

**FY 2020
ANNUAL TAX INCREMENT FINANCE
REPORT**



STATE OF ILLINOIS
COMPTROLLER
SUSANA A. MENDOZA

Name of Municipality: City of Chicago
County: Cook
Unit Code: 016/620/30

Reporting Fiscal Year: **2020**
Fiscal Year End: **12/31/2020**

FY 2020 TIF Administrator Contact Information

First Name: **Maurice D.** Last Name: **Cox**
Address: City Hall, 121 N LaSalle Title: Administrator
Telephone: (312) 744-4190 City: Chicago Zip: 60602
Email-
required **TIFreports@cityofchicago.org**

I attest to the best of my knowledge, that this FY 2020 report of the redevelopment project area(s) in the **City/Village of: City of Chicago** is complete and accurate pursuant to Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] and or Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.].

 6/29/2021
Written signature of TIF Administrator **Date**

Section 1 (65 ILCS 5/11-74.4-5 (d) (1.5) and 65 ILCS 5/11-74.6-22 (d) (1.5)*

FILL OUT ONE FOR EACH TIF DISTRICT		
Name of Redevelopment Project Area	Date Designated MM/DD/YYYY	Date Terminated MM/DD/YYYY
105th/Vincennes	10/3/2001	12/31/2025
107th/Halsted	4/2/2014	12/31/2038
111th/Kedzie	9/29/1999	12/31/2023
116th/Avenue O	10/31/2018	12/31/2042
119th/Halsted	2/6/2002	12/31/2026
119th/I-57	11/6/2002	12/31/2026
24th/Michigan	7/21/1999	12/31/2023
26th/King Drive	1/11/2006	12/31/2030
35th/Halsted	1/14/1997	12/31/2021
35th/State	1/14/2004	12/31/2028
35th/Wallace	12/15/1999	12/31/2023
43rd/Cottage Grove	7/8/1998	12/31/2022
47th/Ashland	3/27/2002	12/31/2026
47th/Halsted	5/29/2002	12/31/2026
47th/King Drive	3/27/2002	12/31/2026
47th/State	7/21/2004	12/31/2028
49th/St. Lawrence	1/10/1996	12/31/2020
51st/Archer	5/17/2000	12/31/2024
51st/Lake Park	11/15/2012	12/31/2036
53rd Street	1/10/2001	12/31/2025

*All statutory citations refer to one of two sections of the Illinois Municipal Code: The Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

60th/Western	5/9/1996	12/31/2020
63rd/Ashland	3/29/2006	12/31/2030
63rd/Pulaski	5/17/2000	12/31/2024
67th/Cicero	10/2/2002	12/31/2026
67th/Wentworth	5/4/2011	12/31/2035
71st/Stony Island	10/7/1998	12/31/2022
73rd/University	9/13/2006	12/31/2030
79th Street Corridor	7/8/1998	12/31/2022
79th/Cicero	6/8/2005	12/31/2029
79th/Southwest Highway	10/3/2001	12/31/2025
79th/Vincennes	9/27/2007	12/31/2031
83rd/Stewart	3/31/2004	12/31/2028
87th/Cottage Grove	11/13/2002	12/31/2026
95th/Western	7/13/1995	12/31/2031
Addison South	5/9/2007	12/31/2031
Archer Courts	5/12/1999	12/31/2023
Archer/Central	5/17/2000	12/31/2024
Archer/Western	2/11/2009	12/31/2033
Armitage/Pulaski	6/13/2007	12/31/2031
Austin Commercial	9/27/2007	12/31/2031
Avalon Park/South Shore	7/31/2002	12/31/2026
Avondale	7/29/2009	12/31/2033
Belmont/Central	1/12/2000	12/31/2024
Belmont/Cicero	1/12/2000	12/31/2024
Bronzeville	11/4/1998	12/31/2022
Bryn Mawr/Broadway	12/11/1996	12/31/2032
Canal/Congress	11/12/1998	12/31/2022
Central West	2/16/2000	12/31/2024
Chicago/Central Park	2/27/2002	12/31/2026
Chicago/Kingsbury	4/12/2000	12/31/2024
Cicero/Archer	5/17/2000	12/31/2024
Clark/Montrose	7/7/1999	12/31/2023
Clark/Ridge	9/29/1999	12/31/2023
Commercial Avenue	11/13/2002	12/31/2026
Cortland/Chicago River	4/10/2019	12/31/2043
Devon/Sheridan	3/31/2004	12/31/2028
Devon/Western	11/3/1999	12/31/2023
Diversey/Chicago River	10/5/2016	12/31/2040
Diversey/Narragansett	2/5/2003	12/31/2027
Division/Homan	6/27/2001	12/31/2025
Edgewater/Ashland	10/1/2003	12/31/2027
Elston/Armstrong Industrial Corridor	7/19/2007	12/31/2031
Englewood Mall	11/29/1989	12/31/2025
Englewood Neighborhood	6/27/2001	12/31/2025
Ewing Avenue	3/10/2010	12/31/2034
Foster/California	4/2/2014	12/31/2038
Foster/Edens	2/28/2018	12/31/2042
X Fullerton/Milwaukee	2/16/2000	12/31/2024
Galewood/Armitage Industrial	7/7/1999	12/31/2023
Goose Island	7/10/1996	12/31/2032
Greater Southwest Industrial (East)	3/10/1999	12/31/2023
Greater Southwest Industrial (West)	4/12/2000	12/31/2024
Harrison/Central	7/26/2006	12/31/2030

Hollywood/Sheridan	11/7/2007	12/31/2031
Homan/Arthington	2/5/1998	12/31/2022
Humboldt Park Commercial	6/27/2001	12/31/2025
Irving/Cicero	6/10/1996	12/31/2020
Jefferson Park	9/9/1998	12/31/2022
Jefferson/Roosevelt	8/30/2000	12/31/2024
Kennedy/Kimball	3/12/2008	12/31/2032
Kinzie Industrial Corridor	6/10/1998	12/31/2022
Lake Calumet Area Industrial	12/13/2000	12/31/2024
Lakefront	3/27/2002	12/31/2026
LaSalle Central	11/15/2006	12/31/2030
Lawrence/Broadway	6/27/2001	12/31/2025
Lawrence/Kedzie	2/16/2000	12/31/2024
Lawrence/Pulaski	2/27/2002	12/31/2026
Lincoln Avenue	11/3/1999	12/31/2023
Little Village East	4/22/2009	12/31/2033
Little Village Industrial Corridor	6/13/2007	12/31/2031
Madden/Wells	11/6/2002	12/31/2026
Madison/Austin Corridor	9/29/1999	12/31/2023
Michigan/Cermak	9/13/1989	12/31/2025
Midway Industrial Corridor	2/16/2000	12/31/2024
Midwest	5/17/2000	12/31/2036
Montclare	8/30/2000	12/31/2024
Montrose/Clarendon	6/30/2010	12/31/2034
Near North	7/30/1997	12/31/2021
North Branch North	7/2/1997	12/31/2021
North Branch South	2/5/1998	12/31/2022
North Pullman	6/30/2009	12/31/2033
North/Cicero	7/30/1997	12/31/2021
Northwest Industrial Corridor	12/2/1998	12/31/2022
Ogden/Pulaski	4/9/2008	12/31/2032
Ohio/Wabash	6/7/2000	12/31/2024
Peterson/Cicero	2/16/2000	12/31/2024
Peterson/Pulaski	2/16/2000	12/31/2024
Pilsen Industrial Corridor	6/10/1998	12/31/2022
Portage Park	9/9/1998	12/31/2022
Pratt/Ridge Industrial Park Conservation Area	6/23/2004	12/31/2028
Pulaski Industrial Corridor	6/9/1999	12/31/2023
Randolph/Wells	6/9/2010	12/31/2034
Red Purple Modernization Phase One (Transit TIF)	11/30/2016	12/31/2052
River South	7/30/1997	12/31/2021
River West	1/10/2001	12/31/2025
Roosevelt/Cicero Industrial Corridor	2/5/1998	12/31/2022
Roosevelt/Clark	4/10/2019	12/31/2043
Roosevelt/Racine	11/4/1998	12/31/2034
Roosevelt/Union	5/12/1999	12/31/2023
Roseland/Michigan	1/16/2002	12/31/2026
Sanitary and Ship Canal	7/24/1991	12/31/2027
South Chicago	4/12/2000	12/31/2024
Stevenson Brighton	4/11/2007	12/31/2031
Stockyards Annex	12/11/1996	12/31/2020
Stockyards Southeast Quadrant Industrial	2/26/1992	12/31/2028
Stony Island Commercial/Burnside Industrial	6/10/1998	12/31/2034

Touhy/Western	9/13/2006	12/31/2030
Washington Park	10/8/2014	12/31/2038
West Irving Park	1/12/2000	12/31/2024
West Woodlawn	5/12/2010	12/31/2034
Western Avenue North	1/12/2000	12/31/2024
Western Avenue South	1/12/2000	12/31/2024
Western/Ogden	2/5/1998	12/31/2022
Western/Rock Island	2/8/2006	12/31/2030
Wilson Yard	6/27/2001	12/31/2025
Woodlawn	1/20/1999	12/31/2023

**SECTION 2 [Sections 2 through 5 must be completed for each redevelopment project area listed in Section 1.]
FY 2020**

Name of Redevelopment Project Area (below): <p style="text-align: center;">Fullerton/Milwaukee Redevelopment Project Area</p>
Primary Use of Redevelopment Project Area*: Commercial

*Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.

If 'Combination/Mixed' List Component Types:
Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one): <div style="display: flex; justify-content: space-between; align-items: center;"> Tax Increment Allocation Redevelopment Act <input checked="" type="checkbox"/> </div> <div style="display: flex; justify-content: space-between; align-items: center;"> Industrial Jobs Recovery Law <input type="checkbox"/> </div>

Please utilize the information below to properly label the Attachments.

	No	Yes
Were there any amendments to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] If yes, please enclose the amendment (labeled Attachment A).	X	
Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6-22 (d) (3)] Please enclose the CEO certification (labeled Attachment B).		X
Opinion of legal counsel that municipality is in compliance with the Act. [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)] Please enclose the Legal Counsel Opinion (labeled Attachment C).		X
Statement setting forth all activities undertaken in furtherance of the objectives of the redevelopment plan including any project implemented and a description of the redevelopment activities.? [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] If yes, please enclose the Activities Statement (labeled Attachment D).		X
Were any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)] If yes, please enclose the Agreement(s) (labeled Attachment E).	X	
Is there additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (7) (D) and 5/11-74.6-22 (d) (7) (D)] If yes, please enclose the Additional Information (labeled Attachment F).	X	
Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)] If yes, please enclose the contract(s) or description of the contract(s) (labeled Attachment G).	X	
Were there any reports <u>submitted to</u> the municipality <u>by</u> the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)] If yes, please enclose the Joint Review Board Report (labeled Attachment H).	X	
Were any obligations issued by municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] If yes, please enclose any Official Statement (labeled Attachment I). If Attachment I is answered yes, then the Analysis must be attached and (labeled Attachment J).	X	
An analysis prepared by a financial advisor or underwriter setting forth the nature and term of obligation and projected debt service including required reserves and debt coverage? [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] If attachment I is yes, then Analysis <u>MUST</u> be attached and (labeled Attachment J).	X	
Has a cumulative of \$100,000 of TIF revenue been deposited into the special tax allocation fund? 65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2) If yes, please enclose Audited financial statements of the special tax allocation fund (labeled Attachment K).		X
Cumulatively, have deposits of incremental taxes revenue equal to or greater than \$100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)] If yes, the audit report shall contain a letter from the independent certified public accountant indicating compliance or noncompliance with the requirements of subsection (q) of Section 11-74.4-3 (labeled Attachment L).		X
A list of all intergovernmental agreements in effect to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)] If yes, please enclose list only, not actual agreements (labeled Attachment M).	X	

SECTION 3.1 - (65 ILCS 5/11-74.4-5 (d)(5)(a)(b)(d)) and (65 ILCS 5/11-74.6-22 (d) (5)(a)(b)(d))
Provide an analysis of the special tax allocation fund.

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TIF NAME: Fullerton/Milwaukee Redevelopment Project Area

Special Tax Allocation Fund Balance at Beginning of Reporting Period: \$ 25,314,554

SOURCE of Revenue/Cash Receipts:	Revenue/Cash Receipts for Current Reporting Year	Cumulative Totals of Revenue/Cash Receipts for life of TIF	% of Total
Property Tax Increment	\$ 12,869,784	\$ 116,420,246	73%
State Sales Tax Increment	\$ -	\$ -	0%
Local Sales Tax Increment	\$ -	\$ -	0%
State Utility Tax Increment	\$ -	\$ -	0%
Local Utility Tax Increment	\$ -	\$ -	0%
Interest	\$ 855,424	\$ 4,260,477	3%
Land/Building Sale Proceeds	\$ -	\$ -	0%
Bond Proceeds	\$ -	\$ 35,769,001	23%
Transfers from Municipal Sources	\$ -	\$ 52,044	0%
Private Sources	\$ -	\$ -	0%
Other (identify source _____; if multiple other sources, attach schedule)	\$ 121,038	\$ 2,336,969	1%

All Amount Deposited in Special Tax Allocation Fund \$ 13,846,246

Cumulative Total Revenues/Cash Receipts \$ 158,838,737 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2) \$ 8,644,480

Transfers to Municipal Sources \$ -

Distribution of Surplus \$ 607,000

Total Expenditures/Disbursements \$ 9,251,480

Net Income/Cash Receipts Over/(Under) Cash Disbursements \$ 4,594,766

Previous Year Adjustment (Explain Below) \$ -

FUND BALANCE, END OF REPORTING PERIOD* \$ 29,909,320

*If there is a positive fund balance at the end of the reporting period, you must complete Section 3.3

Previous Year Explanation:

(a) Cumulative figures for the categories of 'Interest,' 'Land/Building Sale Proceeds' and 'Other' may not be fully available for this report due to either: (i) the disposal of certain older records pursuant to the City's records retention policy, or (ii) the extraordinary administrative burden of developing cumulative City records prior to the City's conversion to its current accounting system in 2003.

**Schedule of "Other" Sources of Revenue/Cash Receipts Deposited in Fund During Reporting FY
(Total and Cumulative Values Carried Forward to Section 3.1)**

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TIF NAME: Fullerton/Milwaukee Redevelopment Project Area

"Other" Sources	Reporting Year	Cumulative
Cumulative Revenue Prior to 2017		\$ 1,857,244
Note Proceeds		0
Non-compliance Payment		0
Excess Reserve Requirement		0
Build America Bonds Subsidy	\$ 121,038	\$ 479,725
Collection Returns		0
Credits from Expenditures		0

Total Schedule of "Other" Sources During Reporting Period \$ 121,038

Cumulative Total Schedule of "Other" Sources \$ 2,336,969

SECTION 3.2 A- (65 ILCS 5/11-74.4-5 (d) (5) (c) and 65 ILCS 5/11-74.6-22 (d) (5)(c))

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TIF NAME: Fullerton/Milwaukee Redevelopment Project Area

ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND

(by category of permissible redevelopment project costs)

PAGE 1

Category of Permissible Redevelopment Project Cost [65 ILCS 5/11-74.4-3 (q) and 65 ILCS 5/11-74.6-10 (o)]	Amounts	Reporting Fiscal Year
1. Cost of studies, surveys, development of plans, and specifications. Implementation and administration of the redevelopment plan, staff and professional service cost.		
	161,249	
		\$ 161,249
2. Annual administrative cost.		
		\$ -
3. Cost of marketing sites.		
		\$ -
4. Property assembly cost and site preparation costs.		
	200,000	
		\$ 200,000
5. Costs of renovation, rehabilitation, reconstruction, relocation, repair or remodeling of existing public or private building, leasehold improvements, and fixtures within a redevelopment project area.		
	425,247	
		\$ 425,247
6. Costs of construction of public works or improvements.		
	504,535	
		\$ 504,535

SECTION 4 [65 ILCS 5/11-74.4-5 (d) (6) and 65 ILCS 5/11-74.6-22 (d) (6)]

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TIF NAME: Fullerton/Milwaukee Redevelopment Project Area

Provide a description of all property purchased by the municipality during the reporting fiscal year within the redevelopment project area.

Check here if no property was acquired by the Municipality within the Redevelopment Project Area.

Property Acquired by the Municipality Within the Redevelopment Project Area.

Property (1):	
Street address:	2900 N DAWSON AVE
Approximate size or description of property:	
Purchase price:	
Seller of property:	
Property (2):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	
Property (3):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	
Property (4):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	
Property (5):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	
Property (6):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	
Property (7):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	
Property (8):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

SECTION 5 - 20 ILCS 620/4.7 (7)(F)

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TIF Name: Fullerton/Milwaukee Redevelopment Project Area

Page 1 is to be included with TIF report. Pages 2 and 3 are to be included **ONLY** if projects are listed.

Select **ONE** of the following by indicating an 'X':

1. NO projects were undertaken by the Municipality Within the Redevelopment Project Area.	
2. The Municipality DID undertake projects within the Redevelopment Project Area. (If selecting this option, complete 2a.)	X
2a. The total number of ALL activities undertaken in furtherance of the objectives of the redevelopment	9

LIST **ALL** projects undertaken by the Municipality Within the Redevelopment Project Area:

TOTAL:	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Total Estimated to Complete Project
Private Investment Undertaken (See Instructions)	\$ 83,828,026	\$ -	\$ 46,423,984
Public Investment Undertaken	\$ 28,607,941	\$ 473,489	\$ 16,552,389
Ratio of Private/Public Investment	2 40/43	-	2 70/87

*PROJECT NAME TO BE LISTED AFTER PROJECT NUMBER

Project 1*: SBIF - Fullerton Milwaukee (Project is Ongoing***)**

Private Investment Undertaken (See Instructions)	0	-	\$ 10,400,000
Public Investment Undertaken	\$ 4,699,735	\$ 227,743	\$ 5,200,000
Ratio of Private/Public Investment	0	-	2

Project 2*: Florsheim (Project Completed)

Private Investment Undertaken (See Instructions)	\$ 47,400,000	-	\$ -
Public Investment Undertaken	\$ 10,336,948	-	\$ -
Ratio of Private/Public Investment	4 24/41	-	-

Project 3*: Sachs Hairpin - Lofts (Project Completed)

Private Investment Undertaken (See Instructions)	\$ 5,121,129	-	\$ -
Public Investment Undertaken	\$ 5,941,770	-	\$ -
Ratio of Private/Public Investment	25/29	-	-

Project 4*: Sachs Hairpin - Retail (Project Completed)

Private Investment Undertaken (See Instructions)	\$ 2,130,035	-	\$ -
Public Investment Undertaken	\$ 1,210,000	-	\$ -
Ratio of Private/Public Investment	1 73/96	-	-

Project 5*: Zapata Apts (Project Completed)

Private Investment Undertaken (See Instructions)	\$ 20,460,604	-	\$ -
Public Investment Undertaken	\$ 4,612,967	-	\$ -
Ratio of Private/Public Investment	4 27/62	-	-

Project 6*: TIFWorks - Fullerton Milwaukee (Project is Ongoing***)**

Private Investment Undertaken (See Instructions)	0	-	\$ -
Public Investment Undertaken	\$ 206,521	\$ 45,746	\$ 252,389
Ratio of Private/Public Investment	0	-	-

Project 7*: Milwaukee Avenue Apartments (Project Completed)

Private Investment Undertaken (See Instructions)	\$ 8,716,258	-	\$ -
Public Investment Undertaken	\$ 1,000,000	-	\$ -
Ratio of Private/Public Investment	8 53/74	-	-

Project 8*: Logan Theatre (Project is Ongoing*)**

Private Investment Undertaken (See Instructions)	0	-	\$ 5,591,188
Public Investment Undertaken	\$ 600,000	\$ 200,000	\$ 1,000,000
Ratio of Private/Public Investment	0	-	5 13/22

Project 9*: Emmett Street Apartments (Project is Ongoing*)**

Private Investment Undertaken (See Instructions)	0	-	\$ 30,432,796
Public Investment Undertaken	0	-	\$ 10,100,000
Ratio of Private/Public Investment	0	-	3 1/76

Project 10*:

Private Investment Undertaken (See Instructions)		-	\$ -
Public Investment Undertaken		-	\$ -
Ratio of Private/Public Investment	0	-	-

Project 11*:

Private Investment Undertaken (See Instructions)		-	\$ -
Public Investment Undertaken		-	\$ -
Ratio of Private/Public Investment	0	-	-

Project 12*:

Private Investment Undertaken (See Instructions)		-	\$ -
Public Investment Undertaken		-	\$ -
Ratio of Private/Public Investment	0	-	-

Project 13*:

Private Investment Undertaken (See Instructions)		-	\$ -
Public Investment Undertaken		-	\$ -
Ratio of Private/Public Investment	0	-	-

Project 14*:

Private Investment Undertaken (See Instructions)		-	\$ -
Public Investment Undertaken		-	\$ -
Ratio of Private/Public Investment	0	-	-

Project 15*:

Private Investment Undertaken (See Instructions)		-	\$ -
Public Investment Undertaken		-	\$ -
Ratio of Private/Public Investment	0	-	-

Project 16*:

Private Investment Undertaken (See Instructions)		-	\$ -
Public Investment Undertaken		-	\$ -
Ratio of Private/Public Investment	0	-	-

Section 5 Notes

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TIF NAME: Fullerton/Milwaukee Redevelopment Project Area

General Notes

(a) Each actual or estimated Public Investment reported here is, to the extent possible, comprised only of payments financed by tax increment revenue, and may include interest amounts paid to finance the Public Investment amount. In contrast, each actual or estimated Private Investment reported here is, to the extent possible, comprised of payments financed by revenues that are not tax increment revenues and, therefore, may include private equity, private lender financing, private grants, other public monies, or other local, state or federal grants or loans.

(b) Each amount reported here under Public Investment Undertaken, Total Estimated to Complete Project, is the maximum amount of payments financed by tax increment revenue that could be made pursuant to the corresponding Project's operating documents, but not including interest that may later be payable on developer notes, and may not necessarily reflect actual expenditures, if any, as reported in Section 3 herein. The total public investment amount ultimately made under each Project will depend upon the future occurrence of various conditions, including interest that may be payable on developer notes as set forth in the Project's operating documents.

Project/Program-Specific Notes

** Depending on the particular goals of this type of program, the City may: i) make an advance disbursement of the entire public investment amount to the City's program administrator, ii) disburse the amounts through an escrow account, or iii) pay the funds out piecemeal to the program administrator or to the ultimate grantee as each ultimate grantee's work is approved under the program.

*** As of the last date of the reporting fiscal year, the construction of this Project was ongoing; the Private Investment Undertaken and Ratio figures for this Project will be reported on the Annual Report for the fiscal year in which the construction of the Project is completed and the total Private Investment figure is available.

Fullerton/Milwaukee TIF Annual Report



STATE OF ILLINOIS)
)
COUNTY OF COOK)

CERTIFICATION

TO:

Susana Mendoza
Comptroller of the State of Illinois
James R. Thompson Center
100 West Randolph Street, Suite 15-500
Chicago, Illinois 60601
Attention: Rosanna Barbaro-Flores, Director of Local Government

Janice Jackson
Chief Executive Officer
Chicago Board of Education
42 West Madison Street
Chicago, Illinois 60603

Daryl Okrzesik
Associate Vice Chancellor-Finance
City Colleges of Chicago
3901 South State Street
Chicago, Illinois 60609

Jacqueline Torres, Director of Finance
Metropolitan Water Reclamation District
of Greater Chicago
100 East Erie Street, Room 2429
Chicago, Illinois 60611

Xochitl Flores
Bureau Chief
Cook County Bureau of Economic Dev.
69 West Washington Street, Suite 2900
Chicago, Illinois 60602

Charles Givines, President
South Cook County Mosquito Abatement
District
155th & Dixie Highway
P.O. Box 1030
Harvey, Illinois 60426

Lawrence Wilson, Comptroller
Forest Preserve District of Cook County
69 W. Washington Street, Suite 2060
Chicago, IL 60602

Michael P. Kelly, General Superintendent
& CEO
Chicago Park District
541 North Fairbanks, 7th Floor
Chicago, Illinois 60611

I, Lori E. Lightfoot, in connection with the annual report (the “Report”) of information required by Section 11-74.4-5(d) of the Tax Increment Allocation Redevelopment Act, 65 ILCS5/11-74.4-1 et seq. (the “Act”), with regard to the Fullerton/Milwaukee Redevelopment Project Area (the “Redevelopment Project Area”), do hereby certify as follows:

1. I am the duly qualified and acting Mayor of the City of Chicago, Illinois (the “City”) and, as such, I am the City’s Chief Executive Officer. This Certification is being given by me in such capacity.

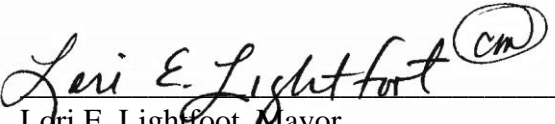
Attachment B

2. During the preceding fiscal year of the City, being January 1 through December 31, 2020, the City complied, in all material respects, with the requirements of the Act, as applicable from time to time, regarding the Redevelopment Project Area.

3. In giving this Certification, I have relied on the opinion of the Corporation Counsel of the City furnished in connection with the Report.

4. This Certification may be relied upon only by the addressees hereof.

IN WITNESS WHEREOF, I have hereunto affixed my official signature as of this June 29, 2021.


Lori E. Lightfoot, Mayor
City of Chicago, Illinois



DEPARTMENT OF LAW
CITY OF CHICAGO

June 29, 2021

Susana Mendoza
Comptroller of the State of Illinois
James R. Thompson Center
100 West Randolph Street, Suite 15-500
Chicago, Illinois 60601
Attention: Rosanna Barbaro-Flores, Director of Local Government

Janice Jackson
Chief Executive Officer
Chicago Board of Education
42 West Madison Street
Chicago, Illinois 60603

Daryl Okrzesik
Associate Vice Chancellor-Finance
City Colleges of Chicago
3901 South State Street
Chicago, Illinois 60609

Jacqueline Torres, Director of Finance
Metropolitan Water Reclamation District of
Greater Chicago
100 East Erie Street, Room 2429
Chicago, Illinois 60611

Xochitl Flores
Bureau Chief
Cook County Bureau of Economic Dev.
69 West Washington Street, Suite 2900
Chicago, Illinois 60602

Charles Givines, President
South Cook County Mosquito Abatement
District
155th & Dixie Highway
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69 W. Washington Street, Suite 2060
Chicago, IL 60602

Michael P. Kelly, General Superintendent
& CEO
Chicago Park District
541 North Fairbanks, 7th Floor
Chicago, Illinois 60611

Re: Fullerton/Milwaukee Redevelopment Project Area
(the "Redevelopment Project Area")

Dear Addressees:

I am the Corporation Counsel of the City of Chicago, Illinois (the "City") and, in such capacity, I am the head of the City's Law Department. In such capacity, I am providing the opinion required by Section 11-74.4-5(d)(4) of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq. (the "Act"), in connection with the submission of the report (the "Report") in accordance with, and containing the information required by, Section 11-74.4-5(d) of the Act for the Redevelopment Project Area.


Attorneys, past and present, in the Law Department of the City and familiar with the requirements of the Act, have had general involvement in the proceedings affecting the Redevelopment Project Area, including the preparation of ordinances adopted by the City Council of the City with respect to the following matters: approval of the redevelopment plan and project for the Redevelopment Project Area, designation of the Redevelopment Project Area as a redevelopment project area, and adoption of tax increment allocation financing for the Redevelopment Project Area, all in accordance with the then applicable provisions of the Act. Various departments of the City, including, if applicable, the Law Department, Department of Planning and Development, Department of Finance and Office of Budget and Management (collectively, the "City Departments"), have personnel responsible for and familiar with the activities in the Redevelopment Project Area affecting such City Departments and with the requirements of the Act in connection therewith. Such personnel are encouraged to seek and obtain, and do seek and obtain, the legal guidance of the Law Department with respect to issues that may arise from time to time regarding the requirements of, and compliance with, the Act.

In my capacity as Corporation Counsel, I have relied on the factual certification of the Commissioner of the Department of Planning and Development attached hereto as Schedule 1, along with the general knowledge and actions of the appropriately designated and trained staff of the Law Department and other applicable City Departments involved with the activities affecting the Redevelopment Project Area. In addition, I have caused to be examined or reviewed by members of the Law Department of the City the certified audit report, to the extent required to be obtained by Section 11-74.4-5(d)(9) of the Act and submitted as part of the Report, which is required to review compliance with the Act in certain respects, to determine if such audit report contains information that might affect my opinion. I have also caused to be examined or reviewed such other documents and records as were deemed necessary to enable me to render this opinion. Nothing has come to my attention that would result in my need to qualify the opinion hereinafter expressed.

Based on the foregoing, I am of the opinion that, in all material respects, the City is in compliance with the provisions and requirements of the Act in effect and then applicable at the time actions were taken from time to time with respect to the Redevelopment Project Area.

This opinion is given in an official capacity and not personally and no personal liability shall derive herefrom. Furthermore, the only opinion that is expressed is the opinion specifically set forth herein, and no opinion is implied or should be inferred as to any other matter. Further, this opinion may be relied upon only by the addressees hereof and the Mayor of the City in providing her required certification in connection with the Report, and not by any other party.

Very truly yours,


Celia Meza
Corporation Counsel

SCHEDULE 1

June 29, 2021

CERTIFICATION

Commissioner
Department of Planning and Development
City of Chicago

I, Maurice D. Cox, am the Commissioner of the Department of Planning and Development (“DPD”) of the City of Chicago, Illinois (the “City”) and, in such capacity, I am the head of DPD. I am also the TIF Administrator for the City for purposes of the Report (defined below). In such capacity, I am providing this Certification for the Corporation Counsel of the City to rely upon in connection with the opinion required by either Section 11-74.4-5(d)(4) of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq. (the “Act”), or by Section 11-74.6-22(d)(4) of the Industrial Jobs Recovery Law, 65 ILCS 5/11-74.6-1 et seq. (the “Law”), as the case may be, in connection with the submission of an annual report (the “Report”) containing the information required by Section 11-74.4-5(d) of the Act or Section 11-74.6-22(d) of the Law for each of the Redevelopment Project Areas listed in Section 1 of the Report and hereby incorporated into this Certification (the “Redevelopment Project Areas”).

I hereby certify the following to the Corporation Counsel of the City:

1. DPD has overall responsibility for and is familiar with the activities in each of the Redevelopment Project Areas. DPD personnel are familiar with the requirements of the Act and the Law and are encouraged to seek and obtain, and do seek and obtain, the legal guidance of the City’s Department of Law with respect to legal issues that may arise from time to time regarding the requirements of, and compliance with, the Act and the Law.
2. DPD personnel have monitored compliance with the requirements of the Act and the Law during the previous fiscal year under my supervision and to my reasonable satisfaction in connection with each of the Redevelopment Project Areas.

Based on the foregoing, I hereby certify to the Corporation Counsel of the City that, in all material respects, DPD has taken the appropriate actions to ensure that the City is in compliance with the provisions and requirements of the Act and the Law in effect and then applicable at the time actions were taken from time to time with respect to each of the Redevelopment Project Areas.

This Certification is given in an official capacity and not personally and no personal liability shall derive herefrom. Further, this Certification may be relied upon only by the Corporation Counsel of the City in providing the required legal opinion in connection with the Report, and not by any other party.

Very truly yours,



Maurice D. Cox
Commissioner
Department of Planning and Development

FY 2020

TIF NAME: Fullerton/Milwaukee Redevelopment Project Area

Projects that were implemented during the preceding fiscal year are set forth below:

Name of Project
Emmett Street Apartments

4

212925



2026857003

Doc# 2026857003 Fee \$88.00

RHSP FEE:\$9.00 RPRF FEE: \$1.00

EDWARD M. MOODY

COOK COUNTY RECORDER OF DEEDS

DATE: 09/24/2020 09:04 AM PG: 1 OF 9

[leave blank 3" x 5" space for recorder's office]

AFTER RECORDING, RETURN TO:

**TITLE SERVICES, INC.
610 EAST ROOSEVELT ROAD
WHEATON, IL 60187**

This agreement was prepared by ~~and~~
~~after recording return to:~~
Sweta Shah, Esq.
City of Chicago Department of Law
121 North LaSalle Street, Room 600
Chicago, IL 60602

EMMETT STREET APARTMENTS REDEVELOPMENT AGREEMENT

This Emmett Street Apartments Redevelopment Agreement (this "Agreement") is made as of this 31st day of August, 2020, by and among the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Planning and Development ("DPD"), Emmett Apartments, LP (the "Partnership"), BRC Affiliate, Inc., an Illinois not-for-profit corporation (the "General Partner"), and Bickerdike Redevelopment Corporation, an Illinois not-for-profit corporation (the "Sponsor").

RECITALS

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

B. Statutory Authority: The City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended from time to

time (the "Act"), to finance projects that eradicate blighted conditions and conservation area factors through the use of tax increment allocation financing for redevelopment projects.

C. City Council Authority: To induce redevelopment pursuant to the Act, the City Council of the City (the "City Council") adopted the following ordinances on February 16, 2000: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the Fullerton/Milwaukee Redevelopment Project Area" (the "Plan Adoption Ordinance"); (2) "An Ordinance of the City of Chicago, Illinois Designating the Fullerton/Milwaukee Redevelopment Project Area as a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act"; and (3) "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Allocation Financing for the Fullerton/Milwaukee Redevelopment Project Area" (the "TIF Adoption Ordinance"). Items (1)-(3) were amended by ordinances adopted on May 11, 2005 and July 6, 2011 and published at pages 47331 through 47471 and 2076 through 2084, respectively, of the Journal of Proceedings of the City Council of the City (the "Amendments"). Items (1)-(3) above, as amended by the Amendments, are collectively referred to herein as the "TIF Ordinances." The redevelopment project area referred to above (the "Redevelopment Area") is legally described in Exhibit A hereto.

D. The Project: Sponsor intends to purchase (the "Acquisition") certain City-owned property located within the Redevelopment Area, and commonly known as 2602-2638 North Emmett Street, Chicago, Illinois 60647, and legally described on Exhibit B hereto (the "Property"). Within the time frames set forth in Section 3.01 hereof, Developer Parties shall commence and complete construction of a seven-story elevator building with one hundred (100) affordable rental units for low income families, related common areas and commercial space on the Property (the "Facility"). The Facility and related improvements (including but not limited to those TIF-Funded Improvements as defined below and set forth on Exhibit C) are collectively referred to herein as the "Project." The completion of the Project would not reasonably be anticipated without the financing contemplated in this Agreement.

E. Redevelopment Plan: The Project will be carried out in accordance with this Agreement and the City of Chicago Fullerton/Milwaukee Tax Increment Financing Redevelopment Plan and Project (the "Redevelopment Plan") included in the Plan Adoption Ordinance and published at pages 25067 through 25137 of the Journal of the Proceedings of the City Council, as amended by the Plan Amendments,

F. City Financing: The City agrees to use, in the amounts set forth in Section 4.03 hereof, Incremental Taxes (as defined below), to pay for or reimburse the Developer Parties for the costs of TIF-Funded Improvements pursuant to the terms and conditions of this Agreement.

In addition, the City may, in its discretion, issue tax increment allocation bonds ("TIF Bonds") secured by Incremental Taxes pursuant to a TIF bond ordinance (the "TIF Bond Ordinance") at a later date as described in Section 4.09 hereof, the proceeds of which (the "TIF Bond Proceeds") may be used to pay for the costs of the TIF-Funded Improvements not previously paid for from Incremental Taxes (including any such payment made pursuant to any City Note provided to Developer pursuant to this Agreement), to make payments of principal and interest on the City Note, or in order to reimburse the City for the costs of TIF-Funded Improvements;

provided however, that in no event shall proceeds of tax-exempt TIF Bonds be used as the source of City Funds if such use would be adverse to the Project.

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

SECTION 1. RECITALS, HEADINGS AND EXHIBITS

The foregoing recitals are hereby incorporated into this Agreement by reference. The paragraph and section headings contained in this Agreement, including without limitation those set forth in the following table of contents, are for convenience only and are not intended to limit, vary, define or expand the content thereof. Developer Parties agree to comply with the requirements set forth in the following exhibits which are attached to and made a part of this Agreement. All provisions listed in the Exhibits have the same force and effect as if they had been listed in the body of this Agreement.

Table of Contents	List of Exhibits
1. Recitals, Headings and Exhibits	A *Redevelopment Area
2. Definitions	B *Property
3. The Project	C *TIF-Funded Improvements
4. Financing	D intentionally omitted
5. Conditions Precedent	E Construction Contract
6. Agreements with Contractors	F Escrow Agreement
7. Completion of Construction or Rehabilitation	G *Permitted Liens
8. Covenants/Representations/Warranties of Developer	H-1 *Project Budget
9. Covenants/Representations/Warranties of the City	H-2 *MBE/WBE Budget
10. Developer's Employment Obligations	I Approved Prior Expenditures
11. Environmental Matters	J Opinion of Developer Parties' Counsel
12. Insurance	K *Funding Sources
13. Indemnification	L intentionally omitted
14. Maintaining Records/Right to Inspect	M Form of Subordination Agreement
15. Defaults and Remedies	N Form of Payment Bond
16. Mortgaging of the Project	
17. Notice	
18. Miscellaneous	(An asterisk (*) indicates which exhibits are to be recorded.)

SECTION 2. DEFINITIONS

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

"Act" shall have the meaning set forth in the Recitals hereof.

“Acquisition” shall have the meaning set forth in the Recitals hereof.

“Affiliate” shall mean any person or entity directly or indirectly controlling, controlled by or under common control with a Developer Party.

“Annual Compliance Report” shall mean a signed report from the Partnership to the City (a) itemizing each of Developer Parties’ obligations under the RDA during the preceding calendar year, (b) certifying Developer Parties’ compliance or noncompliance with such obligations, (c) attaching evidence (whether or not previously submitted to the City) of such compliance or noncompliance and (d) certifying that the Developer Parties are not in default with respect to any provision of the RDA, the agreements evidencing the Lender Financing, if any, or any related agreements; provided, that the obligations to be covered by the Annual Compliance Report shall include the following: (1) compliance with the Job Creation (Section 8.06), if applicable; (2) delivery of Financial Statements and unaudited financial statements (Section 8.13); (3) delivery of updated insurance certificates, if applicable (Section 8.14); (4) delivery of evidence of payment of Non-Governmental Charges, if applicable (Section 8.15); (5) delivery of evidence that Enterprise Green Communities Certification has been obtained (Section 8.22) and (6) compliance with all other executory provisions of the RDA.

“Available Incremental Taxes” means an amount equal to 90% of the Incremental Taxes (as defined below) deposited in the Redevelopment Project Area Special Tax Allocation Fund (as defined below) and not pledged to the Prior Obligations.

“Available Project Funds” shall have the meaning set forth for such term in Section 4.07 hereof.

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

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

“Certificate” shall mean the Certificate of Completion of Construction described in Section 7.01 hereof.

“Change Order” shall mean any amendment or modification to the Scope Drawings, Plans and Specifications or the Project Budget as described in Section 3.03, Section 3.04 and Section 3.05, respectively.

“CHA Right of First Refusal Agreement” shall mean the Right of First Refusal Agreement dated as of August 1, 2020 between the Partnership and the Chicago Housing Authority.

“Citibank” means Citibank, N.A. and its successors and assigns.

“City Contract” shall have the meaning set forth in Section 8.01(m) hereof.

“City Council” shall have the meaning set forth in the Recitals hereof.

"City Fee" shall mean the fee described in Section 4.05(c) hereof.

"City Funds" shall mean the funds described in Section 4.03(b) hereof.

"City Group Member" has the meaning defined in Section 8.11.

"City Regulatory Agreement" shall mean that certain Regulatory Agreement entered into on the date hereof by Partnership and the City.

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

"Contract" shall have the meaning set forth in Section 10.03 hereof.

"Contractor" shall have the meaning set forth in Section 10.03 hereof.

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

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

"DAIS" shall have the meaning set forth in Section 3.13 hereof.

"Davis-Bacon Act" shall mean 40 U.S.C. Section 276a et seq.

"Deed" shall have the meaning set forth in Section 3.13 hereof.

"Developer Parties" shall mean, collectively the Partnership, the General Partner and Sponsor; "Developer Party" means any one of the Developer Parties.

"DPD" shall have the meaning set forth in the Agreement preamble.

"EDS" shall mean the City's Economic Disclosure Statement and Affidavit, on the City's then-current form, whether submitted in paper or via the City's online submission process.

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

"Employment Plan" shall have the meaning set forth in Section 5.12 hereof.

"Environmental Documents" shall mean all reports, surveys, field data, correspondence and analytical results prepared by or for the Developer Parties (or otherwise obtained by the Developer Parties) regarding the condition of the Property or any portion thereof, including, without limitation, the SRP Documents.

"Environmental Laws" shall mean any and all federal, state or local statutes, laws, regulations, ordinances, codes, rules, orders, licenses, judgments, decrees or requirements relating to public health and safety and the environment now or hereafter in force, as amended and hereafter amended, including but not limited to (i) the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601 et seq.); (ii) any so-called "Superfund" or "Superlien" law; (iii) the Hazardous Materials Transportation Act (49 U.S.C. Section 5101 et seq.); (iv) the Resource Conservation and Recovery Act (42 U.S.C. Section 6902 et seq.); (v) the Clean Air Act (42 U.S.C. Section 7401 et seq.); (vi) the Clean Water Act (33 U.S.C. Section 1251 et seq.); (vii) the Toxic Substances Control Act (15 U.S.C. Section 2601 et seq.); (viii) the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. Section 136 et seq.); (ix) the Illinois Environmental Protection Act (415 ILCS 5/1 et seq.); and (x) the Municipal Code.

"Equity" shall mean funds of Developer Parties (other than funds derived from Lender Financing) irrevocably available for the Project, in the amount stated in Exhibit K attached hereto, which amount may be increased pursuant to Section 4.06 (Cost Overruns) or Section 4.03(b).

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

"Escrow Agreement" shall mean the Escrow Agreement entered into on the date hereof by the City, Developer Parties, lenders providing Lender Financing and other parties, in substantially the form of Exhibit F attached hereto.

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

"Facility" shall have the meaning set forth in the Recitals hereof.

"Financial Interest" shall have the meaning set forth for such term in Section 2-156-010 of the Municipal Code.

"Final NFR Letter" shall mean a final comprehensive "No Further Remediation" letter issued by the IEPA approving the use of the Property for the construction, development and operation of the Project in accordance with a site plan approved by the City and the terms and conditions of the SRP Documents, as amended or supplemented from time to time. The Final NFR Letter shall state that the Property meets TACO Tier 1 residential remediation objectives, and the construction worker exposure route as set forth in 35 Ill. Adm. Code Part 742, but may be reasonably conditioned upon use and maintenance of engineered barriers and other institutional or engineering controls acceptable to the IEPA.

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

"FOIA" has the meaning defined in Section 8.23(a) hereof.

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

“HAP Contract” shall mean that certain Rental Assistance Demonstration (RAD) for the Conversion of Public Housing to the Section 8 Project Based Voucher Program Housing Assistance Payments Contract between the Borrower and the Chicago Housing Authority, as contract administrator.

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

“Human Rights Ordinance” shall have the meaning set forth in Section 10 hereof.

“IEPA” shall mean the Illinois Environmental Protection Agency.

“In Balance” shall have the meaning set forth in Section 4.07 hereof.

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

“Indemnitee” and “Indemnitees” shall have the meanings set forth in Section 13.01 hereof.

“Lender Financing” shall mean funds borrowed by the Partnership from lenders and available to pay for costs of the Project, in the amount stated in Exhibit K.

“Limited Partner” shall mean NEF Assignment Corporation, an Illinois not-for-profit corporation, or another affiliate of National Equity Fund, Inc. (“NEF”), and its successors and assigns.

“Local Records Act” has the meaning defined in Section 8.23(c) hereof.

“Losses,” as used in Section 3.13 hereof, shall mean any and all debts, liens, claims, causes of action, demands, complaints, legal or administrative proceedings, losses, damages, obligations, liabilities, judgments, amounts paid in settlement, arbitration or mediation awards, interest, fines, penalties, costs and expenses (including, without limitation, reasonable attorney’s fees and expenses, consultants’ fees and expenses and court costs).

“MBE(s)” 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.

“MBE/WBE Budget” shall mean the budget attached hereto as Exhibit H-2, as described in Section 10.03.

“MBE/WBE Program” shall have the meaning set forth in Section 10.03 hereof.

“Municipal Code” shall mean the Municipal Code of the City of Chicago, as amended from time to time.

“New Mortgage” shall have the meaning set forth in Section 16 hereof.

“NFR Letter” shall mean a “no further remediation” letter issued by IEPA pursuant to the SRP.

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

“Permitted Liens” shall mean those liens and encumbrances against the Property and/or the Project set forth on Exhibit G hereto.

“Permitted Mortgage” shall have the meaning set forth in Section 16 hereof.

“Phase I ESA” shall have the meaning set forth in Section 3.13.

“Phase II ESA” shall have the meaning set forth in Section 3.13.

“Plans and Specifications” shall mean initial construction documents containing a site plan and working drawings and specifications for the Project, as submitted to the City as the basis for obtaining building permits for the Project.

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

“Prior Obligations” shall mean Incremental Taxes pledged or committed to support the following projects:

- Modern School Debt Service
- Congress Theater
- Logan Theater
- CPS – Chase -Turf Field
- CPS – Darwin – Masonry
- Copernicus Center
- CTA – Blue Line – California Station
- CTA – Blue Line – Logan Square Station
- Small Business Investment Fund
- TIFWorks

“Project” shall have the meaning set forth in the Recitals hereof.

“Project Budget” shall mean the budget attached hereto as Exhibit H-1, showing the total cost of the Project by line item, furnished by Developer Parties to DPD, in accordance with Section 3.03 hereof.

“Property” shall have the meaning set forth in the Recitals hereof.

“Purchase Price” shall have the meaning set forth in Section 3.13 hereof.

“RAP Approval Letter” shall have the meaning set forth in Section 3.13.

“RAD Use Agreement” shall mean the Rental Assistance Demonstration Use Agreement by and between the United States of America, Secretary of Housing and Urban Development, the Chicago Housing Authority and the Borrower relating to the Project.

“REC(s)” shall have the meaning set forth in Section 3.13.

“Redevelopment Area” shall have the meaning set forth in the Recitals hereof.

“Redevelopment Plan” shall have the meaning set forth in the Recitals hereof.

“Redevelopment Project Area Special Tax Allocation Fund” means the special tax allocation fund created by the City in connection with the Redevelopment Area into which the Incremental Taxes will be deposited.

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

“Released Claims” shall have the meaning set forth in Section 3.13.

“Remediation Work” shall mean all investigation, sampling, monitoring, testing, removal, response, disposal, storage, remediation, treatment and other activities necessary to obtain a Final NFR Letter for the Property in accordance with the terms and conditions of the SRP Documents, all requirements of the IEPA and all applicable Laws, including, without limitation, all applicable Environmental Laws.

“Scope Drawings” shall mean preliminary construction documents containing a site plan and preliminary drawings and specifications for the Project.

“Sponsor” shall have the meaning set forth in the Recitals hereof.

“SRP” shall mean the IEPA’s Site Remediation Program as set forth in Title XVII of the Illinois Environmental Protection Act, 415 ILCS 5/58 et seq., and the regulations promulgated thereunder.

“SRP Documents” shall mean all documents submitted to the IEPA under the SRP program, as amended or supplemented from time to time, including, without limitation, the

Comprehensive Site Investigation and Remediation Objectives Report, the Remedial Action Plan, and the Remedial Action Completion Report.

"Substantial Completion Certificate" means the Certificate of Substantial Completion of Construction described in Section 7.01.

"Survey" shall mean a plat of survey in the most recently revised form of ALTA/ACSM land title survey of the Property, meeting the 2016 Minimum Standard Detail Requirements for ALTA/ACSM Land Title Survey, or another standard acceptable to the City, dated within 75 days prior to the Closing Date, acceptable in form and content to the City and the Title Company, prepared by a surveyor registered in the State of Illinois, certified to the City and the Title Company, and indicating whether the Property is in a flood hazard area as identified by the United States Federal Emergency Management Agency (and updates thereof to reflect improvements to the Property in connection with the construction of the Facility and related improvements as required by the City or lender(s) providing Lender Financing).

"TACO" shall mean the Tiered Approach to Corrective Action Objectives codified at 35 Ill. Adm. Code Part 742 et seq.

"Term of the Agreement" shall mean the period of time commencing on the Closing Date and ending on the date that is the 30-year anniversary of the issuance of the Certificate.

"TIF Adoption Ordinance" shall have the meaning set forth in the Recitals hereof.

"TIF Bonds" shall have the meaning set forth in the Recitals hereof.

"TIF Bond Ordinance" shall have the meaning set forth in the Recitals hereof.

"TIF Bond Proceeds" shall have the meaning set forth in the Recitals hereof.

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

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

"TIF Ordinances" shall have the meaning set forth in the Recitals hereof.

"Title Commitment" shall have the meaning set forth in Section 3.13.

"Title Company" shall mean Title Services Midwest, LLC.

"Title Policy" shall mean a title insurance policy in the most recently revised ALTA or equivalent form, showing Partnership as the insured, noting the recording of this Agreement as an encumbrance against the Property, and a subordination agreement in favor of the City with

respect to previously recorded liens against the Property related to Lender Financing, if any, issued by the Title Company.

"USTs" shall have the meaning set forth in Section 3.13.

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

"WBE(s)" shall mean a business identified in the Directory of Certified Women Business Enterprises published by the City's 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.

SECTION 3. THE PROJECT

3.01 The Project. With respect to the Facility, Developer Parties shall, pursuant to the Plans and Specifications and subject to the provisions of Section 18.17 hereof: (i) commence construction no later than September 2020 ; and (ii) complete construction and conduct business operations therein no later than July 1, 2022, subject to the provisions of Section 18.16 (Force Majeure).

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

3.03 Project Budget. Developer Parties have furnished to DPD, and DPD has approved, a Project Budget showing total costs for the Project in an amount not less than \$40,532,796. Partnership hereby certifies to the City that (a) the City Funds, together with Lender Financing and Equity described in Exhibit K, shall be sufficient to complete the Project; and (b) the Project Budget is true, correct and complete in all material respects. Developer Parties shall promptly deliver to DPD certified copies of any Change Orders with respect to the Project Budget for approval pursuant to Section 3.04 hereof.

3.04 Change Orders. Except as provided below and in this Section 3.04, all Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to material changes to the Project must be submitted by Developer Parties to DPD concurrently with the progress reports described in Section 3.07; provided, however, that any Change Orders relating to any of the following must be submitted by Developer Parties to DPD for DPD's prior written approval: (i) a reduction or increase by more than five percent (5%) in the square footage of the Project, or (ii) a change in the basic use of the Property and improvements, (iii) an increase or reduction in the Project budget by more than 10% or (iv) a delay in the Project

completion date of more than 90 days, or (v) Change Orders costing more than \$150,000 each, or more than \$1,000,000 in the aggregate. DPD will respond to Developer Parties' request for written approval within 30 days from receipt of such request by granting or denying such request or by requesting additional information from Developer Parties. Developer Parties will not authorize or permit the performance of any work relating to any Change Order requiring DPD's prior written approval or the furnishing of materials in connection therewith prior to the receipt by Developer Parties of DPD's written approval. The Construction Contract, and each contract between the General Contractor and any subcontractor, will contain a provision to this effect. An approved Change Order will not be deemed to imply any obligation on the part of the City to increase the amount of City Funds or to provide any other additional assistance to Developer Parties.

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

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

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

3.08 Inspecting Agent or Architect. An independent agent or architect (other than Developer Parties' architect) approved by DPD shall be selected to act as the inspecting agent or architect, at Developer Parties' expense, for the Project. The inspecting agent or architect shall perform periodic inspections with respect to the Project, providing certifications with respect thereto to DPD, prior to requests for disbursement for costs related to the Project hereunder pursuant to the Escrow Agreement.

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

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

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

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

3.13 Conveyance of Property.

The following provisions shall govern the City's conveyance of the Property to Sponsor:

(a) Purchase Price. The City hereby agrees to sell, and Sponsor hereby agrees to purchase, upon and subject to the terms and conditions of this Agreement, the Property, for One Dollar (\$1.00) (the "Purchase Price"), which is to be paid to the City on or before the Closing Date in cash or by certified or cashier's check. Sponsor shall pay all escrow fees and other title insurance fees, premiums and closing costs. Sponsor acknowledges and agrees that (i) the appraised fair market value of the Property is approximately Four Million Dollars (\$4,000,000) based on an appraisal dated August 7, 2020, and (ii) the City has only agreed to sell the Property to Sponsor for the Purchase Price because Developer Parties have agreed to execute this Agreement and comply with its terms and conditions. The City's obligation to sell the Property is subject to the following conditions: (i) the fulfillment of Sponsor's obligations in this Section 3.13; (ii) the representations and warranties contained in this Agreement are true and correct and Developer Parties are in compliance with all applicable covenants contained herein; and (iii) no event of Default or condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default, exists or has occurred.

(b) Form of Deed. The City shall convey the Property to Sponsor by quitclaim deed (the "Deed"), subject to the terms of this Agreement and, without limiting the quitclaim nature of the Deed, the following:

- (i) the Redevelopment Plan, until such plan expires;
- (ii) the standard exceptions in an ALTA title insurance policy;
- (iii) all general real estate taxes and any special assessments or other taxes;
- (iv) all easements, encroachments, covenants and restrictions of record and not shown of record;

- (v) such other title defects as may exist; and
- (vi) any and all exceptions caused by the acts of Sponsor, its affiliates and their agents.

(c) Title and Survey. Sponsor acknowledges that it has obtained a commitment for an owner's policy of title insurance for the Property, Commitment No. 212925, with an effective date of July 17, 2020, issued by the Title Company (the "City Title Commitment"), showing the City in title to the Property. Sponsor shall, no later than thirty (30) days prior to the Closing Date, obtain at its expense and deliver to the City a Survey of the Property. Sponsor shall be solely responsible for and shall pay all costs associated with updating the City Title Commitment (including all search, continuation and later date fees), and obtaining the Title Policy. The City shall have no obligation to cure title defects; provided, however, if there are exceptions for general real estate taxes due or unpaid prior to the Closing Date with respect to the Property or liens for such unpaid property taxes, the City shall, as applicable, request that the County void the unpaid taxes as provided in Section 21-100 of the Property Tax Code, 35 ILCS 200/21-100, or file an application for a Certificate of Error with the Cook County Assessor, or file a tax injunction suit or petition to vacate a tax sale in the Circuit Court of Cook County. If, after taking the foregoing actions and diligently pursuing same, the Property remains subject to any tax liens, or if the Property is encumbered with any other exceptions that would adversely affect the use and insurability of the Property for the development of the Project, Sponsor shall, as its sole remedy, have the option to either: (i) accept title to the Property subject to all defects and exceptions; or (ii) terminate this Agreement, whereupon this Agreement shall be null and void and, except as otherwise specifically provided, neither party shall have any further right, duty or obligation hereunder with respect to the Property.

(d) Closing. The conveyance of the Property from the City to Sponsor shall take place on the Closing Date at the downtown offices of the Title Company or such other place as the parties may mutually agree upon in writing; provided, however, in no event shall the closing of the land sale occur unless Sponsor and Developer Parties have satisfied all conditions precedent set forth in this Agreement, unless DPD, in its sole discretion, waives such conditions. On or before the Closing Date, the City shall deliver to the Title Company: the Deed; all necessary state, county and municipal real estate transfer tax declarations; and an ALTA statement. The City will not provide a gap undertaking.

(e) Recording Costs. Sponsor shall pay to record the Deed, this Agreement, and any other documents incident to the conveyance of the Property to Sponsor.

(f) "As Is" Sale. The Developer Parties acknowledge and agree that they have had, or will have had, prior to the Closing Date, adequate opportunity to inspect and evaluate the structural, physical and environmental condition and risks of the Property and accept the risk that any inspection may not disclose all material matters affecting the Property. The Developer Parties agree to accept the Property in its "as is," "where is" and "with all faults" condition on the Closing Date without any covenant, representation or warranty, express or implied, of any kind, as to the structural, physical or environmental condition of the Property or the suitability of the Property for any purpose whatsoever. Sponsor's obligation to purchase the Property is conditioned upon the

Developer Parties being satisfied with the condition of the Property for the construction, development and operation of the Project. If any Developer Party determines that it is not satisfied, in its sole discretion, with the condition of the Property, the Developer Parties may terminate this Agreement by written notice to the City any time prior to the Closing Date, whereupon this Agreement shall be null and void and, except as otherwise specifically provided, neither Party shall have any further right, duty or obligation hereunder. If the Developer Parties elect not to terminate this Agreement pursuant to this Section 3.13(f), Developer Parties shall be deemed satisfied with the condition of the Property. The Developer Parties hereby acknowledge that, in purchasing the Property, the Developer Parties are relying solely upon their own inspection and other due diligence activities and not upon any information (including, without limitation, environmental studies or reports of any kind) provided by or on behalf of the City or its agents or employees with respect thereto. The Developer Parties agree that it is their sole responsibility and obligation to perform any Remediation Work and take such other action as is necessary to put the Property in a condition which is suitable for its intended use.

(g) Environmental Due Diligence.

(i) Developer Parties have performed a Phase I environmental site assessment of the Property in accordance with the requirements of the ASTM E 1527-13 standard ("Phase I ESA"). The City's Department of Assets, Information and Services ("DAIS") has reviewed and approved the sufficiency of the Phase I ESA for the purpose of determining whether any environmental or health risks would be associated with the development of the Project. The City is an authorized user of the Phase I ESA, and the preparer of the report and the Developer Parties have given the City permission to rely on the Phase I ESA. Upon DAIS's request, Developer Parties shall perform additional studies and tests, including, without limitation, updating or expanding the Phase I ESA. The Phase I ESA identified Recognized Environmental Condition(s) ("REC(s)"), requiring Developer Parties to perform a Phase II Environmental Site Assessment ("Phase II ESA") which disclosed the presence of contaminants exceeding residential remediation objectives. Developer Parties have enrolled the Property in the IEPA's SRP and have taken and will continue to take all necessary and proper steps to obtain written approval from the IEPA of a Remedial Action Plan ("RAP Approval Letter"). Developer Parties acknowledge and agree the Closing will not occur and that construction may not commence until the IEPA issues, and DAIS approves, the RAP Approval Letter for the Property. The City shall have the right to review in advance and approve all documents submitted to the IEPA under the SRP, as amended or supplemented from time to time, including, without limitation, the SRP Documents and any changes thereto, and Developer Parties' estimate of the cost to perform the Remediation Work.

(ii) The City shall grant Developer Parties the right, at their sole cost and expense, to enter the Property to perform any surveys, environmental assessments, soil tests and other due diligence they deem necessary or desirable to satisfy itself as to the condition of the Property.

(h) Environmental Remediation. Upon receipt of the RAP Approval Letter for the Property, Developer Parties covenant and agree to complete all Remediation Work necessary to obtain a Final NFR Letter using all reasonable means. Developer Parties shall cooperate and

consult with the City at all relevant times (and in all cases upon the City's request) with respect to environmental matters. Developer Parties shall bear sole responsibility for all aspects of the Remediation Work, including, without limitation, removing and closing any identified underground storage tanks ("USTs") in accordance with applicable regulations, including 41 Ill. Adm. Code Part 175, and addressing any identified leaking USTs in accordance with 35 Ill. Adm. Code Part 734. Developer Parties shall promptly transmit to the City copies of all Environmental Documents prepared or received with respect to the Remediation Work, including, without limitation, any written communications delivered to or received from the IEPA or other regulatory agencies. Developer Parties acknowledge and agree that the City will not issue a Certificate (as defined in Section 7.01(a)) for the Property until the IEPA has issued, the City has approved, and Developer Parties have recorded a Final NFR Letter for the Property with the Office of the Recorder of Deeds of Cook Count. Developer Parties must abide by the terms and conditions of the Final NFR Letter.

(i) Release and Indemnification. The Developer Parties, on behalf of themselves or anyone claiming by, through, or under them, hereby release, relinquish and forever discharge the City from and against any and all Losses which the Developer Parties ever had, now have, or hereafter may have, whether grounded in tort or contract or otherwise, in any and all courts or other forums, of whatever kind or nature, whether known or unknown, arising out of or in any way connected with, directly or indirectly (a) any environmental contamination, pollution or hazards associated with the Property or any improvements, facilities or operations located or formerly located thereon, including, without limitation, any release, emission, discharge, generation, transportation, treatment, storage or disposal of Hazardous Materials, or threatened release, emission or discharge of Hazardous Materials; (b) the structural, physical or environmental condition of the Property, including, without limitation, the presence or suspected presence of Hazardous Materials in, on, under or about the Property or the migration of Hazardous Materials from or to other property; (c) any violation of, compliance with, enforcement of or liability under any Environmental Laws, including, without limitation, any Losses arising under CERCLA, and (d) any investigation, cleanup, monitoring, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision or other third party in connection or associated with the Property or any improvements, facilities or operations located or formerly located thereon (collectively, "Released Claims"). Furthermore, Developer Parties shall defend, indemnify, and hold the City harmless from and against any and all Losses which may be made or asserted by any third parties arising out of or in any way connected with, directly or indirectly, any of the Released Claims, regardless of whether caused by, or within the control of the Developer Parties.

(j) Release Runs with the Property. The covenant of release in Section 3.13(i) above shall run with the Property, and shall be binding upon all successors and assigns of the Developer Parties with respect to the Property, including, without limitation, each and every person, firm, corporation, limited liability company, trust or other entity owning, leasing, occupying, using or possessing any portion of the Property under or through the Developer Parties following the date of the Deed. Developer Parties acknowledge and agree that the foregoing covenant of release constitutes a material inducement to the City to enter into this Agreement, and that, but for such release, the City would not have agreed to convey the Property to Sponsor. It is expressly agreed and understood by and between Developer Parties and the City that, should any future obligation of any Developer Party arise or be alleged to arise in connection with any environmental, soil or other condition of the Property, Developer Parties shall not assert that those obligations must be

satisfied in whole or in part by the City, because Section 3.13(i) contains a full, complete and final release of all such claims.

(k) Developer Parties' Use of City's Right of Way. The City has retained a certain portion of real property, legally described as follows, directly adjacent to the Property for its use as a right of way (the "ROW"): The City hereby agrees to enter into a license agreement with the Developer Parties to use the ROW for the purpose of constructing the Project from the date hereof to and until the completion of the Project, subject to the Developer Parties' compliance with the terms of this Agreement and the license agreement. Developer Parties covenant to maintain the condition of the ROW throughout the term of this license and, if necessary, pave the ROW with asphalt upon completion of the construction of the Project.

(l) Notification to the Cook County Assessor of Change in Use and Ownership. Prior to the Closing Date, Developer Parties shall complete a letter of notification, in accordance with 35 ILCS 200/15-20, notifying the Cook County Assessor that there has been a change in use and ownership of the Property. On the Closing Date, Developer Parties shall pay to the Title Company the cost of sending the notification to the Cook County Assessor via certified mail, return receipt requested. After delivery of the notification, Developer Parties shall forward a copy of the return receipt to DPD, with a copy to the City's Corporation Counsel's office.

(m) Survival. This Section 3.13 shall survive the Closing Date or any termination of this Agreement (regardless of the reason for such termination).

SECTION 4. FINANCING

4.01 Total Project Cost and Sources of Funds. The cost of the Project is estimated to be \$40,532,796 to be applied in the manner stated in the Project Budget and funded from the sources identified in Exhibit K.

4.02 Developer Parties' Funds. Equity and/or Lender Financing may be used to pay any Project cost, including but not limited to Redevelopment Project Costs.

4.03 City Funds.

(a) Uses of City Funds. City Funds may only be used to pay directly or reimburse Developer Parties for costs of TIF-Funded Improvements that constitute Redevelopment Project Costs. Exhibit C sets forth, by line item, the TIF-Funded Improvements for the Project, and the maximum amount of costs that may be paid by or reimbursed from City Funds for each line item therein (subject to Sections 4.03(b) and 4.05(d)), contingent upon receipt by the City of documentation satisfactory in form and substance to DPD evidencing such cost and its eligibility as a Redevelopment Project Cost.

(b) Sources of City Funds. Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03 and Section 5 hereof, the City hereby agrees to provide City funds from the sources and in the amounts described directly below (the "City Funds") to pay for or reimburse Developer Parties for the costs of the TIF-Funded Improvements:

<u>Source of City Funds</u>	<u>Maximum Amount</u>
Available Incremental Taxes	\$10,100,000

provided, however, that the total amount of City Funds expended for TIF-Funded Improvements shall be an amount not to exceed \$10,100,000; and provided further, that the \$10,100,000 to be derived from Available Incremental Taxes and/or TIF Bond proceeds, if any shall be available to pay costs related to TIF-Funded Improvements and allocated by the City for that purpose only so long as (i) the amount of the Available Incremental Taxes deposited into the Redevelopment Project Area Special TIF Allocation Fund shall be sufficient to pay for such costs.

The Developer Parties acknowledge and agree that the City's obligation to pay for TIF-Funded Improvements up to a maximum of \$10,100,000 is contingent upon the fulfillment of the conditions set forth in part (i) above. In the event that such conditions are not fulfilled, the amount of Equity to be contributed by the Developer Parties pursuant to Section 4.01 hereof shall increase proportionately.

(c) City Funds. Subject to the conditions and terms of this Agreement, including but limited to this Section 4.03, Section 4.07 and Section 5 hereof, the City shall disburse the City Funds in three installments as follows:

(i) \$3,400,000 of the City Funds upon completion of fifty percent of the construction of the Project (based on the amount of expenditures incurred in relation to the Project Budget); and

(ii) \$3,400,000 of the City Funds upon completion of seventy-five percent of the construction of the Project (based on the amount of expenditures incurred in relation to the Project Budget); and

(iii) \$3,300,000 of the City Funds upon the issuance of the Certificate.

4.04 Construction Escrow. The City and the Developer Parties hereby agree to enter into the Escrow Agreement. All disbursements of Project funds (except for the Prior Expenditures and acquisition costs disbursed through a deed and money escrow at the closing) shall be made through the funding of draw requests with respect thereto pursuant to the Escrow Agreement and this Agreement. In case of any conflict between the terms of this Agreement and the Escrow Agreement, the terms of this Agreement shall control. The City must receive copies of any draw requests and related documents submitted to the Title Company for disbursements under the Escrow Agreement.

4.05 Treatment of Prior Expenditures and Subsequent Disbursements.

(a) Prior Expenditures. Only those expenditures made by Developer Parties with respect to the Project prior to the Closing Date, evidenced by documentation satisfactory to DPD and approved by DPD as satisfying costs covered in the Project Budget, shall be considered previously contributed Equity or Lender Financing hereunder (the "Prior Expenditures"). DPD shall have the right, in its sole discretion, to disallow any such expenditure as a Prior Expenditure.

Exhibit I hereto sets forth the prior expenditures approved by DPD as of the date hereof as Prior Expenditures. Prior Expenditures made for items other than TIF-Funded Improvements shall not be reimbursed to Developer Parties, but shall reduce the amount of Equity and/or Lender Financing required to be contributed by Developer Parties pursuant to Section 4.01 hereof.

(b) intentionally omitted

(c) City Fee. Annually, the City may allocate an amount not to exceed 10% of the Incremental Taxes for payment of costs incurred by the City for the administration and monitoring of the Redevelopment Area, including the Project. Such fee shall be in addition to and shall not be deducted from or considered a part of the City Funds, and the City shall have the right to receive such funds prior to any payment of City Funds hereunder.

(d) Allocation Among Line Items. Disbursements for expenditures related to TIF-Funded Improvements may be allocated to and charged against the appropriate line only, with transfers of costs and expenses from one line item to another, without the prior written consent of DPD, being prohibited; provided, however, that such transfers among line items, in an amount not to exceed \$25,000 or \$250,000 in the aggregate, may be made without the prior written consent of DPD.

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

4.07 Preconditions of Disbursement. Prior to each disbursement of City Funds hereunder, Developer Parties shall submit documentation regarding the applicable expenditures to DPD, which shall be satisfactory to DPD in its sole discretion. Delivery by Developer Parties to DPD of any request for disbursement of City Funds hereunder shall, in addition to the items therein expressly set forth, constitute a certification to the City, as of the date of such request for disbursement, that:

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

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

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

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

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

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

(g) the Project is In Balance. The Project shall be deemed to be in balance ("In Balance") only if the total of the available Project funds equals or exceeds the aggregate of the amount necessary to pay all unpaid Project costs incurred or to be incurred in the completion of the Project. "Available Project Funds" as used herein shall mean: (i) the undisbursed City Funds; (ii) the undisbursed Lender Financing, if any; (iii) the undisbursed Equity and (iv) any other amounts deposited by Developer Parties pursuant to this Agreement. Developer Parties hereby agree that, if the Project is not In Balance, Developer Parties shall, within 10 days after a written request by the City, defer developer fee or other amounts due Developer Parties or deposit with the escrow agent or will make available (in a manner acceptable to the City), cash in an amount that will place the Project In Balance, which deposit shall first be exhausted before any further disbursement of the City Funds shall be made.

The City shall have the right, in its discretion, to require Developer Parties to submit further documentation as the City may require in order to verify that the matters certified to above are true and correct, and any disbursement by the City shall be subject to the City's review and approval of such documentation and its satisfaction that such certifications are true and correct in all material respects; provided, however, that nothing in this sentence shall be deemed to prevent the City from relying on such certifications by Developer Parties. In addition, Developer Parties shall have satisfied all other preconditions of disbursement of City Funds for each disbursement, including but not limited to requirements set forth in the Bond Ordinance, if any, TIF Bond Ordinance, if any, the Bonds, if any, the TIF Bonds, if any, the TIF Ordinances, this Agreement and/or the Escrow Agreement.

Notwithstanding any other provision in this Agreement, the City shall not terminate this Agreement or suspend disbursement of the City Funds upon the occurrence of an Event of Default unless foreclosure proceedings have been commenced under any mortgage securing any Lender Financing or a deed in lieu of such foreclosure has been executed and delivered and provided that no lender providing Lender Financing has cured the Event of Default within the curative time period provided under Section 15.03.

4.08 Conditional Grant. The City Funds being provided hereunder are being granted on a conditional basis, subject to the Developer Parties' compliance with the provisions of this Agreement. The City Funds are subject to being reimbursed as provided in Section 15.02 hereof.

4.09 TIF Bonds. The Commissioner of DPD may, in his or her sole discretion, recommend that the City Council approve an ordinance or ordinances authorizing the issuance of TIF Bonds in an amount which, in the opinion of the City Comptroller, is marketable under the then current market conditions. The costs of issuance of the TIF Bonds would be borne solely by the City. The Developer Parties will cooperate with the City in the issuance of the TIF Bonds, as provided in Section 8.05 hereof.

4.10 Permitted Transfers. Notwithstanding anything herein to the contrary, City will permit (i) Limited Partner to remove the General Partner as the general partner of the Partnership, in accordance with the Partnership's limited partnership agreement (the "Partnership Agreement"), provided the substitute general partner is acceptable to City in its reasonable discretion and the City provides its written consent (except no consent of the City shall be required under this Agreement if the substitute general partner is an affiliate of the Limited Partner or NEF), (ii) the General Partner to pledge a lender that is providing Lender Financing (the "Lender") all of the General Partner's rights, title and interest in and to the Developer Parties and under the Partnership Agreement as collateral for the Developer Parties' obligations under the loans made or to be made by the Lender to Developer Parties) and (iii) a transfer by the Limited Partner of its limited partner interest after the Closing Date to an unaffiliated entity with the prior written consent of the City; provided, however, that the prior written consent of DPD shall not be required for a transfer by the Limited Partner of its limited partner interest after the Closing Date to an affiliated entity or an affiliate of NEF, but prior written notice to DPD is required; (iv) a transfer pursuant to a foreclosure, deed in lieu of foreclosure or similar action, of the Citibank mortgage; and (v) a transfer pursuant to the CHA Right of First Refusal Agreement.

SECTION 5. CONDITIONS PRECEDENT

The following conditions have been complied with to the City's satisfaction on or prior to the Closing Date:

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

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

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

5.04 Financing.

(a) Developer Parties will have furnished evidence acceptable to the City that Developer Parties have Equity and Lender Financing, if any, at least in the amounts stated in Section 4.01 and Exhibit K, which are sufficient to complete the Project and satisfy its obligations under this Agreement. If a portion of such financing consists of Lender Financing, Developer Parties will have furnished evidence as of the Closing Date that the proceeds thereof are available to be drawn upon by Developer Parties as needed and are sufficient (along with the Equity and other financing sources, if any, stated in Section 4.01 and Exhibit K) to complete the Project.

(b) Prior to the Closing Date, Partnership will deliver to DPD a copy of the Escrow Agreement.

(c) Any financing liens against the Property and Project in existence at the Closing

Date will be subordinated to certain encumbrances of the City stated in Section 7.02(b) of this Agreement under a subordination agreement, in a form acceptable to the City and substantially in the form attached hereto as Exhibit M, executed on or prior to the Closing Date, which is to be recorded, at the expense of Partnership, in the Office of the Recorder of Deeds of Cook County.

(d) The City agrees that the Developer Parties may collaterally assign their respective interests in this Agreement to any of their lenders if such lender requires such collateral assignment.

5.05 Acquisition and Title. On the Closing Date, Developer Parties have furnished the City with a copy of the Title Policy for the Property, certified by the Title Company, showing Partnership as the named insured. The Title Policy is dated as of the Closing Date and contains only those title exceptions listed as Permitted Liens on Exhibit G hereto and evidences the recording of this Agreement pursuant to the provisions of Section 8.18 hereof. The Title Policy also contains such endorsements as shall be required by Corporation Counsel, including but not limited to an owner's comprehensive endorsement and satisfactory endorsements regarding zoning (3.1 with parking), contiguity, location, access and survey. Partnership has provided to DPD, on or prior to the Closing Date, documentation related to the purchase of the Property and certified copies of all easements and encumbrances of record with respect to the Property not addressed, to DPD's satisfaction, by the Title Policy and any endorsements thereto.

5.06 Evidence of Clean Title. Developer Parties, at their own expense, have provided the City with searches as indicated in the chart below under Developer Parties' names showing no liens against Developer Parties, the Property or any fixtures now or hereafter affixed thereto, except for the Permitted Liens:

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

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

5.08 Insurance. Partnership, at its own expense, has insured the Property in accordance with Section 12 hereof, and has delivered certificates required pursuant to Section 12 hereof evidencing the required coverages to DPD.

5.09 Opinion of Developer Parties' Counsel. On the Closing Date, Developer Parties have furnished the City with an opinion of counsel, substantially in the form attached hereto as Exhibit J, with such changes as required by or acceptable to Corporation Counsel. If any Developer Party has engaged special counsel in connection with the Project, and such special

counsel is unwilling or unable to give some of the opinions set forth in Exhibit J hereto, such opinions were obtained by such Developer Party from its general corporate counsel.

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

5.11 Financial Statements. Developer Parties have provided Financial Statements to DPD for its most recent fiscal year, and audited or unaudited interim financial statements.

5.12 Documentation; Employment Plan. The Partnership has provided documentation to DPD, satisfactory in form and substance to DPD, with respect to current employment matters in connection with the construction or rehabilitation work on the Project, including the reports described in Section 8.07. At least thirty (30) days prior to the Closing Date, the Partnership has met with the Workforce Solutions division of DPD to review employment opportunities with the Partnership after construction or rehabilitation work on the Project is completed. On or before the Closing Date, Partnership has provided to DPD, and DPD has approved, the Employment Plan for the Project (the "Employment Plan"). The Employment Plan includes, without limitation, the Partnership's estimates of future job openings, titles, position descriptions, qualifications, recruiting, training, placement and such other information as DPD has requested relating to the Project.

5.13 Environmental. Partnership has provided DPD with a copy of the RAP Approval Letter and a letter from the environmental engineer(s) who completed the Phase I ESA and any additional site assessments, authorizing the City to rely on such site assessments.

5.14 Corporate Documents; Economic Disclosure Statement. Each Developer Party has provided a copy of its Articles of Incorporation, containing the original certification of the Secretary of State of its state of incorporation; certificates of good standing from the Secretary of State of its state of organization and all other states in which such Developer Party is qualified to do business; a secretary's certificate in such form and substance as the Corporation Counsel may require; partnership agreement; bylaws; and such other corporate documentation as the City has requested.

Developer Parties have each provided to the City an EDS, dated as of the Closing Date, which is incorporated by reference, and Partnership and Sponsor further will provide any other affidavits or certifications as may be required by federal, state or local law in the award of public contracts, all of which affidavits or certifications are incorporated by reference. Notwithstanding acceptance by the City of the EDS, failure of the EDS to include all information required under the Municipal Code renders this Agreement voidable at the option of the City. Developer Parties and any other parties required by this Section 5.14 to complete an EDS must promptly update their EDS(s) on file with the City whenever any information or response provided in the EDS(s) is no longer complete and accurate, including changes in ownership and changes in disclosures and information pertaining to ineligibility to do business with the City under Chapter 1-23 of the Municipal Code, as such is required under Sec. 2-154-020, and failure to promptly provide the updated EDS(s) to the City will constitute an event of default under this Agreement.

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

SECTION 6. AGREEMENTS WITH CONTRACTORS

6.01 Bid Requirement for General Contractor and Subcontractors. The Partnership represents that prior to entering into an agreement with a General Contractor or any subcontractor for construction of the Project, Partnership has solicited, or has caused the General Contractor to solicit, bids from qualified contractors eligible to do business with, and having an office located in, the City of Chicago, and has submitted all bids received to DPD for its inspection and written approval. (i) For the TIF-Funded Improvements, Partnership has selected the General Contractor (or has caused the General Contractor to select the subcontractor) submitting the lowest responsible bid who can complete the Project in a timely manner. If Partnership selected a General Contractor (or the General Contractor selects any subcontractor) submitting other than the lowest responsible bid for the TIF-Funded Improvements, the difference between the lowest responsible bid and the bid selected may not be paid out of City Funds. (ii) For Project work other than the TIF-Funded Improvements, if Partnership selected a General Contractor (or the General Contractor selects any subcontractor) who did not submit the lowest responsible bid, the difference between the lowest responsible bid and the higher bid selected shall be subtracted from the actual total Project costs for purposes of the calculation of the amount of City Funds to be contributed to the Project pursuant to Section 4.03(b) hereof. Partnership has submitted copies of the Construction Contract to DPD in accordance with Section 6.02 below. Photocopies of all subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to DPD within five (5) business days of the execution thereof. Partnership represents that the General Contractor has not (and has caused the General Contractor to ensure that the subcontractors have not) begin work on the Project until the Plans and Specifications have been approved by DPD and all requisite permits have been obtained.

6.02 Construction Contract. Prior to the execution thereof, Partnership shall deliver to DPD a copy of the proposed Construction Contract with the General Contractor selected to handle the Project in accordance with Section 6.01 above, for DPD's prior written approval, which shall be granted or denied within ten (10) business days after delivery thereof. Within ten (10) business days after execution of such contract by Partnership, the General Contractor and any other parties thereto, Partnership shall deliver to DPD and Corporation Counsel a certified copy of such contract together with any modifications, amendments or supplements thereto.

6.03 Performance and Payment Bonds. Prior to commencement of construction of any portion of the Project, Partnership shall require that the General Contractor be bonded for its performance and payment by sureties having an AA rating or better using American Institute of Architect's Form No. A311 or its equivalent. Prior to the commencement of any portion of the Project which includes work on the public way, Partnership shall require that the General Contractor be bonded for its payment by sureties having an AA rating or better using a bond in

the form attached as Exhibit N hereto. The City shall be named as obligee or co-obligee on any such bonds.

6.04 Employment Opportunity. Partnership shall contractually obligate and cause the General Contractor and each subcontractor to agree to the provisions of Section 10 hereof.

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

SECTION 7. COMPLETION OF CONSTRUCTION

7.01 Certificate of Completion of Construction.

(a) Upon completion of the construction of the Project in compliance with the terms and conditions of this Agreement, and upon Partnership's written request, DPD will issue to Developer Parties a recordable certificate of completion of construction (the "Certificate") certifying that Developer Parties have fulfilled their obligations to complete the Project in compliance with the terms and conditions of this Agreement. DPD will respond to Developer Parties' written request for a Certificate within 45 days by issuing either a Certificate or a written statement detailing the ways in which the Project does not conform to this Agreement or has not been satisfactorily completed and the measures which must be taken by Developer Parties in order to obtain the Certificate. Partnership may resubmit a written request for a Certificate upon completion of such measures, and the City will respond within 45 days in the same way as the procedure for the initial request. Such process may repeat until the City issues a Certificate.

(b) Each Developer Party acknowledges and understands that the City will not issue a Certificate if there exists an Event of Default which is continuing or there exists a condition or event, which, with the giving of notice or the passage of time or both, would constitute an Event of Default. Each Developer Party further acknowledges and understands that the City will not issue the Certificate until (i) the City's Monitoring and Compliance unit has determined in writing that Partnership is in complete compliance with all City requirements (M/WBE, City residency and prevailing wage) as required in this Agreement, (ii) the Project, including all 100 residential units and all related improvements, has been completed, and (iii) Developer Parties have received a Certificate of Occupancy from the City or other evidence reasonably acceptable to DPD that the Developer Parties have complied with building permit requirements.

7.02 Effect of Issuance of Certificate; Continuing Obligations. (a) The Certificate relates only to the construction of the Project, and upon its issuance, the City will certify that the terms of the Agreement specifically related to Developer Parties' obligation to complete such activities have been satisfied. After the issuance of a Certificate, however, all executory terms and

conditions of this Agreement and all representations and covenants contained herein will continue to remain in full force and effect throughout the Term of the Agreement as to the parties described in the following paragraph, and the issuance of the Certificate shall not be construed as a waiver by the City of any of its rights and remedies pursuant to such executory terms.

(b) Those covenants specifically described at Sections 8.02, 8.06, 8.19 and 8.24 as covenants that run with the land are the only covenants in this Agreement intended to be binding upon any transferee of the Property (including an assignee as described in the following sentence) throughout the Term of the Agreement notwithstanding the issuance of a Certificate; provided, that upon the issuance of a Certificate, the covenants set forth in Section 8.02 shall be deemed to have been fulfilled. The other executory terms of this Agreement that remain after the issuance of a Certificate shall be binding only upon each Developer Party or a permitted assignee of such Developer Party who, pursuant to Section 18.14 of this Agreement, has contracted to take an assignment of such Developer Party's rights under this Agreement and assume such Developer Party's liabilities hereunder.

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

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

(b) the right (but not the obligation) upon not less than thirty (30) days prior written notice to Partnership to complete those TIF-Funded Improvements that are public improvements and to pay for the costs of TIF-Funded Improvements (including interest costs) out of City Funds or other City monies. In the event that the aggregate cost of completing the TIF-Funded Improvements exceeds the amount of City Funds available pursuant to Section 4.01, Partnership shall reimburse the City for all reasonable costs and expenses incurred by the City in completing such TIF-Funded Improvements in excess of the available City Funds; and

(c) the right to seek reimbursement of the City Funds from the Developer Parties, provided that the City is entitled to rely on an opinion of counsel that such reimbursement will not jeopardize the tax-exempt status of the TIF Bonds.

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

SECTION 8. COVENANTS/REPRESENTATIONS/WARRANTIES OF DEVELOPER PARTIES.

8.01 General. Each Developer Party represents, warrants and covenants, as of the date of this Agreement and as of the date of each disbursement of City Funds hereunder, as follows. Representations, warranties and covenants denoted (Partnership only), (Sponsor only), (General Partner only) shall be deemed to have been made only by Partnership, Sponsor, or General Partners as applicable; otherwise, they shall be deemed to each.

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

(b) General Partner and Sponsor are each an Illinois not-for-profit corporation, duly organized, validly existing and in good standing (General Partner and Sponsor only);

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

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

(e) unless otherwise permitted or not prohibited pursuant to or under the terms of this Agreement, Sponsor shall acquire and shall maintain, or Partnership shall maintain, good, indefeasible and merchantable fee simple title to the Property (and all improvements thereon) free and clear of all liens (except for the Permitted Liens, Lender Financing as disclosed in the Project Budget and non-governmental charges that Partnership is contesting in good faith pursuant to Section 8.15 hereof);

(f) Developer Parties are now and for the Term of the Agreement shall remain solvent and able to pay their debts as they mature;

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

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

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

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

(k) prior to the issuance of a Certificate, Partnership shall not do any of the following without the prior written consent of DPD: (1) be a party to any merger, liquidation or consolidation;

(2) sell, transfer, convey, lease or otherwise dispose of all or substantially all of its assets or any portion of the Property (including but not limited to any fixtures or equipment now or hereafter attached thereto) except in the ordinary course of business; (3) enter into any transaction outside the ordinary course of Partnership's business; (4) assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity; or (5) enter into any transaction that would cause a material and detrimental change to Partnership's financial condition (Partnership only);

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

(m) None of the Developer Parties has not made or caused to be made, directly or indirectly, any payment, gratuity or offer of employment in connection with the Agreement or any contract paid from the City treasury or pursuant to City ordinance, for services to any City agency ("City Contract") as an inducement for the City to enter into the Agreement or any City Contract with such Developer Party in violation of Chapter 2-156-120 of the Municipal Code;

(n) None of the Developer Parties nor any affiliate of thereof 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. For purposes of this subparagraph (m) only, the term "affiliate," when used to indicate a relationship with a specified person or entity, means 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.

(o) Developer Parties understand that (i) the City Funds are limited obligations of the City, payable solely from moneys on deposit in the Redevelopment Project Area Special Tax Allocation Fund TIF Fund; (ii) the City Funds do not constitute indebtedness of the City within the meaning of any constitutional or statutory provision or limitation; (iii) Developer Parties will have no right to compel the exercise of any taxing power of the City for payment of the City Funds; and (iv) the City Funds do not and will not represent or constitute a general obligation or a pledge of the faith and credit of the City, the State of Illinois or any political subdivision thereof;

(p) Developer Parties have sufficient knowledge and experience in financial and business matters, including municipal projects and revenues of the kind represented by the City

Funds, and has been supplied with access to information to be able to evaluate the risks associated with the receipt of City Funds;

(q) Developer Parties understand that there is no assurance as to the amount or timing of receipt of City Funds, and that the amounts of City Funds actually received by such party are likely to be substantially less than the maximum amounts set forth in Section 4.03(b);

(r) Developer Parties understand they may not sell, assign, pledge or otherwise transfer its interest in this Agreement or City Funds in whole or in part except in accordance with the terms of Section 18.14 of this Agreement, and, to the fullest extent permitted by law, agrees to indemnify the City for any losses, claims, damages or expenses relating to or based upon any sale, assignment, pledge or transfer of City Funds in violation of this Agreement; and

(s) Developer Parties acknowledge that with respect to City Funds, the City has no obligation to provide any continuing disclosure to the Electronic Municipal Market Access System maintained by the Municipal Securities Rulemaking Board, to any holder of a note relating to City Funds or any other person under Rule 15c2-12 of the Commission promulgated under the Securities Exchange Act of 1934 or otherwise, and shall have no liability with respect thereto.

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

8.03 Redevelopment Plan. Developer Parties represent that the Project is and shall be in compliance with all of the terms of the Redevelopment Plan, which is hereby incorporated by reference into this Agreement.

8.04 Use of City Funds. City Funds disbursed to Developer Parties shall be used by Developer Parties solely to pay for (or to reimburse Developer Parties for their payment for) the TIF-Funded Improvements as provided in this Agreement.

8.05 Other Bonds. Developer Parties shall, at the request of the City, agree to any reasonable amendments to this Agreement that are necessary or desirable in order for the City to issue (in its sole discretion) any bonds in connection with the Redevelopment Area, the proceeds of which may be used to reimburse the City for expenditures made in connection with, or provide a source of funds for the payment for, the TIF-Funded Improvements (the "Bonds"); provided, however, that any such amendments shall not have a material adverse effect on Developer Parties or the Project. Developer Parties shall, at Developer Parties' expense, cooperate and provide reasonable assistance in connection with the marketing of any such Bonds, including but not limited to providing written descriptions of the Project, making

representations, providing information regarding its financial condition and assisting the City in preparing an offering statement with respect thereto.

8.06 Job Creation.

The Developer Parties anticipate that the Project will result in the creation of (i) three and one-half full-time equivalent permanent jobs (the "Permanent Jobs"), and (ii) approximately seventy full-time equivalent, construction jobs at the Project during the construction thereof (the "Construction Jobs," and collectively with the Permanent Jobs, the "Jobs"). Throughout the Term of the Agreement, the Developer Parties shall submit certified employment reports disclosing the number of Jobs at the Project to DPD as a part of the Developer Parties' submission of the Annual Compliance Report. Notwithstanding any other provision in this Agreement to the contrary, the failure to create the specified number of Jobs shall not constitute an Event of Default.

8.07 Employment Opportunity; Progress Reports. Developer Parties covenant and agree to abide by, and contractually obligate and use reasonable efforts to cause the General Contractor and each subcontractor to abide by the terms set forth in Section 10 hereof. Developer Parties shall deliver to the City written progress reports detailing compliance with the requirements of Sections 8.09, 10.02 and 10.03 of this Agreement. Such reports shall be delivered to the City when the Project is 25%, 50%, 75% and 100% completed (based on the amount of expenditures incurred in relation to the Project Budget). If any such reports indicate a shortfall in compliance, Developer Parties shall also deliver a plan to DPD which shall outline, to DPD's satisfaction, the manner in which Developer Parties shall correct any shortfall.

8.08 Employment Profile. Partnership shall submit, and contractually obligate and cause the General Contractor or any subcontractor to submit, to DPD, from time to time, statements of its employment profile upon DPD's request.

8.09 Prevailing Wage. The Developer Parties covenant and agree to pay, and to contractually obligate and cause the General Contractor to pay and to contractually cause each subcontractor to pay, the prevailing wage rate as ascertained by the federal government pursuant to the Davis-Bacon Act, to all their respective employees working on constructing the Project or otherwise completing the TIF-Funded Improvements. All such contracts will list the specified rates to be paid to all laborers, workers and mechanics for each craft or type of worker or mechanic employed pursuant to such contract. If federal prevailing wage rates are revised, the revised rates will apply to all such contracts. Upon the City's request, Developer Parties will provide the City with copies of all such contracts entered into by Developer Parties or the General Contractor to evidence compliance with this Section 8.09.

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

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

8.12 Disclosure of Interest. None of the Developer Parties' counsel has direct or indirect financial ownership interest in a Developer Party, the Property or any other aspect of the Project.

8.13 Financial Statements. Partnership shall obtain and provide to DPD Financial Statements for Partnership's fiscal year ended 2019 and each year thereafter for the Term of the Agreement. In addition, Partnership shall submit unaudited financial statements as soon as reasonably practical following the close of each fiscal year and for such other periods as DPD may request.

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

8.15 Non-Governmental Charges.

(a) Payment of Non-Governmental Charges. Except for the Permitted Liens, and subject to subsection (b) below, Developer Parties agree to pay or cause to be paid when due any Non-Governmental Charges assessed or imposed upon the Project, or any fixtures that are or may become attached thereto and which are owned by a Developer Party, which create, may create, or appear to create a lien upon all or any portion of the Project; provided however, that if such Non-Governmental Charges may be paid in installments, Developer Parties may pay the same together with any accrued interest thereon in installments as they become due and before any fine, penalty, interest, or cost may be added thereto for nonpayment. Developer Parties will furnish to DPD, within thirty (30) days of DPD's request, official receipts from the appropriate entity, or other evidence satisfactory to DPD, evidencing payment of the Non-Governmental Charges in question.

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

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

8.15); or

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

8.16 Developer's Liabilities. No Developer Party shall enter into any transaction that would materially and adversely affect its ability to perform its obligations hereunder or to repay any material liabilities or perform any material obligations of a Developer Party to any other person or entity. Each Developer Party shall immediately notify DPD of any and all events or actions which may materially affect a Developer Party's ability to carry on its business operations or perform its obligations under this Agreement or any other documents and agreements.

8.17 Compliance with Laws. To the best of each Developer Party's knowledge, after diligent inquiry, the Property and the Project are and shall be in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, executive orders and codes pertaining to or affecting the Project and the Property. Upon the City's request, Developer Parties shall provide evidence satisfactory to the City of such compliance.

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

8.19 Real Estate Provisions.

(a) Governmental Charges.

(i) Payment of Governmental Charges. Subject to subsection (ii) below, Developer Parties agree to pay or cause to be paid when due all Governmental Charges (as defined below) which are assessed or imposed upon Developer Parties, the Property or the Project, or become due and payable, and which create, may create, or appear to create a lien upon Developer Parties or all or any portion of the Property or the Project. "**Governmental Charge**" means all Federal, State, county, the City, or other governmental (or any instrumentality, division, agency, body, or department thereof) taxes, levies, assessments, charges, liens, claims or encumbrances (except for those assessed by foreign nations, states other than the State of Illinois, counties of the State other than Cook County, and municipalities other than the City) relating to Developer Parties, the Property, or the Project, including but not limited to real estate taxes.

(ii) Right to Contest. Developer Parties have the right before any delinquency occurs to contest or object in good faith to the amount or validity of any Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted in such manner as shall stay the collection of the contested Governmental Charge and prevent the imposition of a lien or the sale or transfer or forfeiture of the Property. No such contest or objection will be deemed or construed in any way as relieving, modifying or extending Developer Parties' covenants to pay any such Governmental Charge at the time and in the manner provided in this Agreement unless Partnership has given prior written notice to DPD of a Developer Party's intent to contest or object to a Governmental Charge and, unless, at DPD's sole option:

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

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

(b) Developer Parties' Failure To Pay Or Discharge Lien. If Developer Parties fail to pay or contest any Governmental Charge or to obtain discharge of the same as required by this Section 8.19, Partnership will advise DPD thereof in writing, at which time DPD may, but will not be obligated to, and without waiving or releasing any obligation or liability of Developer Parties under this Agreement, in DPD's sole discretion, make such payment, or any part thereof, or obtain such discharge and take any other action with respect thereto which DPD deems advisable. All sums so paid by DPD, if any, and any expenses, if any, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto, will be promptly disbursed to DPD by Developer Parties. Notwithstanding anything contained herein to the contrary, this paragraph must not be construed to obligate the City to pay any such Governmental Charge. Additionally, if Developer Parties fail to pay any Governmental Charge, the City, in its sole discretion, may require Developer Parties to submit to the City audited Financial Statements at Developer Parties' own expense.

8.20 Annual Report(s). (a) Beginning with the issuance of the Certificate and continuing throughout the Term of the Agreement, Partnership shall submit to DPD the Annual Compliance Report within 30 days after the end of the calendar year to which the Annual Compliance Report relates.

8.21 Inspector General. It is the duty of each Developer Party and the duty of any bidder, proposer, contractor, subcontractor, and every applicant for certification of eligibility for a City contract or program, and all of a Developer Party's officers, directors, agents, partners, and employees and any such bidder, proposer, contractor, subcontractor or such applicant: (a) to cooperate with the Inspector General in any investigation or hearing undertaken pursuant to Chapter 2-56 of the Municipal Code, and (b) to cooperate with the Legislative Inspector General in any investigation undertaken pursuant to Chapter 2-55 of the Municipal Code. Each Developer Party represents that it understands and will abide by all provisions of Chapter 2-56 and 2-55 of the Municipal Code and that it will inform subcontractors of this provision and require their compliance.

8.22 Enterprise Green Communities Certification. Not later than the second anniversary of the Certificate issuance, the Partnership shall provide evidence of Enterprise Green Communities Certification.

8.23. FOIA and Local Records Act Compliance.

(a) FOIA. The Developer Parties acknowledge that the City is subject to the Illinois Freedom of Information Act, 5 ILCS 140/1 et. seq., as amended ("FOIA"). The FOIA requires the City to produce records (very broadly defined in FOIA) in response to a FOIA request in a very short period of time, unless the records requested are exempt under the FOIA. If the Developer Parties receive a request from the City to produce records within the scope of FOIA, then the Developer Parties covenants to comply with such request within 48 hours of the date of such request. Failure by the Developer Parties to timely comply with such request shall be an Event of Default.

(b) Exempt Information. Documents that the Developer Parties submit to the City under Section 8.21, (Annual Compliance Report) or otherwise during the Term of the Agreement that contain trade secrets and commercial or financial information may be exempt if disclosure would result in competitive harm. However, for documents submitted by the Developer Parties to be treated as a trade secret or information that would cause competitive harm, FOIA requires that Developer Parties mark any such documents as "proprietary, privileged or confidential." If the Developer Party marks a document as "proprietary, privileged and confidential", then DPD will evaluate whether such document may be withheld under the FOIA. DPD, in its discretion, will determine whether a document will be exempted from disclosure, and that determination is subject to review by the Illinois Attorney General's Office and/or the courts.

(c) Local Records Act. The Developer Parties acknowledge that the City is subject to the Local Records Act, 50 ILCS 205/1 et. seq, as amended (the "Local Records Act"). The Local Records Act provides that public records may only be disposed of as provided in the Local Records Act. If requested by the City, the Developer Parties covenant to use its best efforts consistently applied to assist the City in its compliance with the Local Records Act

8.24 Affordable Housing Covenant.

(a) Affordable Units. Of the 100 units comprising the Project, 50 units (or 50% of the Project's units) shall be CHA-RAD LIHTC Units affordable to households with incomes not greater

than 60% AMI, and 100 units (or 100% of the Project's units) shall be affordable to households with AMI not greater than 60% AMI.

(b) CHA-RAD LIHTC Units. The Developer Parties agree and covenant to the City that, prior to any foreclosure of the Property by a lender providing Lender Financing, the provisions of that certain City Regulatory Agreement executed by the City and Partnership as of the date hereof shall govern the terms of the Developer Parties' obligation to provide affordable housing. Following foreclosure, if any, and from the date of such foreclosure through the Term of the Agreement, the following provisions shall govern the terms of the obligation to provide affordable housing under this Agreement:

(i) During the term of the RAD Use Agreement and HAP Contract, the CHA-RAD LIHTC Units shall be operated and maintained solely as residential rental housing;

(ii) All of the CHA-RAD LIHTC Units shall be available for occupancy to and be occupied solely by Low Income Families (as defined below) upon initial occupancy; and

(iii) As used in this Section 8.24, the following terms have the following meanings:

(A) "Family" shall mean one or more individuals, whether or not related by blood or marriage; and

(B) "Low Income Families" shall mean Families whose annual income does not exceed sixty percent (60%) of the Chicago-area median income, adjusted for Family size, as such annual income and Chicago-area median income are determined from time to time by the United States Department of Housing and Urban Development, and thereafter such income limits shall apply to this definition.

(c) The covenants set forth in this Section 8.24 shall run with the land and be binding upon any transferee.

(d) The City and Developer Parties may enter into a separate agreement to implement the provisions of this.

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

SECTION 9. COVENANTS/REPRESENTATIONS/WARRANTIES OF CITY

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

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

SECTION 10. DEVELOPER PARTIES' EMPLOYMENT OBLIGATIONS

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

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

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

(c) Each Employer shall comply with all federal, state and local equal employment and affirmative action statutes, rules and regulations, including but not limited to the City's Human Rights Ordinance and the Illinois Human Rights Act, 775 ILCS 5/1-101 et seq. (1993), and any subsequent amendments and regulations promulgated thereto.

(d) Each Employer, in order to demonstrate compliance with the terms of this Section, shall cooperate with and promptly and accurately respond to inquiries by the City, which has the

responsibility to observe and report compliance with equal employment opportunity regulations of federal, state and municipal agencies.

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

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

10.02 City Resident Construction Worker Employment Requirement. Developer Parties agree for themselves and its successors and assigns, and shall contractually obligate its General Contractor and shall cause the General Contractor to contractually obligate its subcontractors, as applicable, to agree, that during the construction of the Project they shall comply with the minimum percentage of total worker hours performed by actual residents of the City as specified in Section 2-92-330 of the Municipal Code (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, Developer Parties, its General Contractor and each subcontractor shall be required to make good faith efforts to utilize qualified residents of the City in both unskilled and skilled labor positions.

Developer Parties 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 in accordance with standards and procedures developed by the Chief Procurement Officer of the City.

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

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

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

Upon 5 Business Days prior written notice, Developer Parties, the General Contractor and each subcontractor shall provide full access to their employment records to the Chief Procurement Officer, the Commissioner of DPD, the Superintendent of the Chicago Police Department, the Inspector General or any duly authorized representative of any of them. Developer Parties, the General Contractor and each subcontractor shall maintain all relevant personnel data and records for a period of at least three (3) years after final acceptance of the work constituting the Project.

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

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

When work at the Project is completed, in the event that the City has determined that Developer Parties has failed to ensure the fulfillment of the requirement of this Section concerning the worker hours performed by actual Chicago residents or failed to report in the manner as indicated above, the City will thereby be damaged in the failure to provide the benefit of demonstrable employment to Chicagoans to the degree stipulated in this Section. Therefore, in such a case of non-compliance, it is agreed that 1/20 of 1 percent (0.0005) of the aggregate hard construction costs set forth in the Project budget (the product of .0005 x such aggregate hard construction costs) (as the same shall be evidenced by approved contract value for the actual contracts) shall be surrendered by Developer Parties 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 Developer Parties, the General Contractor and/or the subcontractors to prosecution. Any retainage to cover contract performance that may become due to Developer Parties pursuant to Section 2-92-250 of the Municipal Code may be withheld by the City pending the Chief Procurement Officer's determination as to whether Developer Parties must surrender damages as provided in this paragraph.

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

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

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

(a) Consistent with the findings which support, as applicable, (i) the Minority-Owned and Women-Owned Business Enterprise Procurement Program, Section 2-92-420 et seq., Municipal Code (the "Procurement Program"), and (ii) the Minority- and Women-Owned Business Enterprise Construction Program, Section 2-92-650 et seq., Municipal Code (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 10.03, during the course of the Project, at least the following percentages of the MBE/WBE Budget (as set forth in Exhibit H-2 hereto) shall be expended for contract participation by MBEs and by WBEs:

- (1) At least 26 percent by MBEs.
- (2) At least six percent by WBEs.

(b) For purposes of this Section 10.03 only, Developer Parties (and any party to whom a contract is let by Developer Parties in connection with the Project) shall be deemed a “contractor” and this Agreement (and any contract let by Partnership 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, as applicable.

(c) Consistent with Sections 2-92-440 and 2-92-720, Municipal Code, Developer Parties MBE/WBE commitment may be achieved in part by Developer Parties' status as an MBE or WBE (but only to the extent of any actual work performed on the Project by Developer Parties) 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 Developer Parties 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 Developer Parties' MBE/WBE commitment as described in this Section 10.03. In accordance with Section 2-92-730, Municipal Code, Developer Parties shall not substitute any MBE or WBE General Contractor or subcontractor without the prior written approval of DPD.

(d) Partnership shall deliver quarterly reports to the City's monitoring staff 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 Developer Parties 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 the City's monitoring staff in determining Developer Parties' compliance with this MBE/WBE commitment. Developer Parties 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 the City's monitoring staff shall have access to all such records maintained by Developer Parties, on five Business Days' notice, to allow the City to review Developer Parties' 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, Developer Parties 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, as applicable.

(f) Any reduction or waiver of Developer Parties' MBE/WBE commitment as described in this Section 10.03 shall be undertaken in accordance with Sections 2-92-450 and 2-92-730, Municipal Code, as applicable.

(g) Prior to the commencement of the Project, Partnership shall be required to meet with the City's monitoring staff with regard to Developer Parties' compliance with its obligations under this Section 10.03. The General Contractor and all major subcontractors shall be required to attend this pre-construction meeting. During said meeting, Partnership shall demonstrate to the City's monitoring staff its plan to achieve its obligations under this Section 10.03, the sufficiency of which shall be approved by the City's monitoring staff. During the Project, Partnership shall submit the documentation required by this Section 10.03 to the City's monitoring staff, including the following: (i) subcontractor's activity report; (ii) contractor's certification concerning labor standards and prevailing wage requirements; (iii) contractor letter of understanding; (iv) monthly utilization report; (v) authorization for payroll agent; (vi) certified payroll; (vii) evidence that MBE/WBE contractor associations have been informed of the Project via written notice and hearings; and (viii) evidence of compliance with job creation/job retention requirements. Failure to submit such documentation on a timely basis, or a determination by the City's monitoring staff, upon analysis of the documentation, that Partnership is not complying with its obligations under this Section 10.03, shall, upon the delivery of written notice to Partnership, be deemed an Event of Default. Upon the occurrence of any such Event of Default, in addition to any other remedies provided in this Agreement, the City may: (1) issue a written demand to Partnership to halt the Project, (2) withhold any further payment of any City Funds to Developer Parties or the General Contractor, or (3) seek any other remedies against Partnership available at law or in equity.

SECTION 11. ENVIRONMENTAL MATTERS

The Developer hereby represents and warrants to the City that the Developer has conducted environmental studies sufficient to conclude that the Project may be constructed, completed and operated in accordance with all Environmental Laws and this Agreement and all Exhibits attached hereto, the Scope Drawings, Plans and Specifications and all amendments thereto, the Bond Ordinance, if any, and the Redevelopment Plan. The Developer represents and warrants that, as of the Closing Date, it shall deliver true and complete copies of all Environmental Documents.

SECTION 12. INSURANCE

Partnership must provide and maintain, at Partnership's own expense, or cause to be provided and maintained during the term of this Agreement, the insurance coverage and requirements specified below, insuring all operations related to the Agreement.

(a) Prior to execution and delivery of this Agreement.

(i) Workers Compensation and Employers Liability

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

(ii) Commercial General Liability (Primary and Umbrella)

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

(iii) All Risk Property

All Risk Property Insurance at replacement value of the property to protect against loss of, damage to, or destruction of the building/facility. The City is to be named as an additional insured and loss payee/mortgagee if applicable.

(b) Construction. Prior to the construction of any portion of the Project, Partnership will cause its architects, contractors, subcontractors, project managers and other parties constructing the Project to procure and maintain the following kinds and amounts of insurance:

(i) Workers Compensation and Employers Liability

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

(ii) Commercial General Liability (Primary and Umbrella)

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

(iii) Automobile Liability (Primary and Umbrella)

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Automobile Liability Insurance with limits of not less than \$2,000,000

per occurrence for bodily injury and property damage. The City of Chicago is to be named as an additional insured on a primary, non-contributory basis.

(iv) Railroad Protective Liability

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

(v) All Risk /Builders Risk

When Partnership undertakes any construction, including improvements, betterments, and/or repairs, Partnership must provide or cause to be provided All Risk Builders Risk Insurance at replacement cost for materials, supplies, equipment, machinery and fixtures that are or will be part of the project. The City of Chicago is to be named as an additional insured and loss payee/mortgagee if applicable.

(vi) Professional Liability

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

(vii) Valuable Papers

When any plans, designs, drawings, specifications and documents are produced or used under this Agreement, Valuable Papers Insurance must be maintained in an amount to insure against any loss whatsoever, and must have limits sufficient to pay for the re-creation and reconstruction of such records.

(viii) Contractors Pollution Liability

When any remediation work is performed which may cause a pollution exposure, Partnership must cause remediation contractor to provide Contractor Pollution Liability covering bodily injury, property damage and other losses caused by pollution conditions that arise from the contract scope of work with limits of not less than \$1,000,000 per occurrence. Coverage must include completed operations, contractual liability, defense, excavation, environmental cleanup, remediation and disposal. When policies are renewed or replaced, the policy retroactive date must coincide with or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must

have an extended reporting period of two (2) years. The City of Chicago is to be named as an additional insured.

(c) Post Construction:

(i) All Risk Property Insurance at replacement value of the property to protect against loss of, damage to, or destruction of the building/facility. The City is to be named as an additional insured and loss payee/mortgagee if applicable.

(d) Other Requirements:

Partnership must furnish the City of Chicago, Department of Planning and Development, City Hall, Room 1000, 121 North LaSalle Street 60602, original Certificates of Insurance, or such similar evidence, to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. Partnership must submit evidence of insurance on the City of Chicago Insurance Certificate Form (copy attached) or equivalent prior to closing. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. The failure of the City to obtain certificates or other insurance evidence from Partnership is not a waiver by the City of any requirements for Partnership to obtain and maintain the specified coverages. Partnership shall advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance does not relieve Partnership of the obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to stop work and/or terminate agreement until proper evidence of insurance is provided.

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

Any deductibles or self insured retentions on referenced insurance coverages must be borne by Partnership and Contractors.

Partnership hereby waives and agrees to require their insurers to waive their rights of subrogation against the City of Chicago, its employees, elected officials, agents, or representatives.

The coverages and limits furnished by Partnership in no way limit Partnership's liabilities and responsibilities specified within the Agreement or by law.

Any insurance or self insurance programs maintained by the City of Chicago do not contribute with insurance provided by Partnership under the Agreement.

The required insurance to be carried is not limited by any limitations expressed in the indemnification language in this Agreement or any limitation placed on the indemnity in this Agreement given as a matter of law.

If Partnership is a joint venture or limited liability company, the insurance policies must name the joint venture or limited liability company as a named insured.

Partnership must require Contractor and subcontractors to provide the insurance required herein, or Partnership may provide the coverages for Contractor and subcontractors. All Contractors and subcontractors are subject to the same insurance requirements of Partnership unless otherwise specified in this Agreement.

If Partnership, any Contractor or subcontractor desires additional coverages, the party desiring the additional coverages is responsible for the acquisition and cost.

The City of Chicago Risk Management Department maintains the right to modify, delete, alter or change these requirements.

SECTION 13. INDEMNIFICATION

13.01 General Indemnity. Each of Developer Parties agrees to severally, but not jointly, indemnify, pay, defend and hold the City, and its elected and appointed officials, employees, agents and affiliates (individually an "Indemnitee," and collectively the "Indemnites") harmless from and against, any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and disbursements of any kind or nature whatsoever (and including without limitation, the reasonable fees and disbursements of counsel for such Indemnites in connection with any investigative, administrative or judicial proceeding commenced or threatened, whether or not such Indemnites shall be designated a party thereto), that may be imposed on, suffered, incurred by or asserted against the Indemnites in any manner relating or arising out of:

(i) Such Developer Party's failure to comply with any of the terms, covenants and conditions contained within this Agreement; or

(ii) Such Developer Party's or any contractor's failure to pay General Contractors, subcontractors or materialmen in connection with the TIF-Funded Improvements or any other Project improvement; or

(iii) the existence of any material misrepresentation or omission in this Agreement, any official statement, limited offering memorandum or private placement memorandum or the Redevelopment Plan or any other document related to this Agreement that is the result of information supplied or omitted by Developer or any Affiliate Developer or any agents, employees, contractors or persons acting under the control or at the request of Developer or any Affiliate of Developer; or

(iv) a Developer Party's failure to cure any misrepresentation in this Agreement or any other agreement relating hereto; or

- (v) any act or omission by such Developer Party or any of its Affiliates.

provided, however, that a Developer Party shall have no obligation to an Indemnitee arising from the wanton or willful misconduct of that Indemnitee. To the extent that the preceding sentence may be unenforceable because it is violative of any law or public policy, such Developer Party shall contribute the maximum portion that it is permitted to pay and satisfy under the applicable law, to the payment and satisfaction of all indemnified liabilities incurred by the Indemnitees or any of them. The provisions of the undertakings and indemnification set out in this Section 13.01 shall survive the termination of this Agreement.

SECTION 14. MAINTAINING RECORDS/RIGHT TO INSPECT

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

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

SECTION 15. DEFAULT AND REMEDIES

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

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

(b) the failure of a Developer Party to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of such Developer Party under any other agreement with any person or entity if such failure may have a material adverse effect on such Developer Party's business, property, assets, operations or condition, financial or otherwise;

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

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

(e) the commencement of any proceedings in bankruptcy by or against a Developer Party or for the liquidation or reorganization of a Developer Party, or alleging that a Developer Party is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of a Developer Party's debts, whether under the United States Bankruptcy Code or under any other state or federal law, now or hereafter existing for the relief of debtors, or the commencement of any analogous statutory or non-statutory proceedings involving a Developer Party; provided, however, that if such commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such proceedings are not dismissed within 120 days after the commencement of such proceedings;

(f) the appointment of a receiver or trustee for a Developer Party, for any substantial part of a Developer Party's assets or the institution of any proceedings for the dissolution, or the full or partial liquidation, or the merger or consolidation, of a Developer Party; provided, however, that if such appointment or commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such appointment is not revoked or such proceedings are not dismissed within 120 days after the commencement thereof;

(g) the entry of any judgment or order against a Developer Party in excess of \$1,000,000 which remains unsatisfied or undischarged and in effect for sixty (60) days after such entry without a stay of enforcement or execution;

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

(i) the dissolution of a Developer Party or the death of any natural person who owns a material interest in a Developer Party;

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

(k) prior to the expiration of the Term of the Agreement, the sale or transfer all or substantially all of the ownership interests of a Developer Party without the prior written consent of the City, except as otherwise permitted herein, or

(l) The failure of Developer, or the failure by any party that is a Controlling Person (defined in Section 1-23-010 of the Municipal Code) with respect to Developer, to maintain eligibility to do business with the City in violation of Section 1-23-030 of the Municipal Code; such failure shall render this Agreement voidable or subject to termination, at the option of the Chief Procurement Officer.

For purposes of Sections 15.01(i) and 15.01(j) hereof, a person with a material interest in a Developer Party shall be one owning in excess of ten (10%) of such party's membership interests.

15.02 Remedies. Upon the occurrence and during the continuation of an Event of Default, the City may terminate this Agreement and any other agreements to which the City and Developer Parties are or shall be parties, suspend disbursement of City Funds, place a lien on the Project in the amount of City Funds paid, and/or seek reimbursement of any City Funds paid. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to damages, injunctive relief or the specific performance of the agreements contained herein.

15.03 Curative Period. In the event a Developer Party shall fail to perform a monetary covenant which such Developer Party is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless Developer Party has failed to perform such monetary covenant within ten (10) days of its receipt of a written notice from the City specifying that it has failed to perform such monetary covenant. In the event Developer Party shall fail to perform a non-monetary covenant which Developer Party is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless Developer Party has failed to cure such default within thirty (30) days of its receipt of a written notice from the City specifying the nature of the default; provided, however, with respect to those non-monetary defaults which are not capable of being cured within such thirty (30) day period, Developer Party shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

15.04 Right to Cure by the Limited Partner and/or Citibank. If a default occurs under this Agreement and as a result thereof, the City intends to exercise any right or remedy available to it that could result in termination of this Agreement and all related agreements, or the suspension, cancellation, reduction or reimbursement of City Funds disbursed hereunder, or any other remedy under this Agreement, the City shall prior to exercising such right or remedy, send notice of such intended exercise to the Limited Partner and Citibank, and the Limited Partner (including, without limitation, by exercise of management take over rights of the Owner under its partnership agreement) and Citibank shall have the right (but not the obligation) to cure such default as follows:

(a) if a monetary default exists, the Limited Partner may cause to be cured such monetary default within 90 days after the later of (and Citibank, except as provided in Section 15.04(h) below, and the City shall take no action during such 90 day period): (i) the expiration of the cure period, if any, granted under Section 15.03 to Developer Parties with respect to such monetary default; or (ii) receipt by the Limited Partner and Citibank of notice of default from the City. If the Limited Partner does not cause such monetary default to be cured within such 90-day time period set forth in the preceding sentence, then the Citibank may cure such monetary default in the manner set forth in Section 15.04(c); and

(b) if a non-monetary default exists (except for a Personal Developer Default, as later defined), the Limited Partner may cause to be cured such non-monetary default within 90 days after the later of (and Citibank, except as provided in Section 15.04(h) below, and the City shall take no action during such 90 day period): (i) the expiration of the cure period, if any, granted under Section 15.03 to Developer with respect to such non-monetary default; or (ii) receipt by the Limited Partner and Citibank of notice of default from the City. If the Limited Partner does not cause such non-monetary default to be cured within such 90-day time period set forth in the preceding sentence, then Citibank may cure such monetary default in the manner set forth in Section 15.04(d); and

(c) if a monetary default exists, Citibank may cure such monetary default within 60 days after the later of (and the non-electing party and the City shall take no action during such 60-day period): (i) the expiration of the Limited Partner's 90-day cure period; or (ii) receipt by Citibank of notice from the City that the Limited Partner has failed to cure the default within the timeframe set forth in Section 15.04(a) above; and

(d) if a non-monetary default exists (except for a Personal Developer Default), Citibank may cure such non-monetary default within 90 days after the later of (and the non-electing party and the City shall take no action during such 90-day period): (i) the expiration of the Limited Partner's 90-day cure period; or (ii) receipt by Citibank of notice from the City that the Limited Partner has failed to cure the default within the timeframe set forth in Section 15.04(b) above; provided, however, if such non-monetary default is of a nature that is not subject to cure in 90 days, the cure period will be extended for the time period needed to cure such default (including any time period required by Citibank to take control of the Project by initiating foreclosure of its mortgage and/or appointing a receiver) and the City shall forbear from exercising its remedies hereunder so long as diligent and continuous efforts are being pursued to cure such default; and

(e)(1) If such non-monetary default would be an Event of Default set forth in Section 15.01(e), (f), (g), (i), (j) or (l) hereof (each such default being a "Personal Developer Default"), the Limited Partner or Citibank (as applicable and in that strict order as more fully provided in this Section 15.04(e) below and not otherwise, the "Electing Party"), may provide written notice (the "Assumption Notice") to the City and the Limited Partner or Citibank (as applicable, the "Non-Electing Parties") within 30 days of receipt of notice from the City of such Personal Developer Default, as more fully provided in Section 15.04(e)(2) below. Such Assumption Notice, if and when delivered within said 30-day period, shall set forth how the Electing Party shall, in accordance with Section 15.04(e)(2) below, either cure or cause to be cured such Personal Developer Default by the assignment pursuant to Section 18.14 hereof of all of the Developer Parties' rights, obligations and interests in this Agreement to the Electing Party or any other party agreed to in writing by Citibank and the City, which assumption shall be deemed to cure the Personal Developer Default.

(2) Upon receipt by the City and Citibank (as applicable) of an Assumption Notice from the Limited Partner or Citibank, as applicable, pursuant to subsection (e)(1) above, the cure period shall be extended for such reasonable period of time as may be necessary to complete such assignment and assumption of the Developer Parties' rights, obligations and interests in this Agreement (but in no event longer than 120 days without the written consent of the City and the

non-assuming Citibank). If the Limited Partner or Citibank, as applicable, does not (i) provide such Assumption Notice within the 30-day period specified in subsection (e)(1), or (ii) identify to the City and the Non-Electing Parties any other party (which may be an affiliate of the Limited Partner other than any of the Developer Parties) to assume the Developer Parties' rights, obligations and interests in this Agreement within 30 days from the date of the Assumption Notice, then any other such Lender shall have 30 days to cure such Personal Developer Default by the assignment, in accordance with the provisions of Section 18.14 hereof, of all of the Developer Parties' rights, obligations and interests in this Agreement to such Lender, or an affiliate thereof, or any other party agreed to in writing by the Lenders and the City.

(f) If such Personal Developer Default is not cured by the Limited Partner or any Lender within the timeframes set forth in Section 15.04(e), then the City shall have available all remedies set forth in this Agreement, including those in Sections 15.02.

(g) During all such times as a Personal Developer Default exists and remains uncured after the expiration of all cure periods, no payments of City Funds shall occur until such time as such Personal Developer Default is thereafter cured.

(h) The City agrees that at any time during which an Event of Default has occurred under the Lender Financing Documents, during the period that a Lender is diligently and continuously pursuing actions or remedies under the Lender Financing, with or without the Developer Parties, which are intended to cause substantial completion of the Project, and, as part of such actions or remedies, continues to fund or make advances to pay Project costs, the City shall likewise forbear from exercising its remedies under Section 15.02.

(i) Notwithstanding anything to the contrary contained in this Agreement, including, without limitation, the continuation of any cure periods under Section 15.03 and Section 15.04, in the event Lender initiates a foreclosure proceeding, or the Limited Partner and Lender provide a joint notice of discontinuance of actions or remedies intending to achieve substantial completion, the City may immediately commence to exercise any and all of the remedies specified in Section 15.02 above.

SECTION 16. MORTGAGING OF THE PROJECT

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

(a) If a mortgagee or any other party shall succeed to a Developer Party's interest in the Property or any portion thereof by the exercise of remedies under a mortgage or deed of trust (other than an Existing Mortgage or a Permitted Mortgage) whether by foreclosure or deed in lieu

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

(b) If any mortgagee or any other party shall succeed to a Developer Party's interest in the Property or any portion thereof by the exercise of remedies under an Existing Mortgage or a Permitted Mortgage, whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of a Developer Party's interest hereunder in accordance with Section 18.14 hereof, then the City hereby agrees to attorn to and recognize such party as the successor in interest to such Developer Party for all purposes under this Agreement so long as such party accepts all of the executory obligations and liabilities of a "Developer Party" hereunder. Notwithstanding any other provision of this Agreement to the contrary, it is understood and agreed that if such party accepts an assignment of a Developer Party's interest under this Agreement, such party will have no liability under this Agreement for any Event of Default of such Developer Party which occurred prior to the time such party succeeded to the interest of such Developer Party under this Agreement, nor shall the City have the right to record a lien against or otherwise enforce any remedies hereunder against the Project, in which case such Developer Party will be solely responsible. If the City placed a lien on the Project pursuant to Section 15.02 hereof in connection with an Event of Default of a Developer Party which accrued prior to the time such party succeeded to the interest of the Developer Party under this Agreement, the City shall release such lien upon written request to do so by such succeeding mortgagee. However, if such mortgagee under a Permitted Mortgage or an Existing Mortgage does not expressly accept an assignment of such Developer Party's interest hereunder, such party will be entitled to no rights and benefits under this Agreement, and such party will be bound only by those provisions of this Agreement, if any, which are covenants expressly running with the land.

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

SECTION 17. NOTICE

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

<p>If to the City:</p> <p>City of Chicago Department of Planning and Development 121 North LaSalle Street, Room 1000 Chicago, Illinois 60602 Attention: Commissioner</p>	<p>If to Developer:</p> <p>Bickerdike Redevelopment Corporation 2550 W. North Avenue Chicago, Illinois 60647 Attn: Joy Aruguete</p>
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<p>With Copies To:</p> <p>City of Chicago Department of Law 121 North LaSalle Street, Room 600 Chicago, Illinois 60602 Attention: Finance and Economic Development Division</p>	<p>With Copies To:</p> <p>Applegate & Thorne-Thomsen, P.C. 425 S. Financial Place, Suite 1900 Chicago, Illinois 60605 Attention: Nick Brunick</p> <p>And to:</p> <p>NEF Assignment Corporation, as nominee c/o National Equity Fund, Inc. 10 South Riverside Plaza, Suite 1700 Chicago, Illinois 60606 Attn: Asset Manager</p> <p>And to:</p> <p>NEF Assignment Corporation, as nominee 10 South Riverside Plaza, Suite 1700 Chicago, IL 60606 Attn: General Counsel</p> <p>And to:</p> <p>Barnes & Thornburg LLP 41 South High Street, Suite 3300 Columbus, Ohio 43215 Attn: Jordan Carr</p>
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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) hereof shall be deemed received upon such personal service or upon dispatch. Any notice, demand or request sent pursuant to clause (c) shall be deemed received on the day immediately following deposit with the overnight courier and any notices, demands or requests sent pursuant to subsection (d) shall be deemed received two (2) business days following deposit in the mail.

SECTION 18. MISCELLANEOUS

18.01 Amendment. Except as provided in this Section 18.01, and except for changes or amendments that are otherwise expressly identified as being in the discretion of the Commissioner, this Agreement and the Schedules and Exhibits attached hereto may not be materially amended without the written consent of all parties. In addition to consents and discretion expressly identified herein, the Commissioner, in his or her sole discretion, may amend or otherwise revise: (a) any exhibits containing legal descriptions in order to correct a surveyor's, scrivener's or clerical error in such a legal description, or to reflect any new subdivision of property index numbers, provided that such correction does not have a material effect on any portion of the Project; and (b) Exhibits H-1 and H-2 in connection with updated budgets and/or the approval of Change Orders resulting in changes in the Project Budget in accordance with Section 3.05; (c)

Exhibit C to adjust allocations between line items or to add new line items permitted under the Plan; (d) Exhibit K to reflect the terms of the final project financing, so long as such financing is not materially inconsistent with that contemplated hereunder; and (e) Exhibit G to correct inadvertent omissions or permit other minor title encumbrances not in the nature of a lien. Amendments required in clauses (b) and (d) shall also require the Developer Parties' consent. The City in its sole discretion, may amend, modify or supplement the Redevelopment Plan. For purposes of this Agreement, the Developer Parties are only obligated to comply with the Redevelopment Plan as in effect on the date of this Agreement.

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

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

18.04 Further Assurances. Partnership agrees to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications as may become necessary or appropriate to carry out the terms, provisions and intent of this Agreement.

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

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

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

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

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

18.10 Conflict. In the event of a conflict between any provisions of this Agreement and the provisions of the TIF Ordinances and/or the Bond Ordinance, if any, such ordinance(s) shall prevail and control.

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

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

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

18.14 Assignment. Prior to the issuance by the City of the Certificate, Developer Parties may not sell, assign or otherwise transfer its interest in this Agreement in whole or in part without the written consent of the City; provided however, that the Developer Parties may collaterally assign their interest in this Agreement to any of its lenders identified to the City as the Closing Date if any such lenders require such collateral assignment. Any successor in interest to Developer Parties under this Agreement shall certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, including but not limited to Sections 8.19 Real Estate Provisions and Section 8.25 (Survival of Covenants) hereof, for the Term of the Agreement. Developer Parties consent to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part.

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

18.16 Force Majeure. Neither the City nor Developer Parties nor any successor in interest to either of them shall be considered in breach of or in default of its obligations under this Agreement in the event of any delay caused by damage or destruction by fire or other casualty, strike, shortage of material, unusually adverse weather conditions such as, by way of illustration

and not limitation, severe rain storms or below freezing temperatures of abnormal degree or for an abnormal duration, tornadoes or cyclones, and other events or conditions beyond the reasonable control of the party affected which in fact interferes with the ability of such party to discharge its obligations hereunder. The individual or entity relying on this section with respect to any such delay shall, upon the occurrence of the event causing such delay, immediately give written notice to the other parties to this Agreement. The individual or entity relying on this section with respect to any such delay may rely on this section only to the extent of the actual number of days of delay effected by any such events described above.

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

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

18.19 Costs and Expenses. In addition to and not in limitation of the other provisions of this Agreement, Developer Parties agree to pay upon demand the City's out-of-pocket expenses, including attorney's fees, incurred in connection with the enforcement of the provisions of this Agreement. This includes, subject to any limits under applicable law, attorney's fees and legal expenses, whether or not there is a lawsuit, including attorney's fees for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals and any anticipated post-judgment collection services. Developer Parties also will pay any court costs, in addition to all other sums provided by law.

18.20 Business Relationships. Developer Parties acknowledge (A) receipt of a copy of Section 2-156-030 (b) of the Municipal Code, (B) that Developer Parties have read such provision and understands that pursuant to such Section 2-156-030 (b), it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a business relationship that creates a "Financial Interest" (as defined in Section 2-156-010 of the Municipal Code)(a "Financial Interest"), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving any person with whom the elected City official or employee has a business relationship that creates a Financial Interest, 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 that creates a Financial Interest, and (C) that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Agreement shall be grounds for termination of this Agreement and the transactions contemplated

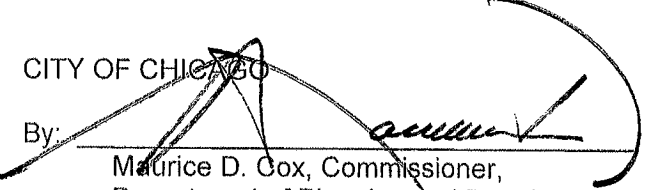
hereby. Developer Parties hereby represent and warrant that, to the best of their knowledge after due inquiry, no violation of Section 2-156-030 (b) has occurred with respect to this Agreement or the transactions contemplated hereby.

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

CITY OF CHICAGO

By:


Maurice D. Cox, Commissioner,
Department of Planning and Development



EMMETT APARTMENTS, LP,
an Illinois limited partnership

By: BRC Affiliate, Inc.
an Illinois not-for-profit corporation,
its General Partner

By: _____
Joy Aruguete, Secretary and Treasurer

BRC AFFILIATE INC.,
an Illinois not-for-profit corporation

By: _____
Joy Aruguete, Secretary and Treasurer

BICKERDIKE REDEVELOPMENT CORPORATION,
an Illinois not-for-profit corporation

By: _____
Joy Aruguete
Chief Executive Officer

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

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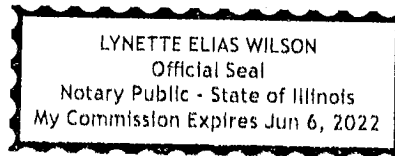
STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, LYNETTE ELIAS WILSON, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Maurice D. Cox, personally known to me to be the Commissioner of the Department of Planning and Development of the City of Chicago (the ACity"), 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 City, as 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 19th day of August, 2020.

Lynette Elias Wilson
Notary Public

My Commission Expires June 6, 2022



STATE OF ILLINOIS)

) SS

COUNTY OF COOK)

I, BRIDGET A. WHITE, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Joy Arquette, personally known to me to be the Sec. + Treasurer of Emmett Apartments, LP, an Illinois limited partnership (the "Partnership"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed, and delivered said instrument, pursuant to the authority given to him/her by the members of Partnership, as his/her free and voluntary act and as the free and voluntary act of Partnership, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 14 day of August, 2020.

Bridget A. White
Notary Public

My Commission Expires _____

(SEAL)



EXHIBIT A
REDEVELOPMENT AREA

See attached.

**COOK COUNTY
RECORDER OF DEEDS**

**COOK COUNTY
RECORDER OF DEEDS**

**COOK COUNTY
RECORDER OF DEEDS**

EXHIBIT A

(To Amendment Number 1 To Fullerton/Milwaukee Tax Increment
Financing Redevelopment Plan And Project)

Legal Description For Fullerton/Milwaukee T.I.F. District.

Parcel 1:

That part of Sections 22, 23, 25, 26, 27, 35 and 36, Township 40 North, Range 13, East of the Third Principal Meridian, in the City of Chicago, Cook County, Illinois, more particularly described as follows:

commencing at the northwest corner of the northwest quarter of aforesaid Section 26 (intersection of the centerlines of West Belmont Avenue and North Pulaski Road); thence southward along the west line of said northwest quarter of Section 26, 166.00 feet, more or less, to the centerline of a 16 foot wide public alley, extended west (south of West Belmont Avenue); thence eastward along said centerline of vacated alley 33 feet to the east line of said North Pulaski Road for the point of beginning; thence eastward along the centerline of said vacated alley to the west line of North Springfield Avenue; thence south along the said west line of North Springfield Avenue 8.00 feet to the northeast corner of Lot 35 in Chas. Seeger's Subdivision of Lot 1 of Haussen and Seeger's Addition according to the plat thereof recorded March 26, 1912 as Document Number 23771; thence eastward across said North Springfield Avenue to the northwest corner of Lot 11 in aforesaid Chas. Seeger's Subdivision; thence eastward 126.1 feet, more or less to the northeast corner of said Lot 11; thence southeasterly along the southwesterly line of a 16 foot wide public alley to the northwesterly line of North Avers Avenue; thence northeasterly along the northwesterly line of said North Avers Avenue to the southwesterly line of North Milwaukee Avenue; thence southeasterly along the southwesterly line of said North Milwaukee Avenue to the northwesterly line of North Hamlin Avenue; thence southwesterly along the northwesterly line of said North Hamlin Avenue to the southwesterly line of a 16 foot wide aforesaid public alley (southwesterly of North Milwaukee Avenue); thence southeasterly along the southwesterly line of a 16 foot wide public alley to the northwesterly line of another 16 foot wide public alley (southeasterly of North Ridgeway Avenue) said point also being the most easterly corner of Lot 10 in John B. Dawson's Subdivision in the east half of the northwest quarter of said Section 26; thence southwesterly along said northwesterly line of a 16 foot wide public alley to the southwesterly line of West Oakdale Avenue, said point also being the most easterly corner of Lot 22 of aforesaid John B. Dawson's Subdivision; thence southeasterly along the southwesterly line of said West Oakdale Avenue to the northeast corner of Lot 57 in aforesaid John B.

Dawson's Subdivision; thence eastward along the south line of said West Oakdale Avenue to the west line of North Central Park Avenue; thence southward along the west line of said North Central Park Avenue to the south line (extended west) of a 16 foot public alley south of North Milwaukee Avenue; thence eastward across said North Central Park Avenue along the said extended line to the northwest corner of Lot 47 of Block 1 in Wm. E. Hatterman's Milwaukee Avenue Subdivision in the west half of the northeast quarter of said Section 26; thence eastward along the north line of said Lot 47, 103.65 feet to the northeast corner of said Lot 47; thence southeasterly along the northeasterly line of said Lot 47, 27.1 feet to a bend point in the east line of said Lot 47; thence southward along the east lines of Lots 43, 44, 45, 46 and 47 in Block 1 of said Wm. E. Hatterman's Milwaukee Avenue Subdivision to the north line of Lot 17 extended west in aforesaid Block 1; thence eastward along the said north line of Lot 17 of Block 1, 120.8 feet; thence southeasterly along the northeasterly line of aforesaid Lot 17, 19.2 feet, more or less, to the west line of North Drake Avenue; thence continuing southeasterly along the prolongation of last described course across said North Drake Avenue to the east line of said North Drake Avenue; thence southward along the east line of said North Drake Avenue to the northwest corner of Lot 28 of Block 2 in said Wm. E. Hatterman's Milwaukee Avenue Subdivision; thence eastward along said north line of Lot 28, 76.1 feet; thence southeasterly along the northeasterly lines of Lots 27 and 28 of said Block 2 to the southeast corner of said Lot 27; thence continuing southeasterly along the prolongation of the last described course, said prolongation also being the northeasterly lines of Lots 19 and 20 of said Block 2 to the northeast corner of said Lot 19 of Block 2; thence southward along the east line of said Lot 19 extended south to the south line of West Wolfram Street; thence eastward along said south line of West Wolfram Street to the southwesterly line of a 16 foot wide public alley (southwesterly of North Milwaukee Avenue); thence southeasterly along said southwesterly line of 16 foot wide public alley to the west line of said public alley; thence southward along the west line of said 16 foot wide public alley to the south line of another 16 foot wide public alley north of West Diversey Avenue; thence eastward along the south line of said 16 foot wide public alley to the northeast corner of Lot 27 in Block 3 in aforesaid Wm. E. Hatterman's Milwaukee Avenue Subdivision; thence southward along the east line (extended south) of said Lot 27 in Block 3 to the south line of West Diversey Avenue; thence eastward along the south line of said West Diversey Avenue to the west line of a 14 foot wide public alley (east of North St. Louis Avenue) in the east half of the west half of the southeast quarter of aforementioned Section 26; thence southward along the west line of said 14 foot public alley to the north line extended west of Lot 36 of Block 1 of Story's Milwaukee Avenue Subdivision of the northeast 15 acres of the west half of the southeast quarter of said Section 26; thence eastward along north lines of Lots 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47 and 48 of Block 1 of said Story's Milwaukee Avenue Subdivision to the east line of another 14 foot wide

public alley west of North Kimball Avenue; thence northward along the east line of said 14 foot wide public alley to the northwest corner of Lot 6 of said Block 1 of Story's Milwaukee Avenue Subdivision; thence eastward along the north line of said Lot 6 to the west line of North Kimball Avenue said point also being the northeast corner of said Lot 6 of Block 1 in Story's Milwaukee Avenue Subdivision; thence southward along the west line of said North Kimball Avenue to the northeasterly line of Lot 17 extended northwesterly in Milwaukee and Diversey Subdivision according to the plat thereof recorded March 29, 1924 as Document Number 8339078; thence southeasterly along said extended northeasterly line of Lot 17 to the most northern corner of said Lot 17, said northeasterly line of Lot 17 also being the southwesterly line of a 16 foot wide public alley; thence southeasterly along the southwesterly line of said 16 foot wide public alley extended southeasterly to the northeast corner of Lot 39 in Garrett's Third Logan Square Subdivision of part of Lot 2 in Garrett's Subdivision; thence easterly across North Spaulding Avenue to the southwesterly corner of Lot 2 in Garrett's Subdivision of part of the east half of the southeast quarter of said Section 26; thence southeasterly along the southwesterly line of said Lot 2 to the north line of Lot 1 in Garrett's Subdivision of Lot 1 and the north 20 feet of Lot 2 in Hitt and Others' Subdivision, said point is 120.40 feet east of the northwest corner of Said Lot 1; thence eastward along the north line of said Lot 1 to the west line of North Sawyer Avenue; thence southward along the west line of said North Sawyer Avenue to the south line of the north 5 feet of Lot 5 in aforesaid Garrett's Subdivision of Lot 1 and the north 20 feet of Lot 2 in Hitt and Others' Subdivision; thence eastward across said North Sawyer Avenue to the most northern corner of Lot 23 in Hitt and Others' Subdivision of 39 acres on the east side of the east half of the southeast quarter of said Section 26; thence southeasterly along the southwesterly line of a 16 foot wide alley southwesterly of North Milwaukee Avenue to the east line of Lot 4 in the resubdivision of Lots 28 to 30 of Block 3 in Hitt and Others' Subdivision; thence southward along the east line of said Lot 4 extended south to the north line of Lot 1 in Himes and Frank's Resubdivision of Lots 31 and 32 of Block 3 in Hitt and Others' Subdivision; thence eastward along the north line of said Lot 1 to the northeast corner of said Lot 1; thence southward along the east lines of Lots 1, 2, 3, 4, 5 and 6 in aforesaid Himes and Frank's Resubdivision to the southeast corner of said Lot 6; thence continuing southward across West Wrightwood Avenue to the northeast corner of Lot 1 in Kittner's Subdivision of the north half of Lot 1 of Block 6 in Hitt and Others' Subdivision; thence southward along the east lines of Lots 1, 2 and 3 in said Kittner's Subdivision to the southeast corner of said Lot 3 of Kittner's Subdivision; thence continuing southward along the east lines of Lots 1, 2 and 3 in the subdivision of the south half of Lot 1 of Block 6 in Hitt and Others' Subdivision to the south line of the north 5 feet of said Lot 3; thence eastward along the said south line of north 5 feet (extended east) of said Lot 3 to the west line of North Kedzie Avenue, said point being 125 feet west of the east line of the

southeast quarter of said Section 26; thence eastward across the 250 feet wide said North Kedzie Avenue to the northwest corner of Lot 13 of Block 2 in subdivision of Lots 4 and 6 in County Clerk's Division according to the plat thereof recorded July 7, 1885 as Document Number 637899; thence south along the east line of North Kedzie Avenue to the south line of a public alley north of West Linden Place; thence eastward along the south line of said public alley to a bend point; thence continuing southeasterly along and by following the southwesterly line of said public alley to the most easterly corner of Lot 38 of Block 1 in said subdivision of Lots 4 and 6 in County Clerk's Division; thence southwesterly along the southeasterly line of said Lot 38 to the northeasterly line of North Linden Place; thence southeasterly along the northeasterly line of said North Linden Place to the most southern corner of Lot 50 of Block 1 in said subdivision of Lots 4 and 6 in County Clerk's Division; thence northeasterly along the southeasterly line of said Lot 50 to the north line of West Linden Place; thence eastward along the north line of said West Linden Place to the west line of North Sacramento Avenue; thence north along the west line of said North Sacramento Avenue to the southwesterly line of North Milwaukee Avenue; thence southeasterly along the southwesterly line extended southeasterly of said North Milwaukee Avenue to the north line of West Fullerton Avenue, said point also being the most eastern corner of Lot 17 in the subdivision of Block 6 in George A. Seavern's Subdivision according to the plat thereof recorded July 23, 1889 as Document Number 1132552; thence westward along the north line of said West Fullerton Avenue to the east line of North Sacramento Avenue; thence continuing westward across said North Sacramento Avenue to the southeast corner of Lot 37 of Block 2 in Ingham's Subdivision according to the plat thereof recorded March 19, 1873 as Document Number 88703; thence continuing westward along the north line of West Fullerton Avenue to the most southern corner of Lot 1 in Carrie B. Gilbert's Subdivision according to the plat thereof recorded April 4, 1906 as Document Number 3841277; thence westward across North Albany Avenue to the southeast corner of Lot 40 of Block 5 in the subdivision of Lots 4 and 6 in County Clerk's Division, recorded July 7, 1885 as Document Number 637899, said point also being on the north line of West Fullerton Avenue; thence westward along the north line of said West Fullerton Avenue to the southwest corner of Lot 24 of Block 5 in aforesaid subdivision of Lots 4 and 6 in County Clerk's Division; thence westward across said North Kedzie Avenue to the southeast corner of Lot 23 of Block 7 in Hitt and Others' Subdivision of 39 acres on the east side of the east half of the southeast quarter of said Section 26; thence westward along the south line of said Lot 23 to the southwest corner of said Lot 23, said southwest corner is also on the east line of 20 feet wide public alley west of North Kedzie Avenue; thence northward along the east line of said 20 feet wide public alley to the north line (extended east) of another 16 feet wide public alley north of West Fullerton Avenue; thence westward along the north line extended west of said 16 foot wide public alley to the west line of North Sawyer Avenue; thence southward along the

west line of said North Sawyer Avenue to the southeast corner of Lot 2 in J. Fuerman's Subdivision of Lots 16 to 22 of Block 8 in Hitt and Others' Subdivision; thence westward along the south line of said Lot 2, 111.5 feet to a bend point in the south line of said Lot 2; thence northwesterly along the southerly line of said Lot 2 to the southeast corner of Lot 1 in aforesaid J. Fuerman's Subdivision; thence westward along the south line of said Lot 1 extended west to the west line of 16 foot wide public alley, west of North Sawyer Avenue; thence southward along the west line of said 16 foot wide public alley to the southeast corner of Lot 137 in Dezeng's Logan Square Subdivision of Lot 3 in Garrett's Subdivision; thence westward along the south line of said Lot 137 to the southwest corner of said Lot 137; thence westward across North Spaulding Avenue to the southeast corner of Lot 66 in aforesaid Dezeng's Logan Square Subdivision; thence westward along the south line of said Lot 66 to the southwest corner of said Lot 66; thence continuing westward across the 16 foot wide public alley west of North Spaulding Avenue to the southeast corner of Lot 53 in aforesaid Dezeng's Logan Square Subdivision; thence continuing westward along the south line of said lot (extended west) to the west line of North Kimball Avenue; thence southward along the west line of said North Kimball Avenue to the north line of West Fullerton Avenue; thence continuing southward across West Fullerton Avenue to the northeast corner of Lot 1 of Block 1 in Allport's Subdivision according to the plat thereof recorded on page 185 in Book 7; thence southward along the west line of said North Kimball Avenue to the south line (extended west) of a 16 foot wide public alley (south of West Fullerton Avenue and on the east side of said North Kimball Avenue); thence eastward along the south line (extended east and west) of said 16 feet wide public alley to the east line of another 16 foot wide public alley west of North Kedzie Avenue; thence northward along said east line of 16 foot wide public alley to the northwest corner of Lot 3 of Block 1 in C. N. Shipman, W. A. Bill and N. A. Merrill's Subdivision of the east half of the northeast quarter of said Section 35; thence eastward along the north line of said Lot 3 to the northeast corner of said Lot 3; thence continuing eastward across North Kedzie Avenue to the northwest corner of Lot 6 of Block 1 in Blanchard's Subdivision of that part of the north 22 rods of the northwest quarter of said Section 36; thence eastward along the north line of said Lot 6 to the west line of a 16 foot wide public alley east of said North Kedzie Avenue, said point also being the northeast corner of said Lot 6; thence southward along the west line (extended south) of said 16 foot wide public alley to the south line of West Belden Avenue; thence eastward along the south line of said West Belden Avenue to the east line extended south of North Albany Avenue; thence northward along said (extended south) east line of North Albany Avenue to the south line of a 16 foot wide public alley south of West Fullerton Avenue; thence eastward along the south line of said 16 foot wide public alley to the east line of another 16 foot wide public alley west of North Sacramento Avenue; thence northward along the east line of said 16 foot wide public alley to the north line of the south 11.00 feet of Lot 6 in Block 2 in

aforesaid Blanchard's Subdivision; thence eastward along said north line of the south 11.00 feet of Lot 6 to the east line of said Lot 6; thence continuing eastward across said North Sacramento Avenue to the northwest corner of Lot 7 in Block 3 in the subdivision of Lots 13 and 14 in John McGovern's Subdivision according to the plat thereof recorded August 24, 1872 as Document Number 51791; thence eastward along the north line of said Lot 7 in Block 3 to the northeast corner of said Lot 7 in Block 3, said point is also on the west line of 16 foot wide public alley east of North Sacramento Avenue; thence southward along the west line of said 16 foot wide public alley extended south to the south line of West Medill Avenue; thence eastward along the south line of said West Medill Avenue to the southwesterly right-of-way line of Chicago Transit Authority Railroad, southwesterly of North Milwaukee Avenue; thence southeasterly along the southwesterly right-of-way line of said Chicago Transit Authority Railroad to the north line of West Belden Avenue; thence southward across said West Belden Avenue to the northwest corner of Lot 5 in M. Moore's Subdivision of Lot 19 in John McGovern's Subdivision according to the plat thereof recorded October 22, 1886 as Document Number 765587; thence southward along the west line of said Lot 5 to the southwest corner of said Lot 5; thence eastward along the south lines of Lots 5, 4, 3, 2 and 1 in aforesaid M. Moore's Subdivision to the southeast corner of Lot 1 in said M. Moore's Subdivision; thence southward along the east line (extended south) of said Lot 1 in M. Moore's Subdivision to the north line of Lot 28 of Block 1 in J. Johnston, Jr.'s Subdivision according to the plat thereof recorded November 28, 1881 as Document Number 361265; thence eastward along the north lines of Lots 28, 29, 30, 31, 32, 33 and 34 of Block 1 in said J. Johnston, Jr.'s Subdivision to the southwesterly right-of-way line of aforesaid Chicago Transit Authority railroad; thence southeasterly along the southwesterly right-of-way line of said Chicago Transit Authority railroad to the north line of West Lyndale Street; thence westward along the north line of said West Lyndale Street to the east line (extended north) of the west 0.11 feet of Lot 33 of Block 2 in aforesaid J. Johnston, Jr.'s Subdivision; thence southward along the east line of the west 0.11 feet of said Lot 33 of Block 2 to the north line of 16 foot wide public alley south of West Lyndale Street; thence continuing southward across said 16 foot wide public alley to the northeast corner of Lot 50 of Block 2 in aforesaid J. Johnston, Jr.'s Subdivision; thence southward along the east line (extended south) of said Lot 50 of Block 2 to the south line of West Palmer Street; thence eastward along the south line (extended east) of said West Palmer Street to the east line of 66 foot wide North California Avenue; thence northward along the east line of said North California Avenue to the southwesterly right-of-way line of Chicago Transit Authority railroad, southwesterly of North Milwaukee Avenue; thence southeasterly by following the Southwesterly right-of-way line of said Chicago Transit Authority railroad to the southeasterly line of Lot 138 in White and Cole's Resubdivision of Block 1 of S. Stave's Subdivision recorded in Book 173, page 18; thence southwesterly along the southeasterly line of said Lot 138 to the northeasterly line of North Bingham Street, said point is also the most

southern corner of said Lot 138; thence northwesterly along the northeasterly line of said North Bingham Street to the most southern corner of Lot 107 in said White and Cole's Resubdivision; thence southwesterly across said North Bingham Street to the most eastern corner of Lot 106 in said White and Cole's Resubdivision; thence continuing southwesterly along the southeasterly line of said Lot 106 to the northeasterly line of North Stave Street, said point is also the most southern corner of said Lot 106; thence northwesterly along the northeasterly line of said North Stave Street to the south line (extended east) of a 16 foot wide public alley north of West Armitage Avenue; thence westward along the south line (extended east) of said public alley across said North Stave Street to the southeasterly line of Lot 12 in Gray and Adam's Subdivision of Lots 1 to 9 and 28 to 30 of Block 4 in S. Stave's Subdivision according to the plat thereof recorded August 5, 1881 as Document Number 342922; thence northeasterly along the southeasterly line of said Lot 12 to the most eastern corner of said Lot 12; thence northwesterly along the northeasterly line of said Lot 12 to the most northern corner of said Lot 12, said corner is also the most eastern corner of Lot 27 of Block 4 in S. Stave's Subdivision according to the plat thereof recorded in Book 85, page 19; thence continuing northwesterly along the northeasterly lines of Lots 27, 26, 25, 24, 23, 22, 21, 20 and 19 of Block 4 in said S. Stave's Subdivision to the southeasterly line of West Frances Place, said point also being the most northern corner of said Lot 19; thence southwesterly along the southeasterly line (extended southwesterly) of said West Frances Place to the southwesterly line of North Point Street; thence southeasterly along the southwesterly line of North Point Street to the most eastern corner of Lot 20 of Block 7 in aforesaid Attrill's Subdivision, said point is also being on the north line of a public alley north of West Armitage Avenue; thence westward along the north line of said public alley to the most southerly corner of Lot 24 of Block 7 in aforesaid Attrill's Subdivision; thence northwesterly along the southwesterly line of said Lot 24 of Block 7 to the most western corner of said Lot 24, said corner is also being on the southeasterly line of Lot 35 of Block 5 in aforementioned W. O. Cole's Subdivision; thence southwesterly along the southeasterly lines of Lots 35, 34, and 33 to the most southern corner of said Lot 33 of Block 5; thence northwesterly along the southwesterly line (extended northwesterly across West Frances Place) to the north line of said West Frances Place; thence westward along the south line of said West Frances Place to the east line of North California Avenue; thence northward along the east line of said North California Avenue to the south line (extended east) of West McLean Avenue; thence westward along the south line of said West McLean Avenue to the west line of a 13 foot wide public alley (east of North Mozart Street); thence southward along the west line of said public alley 150 feet to the north line of another public alley; thence westward along north line of said public alley to the east line of North Mozart Street; thence westward across said North Mozart Street to the southeast corner of Lot 1 of Block 11 in Hoeps and Kerff's Resubdivision of Blocks 8 and 11 in the town of Schleswig, according to the plat thereof recorded July 25, 1890 as Document Number

1307724, said corner is also being on the north line of a 17 foot wide public alley north of West Armitage Avenue; thence westward along the north line of said 17 feet wide public alley to the west line of another 16 foot wide public alley, east of North Humboldt Boulevard; thence southward along the west line of said 16 foot wide public alley to the north line of another 16 foot wide public alley, north of West Armitage Avenue; thence westward along the north line of said 16 foot wide public alley to the southwest corner of Lot 31 in Parkway Addition, a resubdivision of Lots 5 to 10, inclusive, in each of Blocks 4, 9 and 10 in the town of Schleswig and the vacated alleys and one-half of a street adjacent to said lots, et cetera, in the east half of the northwest quarter of said Section 36; thence northward along the west line of Lots 31, 30 and 29 in aforesaid Parkway Addition to the northwest corner of said Lot 29 in said Parkway Addition; thence westward across said North Humboldt Boulevard to a point of intersection of the west line of said North Humboldt Boulevard with the south line of the north half of Lot 40 in Palmer Place Addition, a subdivision of part of the southwest quarter of the northwest quarter of said Section 36; thence westward along the said south line extended west of the north half of Lot 40 to the west line of a 16 foot wide public alley east of North Whipple Street; thence southward along the west line of said public alley to the southeast corner of Lot 54 in aforesaid Palmer Place Addition; thence westward along the south line of said Lot 54 to the southwest corner of said Lot 54; thence northward along the west line of said Lot 54 to the north line extended east of a 16 foot wide public alley north of West Armitage Avenue; thence westward along said north line extended east and west of 916 foot wide public alley to the west line of North Albany Avenue; thence southward along the west line of said North Albany Avenue to the centerline of a vacated alley north of West Armitage Avenue, according to the plat of vacation thereof recorded as Document Number 20127605; thence westward along the centerline of said vacated alley to a line 129.667 feet west of and parallel with the west line of said North Albany Avenue; thence northward along said parallel line to the south line of Lot 16 of Block 3 in Clarkson's Subdivision of part of the southwest quarter of the northwest quarter of said Section 36; thence westward along the south line of said Lot 16 extended west to the centerline of a 16 foot wide vacated alley east of North Kedzie Avenue; thence northward along the centerline extended north of said vacated alley to the south line extended east of Lot 19 in the plat of the west 10 acres of the west 30 acres of the south 91.7 acres of the northwest quarter of said Section 36; thence westward along said south line extended east of Lot 19 to the southwest corner of said Lot 19; thence continuing westward across North Kedzie Avenue to the northeast corner of Lot 4 of Block 1 in Ovitt's Resubdivision of Block 12 of Shipman, Bill and Merrill's Subdivision in the east half of the northeast quarter of said Section 35; thence southward along the east line of Lots 4, 5 and 6 of said Block 1 to the southeast corner of said Lot 6; thence westward along the south line of said Lot 6 to the southwest corner of said Lot 6; thence northward along the west line of said Lot 6 to the north line extended east of a 14 foot wide public alley north of West Armitage Avenue; thence westward along the north line extended

east and west of said 14 foot wide public alley to the west line of another 14 foot wide public alley east of North Sawyer Avenue; thence southward along the said west line of a 14 foot wide public alley to the north line of another 14 foot wide public alley north of West Armitage Avenue; thence westward along the north line of said 14 foot wide public alley to the east line of North Sawyer Avenue; thence northward along the east line of said North Sawyer Avenue to the north line extended east of a 16 foot wide public alley north of West Armitage Avenue; thence westward along the north line (extended east) of said 16 foot wide public alley to the west line of North Spaulding Avenue; thence southward along the west line of said North Spaulding Avenue to the north line of West Armitage Avenue; thence westward along the north line of said West Armitage Avenue to the east line of North Kimball Avenue; thence northward along the east line of said North Kimball Avenue to the north line of a 16 foot wide public alley north of said Armitage Avenue; thence westward along the north line (extended west) of said public alley to the west line of North Kimball Avenue; thence south along the west line of said North Kimball Avenue to the north line of a 16 foot wide public alley north of West Armitage Avenue; thence westward along the north line of said 16 foot wide alley to the east line of North St. Louis Avenue; thence westward across North St. Louis Avenue to the southeast corner of Lot 61 in the subdivision of the south quarter of the west one-third of the northeast quarter of said Section 35, said point also is on the north line of a 16 foot wide public alley north of West Armitage Avenue; thence westward along the north line (extended west) of said 16 foot wide public alley to the west line of North Drake Avenue; thence southward along the west line of said North Drake Avenue to the north line of West Armitage Avenue; thence westward along the north line of said West Armitage Avenue to the east line of North Central Park Avenue; thence northward along the east line of said North Central Park Avenue to the north line of West Mclean Avenue; thence westward along the north line of said West Mclean Avenue to the west line (extended north) of the east 9 feet of Lot 58 of Block 8 in Jackson's Subdivision of Blocks 7 and 8 of Hambleton's Subdivision in the east half of the northwest quarter of said Section 35; thence southward along the said west line (extended north) of the said east 9 feet to the north line of a 16 foot wide vacated public alley north of said West Armitage Avenue; thence westward along the north line of said public alley to the east line extended north of Lot 90 of Block 7 in said Jackson's Subdivision; thence southward along the east of said Lot 90 to the north line of West Armitage Avenue; thence westward along the north line of said West Armitage Avenue to the west line (extended north) of North Ridgeway Avenue; thence southward across West Armitage Avenue along the west line of said North Ridgeway Avenue extended north to the south line of a 16 foot wide public alley south of said West Armitage Avenue; thence eastward along said south line extended east to the west line of North Lawndale Avenue; thence eastward across said North Lawndale Avenue to the northwest corner of Lot 12 of Block 2 in S. Delamater's Subdivision according to the plat thereof recorded August 1, 1885 as Document Number 643538, said point is also on the south line of a 16 foot wide public alley; thence eastward

along the south line of said 16 foot wide public alley to the west line of North Central Park Avenue; thence southward along the west line of said North Central Park Avenue to the south line extended west of a 16 foot wide public alley south of West Armitage Avenue; thence continuing eastward along the south line extended west of said 16 foot wide public alley to the west line of North Kimball Avenue; thence eastward across said North Kimball Avenue to the northwest corner of Lot 16 in Winkelman's Subdivision of Block 3 of E. Simon's Subdivision according to the plat thereof recorded on February 15, 1899 as Document Number 2785137, said point is also on the south line of a 16 foot wide public alley; thence eastward along the south line of said 16 foot wide public alley to the west line of North Spaulding Avenue; thence eastward across said North Spaulding Avenue to the northwest corner of Lot 16 of Block 2 in Winkelman's Subdivision of part of Blocks 2 and 11 of E. Simon's Subdivision according to the plat thereof recorded September 5, 1888 as Document Number 1000737, said point is also on the south line of a 16 foot wide public alley south of West Armitage Avenue; thence eastward along the south line of said 16 foot wide public alley to the west line of North Kedzie Avenue; thence eastward across said North Kedzie Avenue to the northwest corner of Lot 16 of Block 1 in Nils F. Olson's Subdivision according to the plat thereof recorded January 14, 1887 as Document Number 790005, said corner is also on the south line of a 14 foot wide public alley south of West Armitage Avenue; thence eastward along the south line of said 14 foot wide public alley to the northeast corner of Lot 6 of Block 1 in S. Delamater's Subdivision according to the plat thereof recorded on February 5, 1884 as Document Number 523563; thence southward along the east line of said Lot 6 to the south line (extended west) of a 16 foot wide public alley south of West Armitage Avenue; thence eastward along the south line of said 16 foot wide public alley to the west line of North Whipple Street; thence eastward across North Whipple Street to the northwest corner of Lot 42 of Block 1 in Alva Trowbridge and Others' Subdivision according to the plat thereof recorded August 1, 1872 as Document Number 51139; thence eastward along the north line of said Lot 42 of Block 1 to the northeast corner of said Lot 42; thence eastward to the northwest corner of Lot 7 of Block 1 in said Alva Trowbridge and Others' Subdivision; thence eastward along the north line of said Lot 7 of Block 1 to its northeast corner; thence eastward across North Humboldt Boulevard along the north line extended east of said Lot 7 to the east line of said North Humboldt Boulevard; thence northward along the east line of said North Humboldt Boulevard to the south line of Lot 24 of Block 4 in Hansbrough and Hess Subdivision of the east half of the southwest quarter of said Section 36; thence eastward along the south line of said Lot 24 to its southeast corner; thence continuing eastward across the 14 foot wide public alley to the southwest corner of Lot 1 of Block 4 in said Hansbrough and Hess Subdivision; thence eastward along the south line of said Lot 1 of Block 4 to its southeast corner, said corner is also on the west line of North Richmond Street; thence southward along the west line of said North Richmond Street to the north line (extended west) of Lot 22 of Block 3 in said Hansbrough and Hess

Subdivision; thence eastward along said north line extended west to the northeast corner of said Lot 22 of Block 3; thence continuing eastward along said north line (extended east) to the east line of a 14 foot wide public alley west of North Francisco Avenue; thence northward along the east line of said alley to the north line of the south half of Lot 2 of Block 3 in said Hansbrough and Hess Subdivision; thence eastward along the said north line of the south half of Lot 2 of Block 3 to the west line of North Francisco Avenue; thence continuing east along said north line (extended east) of the south half of Lot 2 to the west line of a 14 foot wide public alley east of North Francisco Avenue; thence southward along the west line of said 14 feet wide public alley to the most north line (extended west) of Lot 3 of Block 2 in said Hansbrough and Hess Subdivision; thence eastward along the said most north line extended west to the northwest corner of said Lot 3 of Block 2; thence eastward along said most north line 25.05 feet; thence southward along a line parallel to North Mozart Street 4.5 feet; thence eastward along the north line (extended east) of said Lot 3 of Block 2 to the east line of North Mozart Street; thence northward along the east line of said North Mozart Street to the southwest corner of Lot 24 of Block 1 in said Hansbrough and Hess Subdivision; thence eastward along the south line of said Lot 24 of Block 1 to the west line of a 14 foot wide public alley west of North California Avenue; thence southward along the west line of said 14 foot wide public alley to the north line (extended west) of the south half of Lot 3 of Block 1 in said Hansbrough and Hess Subdivision; thence eastward along said north line (extended west) of the south half of Lot 3 of Block 1 to the west line of North California Avenue; thence eastward across said North California Avenue to the northwest corner of Lot 11 of Block 2 in Edgar M. Snow and Company's Subdivision according to the plat thereof recorded on March 23, 1901 as Document Number 3077922, said corner also lies on the south line of a 16 foot wide alley south of West Armitage Avenue; thence eastward along the south line (extended east) of said 16 foot wide public alley to the east line of North Fairfield Avenue; thence northward along the east line of said North Fairfield Avenue to the south line of West Armitage Avenue; thence eastward along the south line of said West Armitage Avenue to the west line of North Washtenaw Avenue; thence southward along the west line of said North Washtenaw Avenue to the south line (extended west) of a 16 foot wide public alley south of West Armitage Avenue; thence eastward along the south line of said public alley to the west line of North Rockwell Street; thence southward along the west line of said North Rockwell Street to the south line of West Homer Street; thence eastward along the south line (extended east) of said West Homer Street to the northeast corner of Lot 7 in the subdivision of Lots 11 to 25 of Subblock 2 of B. F. Jacobs Subdivision; thence southward along the east line extended south of said Lot 7 to the south line of a 16 foot wide public alley south of West Homer Street; thence eastward along the south line of said 16 foot public alley to the northeast corner of Lot 41 in B. F. Jacobs Subdivision of Block 2 of Johnston's Subdivision; thence southward along the east line of said Lot 41 to the north line of West Cortland Street; thence eastward along the north line of said

West Cortland Street to the east line of the west 72 feet of Lot 67 in Johnston's Subdivision of Block 1 of Johnston's Subdivision in the east half of the southeast quarter of said Section 36; thence northward along said east line of the west 72 feet extended north to the north line of a 16 foot wide public alley north of West Cortland Street; thence westward along the north line of said 16 foot wide public alley to the east line of North Campbell Avenue; thence northward along the east of said North Campbell Avenue and across West Homer Street to the north line of said West Homer Street; thence westward along the north line extended east/west of said West Homer Street to a line 167 feet west of and parallel with the west line of said North Campbell Avenue; thence northward along said parallel line a distance of 53 feet; thence eastward along a line 53 feet north of and parallel with the north line 66 feet wide of said West Homer Street, 167 feet to the west line of said North Campbell Avenue; thence northward along the west line of said North Campbell Avenue to the south line (extended west) of Lot 16 in Johnston's Subdivision of Block 1 of Johnston's Subdivision according to the plat thereof recorded on July 18, 1881 as Document Number 338117; thence eastward along said south line (extended west) to the southwest corner of said Lot 16; thence eastward along the south lines of Lots 16, 15, 14, 13 and 12 in said Johnston's Subdivision to the southeast corner of said Lot 12; thence in a northeasterly direction to the southeast corner of Lot 1 in P. Bandow's Resubdivision of Lots 3, 4 and the northwest half of Lot 5 in Block 1 of Johnston's Subdivision, according to the plat thereof recorded on April 16, 1885 as Document Number 6168851, said corner also lies on the northeasterly line of a 10 foot wide public alley; thence southeasterly along the northeasterly line (extended southeasterly) of said 10 foot wide public alley to the south line of aforesaid West Homer Street; thence eastward along the south line of said West Homer Street to the west line of North Western Avenue as widened, said point is also 50 feet west of the east line of the east half of the southeast quarter of said Section 36; thence northward along the west line of said North Western Avenue to the northeast line of 66 foot wide North Milwaukee Avenue; thence northwesterly along northeasterly line of said North Milwaukee Avenue to the south line of West Armitage Avenue; thence eastward along the south line of said West Armitage Avenue to the west line (extended south) of Lot 36 in Powell's Subdivision of Lot 8 in Circuit Court Partition according to the plat thereof recorded on September 5, 1884 as Document Number 572044; thence northward across West Armitage Avenue to the southwest corner of said Lot 36; thence northward along said west line of said Lot 36 and along the east line of a 14 foot wide public alley to the north line (extended east) of another 14 foot wide public alley south of West McLean Avenue; thence westward along the north line (extended east and west) of said 14 foot wide public alley to the east line (extended south) of another 14 foot wide public alley east of North Campbell Avenue; thence northward along the east line (extended south) of said 14 foot wide public alley to the north line (extended east) of a 9 foot wide public alley south of West McLean Avenue; thence westward along the north line (extended east) of said 9 foot wide public alley to the east

line of North Campbell Avenue; thence northward along the east line of said North Campbell Avenue to the south line (extended east) of Lot 6 in Owner's Subdivision according to the plat recorded November 24, 1913 as Document Number 5311027; thence westward across said North Campbell Avenue along the south line (extended east) of said Lot 6 to the southwest corner of said Lot 6; thence northward along the west lines of Lots 6, 5, 4 and 3 in said Owner's Subdivision to the northwest corner of said Lot 3; thence northeasterly along the westerly lines of Lots 2 and 1 in said Owner's Subdivision to the northwest corner of said Lot 1; thence northward along the west line of Lot 104 in V. Wood Subdivision, according to the plat thereof recorded May 10, 1877 as Document Number 134226 to the north line (extended east) of a 16 foot wide public alley south of West Charleston Street; thence westward along the north line (extended east) of said 16 foot wide public alley to the southwest corner of Lot 56 in said V. Wood's Subdivision; thence northward along the west line (extended north) of said Lot 56 to the north line of West Charleston Street; thence west along the north line of said West Charleston Street to the east line of North Maplewood Avenue; thence southwesterly across said North Maplewood Avenue to the southwest corner of Lot 18 in said V. Wood's Subdivision; thence westward along the south line of said Lot 18 to the southwest corner of said Lot 18; thence northward along the west lines of Lots 17, 16, 15, 14, 13 and 12 in said V. Wood's Subdivision to a line 7 feet south of and parallel with the south line (extended east) of Lot 15 in Herman Papsien's Subdivision according to the plat thereof recorded December 17, 1900 as Document Number 3044716; thence westward along said parallel line 10 feet; thence northward 7 feet to the southeast corner of said Lot 15; thence westward along the south line of said Lot 15 to the southwest corner of said Lot 15; thence northward along the lines of Lots 15, 14, 13, 12 and 11 in said Herman Papsien's Subdivision to the northwest corner of said Lot 11; thence continuing northward along the west line (extended north) of said Lot 11 to the southwest corner of Lot 10 in said Herman Papsien's Subdivision; thence westward along the south line (extended west) of said Lot 10 to the southeast corner of Lot 13 in James M. Allen's Subdivision according to the plat thereof recorded April 11, 1882 as Document Number 386837; thence westward along the south line of said Lot 13 to the southwest corner of said Lot 13, said corner is also on the east line of North Rockwell Street; thence southward along the east line of said North Rockwell Street to the southwesterly line (extended southeasterly) of Lot 2 in Powell's Subdivision according to the plat thereof recorded on page 93 of Book 6; thence northwesterly across said North Rockwell Street along said southwesterly line (extended southeasterly) of said Lot 2 to the most southern corner of said Lot 2; thence northwesterly along the southwesterly lines (extended northwesterly) of Lots 2 and 1 in said Powell's Subdivision to the south line of Lot 11 in Gray's Subdivision according to the plat thereof recorded on page 55 of Book 85; thence westward along the south line of said Lot 11 to the southwest corner of said Lot 11, said corner lies on the east line of North Talman Avenue; thence northward along the east line of said North Talman

Avenue to the southwesterly line (extended southeasterly) of Lot 32 of Block 4 in C. E. Woosley's Subdivision according to the plat thereof recorded on May 23, 1881 on page 5 of Book 16; thence northwesterly along the southwesterly line (extended southeasterly) of said Lot 32 of Block 4 to the most southern corner of said Lot 32, said corner also lies on the northeasterly line of a 20 foot wide public alley northeasterly of North Milwaukee Avenue; thence northwesterly along the northeasterly line of said 20 foot wide public alley to the east line of another 14 foot wide public alley west of said North Talman Avenue; thence northward along the east line (extended north) of said 14 foot wide public alley to the north line of West Lyndale Street; thence westward along the north line of said West Lyndale Street to the east line of North Washtenaw Avenue; thence northward along the east line of said North Washtenaw Avenue to the north line of West Belden Avenue; thence westward along the north line (extended west) of said West Belden Avenue to a bend point which lies on the southeasterly line of Lot 23 of Block 2 in Snowhook's Subdivision according to the plat thereof recorded August 22, 1884 as Document Number 569245; thence southwesterly along the northwesterly line of said West Belden Avenue, said line also is the southeasterly lines of Lots 23 and 24 of Block 2 in said Snowhook's Subdivision to the northeasterly line of North Milwaukee Avenue; thence northwesterly along the northeasterly line extended northwesterly of said North Milwaukee Avenue to the west line of North California Avenue; thence northward along the west line of said North California Avenue to the northeasterly line of a 16 foot wide public alley northeasterly of North Milwaukee Avenue; thence northwesterly following along the northeasterly, east, northeasterly, north, northeasterly and east line of said 16 foot wide public alley to the south line of West Fullerton Avenue, said point also being the northwest corner of Lot 14 of Block 4 in Snowhook's Subdivision; thence westward along the south line of said West Fullerton Avenue to the east line (extended south) of North Francisco Avenue; thence northward across said West Fullerton Avenue along the east line (extended south) of said North Francisco Avenue to the north line of a 16 foot wide public alley north of said West Fullerton Avenue; thence westward across said North Francisco Avenue along the north line (extended west) of said 16 foot wide public alley to the southeast corner of Lot 27 of Block 7 in George A. Seavern's Subdivision according to the plat thereof recorded May 10, 1886 as Document Number 716003; thence westward along the south line of said Lot 27 of Block 7 to the southwest corner of said Lot 27 of Block 7, said corner also lies on the northeasterly line of a 16 foot wide public alley northeasterly of North Milwaukee Avenue; thence northwesterly along the northeasterly line of said 16 foot wide public alley to the southwest corner of Lot 11 of said Block 7; thence continuing northwesterly to the most southern corner of Lot 15 of Block 5 in said George A. Seavern's Subdivision; thence continuing northwesterly along the southwesterly lines of Lots 15, 16, 17 and 18 of said Block 5 to a line 8 feet south of and parallel with the south line of Lot 4 of Block 5 in said George A. Seavern's Subdivision; thence westward along said parallel line to the east line of Lot 1 in resubdivision of Lots 5 and 6 of Block 5 in said George A.

Seavern's Subdivision; thence northward along the east line of said Lot 1 to the northeast corner of said Lot 1; thence westward along the north line of said Lot 1 to the east line of North Sacramento Avenue; thence northward along the east line of said North Sacramento Avenue to the northwest corner of Lot 1 of Block 5 in aforesaid George A. Seavern's Subdivision; thence in a northwesterly direction across said North Sacramento Avenue to the most southern corner of Lot 1 of Block 2 in Storey and Allen's Milwaukee Avenue Addition to Chicago according to the plat thereof recorded February 9, 1872 as Document Number 12639; thence northwesterly along the southwesterly lines of Lots 1 and 3 of said Block 2 to the most westerly corner of said Lot 3; thence northeasterly along the northwesterly line (extended northeasterly) of said Lot 3 of Block 2 to the northeasterly line (extended southeasterly) of North Willetts Court; thence northwesterly along the northeasterly line (extended southeasterly) of said North Willetts Court to the southeasterly line of Lot 1 in Logan Square Addition to Chicago according to the plat thereof recorded November 10, 1881 as Document Number 358316; thence southwesterly along the southeasterly lines of Lots 1 and 2 in said Logan Square Addition to Chicago to the southeast corner of Lot 3 in said Logan Square Addition to Chicago; thence westward along the south line of said Lot 3 to the southwest corner of said Lot 3; thence southwesterly along the southeasterly line of Lot 4 in said Logan Square Addition to Chicago to the southwest corner of said Lot 4; thence westward along the south lines of Lots 5, 6, 7, 8, 9, 10 and 11 to the southwest corner of said Lot 11; thence northwesterly along the southwesterly lines of Lots 12, 13 and 14 in said Logan Square Addition to Chicago to the southwest corner of said Lot 14; thence northward along the west line (extended north) of said Lot 14 to the north line of 250 foot wide West Logan Boulevard; thence westward along the north line of said West Logan Boulevard to the southwest corner of Lot 20 of Block 4 in subdivision of Blocks 1, 2, 3 and 4 in Lot 1 in County Clerk's Division according to the plat thereof recorded December 12, 1894 as Document Number 2146603; thence northward along the west line of said Lot 20 to the southeast corner of Lot 21 of said Block 4; thence westward along the south lines of Lots 21, 22, 23 and 24 of said Block 4 to the southwest corner of said Lot 24 of Block 4; thence westward along the prolongation of the last described course to the northeasterly line of North Milwaukee Avenue; thence northwesterly along the northeasterly line of said North Milwaukee Avenue to the east line of North Kedzie Avenue; thence northward along the east line of said North Kedzie Avenue to the north line of West Schubert Avenue; thence continuing in a northwesterly direction across said North Kedzie Avenue to the most southern corner of Lot 7 of Block 1 in Hitt and Others' Subdivision of 39 acres on the east side of the east half of the southeast quarter of said Section 26, said corner also lies on the northeasterly line of North Emmet Street; thence northwesterly along the northeasterly line (extended northwesterly) of said North Emmet Street to the northwesterly line of North Sawyer Avenue; thence southwesterly along the northwesterly line of said North Sawyer Avenue to the northeasterly line of a 16 foot wide public

alley northeasterly of North Milwaukee Avenue; thence northwesterly along the northeasterly line of said 16 foot wide public alley to the most western corner of Lot 1 of Block 4 in Milwaukee and Diversey Subdivision according to the plat thereof recorded March 29, 1924 as Document Number 8339078; thence northeasterly along the northwesterly (extended northeasterly) line of said Lot 1 of Block 4 to the north line of 66 foot wide West Diversey Avenue; thence westward along the north line of said West Diversey Avenue to the east line of North Christiana Avenue; thence northward along the east line of said North Christiana Avenue to the south line (extended east) of Lot 15 of Block 4 in Henry Wisner's Subdivision of Lots 8 and 9 of Brand's Subdivision in the east half of the northeast quarter of said Section 26; thence westward along the south line (extended east) of said Lot 15 of Block 4 to the southwest corner of said Lot 15, said corner also lies on north line of a 14 foot wide public alley north of said West Diversey Avenue; thence continuing westward along the prolongation of the last described course to a bend point in said 14 foot wide alley, said bend point is also the southwest corner of Lot 31 of Block 4 in said Henry Wisner's Subdivision; thence northwesterly along the southwesterly line of said Lot 31 to the most westerly corner of said Lot 31, said corner also lies on the southeasterly line of North Woodward Street; thence northeasterly along the southeasterly line of said North Woodward Street to the southwesterly line (extended southeasterly) of Lot 42 in Storey and Allen's Subdivision of Lot 10 in Brand's Subdivision in the east half of the northeast quarter of said Section 26; thence northwesterly along the southwesterly line (extended southeasterly) of said Lot 42 to the east line of North Kimball Avenue; thence northward along the east line of said North Kimball Avenue to the northwesterly line of North Dawson Avenue; thence southwesterly along the northwesterly line (extended southwesterly) of said North Dawson Avenue to the northeasterly line of North Milwaukee Avenue; thence northwesterly along the northeasterly line of said North Milwaukee Avenue to the southeasterly line of North Allen Avenue; thence northeasterly along the southeasterly line of said North Allen Avenue to the northeasterly line of a 16 foot wide public alley northeasterly of North Milwaukee Avenue; thence northwesterly along the northeasterly line of said 16 foot wide public alley to the most western corner of Lot 60 of Block 2 in Albert Wisner's Subdivision of Lots 13 and 14 in Brand's Subdivision in the west half of the northeast quarter of said Section 26; thence in northwesterly direction across North Elbridge Avenue to the southeast corner of Lot 26 of Block 4 in said Albert Wisner's Subdivision; thence westward along the south line of said Lot 26 of Block 4 to the southwest corner of said Lot 26; thence northward along the west lines of Lots 26 and 25 of said Block 4 to the most northern corner of said Lot 25; thence northwesterly along the southwesterly line of Lot 24 in said Block 4 to the most western corner of said Lot 24; thence westward along the north lines of Lots 27, 28 and 29 in said Block 4 to the northwest corner of said Lot 29, said corner also lies on the east line of North Central Park Avenue; thence northward along the east line of said North Central Park Avenue to the south line (extended east) of Lot 59 in Heafield's Subdivision of Lot 1 in

Davlin, Kelly and Carroll's Subdivision in the east half of the northwest quarter of said Section 26; thence westward along the south line (extended east) of said Lot 59 to the southwest corner of said Lot 59; thence northward along the west line of said Lot 59 to the northwest corner of said Lot 59; thence westward along the south line (extended east) of Lot 45 in said Heafield's Subdivision to the east line of North Monticello Avenue; thence northward along the east line of said North Monticello Avenue to the southwesterly line (extended southeasterly) of Lot 33 in Haentze and Wheeler's Subdivision, according to the plat thereof recorded July 15, 1902 as Document Number 3270736; thence northwesterly along the southwesterly line (extended southeasterly) of said Lot 33 to the most southern corner of said Lot 33, said corner also lies on the west line of said North Monticello Avenue; thence southward along the west line of said North Monticello Avenue to the northeasterly line of North Milwaukee Avenue; thence northwesterly along the northeasterly line of said North Milwaukee Avenue to the southeasterly line of North Lawndale Avenue; thence northeasterly along the southeasterly line of said North Lawndale Avenue to the east line (extended south) of said North Lawndale Avenue; thence northward along east line of said North Lawndale Avenue to the southwest corner of Lot 23 in Heafield's Subdivision of the west 5 acres of Lot 2 in Davlin, Kelly and Carroll's Subdivision according to the plat thereof recorded March 18, 1902 as Document Number 3218672; thence in a northwesterly direction across said North Lawndale Avenue to the most southern corner of Lot 30 in said Heafield's Subdivision of west 5 acres of Lot 2 in Davlin, Kelly and Carroll's Subdivision; thence continuing northwesterly along the southwesterly line (extended northwesterly) of said Lot 30 to the south line of Lot 22 of Block 1 in Heinemann and Gross' Subdivision of part of Lot 3 in Davlin, Kelly and Carroll's Subdivision according to the plat thereof recorded July 14, 1909 as Document Number 4406409; thence westward along the south line of said Lot 22 of Block 1 to the east line of North Ridgeway Avenue; thence northward the along the east line of said North Ridgeway Avenue to the southwesterly line (extended southeasterly) of Lot 27 of Block 2 in said Heinemann and Gross' Subdivision; thence northwesterly along the southwesterly line (extended southeasterly and northwesterly) of said Lot 27 of Block 2 to the south line of Lot 17 of said Block 2; thence westward along the south line of said Lot 17 of Block 2 to the east line of North Hamlin Avenue; thence northward along the east line of said North Hamlin Avenue to the south line (extended east) of Lot 11 in Wm. J. Sweeney's Subdivision of Lot 6 in Circuit Court Common Division in the west half of the southwest quarter of said Section 23; thence westward along the south line (extended east and west) to the southwest corner of Lot 1 in said Wm. J. Sweeney's Subdivision; thence northwesterly along the southwesterly line (extended northwesterly) of said Lot 1 to the east line of North Avers Avenue; thence westward across said North Avers Avenue along the a line parallel with the south line of said Lot 1 to the west line of 66 foot wide North Avers Avenue; thence northward along the west line of said North Avers Avenue to the north line of a 16 foot wide public alley, south of West School Street; thence westward

along the north line of said 16 foot wide public alley to the east line of North Springfield Avenue; thence southward along the east line of said North Springfield Avenue to the northeasterly line of a 16 foot wide public alley northeasterly of North Milwaukee Avenue; thence northwesterly along the northeasterly line (extended northwesterly) of said 16 foot wide public alley to the northwesterly line (extended northeasterly) of said North Springfield Avenue; thence southwestward along the northwesterly line (extended northeasterly) of said North Springfield Avenue to the northeasterly line of 66 foot wide North Milwaukee Avenue; thence northwesterly along the northeasterly line (extended northwesterly) of said North Milwaukee Avenue to the north line of said West School Street; thence westward along the north line (extended west) of said West School Street to the west line of North Pulaski Road; thence southward along the west line of said North Pulaski Road to the north line of West Melrose Street; thence westward along the north line of said West Melrose Street to the east line (extended north and south) of a 16 foot wide public alley, west of North Pulaski Road; thence southward along the east line (extended north and south) of said 16 foot wide public alley to the south line of 66 foot wide West Belmont Avenue; thence eastward along the south line of said West Belmont Avenue to the west line of a 66 foot wide North Pulaski Road; thence southward along the west line of said North Pulaski Road to a line 133 feet south of and parallel with south line of said West Belmont Avenue; thence eastward along the said parallel line across said North Pulaski Road, 66 feet to the point of beginning, all aforesaid legal description hereby written on this thirtieth day of November 1999, all in Cook County, Illinois.

Parcel 2:

That part of Sections 22, 23, 26 and 27, Township 40 North, Range 13, East of the Third Principal Meridian, in the City of Chicago, Cook County, Illinois, more particularly described as follows:

commencing at the northwest corner of the northwest quarter of aforesaid Section 26 (intersection of the centerlines of West Belmont Avenue and North Pulaski Road); thence southward along the west line of said northwest quarter of Section 26, 166.00 feet, more or less, to the centerline of a 16 foot wide public alley 932 extended west (south of West Belmont Avenue); thence eastward along the said centerline of a vacated alley, 33 feet to the east line of said North Pulaski Road for the point of beginning; thence eastward along the centerline of said vacated alley to the west line of North Springfield Avenue; thence south along the said west line of North Springfield Avenue 8.00 feet to the northeast corner of Lot 35 in Chas. Seeger's Subdivision of Lot 1 of Haussen and Seeger's Addition according to the plat thereof recorded March 26, 1912 as Document

Number 23771; thence eastward across said North Springfield Avenue to the northwest corner of Lot 11 in aforesaid Chas. Seeger's Subdivision; thence southward along the east line of said North Springfield Avenue to the south line extended east of Lot 34 in said Chas. Seeger's Subdivision; thence westward along the south line extended east of said Lot 34 to the southwest corner of said Lot 34; thence westward across a 16 foot wide public alley to the southeast corner of Lot 47 in said Chas. Seeger's Subdivision; thence westward along the south line of said Lot 47 to the east line of North Harding Avenue; thence southward along the east line of said North Harding Avenue to the south line extended east of a 16 foot wide public alley north of West Barry Avenue; thence westward along the south line extended east of said 16 foot wide public alley to the east line of another 16 foot wide public alley west of said North Harding Avenue; thence southward along the east line of said public alley to the south line extended east of another 16 foot wide public alley north of West Barry Avenue; thence westward along the south line extended east of said 16 foot wide public alley to the east line of North Pulaski Road; thence southward along the east line of said North Pulaski Road to the south line of said West Barry Avenue; thence westward along the south line extended east of said West Barry Avenue to the east line of a 16 foot wide public alley west of said North Pulaski Road; thence northward across said West Barry Avenue to the southeast corner of Lot 4 in Collins and Gauntlett's 40th Avenue and Noble Avenue Addition to Chicago in the east half of the northeast quarter of said Section 27; thence northward along the east line of said Lot 4 to its northeast corner; thence westward along the north line of said Collins and Gauntlett's 40th Avenue and Noble Avenue Addition to Chicago to the west line of North Karlov Avenue; thence northward along the west line of said North Karlov Avenue to the south line of a 16 foot wide public alley south of West Belmont Avenue; thence westward along the south line of said 16 foot wide public alley to the east line of North Tripp Avenue; thence northward along the east line extended north of said North Tripp Avenue to the north line of West Belmont Avenue; thence eastward along the north line of said West Belmont Avenue to the east line of a 16 foot wide public alley west of North Pulaski Road; thence southward along the east line, extended south, of said 16 foot wide public alley to the south line of said West Belmont Avenue; thence eastward along the south line of said south line of West Belmont Avenue to the west line of a 66 foot wide North Pulaski Road; thence southward along the west line of said North Pulaski Road to a line 133 feet south of and parallel with the south line of said West Belmont Avenue; thence eastward across North Pulaski Road along the said parallel line a distance of 66 feet to the point of beginning, all aforesaid legal description hereby written on this twentieth day of December 2004, all in Cook County, Illinois.

EXHIBIT B

CITY LAND

LEGAL DESCRIPTION

THE NORTHWEST 4.00 FEET OF LOT 5, AND ALL OF LOTS 6 THROUGH 18, IN BLOCK 2 IN HITT, RUNYAN AND ARCHER'S SUBDIVISION OF 39 ACRES ON THE EAST SIDE OF IN THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 26, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED MARCH 10, 1873 AS DOCUMENT NUMBER 88424, IN COOK COUNTY, ILLINOIS. ✓

PERMANENT REAL ESTATE INDEX NUMBER: 13-26-408-045-0000 ✓

COMMON ADDRESS: 2602-2638 N. EMMETT STREET, CHICAGO, ILLINOIS 60647 ✓

EXHIBIT C

TIF-FUNDED IMPROVEMENTS

Eligible Cost:	Amount:	TIF-Eligible:	Percentage TIF-Eligible:
Construction - Residential	\$29,118,015	\$14,559,008	50% of eligible costs for Affordable and CHA units.
Contingency – Hard Costs	\$1,325,069	\$662,535	50% of eligible costs for Affordable and CHA units.
Architectural	\$1,167,500	\$583,750	50% of eligible costs for Affordable and CHA units.
Environmental	\$615,760	\$615,760	100%
TOTAL:	\$32,226,344	\$16,421,053	

The Commissioner shall have authority to consent to adjustments between the line items set forth above and to consent to additional TIF-Funded Improvement redevelopment project costs within other categories authorized under the Act.

EXHIBIT D

Intentionally omitted.

COOK COUNTY
RECORDER OF DEEDS

COOK COUNTY
RECORDER OF DEEDS

COOK COUNTY
RECORDER OF DEEDS

EXHIBIT E

CONSTRUCTION CONTRACT

[Not attached for Recording purposes.]

**COOK COUNTY
RECORDER OF DEEDS**

**COOK COUNTY
RECORDER OF DEEDS**

**COOK COUNTY
RECORDER OF DEEDS**

EXHIBIT F

ESCROW AGREEMENT

[Not attached for Recording purposes.]

**COOK COUNTY
RECORDER OF DEEDS**

**COOK COUNTY
RECORDER OF DEEDS**

**COOK COUNTY
RECORDER OF DEEDS**

EXHIBIT G
PERMITTED LIENS

1. Liens or encumbrances against the Property:

Those matters set forth as Schedule B title exceptions in the owner's title insurance policy issued by the Title Company as of the date hereof, but only so long as applicable title endorsements issued in conjunction therewith on the date hereof, if any, continue to remain in full force and effect.

2. Liens or encumbrances against Developer or the Project, other than liens against the Property, if any: None

EXHIBIT H-1

PROJECT BUDGET

Costs:	Amount:
Acquisition Costs (land and legal costs)	\$25,001
TOTAL ACQUISITION COSTS:	\$25,001
Construction Costs	\$29,118,015
Construction Contingency	\$1,325,069
Land Remediation Costs	\$615,760
Private Utilities	\$160,000
TOTAL HARD COSTS:	\$31,218,844
Architect Fees	\$1,167,500
Blueprints & Surveys	\$35,000
Environmental	\$7,400
Engineering Fees	\$112,700
Accountant Fees	\$60,000
Legal - Organizational	\$225,000
Legal - Syndication	\$25,000
TIF Consultant Fee	\$60,000
Title and Recording Fees	\$50,000
Tax Credit Fees	\$53,512
Lender Legal Fees	\$75,000
LISC Predevelopment Fees	\$129,204
Bond Costs	\$757,861
Construction Points	\$161,527
Construction Interest	\$1,862,611
Construction Period Insurance	\$264,709
First Mortgage Fees	\$250,889
Liability Insurance	\$80,000
Real Estate Taxes	\$50,000
Marketing and Leasing	\$75,000
Developer Fees (Realized & Deferred)	\$2,000,000
Reserves	\$966,780
Other Soft Costs	\$912,750
TOTAL SOFT COSTS:	\$9,288,951
TOTAL DEVELOPMENT COSTS:	\$40,532,796

EXHIBIT H-2
MBE/WBE BUDGET

Hard Costs	
New Construction	[\$29,118,015 - \$5,580,950]*
Total:	\$23,537,065
TOTAL MBE/WBE Eligible Costs	\$23,537,065
Minimum Contract Amount to MBE Contractors (26%)	\$6,119,637
Minimum Contract Amount to WBE Contractors (6%)	\$1,412,224

*This amount does not include contingency (\$1,325,069). To the extent that the contingency is spent or the soft costs listed above increase, the MBE/WBE required amount will increase accordingly.

EXHIBIT I

APPROVED PRIOR EXPENDITURES

None.

COOK COUNTY
RECORDER OF DEEDS

COOK COUNTY
RECORDER OF DEEDS

COOK COUNTY
RECORDER OF DEEDS

EXHIBIT J

OPINION OF DEVELOPER PARTIES COUNSEL

[Not attached for Recording purposes.]

**COOK COUNTY
RECORDER OF DEEDS**

**COOK COUNTY
RECORDER OF DEEDS**

**COOK COUNTY
RECORDER OF DEEDS**

EXHIBIT K

FUNDING SOURCES

A. Lender Financing

1. Amount: Not to exceed \$22,000,000
Source: Citibank, through City Tax Exempt Notes
Term: Not to exceed 34 years
Interest: 12% per annum or such other rate acceptable to the DOH Commissioner
Security: First mortgage lien on the Property

2. Amount: Approximately \$12,992,440 or such other amount to which the Authorized DOH Officer may consent
Source: Chicago Housing Authority
Term: Not to exceed 40 years plus construction period
Interest: Zero percent per annum or such other interest rate acceptable to the Authorized DOH Officer
Security: A second mortgage lien on the Property

3. Amount: Not to exceed \$2,000,000
Source: City of Chicago Multi-Family Program Funds
Term: Not to exceed 40 years plus construction period
Security: A third mortgage lien on the Property

4. Amount: Approximately \$1,800,000 or such other amount to which the Authorized DOH Officer may consent
Source: Sponsor, derived from the syndication of the Illinois Affordable Housing Tax Credits allocated by the City and loan of proceeds
Term: Not to exceed 40 years plus construction period
Interest: Zero percent per annum
Security: A fourth mortgage lien on the Property

5. Amount: Not to exceed \$10,100,000
Source: Sponsor, derived from City TIF Funds
Term: Not to exceed 40 years plus construction period
Interest: Zero percent per annum or such other interest rate acceptable to the Authorized DOH Officer
Security: A fifth mortgage lien on the Property

B. Other Financing

1. Approximately \$10,273,296 to be derived from the syndication by Sponsor of Low-Income Housing Tax Credits allocated by the City.

- 2. The General Partner will contribute \$100 in cash and \$4,000,000 in land value, reflecting the appraised value of the Property.
- 3. Deferred Developer fee (to be paid from project cash flow) \$500,000.

**COOK COUNTY
RECORDER OF DEEDS**

**COOK COUNTY
RECORDER OF DEEDS**

**COOK COUNTY
RECORDER OF DEEDS**

EXHIBIT L

Intentionally omitted

COOK COUNTY
RECORDER OF DEEDS

COOK COUNTY
RECORDER OF DEEDS

COOK COUNTY
RECORDER OF DEEDS

EXHIBIT M

FORM OF SUBORDINATION AGREEMENT

[Not attached for Recording purposes.]

**COOK COUNTY
RECORDER OF DEEDS**

**COOK COUNTY
RECORDER OF DEEDS**

**COOK COUNTY
RECORDER OF DEEDS**

EXHIBIT N

FORM OF PAYMENT BOND

[Not attached for Recording purposes.]

**COOK COUNTY
RECORDER OF DEEDS**

**COOK COUNTY
RECORDER OF DEEDS**

**COOK COUNTY
RECORDER OF DEEDS**

CITY OF CHICAGO, ILLINOIS
FULLERTON/MILWAUKEE
REDEVELOPMENT PROJECT

FINANCIAL REPORT

DECEMBER 31, 2020

CITY OF CHICAGO, ILLINOIS
FULLERTON/MILWAUKEE REDEVELOPMENT PROJECT

C O N T E N T S

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Statement of activities and governmental funds revenues, expenditures and changes in fund balance	7
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INDEPENDENT AUDITOR'S REPORT

The Honorable Lori E. Lightfoot, Mayor
Members of the City Council
City of Chicago, Illinois

We have audited the accompanying financial statements of the Fullerton/Milwaukee Redevelopment Project of the City of Chicago, Illinois, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Project's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Fullerton/Milwaukee Redevelopment Project of the City of Chicago, Illinois, as of December 31, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 1, the financial statements present only the activities of the Fullerton/Milwaukee Redevelopment Project and do not purport to present the financial position and the changes in financial position of any other debt service and special revenue funds of the City of Chicago, Illinois, as of December 31, 2020 and for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

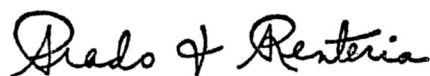
Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3-5 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements. The Schedule of Expenditures by Statutory Code is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, such information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



June 25, 2021

CITY OF CHICAGO, ILLINOIS
FULLERTON/MILWAUKEE REDEVELOPMENT PROJECT

MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)

As management of the Fullerton/Milwaukee Tax Increment Redevelopment Project Area (Project), we offer the readers of the Project's financial statements this narrative overview and analysis of the Project's financial performance for the year ended December 31, 2020. Please read it in conjunction with the Project's financial statements, which follow this section.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Project's basic financial statements. The Project's basic financial statements include three components: 1) government-wide financial statements, 2) governmental fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information concerning the Project's expenditures by statutory code.

Basic Financial Statements

The basic financial statements include two kinds of financial statements that present different views of the Project – the *Government-Wide Financial Statements* and the *Governmental Fund Financial Statements*. These financial statements also include the notes to the financial statements that explain some of the information in the financial statements and provide more detail.

Government-Wide Financial Statements

The government-wide financial statements provide both long-term and short-term information about the Project's financial status and use accounting methods similar to those used by private-sector companies. The statement of net position includes all of the project's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid. The two government-wide statements report the Project's net position and how they have changed. Net position – the difference between the Project's assets and liabilities – is one way to measure the Project's financial health, or position.

Governmental Fund Financial Statements

The governmental fund financial statements provide more detailed information about the Project's significant funds – not the Project as a whole. Governmental funds focus on: 1) how cash and other financial assets can readily be converted to cash flows and 2) the year-end balances that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are more financial resources that can be spent in the near future to finance the Project. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the statements to explain the relationship (or differences) between them.

CITY OF CHICAGO, ILLINOIS
FULLERTON/MILWAUKEE REDEVELOPMENT PROJECT

MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)
(Continued)

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and governmental funds financial statements. The notes to the financial statements follow the basic financial statements.

Other Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents a schedule of expenditures by statutory code. This supplementary information follows the notes to the financial statements.

Condensed Comparative Financial Statements

The condensed comparative financial statements are presented on the following page.

Analysis of Overall Financial Position and Results of Operations

Property tax revenue for the Project was \$14,288,241 for the year. This was an increase of 8 percent over the prior year. The change in net position (including other financing uses) produced an increase in net position of \$13,418,472. The Project's net position increased by 59 percent from the prior year making available \$36,130,134 of funding to be provided for purposes of debt service and future redevelopment in the Project's designated area. Expenses decreased this year due to the Project's formulation of a redevelopment plan or necessary funding was not substantially complete or available.

Debt Administration

General Obligation Bonds (Modern Schools Across Chicago Program) outstanding at December 31, 2020 amounted to \$5,440,000. More detailed information about the Project's long-term liabilities is presented in Note 3 of the financial statements.

CITY OF CHICAGO, ILLINOIS
FULLERTON/MILWAUKEE REDEVELOPMENT PROJECT

MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)
(Concluded)

Government-Wide

	<u>2020</u>	<u>2019</u>	<u>Change</u>	<u>% Change</u>
Total assets	\$ 41,837,709	\$ 35,869,162	\$ 5,968,547	17%
Total liabilities	<u>5,707,575</u>	<u>13,157,500</u>	<u>(7,449,925)</u>	-57%
Total net position	<u>\$ 36,130,134</u>	<u>\$ 22,711,662</u>	<u>\$ 13,418,472</u>	59%
Total revenues	\$ 15,264,703	\$ 14,416,341	\$ 848,362	6%
Total expenses	<u>1,239,231</u>	<u>4,783,798</u>	<u>(3,544,567)</u>	-74%
Other financing uses	<u>607,000</u>	<u>-</u>	<u>607,000</u>	100%
Changes in net position	<u>13,418,472</u>	<u>9,632,543</u>	<u>3,785,929</u>	39%
Ending net position	<u>\$ 36,130,134</u>	<u>\$ 22,711,662</u>	<u>\$ 13,418,472</u>	59%

CITY OF CHICAGO, ILLINOIS
FULLERTON/MILWAUKEE REDEVELOPMENT PROJECT

STATEMENT OF NET POSITION AND
GOVERNMENTAL FUNDS BALANCE SHEET
DECEMBER 31, 2020

<u>A S S E T S</u>	<u>Governmental Funds</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
Cash and investments	\$ 29,075,890	\$ -	\$ 29,075,890
Property taxes receivable	12,696,449	-	12,696,449
Accrued interest receivable	65,370	-	65,370
Total assets	<u>\$ 41,837,709</u>	<u>\$ -</u>	<u>\$ 41,837,709</u>
<u>LIABILITIES AND DEFERRED INFLOWS</u>			
Vouchers payable	\$ 112,793	\$ -	\$ 112,793
Due to other City funds	154,782	-	154,782
Bonds payable (Note 3):			
Due within one year	-	570,000	570,000
Due after one year	-	4,870,000	4,870,000
Total liabilities	<u>267,575</u>	<u>5,440,000</u>	<u>5,707,575</u>
Deferred inflows	<u>11,660,814</u>	<u>(11,660,814)</u>	<u>-</u>
<u>FUND BALANCE/NET POSITION</u>			
Fund balance:			
Restricted for debt service	837,621	(837,621)	-
Restricted for future redevelopment project costs	<u>29,071,699</u>	<u>(29,071,699)</u>	<u>-</u>
Total fund balance	<u>29,909,320</u>	<u>(29,909,320)</u>	<u>-</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 41,837,709</u>		
Net position:			
Restricted for debt service		838,892	838,892
Restricted for future redevelopment project costs		<u>35,291,242</u>	<u>35,291,242</u>
Total net position		<u>\$ 36,130,134</u>	<u>\$ 36,130,134</u>

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balance - governmental funds	\$ 29,909,320
Property tax revenue is recognized in the period for which levied rather than when "available". A portion of the deferred property tax revenue is not available.	11,660,814
Long-term liabilities applicable to the Project's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All long-term liabilities are reported in the statement of net position.	(5,440,000)
Total net position - governmental activities	<u>\$ 36,130,134</u>

The accompanying notes are an integral part of the financial statements.

CITY OF CHICAGO, ILLINOIS
FULLERTON/MILWAUKEE REDEVELOPMENT PROJECT

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Governmental Funds</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Revenues:			
Property tax	\$ 12,869,784	\$ 1,418,457	\$ 14,288,241
Interest	855,424	-	855,424
Miscellaneous revenue	121,038	-	121,038
Total revenues	<u>13,846,246</u>	<u>1,418,457</u>	<u>15,264,703</u>
Expenditures/expenses:			
Economic development projects	1,297,266	-	1,297,266
Debt service:			
Principal retirement	6,750,000	(6,750,000)	-
Interest	597,214	(655,249)	(58,035)
Total expenditures/expenses	<u>8,644,480</u>	<u>(7,405,249)</u>	<u>1,239,231</u>
Excess of revenues over expenditures	5,201,766	8,823,706	14,025,472
Other financing uses:			
Surplus distribution (Note 4)	<u>(607,000)</u>	<u>-</u>	<u>(607,000)</u>
Excess of revenues over expenditures and other financing uses	4,594,766	(4,594,766)	-
Change in net position	-	13,418,472	13,418,472
Fund balance/net position:			
Beginning of year	<u>25,314,554</u>	<u>(2,602,892)</u>	<u>22,711,662</u>
End of year	<u>\$ 29,909,320</u>	<u>\$ 6,220,814</u>	<u>\$ 36,130,134</u>

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balance - governmental funds	\$ 4,594,766
Property tax revenue is recognized in the period for which levied rather than when "available". A portion of the deferred property tax revenue is not available.	1,418,457
Repayment of bond principal is reported as an expenditure in governmental funds and, thus, has the effect of reducing fund balance because current financial resources have been used. For governmental activities, however, the principal payments reduce the liabilities in the statement of net position and do not result in an expense in the statement of activities.	6,750,000
Premium received on the issuance of long-term debt is not accrued in governmental funds, but rather is amortized over the life of the bonds.	<u>655,249</u>
Change in net position - governmental activities	<u>\$ 13,418,472</u>

The accompanying notes are an integral part of the financial statements.

CITY OF CHICAGO, ILLINOIS
FULLERTON/MILWAUKEE REDEVELOPMENT PROJECT

NOTES TO FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies

(a) *Reporting Entity*

In February 2000, the City of Chicago (City) established the Fullerton/Milwaukee Tax Increment Redevelopment Project Area (Project). The area has been established to finance improvements, leverage private investment and create and retain jobs. The Project is accounted for within the debt service and special revenue funds of the City.

The financial statements present only the activities of the Fullerton/Milwaukee Tax Increment Redevelopment Project and do not purport to present the financial position and the changes in financial position of any other debt service and special revenue funds of the City of Chicago, Illinois, as of December 31, 2020 and for the year then ended in accordance with accounting principles generally accepted in the United States of America.

(b) *Accounting Policies*

The accounting policies of the Project are based upon accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB).

(c) *Government-wide and Fund Financial Statements*

The government-wide financial statements (i.e., the statement of net position and the statement of activities) and the governmental fund financial statements (i.e., the balance sheet and the statement of governmental fund revenues, expenditures and changes in fund balance) report information on the Project. See Note 1(a).

(d) *Measurement Focus, Basis of Accounting and Financial Statements Presentation*

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

The governmental funds financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting* with only current assets and liabilities included on the balance sheet. Under *the modified accrual basis of accounting*, revenues are recorded when susceptible to accrual, i.e., both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Property taxes are susceptible to accrual and recognized as a receivable in the year levied. Revenue recognition is deferred unless the taxes are received within 60 days subsequent to year-end. Expenditures are recorded when the liability is incurred.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. The City has elected not to follow subsequent private-sector guidance.

CITY OF CHICAGO, ILLINOIS
FULLERTON/MILWAUKEE REDEVELOPMENT PROJECT

NOTES TO FINANCIAL STATEMENTS
(Continued)

Note 1 – Summary of Significant Accounting Policies (Continued)

(d) *Measurement Focus, Basis of Accounting and Financial Statements Presentation (Concluded)*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from these estimates.

(e) *Assets, Liabilities and Net Position*

Cash and Investments

Cash being held by the City is generally deposited with the City Treasurer as required by the Municipal Code of Chicago. The City Comptroller issues warrants for authorized City expenditures which represent a claim for payment when presented to the City Treasurer. Payment for all City warrants clearing is made by checks drawn on the City's various operating bank accounts.

The City Treasurer and City Comptroller share responsibility for investing in authorized investments. Interest earned and fair market value adjustments on pooled investments are allocated to participating funds based on their average combined cash and investment balances. Since investment income is derived from pooled investments, the fair value measurement and fair value hierarchy disclosures of GASB 72 will not be separately presented in a note disclosure.

The City values its investments at fair value or amortized cost. U.S. Government securities purchased at a price other than par with a maturity of less than one year are recognized at amortized cost.

Deferred Inflows

Deferred inflows represent deferred property tax revenue amounts to be recognized as revenue in future years in the governmental fund financial statements.

Capital Assets

Capital assets are not capitalized in the governmental funds but, instead, are charged as current expenditures when purchased. The Government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) of the City includes the capital assets and related depreciation, if any, of the Project in which ownership of the capital asset will remain with the City (i.e. infrastructure, or municipal building). All other construction will be expensed in both the government-wide financial statements and the governmental funds as the City nor Project will retain the right of ownership.

CITY OF CHICAGO, ILLINOIS
FULLERTON/MILWAUKEE REDEVELOPMENT PROJECT

NOTES TO FINANCIAL STATEMENTS
(Continued)

Note 1 – Summary of Significant Accounting Policies (Concluded)

(f) *Stewardship, Compliance and Accountability*

Illinois Tax Increment Redevelopment Allocation Act Compliance

The Project's expenditures include reimbursements for various eligible costs as described in subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act and the Redevelopment Agreement relating specifically to the Project. Eligible costs include but are not limited to survey, property assembly, rehabilitation, public infrastructure, financing and relocation costs.

Reimbursements

Reimbursements, if any, are made to the developer for project costs, as public improvements are completed and pass City inspection. Refer to Note 5 for reimbursements paid to the developer.

The semi-annual principal and interest payments are made solely from incremental real property taxes, which are paid in the redevelopment district and other contiguous redevelopment districts needed to fulfill the debt service requirements.

Note 2 – Investments and Fair Value Measurements

The City measures and categorizes its investments using fair value measurement guidelines established by generally accepted accounting principles. At December 31, 2020, all non-pooled investments held by the Project are exclusively short-term money market funds and commercial paper valued at fair value that approximates cost and can be redeemed on a daily basis.

Note 3 – Bonds Payable

In August 2010, the City issued \$24,490,000 of General Obligation Bonds (Modern Schools Across Chicago Program), Series 2010A and B at a premium. Series B bonds (\$7,545,000) are Build America Bonds. The bonds have interest rates ranging from 3.00 percent to 5.364 percent and maturity dates ranging from December 1, 2011 to December 1, 2024. Net proceeds of \$26,442,557 will be used to pay for a portion of the costs for construction, renovation, design and acquisition of elementary and high schools that are part of the school system operated by the Board (\$25,000,000) and to fund capitalized interest (\$1,442,557). The bonds fund Phase II of the Modern Schools Across Chicago Program.

As of December 1, 2020, the Modern Schools Across Chicago Program General Obligation Bonds, Series 2010A originally issued at a premium for the Fullerton/Milwaukee Redevelopment Project were fully redeemed (\$4,645,000) early because the balance in the principal and interest account held with the trustee was sufficient to cover the remaining debt service.

CITY OF CHICAGO, ILLINOIS
FULLERTON/MILWAUKEE REDEVELOPMENT PROJECT

NOTES TO FINANCIAL STATEMENTS
(Continued)

Note 3 – Bonds Payable (Concluded)

Long-term liability activity for the year ended December 31, 2020 was as follows:

Beginning balance	\$12,190,000
Additions	-
Reductions	<u>(6,750,000)</u>
Ending balance	<u>\$ 5,440,000</u>
Amounts due within one year	<u>\$ 570,000</u>

The aggregate maturities of the bonds are as follows:

<u>Year Ending</u> <u>December 31,</u>	<u>Series 2010B</u>	
	<u>Principal</u>	<u>Interest</u>
2021	\$ 570,000	\$ 268,892
2022	2,095,000	242,022
2023	405,000	140,121
2024	<u>2,370,000</u>	<u>120,015</u>
Total	<u>\$ 5,440,000</u>	<u>\$ 771,050</u>

Note 4 – Surplus Distribution

In December 2019, the City declared a surplus within the fund balance of the Project in the amount of \$607,000. In January 2020, the surplus funds were sent to the Cook County Treasurer's Office to be redistributed to the various taxing agencies.

Note 5 – Tax Abatement Payments

Under the terms of the redevelopment agreements, the Project paid the developers \$200,000 during the year ended December 31, 2020.

Note 6 – Commitments

The City has pledged certain amounts solely from available excess incremental taxes to provide financial assistance to a developer under the terms of a redevelopment agreement for the purpose of paying costs of certain eligible redevelopment project costs.

As of December 31, 2020, the Project has entered into contracts for approximately \$3,673,438 for services and construction projects.

SUPPLEMENTARY INFORMATION

CITY OF CHICAGO, ILLINOIS
FULLERTON/MILWAUKEE REDEVELOPMENT PROJECT
SCHEDULE OF EXPENDITURES BY STATUTORY CODE

Code Description

Costs of studies, surveys, development of plans and specifications, implementation and administration of the redevelopment plan including but not limited to staff and professional service costs for architectural, engineering, legal, marketing	\$ 161,249
Costs of property assembly, including but not limited to acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, and the clearing and grading of land	200,000
Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings and fixtures	425,247
Costs of the construction of public works or improvements	504,535
Costs of job training and retraining projects	6,235
Costs of financing, including but not limited to all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued hereunder accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto	7,347,214
	<u>\$ 8,644,480</u>



INDEPENDENT AUDITOR'S REPORT

The Honorable Lori E. Lightfoot, Mayor
Members of the City Council
City of Chicago, Illinois

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of Fullerton/Milwaukee Redevelopment Project of the City of Chicago, Illinois, which comprise the statement of net position and governmental funds balance sheet as of December 31, 2020, and the related statement of activities and governmental funds revenues, expenditures and changes in fund balance for the year then ended, and the related notes to the financial statements, and we have issued our report thereon dated June 25, 2021.

In connection with our audit, nothing came to our attention that caused us to believe that the Project failed to comply with the regulatory provisions in Subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Allocation Redevelopment Act and Subsection (o) of Section 11-74.6-10 of the Illinois Industrial Jobs Recovery Law as they relate to the eligibility for costs incurred incidental to the implementation of the Fullerton/Milwaukee Redevelopment Project of the City of Chicago, Illinois.

However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Project's noncompliance with the above referenced regulatory provisions, insofar as they relate to accounting matters.

This report is intended for the information of the City of Chicago's management. However, this report is a matter of public record, and its distribution is not limited.

Prado & Renteria

June 25, 2021