03 The rights of access and inspection provided in this Section 12 shall continue until the fifth anniversary of the date of repayment of the Loan in full.

SECTION 13. HEADINGS

The headings and titles of this Loan Agreement are for convenience only and shall not influence the construction or interpretation of this Loan Agreement.

SECTION 14. DISCLAIMER OF RELATIONSHIP

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

SECTION 15. LIMITATION OF LIABILITY

The Borrower expressly agrees that no member, official, employee or agent of the City shall be individually or personally liable to the Borrower, its successors or assigns in the event of any default or breach by the City under this Loan Agreement.

SECTION 16. ASSIGNMENT

16.01 The Borrower may not sell, assign or transfer this Loan Agreement or any of the other Loan Documents without the prior written consent of the City.

16.02 The Borrower consents to the City's sale, assignment, transfer or other disposition of this Loan Agreement and the other Loan Documents at any time in whole or in part.

SECTION 17. SIGNS; PROMOTIONAL LITERATURE

17.01 The Borrower agrees to obtain, erect and maintain a sign, of a size and style approved in writing by DOH, in a conspicuous location on the Premises during the period of construction or rehabilitation, as applicable, and rent-up of the Premises indicating that financing has been provided by the City.

17.02 The Borrower further agrees that the City shall have the right to include the name, photograph, artistic rendering and other pertinent information of the Borrower and the Project in the City's promotional literature and communications.

SECTION 18. NOTICES

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) electronic communications, whether by telex, telegram or telecopy; (c) overnight courier, receipt requested; or (d) registered or certified mail, return receipt requested.

If to City:

Department of Housing
City of Chicago
33 North LaSalle Street, 11th Floor

Chicago, Illinois 60602
Attention: Commissioner

With copies to: Office of the Corporation Counsel
City of Chicago
121 North LaSalle Street
Room 600
Chicago, Illinois 60602
Attention: Finance & Economic Development Division

and

Department of Finance
City of Chicago
33 North LaSalle Street, Suite 600
Chicago, Illinois 60602
Attention: Comptroller

If to Borrower: As specified on Exhibit A.

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 either clause (a) or (b) above shall be deemed received upon such personal service or upon dispatch by electronic means with confirmation of receipt. Any notice, demand or request sent pursuant to clause (c) above shall be deemed received on the Business Day immediately following deposit with the overnight courier, and any notice, demand or request sent pursuant to clause (d) above shall be deemed received two Business Days following deposit in the mail.

SECTION 19. MODIFICATION

This Loan Agreement may not be altered, modified or amended except by a written instrument signed by all the parties hereto.

SECTION 20. INVALIDATION

If any provision of this Loan Agreement is held invalid or unenforceable by any court of competent jurisdiction, such provision shall be deemed severed from this Loan Agreement to the extent of such invalidity or unenforceability, and the remainder hereof will not be affected thereby, each of the provisions hereof being severable in any such instance.

SECTION 21. GOVERNING LAW

This Loan Agreement and the other Loan Documents shall be governed by and construed in accordance with the internal laws of the State of Illinois without regard to its conflict of laws principles.

SECTION 22. APPROVAL

Wherever in this Loan Agreement provision is made for the approval or consent of the City, or any matter is to be to the City's satisfaction, or the like, unless specifically stated to the contrary, such approval, consent, satisfaction or the like shall be made, given or determined by the City in its sole discretion, subject to review by the Corporation Counsel.

SECTION 23. TERM OF LOAN AGREEMENT

This Loan Agreement shall be in full force and effect during the Loan Term. The covenants of the Borrower contained in Section 6.01(h) hereof and the rights described in Section 12 hereof shall survive the termination of this Loan Agreement.

SECTION 24. BINDING EFFECT

This Loan Agreement shall inure to the benefit of and shall be binding upon the City, the Borrower and the City's successors and assigns. This Loan Agreement is intended to be and is for the sole and exclusive benefit of the parties hereto and the successors and assigns of the City.

SECTION 25. CONSTRUCTION OF WORDS

The use of the singular form of any word herein shall also include the plural, and vice versa. The use of the masculine, feminine and neuter pronouns for any word herein shall be fully interchangeable.

SECTION 26. COUNTERPARTS

This Loan Agreement may be executed in several counterparts each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 27. DISBURSEMENTS

Anything in this Loan Agreement contained to the contrary notwithstanding, it is expressly understood and agreed that the Borrower shall cause the Loan to at all times be In Balance. The Loan shall be deemed to be "In Balance" only if the total of the Available Funds shall, in the City's judgment, equal or exceed the aggregate of (i) the amount required to pay interest, if any, on the Loan to the Initial Payment Date and (ii) the amount necessary to pay all unpaid Project Costs incurred or to be incurred in the completion of the Project. As used herein, the term "Available Funds" shall mean: (i) the undisbursed proceeds of the Loan, (ii) the undisbursed proceeds of the Senior Loan, if any, and of the Junior Loan, if any, (iii) the undisbursed amount of the Equity and (iv) any other amounts deposited by the Borrower pursuant to this Section 27. In addition, the Loan shall be deemed not to be In Balance if at any time the City should determine that the actual cost to complete any of the line items set forth on the Project Budget exceeds the corresponding amount on the Project Budget and there is no corresponding decrease in the total amount of the other line items in the Project Budget approved by the City in writing, in accordance with the terms of this Loan Agreement. The Borrower

agrees if for any reason the Loan is not In Balance, the Borrower shall, within 30 days after request by the City, deposit with the City or the Escrow Agent, cash, certificates of deposit, a letter of credit or other collateral satisfactory to the City in an amount which will place the Loan In Balance, which deposit shall first be exhausted before any further disbursement of the proceeds of the Loan shall be made. No disbursement of Loan proceeds shall be made except for the payment of Project Costs as shown on the Project Budget. No modification of or amendment to the Project Budget shall be made without the prior written approval of the City, at its sole discretion.

SECTION 28. INCONSISTENCIES

If there shall be any inconsistency between this Loan Agreement and any of the other Loan Documents, the City shall determine which provision shall prevail.

SECTION 29. REFERENCES TO STATUTES, ETC.

All references herein to statutes, regulations, rules, executive orders, ordinances, resolutions or notices or circulars issued by any governmental body shall be deemed to include any and all amendments, supplements and restatements from time to time to or of such statutes, regulations, rules, executive orders, ordinances, resolutions, notices and circulars.

SECTION 30. CITY RESIDENT EMPLOYMENT REQUIREMENT

The Borrower agrees for itself and its successors and assigns, and shall contractually obligate the General Contractor and shall cause the General Contractor to contractually obligate the 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 Borrower, the General Contractor and the Subcontractors shall be required to make good faith efforts to utilize qualified residents of the City in both unskilled and skilled labor positions.

The Borrower 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 (the "Chief Procurement Officer").

"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 Borrower, the General Contractor and the Subcontractors shall provide for the maintenance of adequate employee residency records to ensure that actual Chicago residents are employed on the Project. The Borrower, the General Contractor and the Subcontractors 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 DOH 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 company hired the employee should be written in after the employee's name.

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

At the direction of DOH, affidavits and other supporting documentation will be required of the Borrower, the General Contractor and the Subcontractors 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 Borrower, the General Contractor and the Subcontractors 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 30 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 Borrower 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 (as the same shall be evidenced by approved contract value for the actual contracts) shall be surrendered by the Borrower 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 Borrower, the General Contractor and/or the Subcontractors to prosecution. Any retainage to cover contract performance that may become due to the Borrower 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 whether the Borrower 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 Loan Agreement or the other Loan Documents.

The Borrower shall cause or require the provisions of this Section 30 to be included in the Construction Contract and all applicable Subcontracts.

SECTION 31. NO BUSINESS RELATIONSHIP WITH CITY ELECTED OFFICIALS

Pursuant to Section 2-156-030(b) of the Municipal Code of Chicago, 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 official 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 the person with whom an elected official has a Business Relationship. Violation of Section 2-156-030(b) by any elected official, or any person acting at the direction of such official, with respect to any of the Loan Documents, or in connection with the transactions contemplated thereby, shall be grounds for termination of the Loan Documents and the transactions contemplated thereby. The Borrower 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 any of the Loan Documents or the transactions contemplated thereby.

SECTION 32. PARKING FACILITIES

The Borrower hereby agrees to provide approximately 33 parking spaces (the "Parking Facilities") pursuant to the Plans and Specifications for the use of the tenants of the Project to the satisfaction of the City. The Parking Facilities shall be maintained as such facilities for the term of the Loan.

SECTION 33. PERMITTED REFINANCING

The Borrower may refinance the Senior Loan with proceeds from a Permitted Refinancing. In connection with a Permitted Refinancing, the City shall execute a subordination agreement in a form reasonably acceptable to the City for the benefit of the lender providing the Permitted Refinancing pursuant to which (a) the City subordinates the lien of the Mortgage to the lien securing such Permitted Refinancing, and (b) the City subordinates its right to receive payment on the Loan to the right of the lender providing such Permitted Refinancing to receive full payment on all obligations due thereunder.

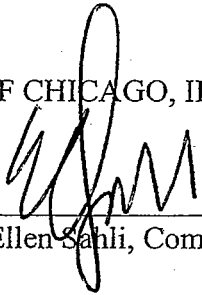
IN WITNESS WHEREOF, the City and the Borrower have caused this Loan Agreement to be duly executed and delivered as of the date first above written.

WILSON YARD SENIOR HOUSING, L.P., an Illinois limited partnership

By: WILSON YARD SENIOR DEVELOPMENT CORPORATION, its sole general partner

By: _____
Peter M. Holsten, President


CITY OF CHICAGO, ILLINOIS

By:  _____
Ellen Saali, Commissioner of Housing

IN WITNESS WHEREOF, the City and the Borrower have caused this Loan Agreement to be duly executed and delivered as of the date first above written.

WILSON YARD SENIOR HOUSING, L.P., an Illinois limited partnership

By: WILSON YARD SENIOR DEVELOPMENT CORPORATION, its sole general partner

By: 
Peter M. Holsten, President

CITY OF CHICAGO, ILLINOIS

By: _____
Ellen Sahli, Commissioner of Housing

EXHIBIT A

Additional Loan Documents, if any: None.

Address of Borrower: Wilson Yard Senior Housing, L.P.
1333 North Kingsbury, Suite 305
Chicago, IL 60642
Attention: Peter Holsten

With Copies to: Applegate & Thorne-Thomsen, P.C.
322 South Green Street, Suite 400
Chicago, IL 60607
Attention: Thomas Thorne-Thomsen

And to: Alliant Asset Management Company, LLC
21600 Oxnard Street, Suite 1200
Woodland Hills, CA 91367
Attention: Shawn Horwitz

Architect: FitzGerald Associates Architects

Construction Contract: that certain contract dated June 5, 2008 between the Borrower and the General Contractor for the Project in accordance with the Plans and Specifications.

Construction Loan: that certain mortgage loan from Construction Lender to Borrower in the principal amount of \$2,241,426.

Developer Fee: \$1,733,790.

Environmental Agreement Parties: Borrower, General Partner, City and Owner.

Escrow Agent: Greater Illinois Title Company

General Contractor: Walsh Construction Corporation, an Illinois corporation.

General Partner: Wilson Yard Senior Development Corporation, an Illinois corporation.

Guaranty Parties: General Partner, Owner.

Initial Payment Date: Maturity Date.

Interest Rate of the Loan: zero percent per annum.

Junior Lender: Wilson Yard Development I, LLC

Junior Loan Amount: \$11,649,225.

EXHIBIT A (continued)

Junior Mortgage: that certain Junior Mortgage, Assignment of Rents and Security Agreement dated as of the date hereof from the Borrower to the Junior Lender and securing the Junior Note.

Junior Note: that certain Promissory Note from the Borrower in favor of the Junior Lender dated as of the date hereof in the principal amount of \$11,649,225.

Loan Amount:

HOME Program Funds:	\$5,750,000
IHDA Funds:	\$ 750,000
Total Loan Amount:	\$6,500,000

Ordinance Adoption Date: February 8, 2006, as first amended on May 23, 2007, as further amended on December 12, 2007, as further amended on April 9, 2008.

Owner: Peter M. Holsten.

Partnership Agreement: that certain Amended and Restated Limited Partnership Agreement dated as of October 1, 2008 between the General Partner, Alliant Tax Credit Fund 45-D, Ltd., a Florida limited partnership, and Alliant Tax Credit 45, LLC, a Florida limited liability company.

Permanent Loan: that certain mortgage loan from Permanent Lender to Borrower in the principal amount of \$1,510,267.

Permitted Refinancing: a refinancing of the Senior Loan (1) by Senior Lender, or (2) from a loan that satisfies the following conditions: (a) the principal amount does not exceed the principal amount of the Senior Loan at the time of refinancing; and (b) the interest rate does not exceed the market rate of interest for comparable loans at the time of refinancing as determined by the refinancing lender in its reasonable discretion.

Project: the acquisition and construction of the Premises by the Borrower.

Repayment Terms and Maturity Date of the Loan:

No repayment of principal or interest during the term. Balloon payment of the entire principal balance outstanding, together with accrued and unpaid interest thereon, if any, and any other sums due under any of the Loan Documents, due and payable in full on the earliest (the "Maturity Date") of (i) the date on which all outstanding principal of and accrued and unpaid interest on the Senior Loan shall be due and payable in full, (ii) the date, if any, on which all outstanding principal of and accrued and unpaid interest, if any, on the Junior Loan shall be due and payable in full, or (iii) October 1, 2050; provided, however, that the term "Maturity Date" shall also mean such earlier date as of which the principal of and interest on the Loan may become due and payable because of acceleration or prepayment as provided in any of the Loan Documents.

EXHIBIT A (continued)

Senior Assignment: that certain Assignment of Contracts, Plans and Specifications dated as of the date hereof from the Borrower to the Senior Lender and securing the Senior Note.

Senior Lender: collectively, (i) Bank of America, N.A. ("Construction Lender") as to the Construction Loan; (ii) Bank of American, N.A. (together with its successors and/or assigns, the "Permanent Lender") and (iii) Bank of America, N.A. ("Senior Lender B") as the purchaser of the City's \$18,910,000 Multifamily Housing Revenue Bonds (Wilson Yard Project), Series 2008 (the "Bonds"), the proceeds of which Bonds (the "Bond Proceeds") the City has loaned or will loan to the Borrower (the "Bond Proceeds Loan"), provided, however, that the City has assigned or will assign some or all of its rights with respect to the Bond Proceeds Loan to Seaway Bank and Trust Company as trustee for the Bonds and Bank of America shall exercise rights of approval of the disbursement of the Bond Proceeds Loan.

Senior Loan: collectively, (i) the Construction Loan; (ii) the Permanent Loan and (iii) the Bond Proceeds Loan.

Senior Loan Amounts: (i) \$2,241,426 (first lien construction loan), from Construction Lender to the Borrower; (ii) \$1,510,267 (second lien permanent loan), from Permanent Lender to the Borrower; and \$18,910,000 (third lien) from Senior Lender B to the Borrower.

Senior Mortgage: collectively, (i) that certain Multi-Family Mortgage Assignment of Rents and Security Agreement dated as of the date hereof from Borrower to Construction Lender and securing the Construction Note; (ii) that certain Multifamily Mortgage Assignment of Rents and Security Agreement dated as of the date hereof from Borrower to Permanent Lender and securing the Permanent Note; and (iii) that certain Deed of Trust constituting a third lien dated as of the date hereof from Borrower to the City and securing the Senior Notes B1 and B2.

Senior Note: collectively, (i) that certain Promissory Note (the "Construction Note") from the Borrower in favor of the Construction Lender in the amount of \$2,241,426; (ii) that certain Promissory Note (Term Only) from the Borrower in favor of the Permanent Lender in the amount of \$1,510,267 (the "Permanent Note"); (iii) that certain Promissory Note ("Senior Note B1") from the Borrower in favor of the City in the amount of \$11,649,225 (Cash Collateral); and (iv) that certain Promissory Note ("Senior Note B2") from the Borrower in favor of the City in the amount of collateral \$7,260,775 (Non-Cash Collateral).

Senior Regulatory Agreement: that certain Regulatory Agreement and Declaration of Restrictive Covenants dated as of the date hereof by and among the City, Seaway National Bank and the Borrower.

Title Company: Greater Illinois Title Company

EXHIBIT A (continued)

Legal Description of Premises:

LOT 4 OF WILSON YARD, BEING A SUBDIVISION IN THE NORTHEAST ¼ OF SECTION 17, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED SEPTEMBER 10, 2008 AS DOCUMENT NUMBER 0825416077, IN COOK COUNTY, ILLINOIS.

Property Address: 1032 West Montrose Avenue, Chicago, IL

Property Tax Identification Numbers:

14-17-217-034-0000 (portion only) – 2008 Tax Division

14-17-217-021-0000 (affects underlying land)

14-17-217-022-0000 (affects underlying land)

14-17-217-031-0000 (affects underlying land)

EXHIBIT B

BORROWER'S COUNSEL'S OPINION

City of Chicago
Department of Housing
33 North LaSalle Street
Chicago, Illinois 60602

Ladies and Gentlemen:

We have acted as counsel for Wilson Yard Senior Housing, L.P., an Illinois limited partnership (the "Borrower"), Wilson Yard Senior Development Corporation, an Illinois corporation and its sole general partner (the "General Partner"), and _____, sole owner of the General Partner (the "Indemnitor"), in connection with a loan to the Borrower in the principal sum of Six Million Five Hundred Thousand Dollars (\$6,500,000) (referred to herein as the "Loan") made this day by the City of Chicago, Illinois (the "City"). The Borrower, the General Partner and the Indemnitor have requested that this opinion be furnished to the City. The Loan is made pursuant to the provisions of a Housing Loan Agreement dated as of the date hereof by and between the City and the Borrower (the "Loan Agreement"), evidenced by a note dated the date hereof (the "Note") made by the Borrower to the order of the City, and secured by a Junior Mortgage, Security Agreement and Financing Statement dated as of the date hereof (the "Mortgage") made by the Borrower to the City on certain real property situated in Chicago, Cook County, Illinois, and more particularly described on Schedule A attached hereto and hereby made a part hereof (the "Property"). The Loan is further secured by an Assignment of Rents and Leases dated as of the date hereof made by the Borrower to the City (the "Assignment of Rents") and an Assignment of Contracts and Documents dated as of the date hereof made by the Borrower to the City (the "Assignment of Contracts").

In so acting as counsel for the Borrower, the General Partner and the Indemnitor we have examined:

- A. the executed original of the Note;
- B. an executed original of the Loan Agreement;
- C. an executed original of the Mortgage;
- D. an executed original of the Regulatory Agreement (the "Regulatory Agreement") dated as of the date hereof between the Borrower and the City;
- E. an executed original of the Assignment of Rents;
- F. an executed original of the Assignment of Contracts;

- G. an executed original of the Escrow Agreement (the "Escrow Agreement") dated as of the date hereof among the Borrower, the City, _____ (the "Senior Lender"), _____ (the "Junior Lender") and _____;
- H. an executed original of the Environmental Indemnity Agreement dated as of the date hereof among the Borrower, the General Partner, the Indemnitor and the City (the "Environmental Agreement");
- I. an executed original of the Guaranty dated as of the date hereof by the General Partner and the Indemnitor in favor of the City (the "Guaranty");
- J. a certain UCC-1 financing statement with respect to certain property described in the Mortgage (the "Financing Statement") and authorized by the Borrower;
- K. the original of the Amended and Restated Limited Partnership Agreement dated as of _____, in respect of the Borrower (the "Partnership Agreement");
- L. the Certificate of Limited Partnership in respect of the Borrower filed with the Secretary of State of the State of Illinois, and recorded in the Office of the Recorder of Deeds of Cook County, Illinois;
- M. Policy for Title Insurance No. _____, dated _____ (the "Title Policy"), issued by _____ in respect of the Property;
- N. the Articles of Incorporation, including all amendments thereto, of the General Partner, as furnished and certified by the Secretary of State of the State of Illinois;
- O. the By-Laws of the General Partner, as certified by the Secretary of the General Partner as of the date hereof;
- P. the Certificate of Good Standing dated _____, issued by the Office of the Secretary of State of the State of Illinois, as to the good standing of the General Partner;
- Q. the Articles of Incorporation, including all amendments thereto, of the Indemnitor, as furnished and certified by the Secretary of State of the State of Illinois;

- R. the By-Laws of the Indemnitor, as certified by the Secretary of the Indemnitor as of the date hereof; and
- S. the Certificate of Good Standing dated _____, _____, issued by the Office of the Secretary of State of the State of Illinois as to the good standing of the Indemnitor.

The Note, the Loan Agreement, the Mortgage, the Regulatory Agreement, the Assignment of Rents, the Assignment of Contracts, the Escrow Agreement, the Environmental Agreement and the Financing Statements are hereinafter collectively referred to as the "Loan Documents."

In our capacity as counsel, we have also examined such other documents or instruments as we have deemed relevant for the purposes of rendering the opinions hereinafter set forth.

We have also assumed, but have no reason to question, the legal capacity, authority and the genuineness of the signatures of and due and proper execution and delivery by the respective parties other than the Borrower, the General Partner and the Indemnitor which have made, executed or delivered or will make, execute and deliver the agreements and documents examined by us.

We express no opinion as to (i) the laws of any state or jurisdiction other than the State of Illinois (and any political subdivisions thereof) and the United States of America; and (ii) any matters pertaining or relating to the securities laws of the United States of America, the State of Illinois, or any other state.

Based upon and subject to the assumptions and qualifications herein stated, it is our opinion that:

1. The Borrower is a limited partnership duly organized and validly existing under the laws of the State of Illinois, has made all filings required by the laws of the State of Illinois in respect of its formation and continuing existence, and has all requisite authority to carry on its business as described in the Partnership Agreement and to execute and deliver, and to consummate the transactions contemplated by, each of the Loan Documents.
2. The General Partner and the Indemnitor are each a corporation duly organized, validly existing and in good standing under the laws of the State of Illinois, and have all requisite authority to carry on their respective businesses as described in their respective

Articles of Incorporation and to execute and deliver the Environmental Agreement and the Guaranty.

3. Under the Partnership Agreement, the General Partner has requisite power and authority to execute and deliver each of the Loan Documents on behalf of the Borrower and all other documents required to be executed by the Borrower in connection with the Loan and to perform its obligations thereunder.
4. Each of the Loan Documents has been executed and delivered on behalf of the Borrower by the General Partner and constitutes a legal, valid and binding obligation of the Borrower enforceable against the Borrower in accordance with its respective terms, except to the extent that enforcement of any such terms may be limited by: (a) applicable bankruptcy, reorganization, debt arrangement, insolvency or other similar laws generally affecting creditors' rights; or (b) judicial and public policy limitations upon the enforcement of certain remedies including those which a court of equity may in its discretion decline to enforce.
5. The Environmental Agreement and the Guaranty have each been executed and delivered by the General Partner and the Indemnitor and each constitutes a legal, valid and binding obligation of both the General Partner and the Indemnitor enforceable against each such party, jointly and severally, in accordance with its respective terms, except to the extent that enforcement of any such terms may be limited by: (a) applicable bankruptcy, reorganization, debt arrangement, insolvency or other similar laws generally affecting creditors' rights; or (b) judicial and public policy limitations upon the enforcement of certain remedies including those which a court of equity may in its discretion decline to enforce.
6. The Mortgage creates, as security for the Note, a valid mortgage lien of record on the Property subject to the exceptions disclosed and the limitations and provisions set forth in the Title Policy.
7. The Mortgage creates, as security for the Note, a valid perfected security interest in the fixtures described therein pursuant to the Illinois Uniform Commercial Code, and has been filed in the appropriate offices of the Cook County Recorder of Deeds. Upon the filing of the Financing Statement in the appropriate offices of the State of Illinois, the Mortgage and the Financing Statement shall create, as security for the Note, a

valid perfected security interest in the personal property described therein pursuant to the Illinois Uniform Commercial Code. It is not necessary to file any other financing statements pursuant to the Illinois Uniform Commercial Code in order to perfect said security interest in such fixtures and personal property other than the Mortgage, the Financing Statement and continuation statements.

8. None of the transactions contemplated by the Loan Documents is in violation of any statute or rule of law of any applicable jurisdiction regarding interest or usury.
9. There is no action, suit or proceeding at law or in equity pending, nor to our knowledge threatened, against or affecting the Borrower or the Premises (as defined in the Mortgage), before any court or before any governmental or administrative agency, which if adversely determined could materially and adversely affect the Borrower's ability to perform under the Loan Documents or any of its business or properties or financial or other conditions.
10. There is no action, suit or proceeding at law or in equity pending, nor to our knowledge threatened, against or affecting the General Partner or the Indemnitor, before any court or before any governmental or administrative agency, which if adversely determined could materially and adversely affect the ability of the General Partner or the Indemnitor to perform under the Environmental Agreement or the Guaranty or any of their respective businesses or properties or financial or other conditions or materially and adversely affect the ability of the General Partner to perform as the general partner of the Borrower.
11. The Loan and the transactions contemplated by the Loan Documents are governed by the laws of the State of Illinois.
12. The execution and delivery of the Loan Documents and the consummation of the transactions contemplated thereby will not constitute:
 - A. a violation or breach of (i) the Partnership Agreement, (ii) any provision of any contract or other instrument to which the Borrower is a party or by which the Borrower or the Premises are bound, or (iii) any order, writ, injunction, decree, statute, rule or regulation binding on the Borrower or the Premises, or

- B. a breach of any of the provisions of, or constitute a default under, or result in the creation or imposition of any lien or encumbrance (other than the liens of the City, the Junior Lender and the Senior Lender under the Loan Documents, the Junior Loan Documents (as defined in the Loan Agreement) and the Senior Loan Documents (as defined in the Loan Agreement)) upon any of the property of the Borrower, including the Premises, pursuant to, any agreement or other instrument to which the Borrower is a party or by which the Borrower or the Premises are bound.
- 13. The execution and delivery of the Environmental Agreement and the Guaranty and the consummation of the transactions contemplated thereby will not constitute:
 - A. a violation or breach of (i) the Articles of Incorporation of the General Partner or of the Indemnitor, (ii) the By-Laws of the General Partner or of the Indemnitor, (iii) any provision of any contract or other instrument to which the General Partner or the Indemnitor is bound, or (iv) any order, writ, injunction, decree, statute, rule or regulation binding on the General Partner or the Indemnitor, or
 - B. a breach of any of the provisions of, or constitute a default under, or result in the creation or imposition of any lien or encumbrance upon any of the property of the General Partner or the Indemnitor pursuant to, any agreement or other instrument to which the General Partner or the Indemnitor is a party or by which the General Partner or the Indemnitor is bound.
- 14. No action of, or filing with, any governmental or public body is required to authorize, or is otherwise required for the validity of, the execution, delivery and performance of any of the Loan Documents.
- 15. The Regulatory Agreement and the Assignment of Rents each create a valid encumbrance of record on the Property.

This opinion is furnished for your benefit and for the benefit of any holder or owner of all or any portion of the Loan from time to time, and may be relied upon by you and any such other party in connection with the Loan, but may not be delivered to or relied upon by any other person or entity without written consent from the undersigned firm.

Very truly yours,

SCHEDULE A

LEGAL DESCRIPTION:

ADDRESS COMMONLY KNOWN AS:

PERMANENT INDEX NO.:

EXHIBIT C

HAZARDOUS MATERIALS

EXHIBIT D

BORROWER'S EQUITY

The amount of Equity to be irrevocably committed to the Project by the Borrower is: \$11,886,184. Equity shall be paid in the following manner: \$11,286,184 limited partner contribution; \$6,000,000 capital contribution from General Partner.

EXHIBIT E

FORMS OF ARCHITECT CERTIFICATES

Date: _____

ARCHITECT'S CERTIFICATE (OPENING)

The undersigned, _____ ("**Architect**") hereby certifies to the City of Chicago, Illinois ("**Lender**"), as follows (any term which is capitalized but not specifically defined herein shall have the same meaning as set forth in that certain Housing Loan Agreement ("**Agreement**") dated _____, by and between Lender and _____ ("**Borrower**")):

1. Architect is an architect licensed and in good standing in the State of Illinois.
2. Architect has prepared the Plans and Specifications, and same are, and the Project will be when completed in accordance therewith, in full compliance with all applicable building, zoning and other laws, statutes, codes, regulations and ordinances (collectively, "**Laws**"), including, without limitation, all applicable pollution control and environmental protection regulations.
3. The Project, when completed in accordance with the Plans and Specifications, will not encroach upon any recorded or visible easement in effect with respect to the Premises.
4. The Plans and Specifications are complete in all respects and were prepared in accordance with accepted architectural practices, containing all detail requisite for the Project which, when built and equipped in accordance therewith, shall be ready for occupancy.
5. In the aggregate, the Construction Contract and the existing Subcontracts contain all detail necessary to provide for all labor, material and equipment required by the Plans and Specifications.
6. All necessary permits and other governmental approvals necessary for the construction of the Project and the intended occupancy, use and operation thereof have been obtained as of the date of this Certificate or, if not so obtained, Architect has no reason to believe same will not be obtained as and when so required. Such permits and other necessary governmental approvals are described in Exhibit A attached to this Certificate.
7. To our knowledge, there are no petitions, actions or proceedings pending or threatened to revoke, rescind, alter or declare invalid (in any manner adverse to the Project or the interest of Lender), any Laws, permits or other necessary governmental approvals relating to the Real Property (as defined in the Mortgage) or the Project thereon.

Adequate ingress and egress to the Project over public streets and rights of way will be available during the period of construction of the Project and thereafter.

8. All existing foundation and subsurface work conforms to the Plans and Specifications and all portions of the Project consisting of subsurface work has been completed.

9. This Certificate is made with the intent that it may be relied upon by Lender as a condition to the funding of certain proceeds of the Loan.

10. Architect has executed and delivered to Lender the Statement of Compliance in the form attached hereto as Exhibit B.

ARCHITECT:

By:
Its:

EXHIBIT A

Governmental Approvals

EXHIBIT B

Statement of Compliance

I have prepared, or caused to be prepared under my direct supervision, the attached plans and specifications and state that, to the best of my knowledge and belief and to the extent of my contractual obligation, they are in compliance with the Environmental Barriers Act, (410 ILCS 25/1 et seq., as supplemented, amended and restated from time to time), and the Illinois Accessibility Code, 71 Ill. Adm. Code 400.

Signed: _____
Architect/Engineer

SEAL

ILLINOIS REGISTRATION NO.: _____

Date: _____

Date: _____, 200__

ARCHITECT'S CERTIFICATE (INTERIM)

The undersigned, _____ ("Architect") hereby certifies to the City of Chicago, Illinois ("Lender"), as follows (any term which is capitalized but not specifically defined herein shall have the same meaning as set forth in that certain Housing Loan Agreement ("Agreement") dated _____, by and between Lender and _____ ("Borrower")):

- (a) Architect is an architect licensed and in good standing in the State of Illinois.
- (b) Architect has prepared the Plans and Specifications and supervised the performance of the construction of the Project and, in connection with the supervision of such construction, it has made such visits to the Project and undertaken such other inspections of the construction as are necessary or appropriate in connection with the rendering by it of the certification contained herein.
- (c) The construction of the Project to the date of this Certificate is being diligently prosecuted in accordance with the approved Construction Schedule and the quality, design and construction of the Project is in all material respects in accordance with the approved Plans and Specifications and in compliance with all applicable laws, statutes, regulations, codes, permits and other governmental requirements.
- (d) Neither the Real Property (as defined in the Mortgage) nor the construction of the Project to this date, nor any existing or proposed use of the Real Property or the Project violates or will violate any existing applicable zoning, building, environmental protection, or other statutes, ordinances, laws or regulations (collectively, "Laws"), and the Plans and Specifications approved by Lender comply with all existing laws, code and other applicable governmental regulations.
- (e) All necessary permits and other governmental approvals necessary for the construction of the Project and the intended occupancy, use and operation thereof have been obtained as of the date of this Certificate or, if not so obtained, Architect has no reason to believe same will not be obtained as and when so required. Such permits and other necessary governmental approvals are described in Exhibit A attached to this Certificate.
- (f) To our knowledge, there are no petitions, actions or proceedings pending or threatened to revoke, rescind, alter or declare invalid (in any manner adverse to the Project or the interest of Lender), any Laws, permits or other necessary governmental approvals relating to the Real Property or the Project thereon.
- (g) All utilities and services necessary for the operation of the Premises have been installed and connected in accordance with all applicable local, state and federal laws, ordinances

and regulations, or, if not so installed, Architect has no reason to believe same will not be installed and connected prior to the scheduled occupancy of the Project.

(h) Nothing has come to our attention which would cause us to conclude that the Project cannot be completed in accordance with the Plans and Specifications and within the originally estimated budget of construction costs and construction time schedule approved by Lender (as established in the Project Budget and the Construction Schedule).

This Certificate is made with the intent that it may be relied upon by Lender as a condition to the funding of certain proceeds of the Loan.

ARCHITECT:

By:

Its:

EXHIBIT A

Governmental Approvals

Date: _____, 200__

ARCHITECT'S CERTIFICATE (FINAL)

The undersigned, _____ ("**Architect**") hereby certifies to the City of Chicago, Illinois ("**Lender**"), as follows (any term which is capitalized but not specifically defined herein shall have the same meaning as set forth in that certain Housing Loan Agreement ("**Agreement**") dated _____, by and between Lender and _____ ("**Borrower**")):

- (a) Architect is an architect licensed and in good standing in the State of Illinois.
- (b) The construction of the Project has been "substantially completed" as of the date of this Certificate in accordance with the approved Plans and Specifications. For purposes hereof, the Project being "**substantially completed**" means that the Project is usable in its present condition for its intended purpose. Architect's determination of the total cost to complete the construction of such of the Project as may be unfinished is \$ _____.
- (c) Neither the Real Property (as defined in the Mortgage) nor the construction of the Project violates or will violate any existing applicable zoning, building, environmental protection or other statutes, ordinances, laws or regulations (collectively, "**Laws**").
- (d) All necessary permits and other governmental approvals necessary for the construction of the Project and the intended occupancy, use and operation thereof have been obtained as of the date of this Certificate. Such permits and other necessary governmental approvals are described in Exhibit A attached to this Certificate.
- (e) To our knowledge, there are no petitions, actions or proceedings pending or threatened to revoke, rescind, alter or declare invalid (in any manner adverse to the Project or the interest of Lender), any Laws, permits or other necessary governmental approvals relating to the Real Property or the Project thereon.

This Certificate is made with the intent that it may be relied upon by Lender as a condition to the funding of certain proceeds of the Loan.

ARCHITECT:

By:
Its:

EXHIBIT A

Governmental Approvals