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

ROOSEVELT TOWER - I, LLC REDEVELOPMENT AGREEMENT

This Roosevelt Tower - I, LLC Redevelopment Agreement (this "Agreement") is made as of this 1st day of March, 2004, by and between the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Housing ("DOH"), and Roosevelt Tower - I, LLC, an Illinois limited liability company (the "Developer").

RECITALS

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

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

C. City Council Authority: To induce redevelopment pursuant

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to the Act, the City Council of the City (the "City Council") adopted the following ordinances on December 5, 1990: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the Roosevelt-Homan Commercial/Residential Redevelopment Project Area"; (2) "An Ordinance of the City of Chicago, Illinois Designating the Roosevelt-Homan-Commercial/Residential 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 Roosevelt-Homan Commercial/Residential Redevelopment Project Area" (as amended, the "TIF Adoption Ordinance") (items(1)-(3), as amended, collectively referred to herein as the "TIF Ordinances"). The redevelopment project area referred to above (the "Redevelopment Area") is legally described in Exhibit A hereto.

D. The Project: The Developer has previously acquired the parcel of real property commonly known as 3448 W. Roosevelt Road, Chicago, Illinois, which is located within Redevelopment Area and which are legally described on Exhibit B-1 hereto (the "Developer-Owned Parcel"). On the Closing Date, the Developer will purchase from the City through a negotiated sale the eight parcels of real property commonly known as 3449 W. Grenshaw St., 3445 W. Grenshaw Street, 3454 W. Roosevelt Rd., 3452 W. Roosevelt Rd., 3450 W. Roosevelt Rd., 3442 W. Roosevelt Rd., 3440 W. Roosevelt Rd., and 3438 W. Roosevelt Rd., Chicago, Illinois, owned by or to be acquired by the City, all of which are located within Redevelopment Area and which are legally described on Exhibit B-2 through B-9 hereto (such eight parcels, the "City-Owned Parcels," and together with the Developer-Owned Parcels, the "Property"). The City will convey the City-Owned Parcels to the Developer for the price of \$1.00 per parcel. Within the time frames set forth in Section 3.01 hereof, the Developer shall commence and complete construction of an "L" shaped masonry elevator building having a six-story wing and an eight-story wing on the Property (the "Building"). The Building will have 126 one-bedroom apartment units. All of the units will be subject to rent restrictions and rented only by households headed by an Elderly Person earning sixty percent (60%) or less of the median income for the City of Chicago. The Property will include parking for 33 cars. The development will be constructed in accordance with the terms of the Planned Development. The Building 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. But for the Developer's execution of this Agreement, the City would be unwilling to convey any portion of the Property or provide any City Funds or other City financing for the Project.

E. Redevelopment Plan: The Project will be carried out in

accordance with this Agreement and the City of Chicago Roosevelt-Homan Commercial/Residential Redevelopment Area Tax Incremental Finance Program Redevelopment Plan (the "Redevelopment Plan") attached hereto as Exhibit D. Among the goals and objectives of the Plan are providing new housing for low and moderate income persons and providing needed incentives to encourage new construction and development.

F. City Financing: Pursuant to the terms and conditions of this Agreement, the City will pay or reimburse the Developer for TIF-Funded Interest Costs (as defined below) from Available Incremental Revenues (as defined below) (the "City Funds") in the manner set forth in the TIF Ordinances (as defined below).

G. Lender Financing: The City acknowledges that other financing for the Project is to be provided as set forth in Exhibit D attached hereto (collectively, the "Lender Financing"). The terms of certain portions of the Lender Financing include requiring the Developer to enter into various occupancy and use restrictions including, but not limited to, the Regulatory Agreement (as defined below).

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

SECTION 1. RECITALS

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

SECTION 2. DEFINITIONS

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

"Act" shall have the meaning set forth in Paragraph B of the Recitals hereto.

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

"Available Incremental Revenues" shall mean those Incremental Taxes deposited in the Incremental Taxes Fund attributable to the taxes levied on the Property, to the extent available, allocated by

the City in each fiscal year and in the amounts set forth in Exhibit E hereto for payment of the TIF-Funded Interest Costs.

"Certificate" shall mean the Certificate of Completion described in Section 8 hereof.

"City Funds" shall have the meaning set forth in Paragraph G of the Recitals hereto.

"City Loan" shall mean the loan made by the City of Chicago for the Project in the amount and on the terms set forth in Paragraph 2 of Exhibit D hereto.

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

"Elderly Persons" shall mean a household composed of one or more persons at least one of whom is 62 years of age or more at the time of initial occupancy.

"Employer(s)" shall have the meaning set forth in Section 11 hereof.

"Environmental Laws" shall mean the Resource Conservation and Recovery Act, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 as amended, any so-called "Superfund" or "Superlien" law, the Toxic Substances Control Act, or any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree now or hereafter in force regulating, relating to or imposing liability or standards of conduct concerning any Hazardous Material, as now or at any time hereafter in effect.

"Event of Default" shall have the meaning set forth in Section 16 hereof.

"FHA-Insured Loan" shall have the meaning set forth in Paragraph 1 of Exhibit D hereto.

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

"First Mortgagee" shall mean PFC Corporation or, if different, the then holder of the FHA-Insured Loan.

"General Contractor" shall mean Walsh Construction Company of Illinois.

"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.

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

"Incremental Taxes" shall mean such ad valorem taxes which, pursuant to the TIF Ordinances 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 Treasurer into the Incremental Taxes Fund.

"Incremental Taxes Fund" shall mean the Roosevelt-Homan Commercial/Residential Redevelopment Project Area Special Tax Allocation Fund created pursuant to the TIF Ordinances.

"Lender Financing" shall have the meaning set forth in paragraph F of the Recitals.

"Lender(s)" shall mean the provider(s) of the Lender Financing.

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

"Other Funds" shall mean those funds set forth in paragraph B of Exhibit D.

"Planned Development" shall mean that certain Residential-Business Planned Development Number 793 approved by the City Council on September 5, 2001 and published in the Journal of Proceedings of the City Council for such date at pages 66577 through 66590.

"Plans and Specifications" shall mean final construction documents containing a site plan and working drawings and specifications for the Project prepared by Developer's Architect (as defined in Section 3.06).

"Project" shall have the meaning set forth in Paragraph D of the Recitals.

"Project Budget" shall mean the budget for the Developer

Project attached hereto as Exhibit F-1.

"Project Costs" shall mean all of the costs incurred in connection with the Project.

"Property" shall have the meaning set forth in Paragraph D of the Recitals.

"Regulatory Agreement" shall mean that certain Regulatory Agreement for Multifamily Housing Projects dated as of the date hereof and amendments thereto, if any, entered into between the Developer and HUD with respect to the Property.

"Surplus Cash" shall have the meaning ascribed to it in the Regulatory Agreement.

"Survey" shall mean a plat of an ALTA survey of the Property acceptable in form and content to the City and the Title Company.

"Term of the Agreement" shall mean the term commencing on the date of execution of this Agreement and ending December 4, 2013 or, if the Plan is amended in accordance with the Act, 65 ILCS 5/11-74.4-3(n)(3), December 31, 2014.

"TIF-Funded Interest Costs" shall mean those costs which (i) are included within the definition of redevelopment project costs in Section 5/11-74.4-3(q) of the Act and are included in the Plan, and (ii) have the meaning set forth in Section 4.02 hereof.

"TIF Ordinances" shall have the meaning set forth in Paragraph C of the Recitals hereto.

"Title Company" shall mean Chicago Title Insurance Company.

"Title Policy" shall mean a title insurance policy in the most recently revised ALTA or equivalent form, showing the Developer as the insured, issued by the Title Company.

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

SECTION 3. THE PROJECT

3.01 The Project.

(a) On the closing date, the City will convey the City-Owned

Parcels to the Developer for the purchase price of \$1.00 per parcel. The Developer shall thereafter: (i) commence and complete construction of the Project, and have at least 30% of the units leased and occupied by a household headed by an Elderly Person no later than 18 months after the execution date hereof, and (ii) fully leased and occupied by qualified Elderly Persons by the date set forth in the loan documents for City Loan, or such later date(s) as to which DOH may consent in its sole discretion, and subject further to the provisions of Section 18.16 of this Agreement. The Project shall be carried out in accordance with the Plans and Specifications for the Project. In the event that HUD grants an extension of time for commencement or completion of construction of the Project, the Developer shall notify the City within five business days after receipt of notice of such extension and the foregoing dates shall be automatically extended accordingly.

(b) The City will convey the City-Owned Parcels by quitclaim deed subject to (i) standard exceptions in an ALTA title insurance policy, (ii) all general real estate taxes (provided, however, that the City agrees to use reasonable efforts to obtain the waiver of any delinquent real estate tax liens on the Property, which, if not reasonably obtained by the City, shall entitle either the City or the Developer to decline to close this Agreement), (iii) all easements, encroachments, covenants and restrictions of record and not shown of record, and (iv) such other title defects and encumbrances as may exist.

3.02 Plans and Specifications. The Plans and Specifications shall conform to the Redevelopment Plan as amended from time to time and shall comply with all applicable state and local laws, ordinances and regulations. As of the date hereof, the Developer has delivered to DOH, and DOH has approved, the Plans and Specifications, a list of which are attached hereto as Exhibit G. The Developer has submitted also all such 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.

Any amendment to the Plans and Specifications that reduces the square footage of the Building, reduces the number of units or reflects a change in the basic use of the Property shall be submitted to DOH for its prior approval, which approval shall be in DOH's sole discretion. Other material change orders shall be reported to DOH as part of the monthly progress reports submitted by the Developer.

3.03 Project Budget. The Developer has furnished to DOH, and DOH has approved, the Project Budget and the MBE/WBE Project

Budget. The Developer hereby certifies to the City that (a) Lender Financing and Other Funds shall be sufficient to pay all Project Costs (other than the TIF-Funded Interest Costs) and (b) to the best of the Developer's knowledge after diligent inquiry, the Project Budget is true, correct and complete in all material respects. The Developer hereby represents to the City that the Lender Financing is (a) along with Other Funds and the City Funds, necessary to pay for all Project Costs and (b) available to be drawn upon to pay for certain Project Costs in accordance with the terms of the documents securing the Lender Financing.

3.04 Other Approvals. Construction of the Project and purchase of materials shall not commence until the Developer has obtained all permits and approvals required by state, federal or local statute, ordinance or regulation and the General Contractor has delivered to the Developer a copy of the general contract and performance and payment bonds in the full amount of the general contract.

3.05 Survey Updates. Upon DOH's request, the Developer shall provide three as-built Surveys to DOH reflecting improvements made to the Property.

3.06 Architect's Certificates and Periodic Reports. The Developer has contracted with Thomas Hickey & Associates (the "Developer's Architect") to act as its architect on the Project. The Developer's Architect shall provide the following documents to DOH:

(a) at the time of execution of this Agreement, an original executed Architect's Opening Certificate in the form attached hereto as Exhibit H-1;

(b) during construction of the Project on a monthly basis, a copy of AIA Form G-703, or a comparable form containing the same information as AIA Form G-703, and inspection reports; and

(c) upon completion of the Project, an original executed Architect's Completion Certificate in the form attached hereto as Exhibit H-2.

SECTION 4. FINANCING FOR THE PROJECT COSTS

4.01 Initial Financing for the Project. The Developer shall pay for all of the Project Costs, except the TIF-Funded Interest Costs, using the proceeds of the Lender Financing and Other Funds.

4.02 Reimbursement for TIF-Funded Interest Costs.

(a) The City hereby agrees to pay or reimburse the Developer from Available Incremental Revenues, if any, for a portion of the interest costs incurred by the Developer that will accrue on the FHA-Insured Loan (the "TIF-Funded Interest Costs") in each year and in the amounts set forth in Exhibit E hereto; provided, however, that in no event shall the amount payable by the City for TIF-Funded Interest Costs exceed the lesser of (x) the maximum amount specified in Section 4.04 or, (y) the lesser of:

(i) 30 percent of the annual interest costs on the Lender Financing incurred by the Developer with regard to the Project during that year, provided that, if there are not sufficient Available Incremental Revenues to make the payment pursuant to this subparagraph, then the amounts so due shall accrue and be payable when Available Incremental Revenues are available; or

(ii) 30 percent of the total (A) cost paid or incurred by the Developer on the Project, plus (B) redevelopment project costs (excluding any property assembly costs and relocation costs) incurred by the City pursuant to the Act.

(b) The amounts payable pursuant to Section 4.02(a) shall be paid by the City in accordance with this Agreement while the Lender Financing remains outstanding and so long as the TIF-Funded Interest Costs, may, under the Act, be legally paid out of Available Incremental Revenues. The amounts payable pursuant to Section 4.02(a) shall be paid annually by the City to the Developer (or as otherwise required by the First Mortgagee) for distribution to the appropriate parties. The City will pay the Developer (or as otherwise required by the First Mortgagee) for the TIF-Funded Interest Costs for the Project upon submission by the Developer to the DOH of an executed Requisition Form for TIF-Funded Interest Costs in the form attached hereto as Exhibit I. The Requisition Form for TIF-Funded Interest Costs shall be sent to DOH on or after November 1 of each year that payment is requested, and shall set forth the date for payment which shall be not less than 60 days from the date of its receipt by the DOH. The City Comptroller shall pay, to the extent of any Available Incremental Revenues then available in the Incremental Taxes Fund, the amount requested in the Requisition Form for TIF-Funded Interest Costs within 60 days of its receipt; provided, that the amount so requested shall not exceed the maximum amount payable for such year as shown on Exhibit J attached hereto, plus any portion of such maximum amount for prior years that has not been paid as a result of insufficient funds. The Developer shall submit to the DOH and the Department of Finance at the addresses specified in Section 17 copies of monthly invoices sent to the Developer by the First Mortgagee and any other mortgagees to evidence the accrual of such amounts for TIF-Funded Interest Costs. Upon the City's request, the First Mortgagee will provide any additional supporting documentation. Attached as Exhibit J is a schedule of maximum amounts which may be reimbursed

as interest cost incurred by the Developer in accordance with the Redevelopment Plan and the limitations provided in Section 11-74.4-3(q) (11) of the Act.

4.03 Sufficiency of Available Incremental Revenues for TIF-Funded Interest Costs. It is hereby understood and agreed to by the Developer that the City does not make any representations that the amount of the Available Incremental Revenues will be sufficient to pay for or reimburse the Developer for any or all of the TIF-Funded Interest Costs.

4.04 Source of City Funds to Pay TIF-Funded Interest Costs. Subject to the terms and conditions of this Agreement, the City hereby agrees to reserve City Funds from the sources and in the amounts described directly below to pay TIF-Funded Interest Costs:

<u>Source of City Funds</u>	<u>Maximum Amount</u>
Incremental Taxes Attributable to the Tax Parcels Comprising the Property	\$1,540,433

The Developer acknowledges and agrees that the City has committed to reserve only the Incremental Taxes attributable to the tax parcels comprising the Property and that the Developer has no right or claim to, and the City shall be free to otherwise reserve, pledge and commit to other redevelopment projects or financing, the Incremental Taxes attributable to the other tax parcels in the Redevelopment Area. The City acknowledges and agrees that the Developer shall have a first priority claim to the Available Incremental Revenues committed and reserved under this Section 4.04. Notwithstanding anything in this Agreement or the Exhibits attached hereto to the contrary, in no event shall the City pay City Funds to the Developer in an amount more than the lesser of (a) \$1,540,433, and (b) 13.4% of actual Project costs. Computation of such final actual Project costs shall be a condition precedent to the issue of the Certificate.

SECTION 5. GENERAL PROVISIONS

5.01 DOH Approval. Any approval granted by DOH pursuant to this Agreement is for the purposes of this Agreement only and does not affect or constitute any approval required by any other department of the City or pursuant to any City ordinance, code, regulation or any other governmental approval, nor does any approval by DOH pursuant to this Agreement constitute approval of

the quality, structural soundness or safety of the Property or the Project.

5.02 Other Approvals. Any DOH approval under this Agreement shall have no effect upon, nor shall it operate as a waiver of, the Developer's obligations to comply with the provisions of Sections 3.02 and 3.04 hereof.

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

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

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

SECTION 6. CONDITIONS

The following conditions shall be complied with to the City's satisfaction not less than five (5) business days prior to the closing date, unless otherwise specified below.

6.01 Title Policy. On the Closing Date, the Developer shall provide the City with a copy of the Title Policy showing the Developer in title to the Property.

6.02 Survey. The Developer has furnished the City with a Survey of the Property.

6.03 Insurance. The Developer, at its own expense, shall insure the Property in accordance with Section 13 hereof.

6.04 Opinion of Developer's Counsel. The Developer shall furnish the City with an opinion of counsel upon the execution of this Agreement in the form as may be reasonably required by or acceptable to Corporation Counsel.

6.05 Plans and Specifications. The Developer shall have submitted to DOH, and DOH shall have approved, the Plans and Specifications in accordance with Section 3.03.

6.06 Project Budget. The Developer shall have submitted to DOH, and DOH shall have approved, a Project Budget and an MBE/WBE Project Budget in accordance with the provisions of Section 3.04 hereof.

6.07 Other Governmental Approvals. The Developer shall have secured all other necessary approvals and permits required by any State, federal, or local statute, ordinance or regulation for construction of the Project and shall submit evidence thereof to DOH.

6.08 Financing. The Developer shall have furnished proof acceptable to DOH, in its sole discretion, that it has equity and financing commitments for the financing described in Exhibit D attached hereto and otherwise sufficient to complete the Project and satisfy its obligations under this Agreement. Any liens against the Property in existence at the Closing Date shall be subordinated to this Agreement pursuant to a subordination agreement, in a form acceptable to the City, executed on or prior to the Closing Date.

6.09 Evidence of Clean Title. The Developer shall have provided the City with current searches under its name and the names of its members as follows:

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

showing no liens against any such entities or persons, the Property or any fixtures now or hereafter affixed thereto, except for permitted liens.

6.10 Financial Statements. The Developer shall have provided such financial statements as DOH may require, in its sole

discretion.

6.11 Environmental Matters. The Developer shall have provided to the City a phase I environmental site assessment for the Property, which assessments shall not indicate any unsatisfactory environmental conditions, as determined by DOH, in its sole discretion. If such assessment reveals any unsatisfactory environmental conditions, these shall be remediated prior to the Closing Date to DOH's satisfaction.

6.12 Entity Documents. The Developer shall provide a copy of its Articles of Organization containing the original certification of the Secretary of State of Illinois; a certificate of existence; a managing member's certificate in such form and substance as the Corporation Counsel may require; such member consents as may be required; the Developer's operating agreement; and such other comparable documentation as the City may request for the Developer's members and indirect owners.

6.13 Other Documents. The Developer shall provide such other documents as DOH may reasonably request in order to confirm the Developer's ability to complete the Project and thereafter operate the Project in accordance with the terms of this Agreement, including, without limitation, any regulatory or land use agreements, escrow agreements, marketing plans, tenant selection plans, management agreements, and payment and performance bonds (which, if permitted by HUD, shall name the City as a co-obligee), a MBE/WBE utilization plan (including Schedules C and D), evidence that the General Contractor has met at least once with and provided bid documents to applicable MBE/WBE contractor associations, evidence of the Developer's having met with each of the associations marked with an asterisk in Attachment II of the Developer's TIF application, and such other DOH closing documents as are customary or as DOH may reasonably require. The Developer shall also have obtained construction and monitoring approval by DOH.

SECTION 7. AGREEMENTS WITH CONTRACTORS

7.01 City Resident Employment Requirement. The Developer agrees for itself and its successors and assigns, and shall contractually obligate its or their various contractors, subcontractors or any Affiliate of the Developer operating on the Property (individually an "Employer" and collectively, "Employers"), 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 of Chicago specified in Section 2-92-330 of the Municipal Code of Chicago (at least 50 percent of the total worker hours worked by

persons on the site of the construction of the Project shall be performed by actual residents of the City of Chicago); provided, however, that in addition to complying with this percentage, the Developer and the other Employers shall be required to make good faith efforts to utilize qualified residents of the City of Chicago in both skilled and unskilled labor positions.

The Developer and the other Employers may request a reduction or waiver of this minimum percentage level of total worker hours performed by actual residents of the City of Chicago as provided for in Section 2-92-330 of the Municipal Code of Chicago in accordance with standards and procedures developed by the Purchasing Agent of the City of Chicago.

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

The Developer and the other Employers shall provide for the maintenance of adequate employee residency records to ensure that actual Chicago residents are employed on the Project. The Developer and the other Employers shall maintain copies of personal documents supportive of every Chicago employee's actual record of residence.

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

The Developer and the other Employers shall provide full access to their employment records to the Purchasing Agent, the Commissioner of DOH, the Superintendent of the Chicago Police Department, the Inspector General, or any duly authorized representative thereof. The Developer and the other Employers 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 as evidenced by the (final) Certificate.

At the direction of DOH, affidavits and other supporting documentation will be required of the Developer and the other Employers to verify or clarify an employee's actual address when in doubt or lack of clarity has arisen.

Good faith efforts on the part of the Developer and the other Employers 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 Purchasing Agent) shall not suffice to replace the actual, verified achievement of the requirements of this Section concerning the worker hours performed by actual Chicago residents.

When work at the Project is completed, in the event that the City has determined that the Developer and the other Employers failed to ensure the fulfillment of the requirement of this Section concerning the worker hours performed by actual Chicago residents or has 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 Chicago to the degree stipulated in this Section. Therefore, in such case of non-compliance it is agreed that 1/20 of 1 percent (.05%) of the aggregate hard construction costs set forth in the Project Budget (as the same shall be evidenced by approved contract value for the actual contracts), shall be surrendered by the Developer and/or the other Employers to the City in payment for each percentage of shortfall toward the stipulated residency requirement. Failure to report the residency of employees entirely and correctly shall result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. The willful falsification of statements and the certification of payroll data may subject the Developer and/or the other Employers or employee to prosecution. Any retainage to cover contract performance that may become due to the Developer and the other Employers pursuant to Section 2-92-250 of the Municipal Code of Chicago may be withheld by the City pending the Purchasing Agent's determination whether the Developer and the other Employers must surrender damages as provided in this paragraph. Any monetary obligations of the Developer hereunder shall be satisfied from distributable Surplus Cash only. In addition, the Developer shall make good faith efforts that all other contracts entered into in connection with the Project for work done, services provided or materials supplied shall be let to persons or entities whose main office and place of business are located within the City, subject to applicable HUD regulations.

Nothing herein provided shall be construed to be a limitation upon the "Notice of 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.

The Developer shall cause or require the provisions of this Section 7.01 to be included in all construction contracts and subcontracts related to the Project.

7.02 Maintaining Records. On a monthly basis until completion of construction of the Project, the Developer shall provide to DOH reports in a form satisfactory to DOH evidencing its

compliance with Section 7.01.

7.03 Other Provisions. Photocopies of all contracts or subcontracts entered into by the Developer in connection with the Project shall be made available to DOH upon request. The Developer has the right to delete proprietary information from such contracts or subcontracts, provided, however, that upon DOH's request, the Developer shall make available such proprietary information for review by any authorized City representative.

SECTION 8. COMPLETION OF CONSTRUCTION

8.01 Certificate of Completion. Upon completion of the construction of the Project and related redevelopment activities constituting the Project in accordance with the terms of this Agreement, and upon the Developer's written request, DOH shall issue to the Developer a Certificate in recordable form certifying that the Developer has fulfilled its obligation to complete the Project in accordance with the terms of this Agreement. DOH shall respond to the Developer's written request for a Certificate by issuing either a Certificate or a written statement detailing the ways in which the Project does not conform to this Agreement or has not been satisfactorily completed, and the measures which must be taken by the Developer in order to obtain the Certificate. The Developer may resubmit a written request for a Certificate upon completion of such measures.

8.02 Effect of Issuance of Certificate; Continuing Obligations. The Certificate relates only to the construction of the Project and related redevelopment activities constituting the Project, and upon its issuance, the City will certify that the terms of the Agreement specifically related to the Developer's obligation to complete such activities have been satisfied. After the issuance of a Certificate, however, all executory terms and conditions of this Agreement and all representations and covenants contained herein will continue to remain in full force and effect throughout the Term of 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.

Those covenants specifically described at Sections 9.02 and 9.12 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. The other executory terms of this Agreement that remain after the issuance of a Certificate shall be binding only upon the Developer or a permitted assignee of the

Developer who, pursuant to Section 18.14 of this Agreement, has contracted to take an assignment of the Developer's rights under this Agreement and assume the Developer's liabilities hereunder.

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

(a) subject to the provisions of Section 16.02 and Section 16.04, 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) to complete the Project and to pay for its costs out of City Funds or other City monies. In the event that the aggregate cost of completing the Project exceeds the amount of City Funds available, the Developer shall reimburse the City for all reasonable costs and expenses incurred by the City in completing such work in excess of the available City Funds; and

(c) the right to seek reimbursement of the City Funds from the Developer.

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

SECTION 9. COVENANTS/REPRESENTATIONS/WARRANTIES OF DEVELOPER

The Developer represents, warrants and covenants to the City as follows:

9.01 General. The Developer represents, warrants and covenants that:

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

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

(c) the execution, delivery and performance by the Developer of this Agreement has been duly authorized by all necessary limited

liability company action and will not violate its operating agreement as amended and supplemented, any applicable provision of law, or constitute a material breach of, default under or require any consent under, any agreement, instrument or document to which the Developer is now a party or by which the Developer is now or may become bound;

(d) unless otherwise permitted pursuant to the terms of this Agreement, including Section 18.14 hereof, the Developer shall acquire and shall maintain good, indefeasible and merchantable fee simple title to the Property, subject to those matters shown in the Title Policy and to such other matters as to which DOH may consent in writing. The Developer may make application to HUD for a Transfer of Physical Assets in accordance with paragraph R-9 of the HUD-Required Provisions Rider attached hereto. The Developer shall not convert the Property to a condominium or cooperative form of ownership.

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

(f) the Developer shall obtain and shall maintain all government permits, certificates and consents (including, without limitation, appropriate environmental approvals) necessary to construct, complete and operate its business at the Property;

(g) the Developer is not aware of any default with respect to any indenture, loan agreement, mortgage, deed, note or any other agreement or instrument related to the borrowing of money to which the Developer is a party or by which the Developer is bound which would materially affect its ability to perform hereunder;

(h) the Financial Statements when submitted will be, complete and correct in all material respects and will accurately present the assets, liabilities, results of operations and financial condition of the Developer; and

(i) the Developer is satisfied that it has taken any measures required to be taken to bring the Property and the Project into compliance with Environmental Laws and that the Property is suitable for its intended use.

9.02 Covenant to Redevelop. The Developer shall redevelop the Property substantially in accordance with the Agreement and all Exhibits attached hereto, the TIF Ordinances, the Plans and Specifications, the Project Budget and all amendments thereto, and all federal, state and local laws, ordinances, rules, regulations, executive orders and codes applicable to the Project, the Property

and/or the Developer, including, without limitation, the affordability requirements set forth in Recital D. The covenants set forth in this Section 9.02 shall run with the land and be binding upon any transferee of the Property.

9.03 Redevelopment Plan. The Developer represents that the Project shall be in compliance with all of the terms of the Redevelopment Plan.

9.04 Use of Available Incremental Revenues. Available Incremental Revenues disbursed to, or on behalf of, the Developer shall be used solely to pay or reimburse the Developer for the TIF-Funded Interest Costs as provided in this Agreement.

9.05 Arms-Length Transactions. Unless DOH shall have given its prior written consent with respect thereto, no Affiliate of the Developer may receive any part of the City Funds, directly or indirectly, through reimbursement of the Developer pursuant to Section 4 or otherwise, in payment for work done, services provided or materials supplied in connection with any TIF-Funded Interest Costs. The Developer shall provide information with respect to any entity to receive the City Funds (by reimbursement or otherwise), upon DOH's request, prior to any such disbursement.

9.06 Conflict of Interest. The Developer represents and warrants that no member, official or employee of the City, or member of any commission or committee exercising authority over the Project or the Redevelopment Plan, or any consultant hired by the City in connection with the Project, owns or controls (or has owned or controlled) any interest, direct or indirect, in the Developer's business or the Property.

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

9.08 Financial Statements. The Developer shall maintain and provide to DOH its Financial Statements at the earliest practicable date but no later than 120 days following the end of the Developer's fiscal year, each year for the Term of the Agreement.

9.09 Developer's Liabilities. The Developer shall not enter into any transaction that would materially and adversely affect its ability to perform its obligations hereunder. The Developer shall immediately notify DOH of any and all events or actions which may materially affect the Developer's ability to perform its obligations under this Agreement.

9.10 Compliance with Laws. To the best of the Developer's knowledge, after diligent inquiry, the Property and the Project are and shall be in compliance with all applicable federal, state and

local laws, statutes, ordinances, rules, regulations, executive orders and codes. Upon the City's request, the Developer shall provide copies of any documentary evidence of compliance of such laws which may exist, such as, by way of illustration and not limitation, permits and licenses.

9.11 Recording and Filing. The Developer shall cause this Agreement, certain exhibits (as specified by Corporation Counsel), all amendments and supplements hereto to be recorded and filed 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 any Lender Financing. The Developer shall pay all fees and charges incurred in connection with any such recording. Upon recording, the Developer shall immediately transmit to the City an executed original of this Agreement showing the date and recording number of record.

9.12 Real Estate Provisions.

(a) Governmental Charges. The Developer agrees to pay or cause to be paid when due all Governmental Charges (as defined below) which are assessed or imposed upon the Developer, the Property or the Project, or become due and payable, and which create, may create, or appear to create a lien upon the Developer or all or any portion of the Property or the Project. "Governmental Charge" shall mean all federal, State, county, City, or other governmental (or any instrumentality, division, agency, body, or department thereof) taxes, levies, assessments, charges, liens, claims or encumbrances relating to the Developer, the Property or the Project, including but not limited to real estate taxes. The Developer shall have the right before any delinquency occurs to contest or object in good faith to the amount or validity of any Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted in such manner as shall stay the collection of the contested Governmental Charge and prevent the imposition of a lien or the sale or forfeiture of the Property. The Developer shall have the right to challenge real estate taxes applicable to the Property provided, that such real estate taxes must be paid in full when due and may be disputed only after such payment is made. No such contest or objection shall be deemed or construed in any way as relieving, modifying or extending the Developer's covenants to pay any such Governmental Charge at the time and in the manner provided in this Agreement unless the Developer has given prior written notice to DOH of the Developer's intent to contest or object to a Governmental Charge and, unless, at DOH's sole option, (i) the Developer shall demonstrate to DOH's satisfaction that legal proceedings instituted by the Developer contesting or objecting to a Governmental Charge shall conclusively operate to prevent a lien against or the sale or forfeiture of all or any part of the Property to satisfy such Governmental Charge prior to final determination of such proceedings and/or (ii) the

Developer shall furnish a good and sufficient bond or other security satisfactory to DOH in such form and amounts as DOH shall require, or a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of any such sale or forfeiture of the Property during the pendency of such contest, adequate to pay fully any such contested Governmental Charge and all interest and penalties upon the adverse determination of such contest. If the Developer fails to pay any Governmental Charge or to obtain discharge of the same, the Developer shall advise DOH thereof in writing, at which time DOH may, but shall not be obligated to, and without waiving or releasing any obligation or liability of the Developer under this Agreement, in DOH's sole discretion, make such payment, or any part thereof, or obtain such discharge and take any other action with respect thereto which DOH deems advisable. All sums so paid by DOH, if any, and any expenses, if any, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto, shall be promptly paid to DOH by the Developer. Notwithstanding anything contained herein to the contrary, this paragraph shall not be construed to obligate City to pay any such Governmental Charge. Additionally, if the Developer fails to pay any Governmental Charge, City, in its sole discretion, may require the Developer to submit to City audited Financial Statements at the Developer's own expense. Developer's right to challenge real estate taxes applicable to the Property is limited as provided for in Section 9.12(b) below.

(b) Real Estate Taxes.

(i) Acknowledgment of Real Estate Taxes. The Developer agrees that (A) for the purpose of this Agreement, the total projected minimum equalized assessed value of the Property ("Minimum Equalized Assessed Value") anticipated to be necessary to generate Incremental Taxes sufficient to pay the TIF-Funded Interest Costs is shown on Exhibit K attached hereto for the years noted on Exhibit K and (B) the real estate taxes anticipated to be generated and derived from the respective portions of the Property and the Project for the years shown are fairly and accurately indicated in Exhibit K.

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

(iii) No Reduction in Equalized Assessed Value. Neither

the Developer nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to the Developer shall, during the Term of the Agreement, directly or indirectly, initiate, seek or apply for proceedings in order to lower the equalized assessed value of all or any portion of the Property or the Project below the amount of the Minimum Equalized Assessed Value as shown in Exhibit K.

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

(c) Covenants Running with the Land. The parties agree that the restrictions contained in this Section 9.12 are covenants running with the land and this Agreement shall be recorded by Developer as a memorandum thereof, at the Developer's expense, with the Cook County Recorder of Deeds on the date of execution of the Agreement. These restrictions shall be binding upon the Developer and its agents, representatives, lessees, successors, assigns and transferee from and after the date hereof, provided however, that the covenants shall be released when the Redevelopment Area is no longer in effect. The Developer agrees that any sale, conveyance, or transfer of title to all or any portion of the Property or Redevelopment Area from and after the date hereof shall be made subject to such covenants and restrictions.

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

SECTION 10. COVENANTS/REPRESENTATIONS/WARRANTIES OF CITY

10.01 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, and covenants that: (a) the Incremental Taxes Fund will be

established, (b) the Incremental Taxes will be deposited therein, and (c) such funds shall remain available to pay the City's obligations under Sections 4.02 and 4.04 as the same become due, as long as the TIF-Funded Interest Costs continue to be payable from Available Incremental Revenues under the Act. The City agrees not to amend the Redevelopment Plan so as to materially impair its ability to pay in full any amounts due from the City under this Agreement without the written consent of the Developer and the Lender(s).

10.02 Survival of Covenants. All warranties, representations, and covenants of the City contained in this Section 10 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 11. EMPLOYMENT OPPORTUNITY

The Developer and its successors and assigns hereby agree, and shall contractually obligate its or their contractors or any Affiliate of the Developer operating on the Property (individually an "Employer" and collectively, "Employers") to agree, that for the Term of the Agreement with respect to the Developer and during the period of any other such party's provision of services hereunder or occupation of the Property:

(a) No Employer shall discriminate against any employee or applicant for employment on the basis of race, color, sex, age, religion, mental or physical disability, national origin, ancestry, sexual orientation, marital status, parental status, military discharge status or source of income, as defined in the City of Chicago Human Rights Ordinance adopted December 21, 1988, Municipal Code of Chicago, ch. 2-160, Section 2-160-010 et seq., as amended from time to time (the "Human Rights Ordinance"). Each Employer will take affirmative action to insure that applicants are employed and employees are treated during employment without regard to their race, color, religion, sex, national origin, ancestry, age, mental or physical disability, sexual orientation, marital status, parental status, military discharge status or source of income. Such action shall include, but not be limited to the following: 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.

(b) All solicitation or advertisement for employees placed by or on behalf of any Employer shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, ancestry, age, mental or physical disability, sexual orientation, marital status, parental status, military discharge status or source of income.

(c) Each Employer shall comply with federal, state and local equal employment and affirmative action statutes, rules and regulations, including but not limited to the Human Rights Ordinance and the Illinois Human Rights Act, 775 ILCS 5/1-101 et seq. (1992), and any subsequent amendments and regulations promulgated pursuant thereto.

(d) Consistent with the findings which support the Minority-Owned and Women-Owned Business Enterprise Procurement Program (the "MBE/WBE Program"), Section 2-92-420 et seq., Municipal Code of Chicago, and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, and as qualified by, the provisions of this Section 11, during the course of construction of the Project, at least the following percentages of MBE/WBE Project Budget attached hereto as Exhibit F-2 shall be expended for contract participation by minority-owned businesses ("MBEs") and by women-owned businesses ("WBEs"):

- a. at least 25 percent by MBEs;
- b. at least 5 percent by WBEs.

Consistent with Section 2-92-440, Municipal Code of Chicago, the Developer's MBE/WBE commitment may be achieved in part by the Developer's status as an MBE or WBE (but only to the extent of any actual work performed on the Project by the Developer) or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of (i) the MBE or WBE participation in such joint venture or (ii) the amount of any actual work performed on the Project by the MBE or WBE), by the Developer utilizing a MBE or a WBE as 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 used in the Project from one or more MBEs or WBEs, or by any combination of the foregoing. Those entities which constitute both a MBE and a WBE shall not be credited more than once with regard to the Developer's MBE/WBE commitment as described in this Section 11.

The Developer shall deliver monthly reports to DOH during the Project describing its efforts to achieve compliance with this

MBE/WBE commitment. Such reports shall include, inter alia, the name and business address of each MBE and WBE solicited by the Developer or the General Contractor to work on the Project, and the responses received from such solicitation, the name and business address of each MBE or WBE actually involved in the Project, a description of the work performed or products or services supplied, the date and amount of such work, product or service, a MBE/WBE utilization plan, a subcontractor's activity report, a contractor's certification regarding labor standards and prevailing wage requirements, a contractor's letter of understanding, monthly utilization reports, authorization for payroll agent forms, certified payrolls and such other information as may assist DOH in determining the Developer's compliance with this MBE/WBE commitment. The Developer shall maintain records of all relevant data with respect to the utilization of MBEs and WBEs in connection with the Project for at least five years after completion of the Project, and DOH shall have access to all such records maintained by the Developer, on five Business Days' notice, to allow the City to review the Developer's compliance with its commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the Project.

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

Any reduction or waiver of the Developer's MBE/WBE commitment as described in this Section 11 shall be undertaken in accordance with Section 2-92-450, Municipal Code of Chicago.

Prior to the commencement of the Project, the Developer shall be required to meet with the monitoring staff of DOH with regard to the Developer's compliance with its obligations under this Section 11. The General Contractor and all major Subcontractors shall be required to attend this pre-construction meeting. During said meeting, the Developer shall demonstrate to DOH its plan to achieve its obligations under this Section 11, the sufficiency of which shall be approved by DOH. During the Project, the Developer shall submit the documentation required by this Section 11 to the monitoring staff of DOH. Failure to submit such documentation on a timely basis, or a determination by DOH, upon analysis of the documentation, that the Developer is not complying with its obligations under this Section 11, shall, upon the delivery of written notice to the Developer, be deemed an Event of Default. Upon the occurrence of any such Event of Default, in addition to any other remedies provided hereunder, the City may: (1) issue a

written demand to the Developer to halt the Project, (2) withhold any further payments to, or on behalf of, the Developer, or (3) seek any other remedies against the Developer available at law or in equity.

(e) The Developer will include the foregoing provisions in every contract entered into in connection with the Project and every agreement with any Affiliate operating on the Property so that such provision will be binding upon each contractor or Affiliate, as the case may be.

SECTION 12. 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, and the Redevelopment Plan.

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

SECTION 13. INSURANCE

The Developer shall procure and maintain, or cause to be maintained, at its sole cost and expense, at all times throughout

the Term of the Agreement, and until each and every obligation of the Developer contained in the Agreement has been fully performed, the types of insurance specified below, with insurance companies authorized to do business in the State of Illinois covering all operations under this Agreement, whether performed by the Developer, any contractor or subcontractor:

- (a) Prior to Execution and Delivery of this Agreement: At least 10 business days prior to the execution of this Agreement, the Developer shall procure and maintain the following kinds and amounts of insurance:

- (i) Workers' Compensation and Occupational Disease Insurance

Workers' Compensation and Occupational Disease Insurance, in statutory amounts, covering all employees who are to provide a service under this Agreement. Employer's liability coverage with limits of not less than \$100,000.00 for each accident or illness shall be included.

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

Commercial Liability Insurance or equivalent with limits of not less than \$1,000,000.00 per occurrence, combined single limit, for bodily injury, personal injury and property damage liability. Products/completed operations, independent contractors, broad form property damage and contractual liability coverages are to be included.

- (b) Construction: Prior to the construction of any portion of the Project, the Developer shall procure and maintain, or cause to be maintained, the following kinds and amounts of insurance:

- (i) Workers' Compensation and Occupational Disease Insurance

Workers' Compensation and Occupational Disease Insurance, in statutory amounts, covering all employees who are to provide a service under or in connection with this Agreement. Employer's liability coverage with limits of not less than \$100,000.00 for each accident or illness shall be included.

- (ii) Commercial Liability Insurance (Primary and

Umbrella)

Commercial Liability Insurance or equivalent with limits of not less than \$2,000,000.00 per occurrence, combined single limit, for bodily injury, personal injury and property damage liability. Products/completed operations, explosion, collapse, underground, independent contractors, broad form property damage and contractual liability coverages are to be included.

(iii) Automobile Liability Insurance

When any motor vehicles are used in connection with work to be performed in connection with this Agreement, the Developer shall provide Automobile Liability Insurance with limits of not less than \$1,000,000.00 per occurrence combined single limit, for bodily injury and property damage.

(iv) All Risk Builders Risk Insurance

When the Developer, any contractor or subcontractor undertakes any construction, including improvements, betterments, and/or repairs, Developer, such contractor or subcontractor shall provide All Risk Blanket Builder's Risk Insurance to cover the materials, equipment, machinery and fixtures that are or will be part of the permanent facilities. Coverage extensions shall include boiler and machinery, and flood.

(v) Professional Liability

When any architects, engineers or consulting firms perform work in connection with this Agreement, Professional Liability insurance shall be maintained with limits of \$1,000,000.00. The policy shall have an extended reporting period of two years. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work on the Project.

(c) Other Provisions

Upon DOH's request, the Developer shall provide DOH with copies of insurance policies or certificates evidencing the coverage specified above. If the

Developer fails to obtain or maintain any of the insurance policies required under this Agreement or to pay any insurance policies required under this Agreement, or to pay any premium in whole or in part when due, the City may (without waiving or releasing any obligation or Event of Default by the Developer hereunder) obtain and maintain such insurance policies and take any other action which the City deems advisable to protect its interest in the Property and/or the Project. All sums so disbursed by the City including reasonable attorneys' fees, court costs and expenses, shall be reimbursed by the Developer upon demand by the City. Any monetary obligations of the Developer hereunder shall be satisfied from distributable Surplus Cash only.

The Developer agrees, and shall cause each contractor and subcontractor to agree, that any insurance coverages and limits furnished by the Developer and such contractors or subcontractors shall in no way limit the Developer's liabilities and responsibilities specified under this Agreement or any related documents or by law, or such contractor's or subcontractor's liabilities and responsibilities specified under any related documents or by law. The Developer shall require all contractors and subcontractors to carry the insurance required herein, or the Developer may provide the coverage for any or all contractors and subcontractors, and if so, the evidence of insurance submitted shall so stipulate.

The Developer agrees, and shall cause its insurers and the insurers of each contractor and subcontractor engaged after the date hereof in connection with the Project to agree, that all such insurers shall waive their rights of subrogation against the City.

The Developer shall comply with any additional insurance requirements that are stipulated by the Interstate Commerce Commission's Regulations, Title 49 of the Code of Federal Regulations, Department of Transportation; Title 40 of the Code of Federal Regulations, Protection of the Environment and any other federal, state or local regulations concerning the removal and transport of Hazardous Materials.

The City maintains the right to modify, delete, alter or change the provisions of this Section 13 upon receipt of HUD's prior written consent and so long as such action does not, without the Developer's prior written consent, increase the requirements set forth in this Section 13 beyond that which is reasonably customary at such time.

SECTION 14. INDEMNIFICATION

The Developer agrees to indemnify, defend and hold the City harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses including, without limitation, reasonable attorneys' fees and court costs, suffered or incurred by the City arising from or in connection with (i) the Developer's failure to comply with any of the terms, covenants and conditions contained within this Agreement, or (ii) the Developer's or any contractor's failure to pay contractors or materialmen in connection with the Project, or (iii) the existence of any material misrepresentation or omission in the Redevelopment Plan or any other document related to this Agreement and executed by the Developer that is the result of information supplied or omitted by the Developer or its agents, employees, contractors or persons acting under the control or at the request of the Developer or (iv) the Developer's failure to cure its misrepresentation in this Agreement or any other agreement relating thereto within the cure period provided. Any monetary obligations of the Developer hereunder shall be satisfied from distributable Surplus Cash only.

SECTION 15. MAINTAINING RECORDS/RIGHT TO INSPECT

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

15.02 Inspection Rights. Any authorized representative of the City shall have access to all portions of the Project and the Property during normal business hours for the Term of the Agreement.

SECTION 16. DEFAULT AND REMEDIES

16.01 Events of Default. The occurrence of any one or more of the following events, subject to the provisions of Sections 16.03,

16.04 and 18.16, shall constitute an "Event of Default" by the Developer hereunder:

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

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

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

(d) except as otherwise permitted hereunder, the creation (whether voluntary or involuntary) of, or any attempt to create, any lien or other encumbrance upon the Property, including any fixtures now or hereafter attached thereto, other than the permitted liens consented to by the City and mortgages, regulatory and land use agreements relating to the Lender Financing or the use of certain Project units by the CHA, or the making or any attempt to make any levy, seizure or attachment thereof;

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

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

revoked or such proceedings are not dismissed within 60 days after the commencement thereof;

(g) the entry of any judgment or order against the Developer which remains unsatisfied or undischarged and in effect for 30 days after such entry without a stay of enforcement or execution;

(h) a change in the Developer's managing member, addition of a manager or managing member or sale or other transfer of all or a controlling interest in the ownership of the managing member without DOH's prior written consent unless such change is permitted under the HUD-Required Provisions Rider attached hereto; such DOH consent shall not be unreasonably withheld in the case of a "for cause" removal or change in the managing member pursuant to the terms of the Developer's operating agreement; or

(i) a change in the ownership of the Project without DOH's prior written consent, unless such change is permitted under the HUD-Required Provisions Rider attached hereto; such DOH consent shall not be unreasonably withheld in the case of a "for cause" removal or change in the managing member pursuant to the terms of the Developer's operating agreement.

16.02 Remedies. (a) Subject to the provisions of paragraph (b) of this section, upon the occurrence of an Event of Default, the City may terminate this Agreement and all related agreements, and may suspend disbursement of the City Funds. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, secure the specific performance of the agreements contained herein, or may be awarded damages for failure of performance, or both, provided, however, that the City shall not obtain a lien against the Property. Any monetary remedies, including but not limited to judgments, are payable from distributable Surplus Cash only.

(b) 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 (i) foreclosure proceedings have been commenced under the mortgage securing the FHA-Insured Loan or a deed in lieu of such foreclosure has been executed and delivered or (ii) HUD consents to such termination or suspension of disbursement.

16.03 Curative Period. In the event the Developer shall fail to perform a covenant which Developer is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless Developer shall have failed to perform such covenant within 30 days of its receipt of a written notice from the City specifying the nature of the default; provided, however, with respect to those defaults which are not reasonably capable of being

cured within such 30-day period, if the Developer has commenced to cure the alleged default within such 30-day period and thereafter continues diligently to effect such cure, then said 30-day period shall be extended to 60 days upon written request from the Developer to the City delivered during such 30-day period, and upon further written request from the Developer to the City delivered during such 60-day period, said 60-day period shall be extended to 90 days; provided, further, that such default is cured in any event within 120 days of the date of the Developer's receipt of a written default notice.

16.04 Right to Cure by Lender(s). In the event that an Event of Default occurs under this Agreement, and if, as a result thereof, the City intends to exercise any right or remedy available to it that could result in the termination of this Agreement or the cancellation, suspension, or reduction of any payment due from the City under this Agreement, the City shall send notice of such intended exercise to the Lender(s) and the Lender(s) shall have the right (but not the obligation) to cure such an Event of Default under the following conditions:

(a) if the Event of Default is a monetary default, the Lender(s) may cure such default within 30 days after the later of: (i) the expiration of the cure period, if any, granted to the Developer with respect to such monetary default; or (ii) receipt by the Lender(s) of such notice from the City; and

(b) if the Event of Default is of a non-monetary nature, the Lender(s) shall have the right to cure such default within 30 days after the later of: (i) the expiration of the cure period, if any, granted to the Developer with respect to such non-monetary default; or (ii) receipt by the Lender(s) of such notice from the City; provided, however, that if such non-monetary default is not reasonably capable of being cured by the Lender(s) within such 30-day period, such period shall be extended for such reasonable period of time as may be necessary to cure such default, provided that the Lender(s) continues diligently to pursue the cure of such default and, if possession of the Project is necessary to effect such cure, the Lender(s) have instituted appropriate legal proceedings to obtain possession.

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 or facsimile mail, return receipt requested.

If to City: City of Chicago
 Department of Housing
 318 South Michigan Avenue
 Chicago, IL 60604
 Attention: Commissioner
 cc: Manager of Special Finance

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

and: Department of Finance
 City of Chicago
 33 North LaSalle Street
 Chicago, Illinois 60602
 Attn: City Comptroller

If to Developer: Roosevelt Tower - I, LLC
 1120 South Homan Avenue
 Chicago, Illinois 60624
 Attn: Cecil Butler

and: U.S. Department of Housing and Urban
 Development
 Chicago Regional Office, Region V
 77 West Jackson Boulevard
 Chicago, Illinois 60604
 Attn: Director of Multifamily Housing
 HUD Project No: 071-35690

and: Jeffrey C. Lieb
 Executive Vice President
 PFC Corporation
 170 Newport Center Drive, Suite 245
 Newport Beach, California 92660

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 business day immediately following deposit with the overnight courier and any notices, demands or requests sent pursuant to subsection (d) shall be deemed received two business days following deposit in the mail.

SECTION 18. MISCELLANEOUS

18.01 Amendment. This Agreement and the Exhibits attached hereto (excluding Exhibits A and C, which may be unilaterally amended by the City provided such amendments do not, in the City's good faith but sole discretion, have a material adverse effect on the Project) may not be amended without the prior written consent of the City and the Developer.

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

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

18.04 Further Assurances. The Developer 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 the Developer with respect to any breach of this Agreement shall not be considered or treated as a waiver of the rights of the respective party with respect to any other default or with respect to any particular default, except to the extent specifically waived by the City or the Developer in writing.

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

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

18.08 Headings. The paragraph and section headings contained

herein are for convenience only and are not intended to limit, vary, define or expand the content thereof.

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

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

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

18.14 Assignment. At any time during the term of the Agreement, the Developer may assign this Agreement, with the City's prior written consent, to an entity which acquires the Property pursuant to paragraph R-9 of the HUD-Required Provisions Rider attached hereto or to the Lender(s) provided that such assignee continues to operate the Property and the Project for the same purpose for which it is currently used and operated. Any successor in interest to the Developer under this Agreement shall certify in writing to the City its agreement to abide by all terms of this Agreement for the Term of the Agreement, and shall execute an affidavit to the effect that it is in compliance with all applicable City ordinances and is otherwise qualified to do business with the City.

18.15 Binding Effect. This Agreement shall be binding upon the Developer and its successors and permitted assigns and shall inure to the benefit of the City, its successors and assigns. The provisions of this Agreement pertaining to the obligations of the

City shall be binding upon the City.

18.16 Force Majeure. For the purposes of any of the provisions of this Agreement, neither the City nor the Developer, as the case may be, nor any successor in interest, 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 quantity 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 respective obligations hereunder.

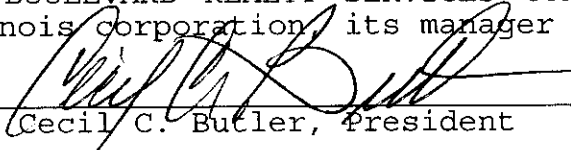
18.17 HUD Rider. The document entitled "HUD-Required Provisions Rider" attached hereto is hereby incorporated into this Agreement as if fully set forth herein and shall remain a part of this Agreement so long as the Secretary of HUD or his/her successors or assigns, are the insurers or holders of the Mortgage Note (as defined in the HUD-Required Provisions Rider). Upon such time as HUD is no longer the insurer or holder of the Mortgage Note or such time as the Mortgage Note is paid in full, the parties hereto agree that the HUD-Required Provisions Rider shall no longer be a part of this Agreement.

18.18: No Business Relationship with City Elected Officials
Pursuant to Section 2-156-030(b) of the Municipal Code of Chicago, it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected official has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship. Violation of Section 2-156-030(b) by any elected official, or any person acting at the direction of such official in connection with the transactions contemplated hereby, shall be grounds for termination of the Redevelopment Agreement and the transactions contemplated thereby. The Developer hereby represents and warrants that, to the best of its knowledge after due inquiry, no violation of Section 2-156-030(b) has occurred with respect to the Redevelopment Agreement or the transactions contemplated thereby.

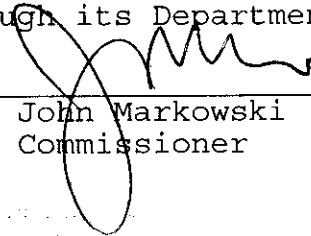
IN WITNESS WHEREOF, the parties hereto have caused this Redevelopment Agreement to be executed on or as of the day and year first above written.

ROOSEVELT TOWER - I, LLC, an Illinois limited liability company

By: BOULEVARD REALTY SERVICES CORP., an Illinois corporation, its manager

By: 
Cecil C. Butler, President

CITY OF CHICAGO, ILLINOIS, acting by and through its Department of Housing

By: 
John Markowski
Commissioner

HUD-REQUIRED PROVISIONS RIDER

THIS RIDER is attached to and made a part of that certain Redevelopment Agreement (the "Document"), dated as of March 1, 2004, entered into by Roosevelt Tower - I, LLC, an Illinois limited liability company, its successors and assigns (the "Owner") and the City of Chicago, an Illinois municipal corporation, its successors or assigns (the "Subordinate Lender") relating to the property described in Exhibit B to the document in the Lawndale neighborhood of Chicago, Illinois. In the event of any conflict, inconsistency or ambiguity between the provisions of this Rider and the provisions of the Document, the provisions of this Rider shall control. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Document. As used herein, the term "HUD" shall mean the United States Department of Housing and Urban Development; the term "FHA" shall mean the Federal Housing Administration, an organizational unit within HUD; the term "Project" shall have the same meaning as in the HUD Regulatory Agreement described below; and the term "HUD/FHA Loan Documents" shall mean the following documents relating to the HUD-insured Mortgage Note (as defined below) for the Project (Project No. 071-35690):

- A. Commitment for Insurance of Advance, dated November 22, 2002, as amended, issued by the Secretary of HUD to Draper and Kramer, Inc., and later assigned to PFC Corporation ("Mortgagee");
- B. Building Loan Agreement, dated March 1, 2004, between the Owner and Mortgagee;
- C. Mortgage Note, dated March 1, 2004, made by the Owner payable to the order of Mortgagee in the principal amount of \$7,230,000 ("Mortgage Note");
- D. Mortgage, dated March 1, 2004, made by the Owner in favor of Mortgagee and encumbering the Project as security for the said Mortgage Note (the "Mortgage");
- E. Security Agreement (Chattel Mortgage), dated March 1, 2004, between the Owner, as debtor, and Mortgagee and/or the Secretary of HUD as their interests may appear, as secured party;
- F. Financing Statements made by the Owner, as debtor, in favor of Mortgagee and/or the Secretary of HUD as their interests may appear, as secured party, recorded with the Cook County Recorder's Office and to be filed with the Illinois Secretary of State; and
- G. Regulatory Agreement for Multifamily Housing Projects,

dated March 1, 2004, between the Owner and HUD (the "HUD Regulatory Agreement").

- H. Assignment of Rents and Leases from Owner to Mortgagee dated as of March 1, 2004; and
 - I. Assignment of Contracts and Documents from Owner to Mortgagee dated as of March 1, 2004.
- R-1 Notwithstanding anything in the Document to the contrary, the provisions of the Document are subordinate to all applicable federal statutes, HUD mortgage insurance regulations and related HUD directives and administrative requirements, except those HUD mortgage insurance regulations, related HUD directives and administrative requirements which have been waived in writing by HUD with respect to the Project. The provisions of the Document are also expressly subordinate to the HUD/FHA Loan Documents. In the event of any conflict between the Document and the provisions of any applicable federal statutes, HUD mortgage insurance regulations, related HUD directives and administrative requirements, or HUD/FHA Loan Documents, the federal statutes, HUD mortgage insurance regulations, related HUD directives and administrative requirements and HUD/FHA Loan Documents shall control, unless any provision of such regulation, directive, requirement or HUD/FHA Loan Documents is waived in writing by HUD with respect to the Project.
- R-2 Failure on the part of the Owner to comply with the covenants contained in the Document shall not serve as the basis for default on any HUD-insured or HUD-held mortgage on the Project.
- R-3 Compliance by the Owner with the provisions and covenants of the Document and enforcement of the provisions or covenants contained in the Document, including, but not limited to, any indemnification provisions or covenants, will not and shall not result in any claim or lien against the Project, any asset of the Project, the proceeds of the Mortgage, any reserve, or deposit required by HUD in connection with the Mortgage transaction or the rents or other income from the Project, other than distributable "Surplus Cash" (as that term is defined in the HUD Regulatory Agreement).
- R-4 No amendment to the Document made after the date of the HUD initial endorsement of the Mortgage Note shall have any force or effect until and unless HUD approves

such amendment in writing. No amendment made after the aforesaid date to any HUD/FHA Loan Document shall be binding upon the Subordinate Lender unless the Subordinate Lender has consented thereto in writing.

- R-5 Unless waived in writing by HUD with respect to the Project, any action prohibited or required by HUD pursuant to applicable federal law, HUD regulations, HUD directives and administrative requirements or the HUD/FHA Loan Documents, shall supersede any conflicting provision of the Document, and the performance or failure to perform of the Owner in accordance with such laws, regulations, directives, administrative requirements or HUD/FHA Loan Documents shall not constitute an event of default under the Document.
- R-6 So long as HUD is the insurer or holder of any mortgage on the Project or any indebtedness secured by a mortgage on the Project, the Owner shall not and is not permitted to pay any amount required to be paid under the provisions of the Document except from distributable Surplus Cash, as such term is defined in, and in accordance with the conditions prescribed in the HUD Regulatory Agreement unless otherwise specifically permitted in writing by HUD. In the event that there is insufficient available Surplus Cash to pay any amount in full, when due, failure to pay any such amount shall not be a default or event of default under the Document but such amount shall accrue and be payable when there is sufficient available Surplus Cash or at the maturity of the Mortgage Note, whichever shall occur first.
- R-7 In the event of the appointment by any court of any person, other than HUD or the Mortgagee, as a receiver, as a mortgagee or party in possession, or in the event of any enforcement of any assignment of leases, rents, issues, profits, or contracts contained in the Document (if any), with or without court action, no rents, revenue or other income of the Project collected by the receiver, person in possession or person pursuing enforcement as aforesaid, shall be utilized for the payment of interest, principal or any other amount due and payable under the provisions of the Document, except from distributable Surplus Cash in accordance with the HUD Regulatory Agreement. The receiver, person in possession or person pursuing enforcement shall operate the Project in accordance with all provisions of the HUD/FHA Loan Documents.
- R-8 A duplicate of each notice given, whether required or permitted to be given, under the provisions of the

Document shall also be given to:

Department of Housing and Urban Development
 77 West Jackson Blvd.
 Chicago, Illinois 60604
 Attention: Director of Multi-Family Housing
 Project No. 071-35690

HUD may designate any further or different addresses for duplicate notices.

R-9

Notwithstanding anything in the Document to the contrary, the Owner and its successors and assigns may sell, convey, transfer, lease, sublease or encumber the Project or any part thereof, provided it obtains the prior written consent of HUD to any such sale, conveyance, transfer, lease, sublease or encumbrance. Notwithstanding anything in the Document to the contrary, the Owner may make application to HUD for approval of a Transfer of Physical Assets in accordance with HUD regulations, directives and policies. A duplicate copy of such application shall be served on the Subordinate Lender. Within 90 days after such service, the Subordinate Lender shall serve written notice of its approval of such transfer, or of its requirements for approval of such transfer, on HUD, the Mortgagee and the Owner. No such transfer shall occur or be effective until the Subordinate Lender's requirements shall have been satisfied. In the event the Subordinate Lender fails to serve such notice on HUD, the Mortgagee and the Owner within said time, then any consent by HUD to such transfer shall be deemed to be the Subordinate Lender's prior written consent to such transfer and consummation of such transfer shall not be a default under the Document.

R-10

The covenants contained in the Document shall automatically terminate in the event of a deed in lieu of foreclosure, of any mortgage insured or held by HUD with respect to the Project, or any portion thereof. Upon such termination, the Subordinate Lender shall furnish to HUD and the Mortgagee such releases and other documentation as HUD or the Mortgagee shall deem necessary or convenient to confirm or evidence such termination.

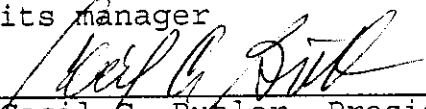
R-11

Notwithstanding anything in the Document to the contrary, the provisions of this HUD Required Provisions Rider are for the benefit of and are enforceable by HUD and the Mortgagee.

Executed as of the date set forth above.

ROOSEVELT TOWER - I, LLC, an Illinois
limited liability company

By: Boulevard Realty Services Corp.,
its manager



By: Cecil C. Butler, President

The foregoing HUD-Required Provisions Rider is hereby
acknowledged and consented to by the undersigned as of the 1st day
of March, 2004.

CITY OF CHICAGO, ILLINOIS, acting by and
through its Department of Housing

By: John Markowski, Commissioner

Executed as of the date set forth above.

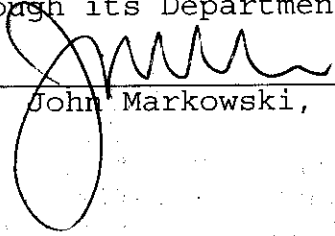
ROOSEVELT TOWER - I, LLC, an Illinois
limited liability company

By: Boulevard Realty Services Corp.,
its manager

By: Cecil C. Butler, President

The foregoing HUD-Required Provisions Rider is hereby
acknowledged and consented to by the undersigned as of the 1st day
of March, 2004.

CITY OF CHICAGO, ILLINOIS, acting by and
through its Department of Housing



By: John Markowski, Commissioner

STATE OF ILLINOIS)
) ss
COUNTY OF COOK)

I, Lee Oliver, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Cecil Butler, personally known to me to be the President of Boulevard Realty Services Corp., an Illinois corporation (the "Corporation") and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this 28 day of March, 2004 in person and acknowledged that he signed, sealed, and delivered said instrument, pursuant to the authority given to him by the Board of Directors of the Corporation as his free and voluntary act and as the free and voluntary act of the Corporation, as manager of Roosevelt Tower - I, LLC, for the uses and purposes therein set forth.

Lee Oliver
Notary Public

My commission expires 12/31/05
(SEAL)

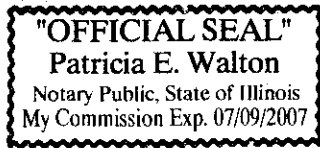
STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Patricia E. Walton a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that John Markowski, personally known to me to be the Commissioner of the Department of Housing of the City of Chicago (the "City"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this 27 day of March, 2004 in person and acknowledged that he signed, sealed, and delivered said instrument pursuant to the authority given to him by the City, as her free and voluntary act and as the free and voluntary act of the City, for the uses and purposes therein set forth.

Patricia E. Walton
Notary Public

My commission expires 7/09/07

(SEAL)



LIST OF EXHIBITS

Exhibit A	Redevelopment Area Legal Description
Exhibits B	Site Legal Descriptions
Exhibit C	Redevelopment Plan
Exhibit D	Financing for the Project
Exhibit E	Available Incremental Revenues
Exhibit F-1	MBE/WBE Project Budget
Exhibit F-2	Project Budget
Exhibit G	Plans and Specifications
Exhibit H-1	Architect's Opening Certificate
Exhibit H-2	Architect's Completion Certificate
Exhibit I	Requisition Form for TIF-Funded Interest Costs
Exhibit J	Schedule of Maximum Amount of TIF-Funded Interest Costs
Exhibit K	Minimum Equalized Assessed Value

EXHIBIT A

REDEVELOPMENT AREA LEGAL DESCRIPTION

LEGAL DESCRIPTION

ROOSEVELT-HOMAN COMMERCIAL/RESIDENTIAL REDEVELOPMENT PROJECT AREA

NOT ATTACHED FOR RECORDING PURPOSES

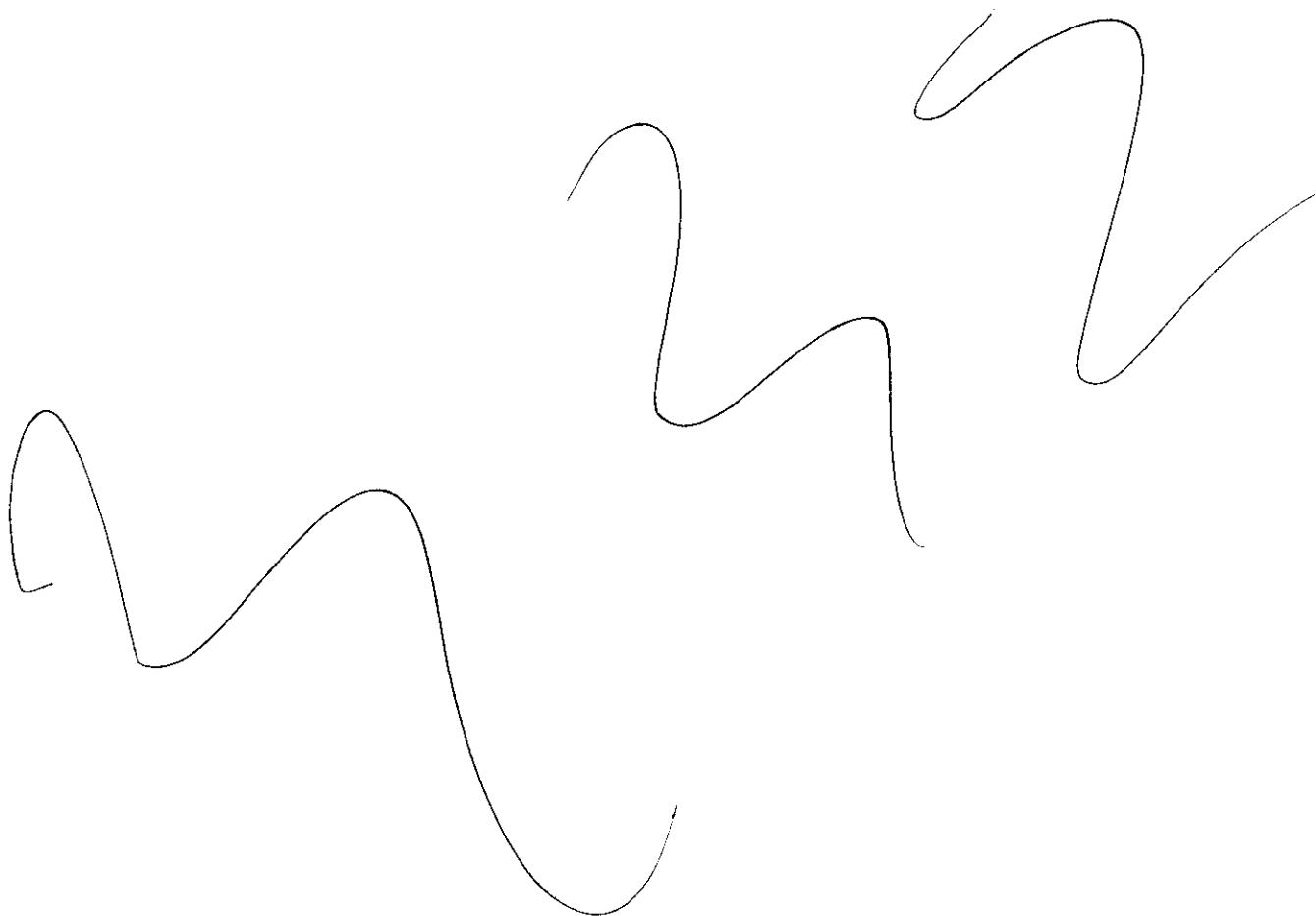


EXHIBIT A

REDEVELOPMENT AREA LEGAL DESCRIPTION

REDEVELOPMENT PROJECT AREA AND LEGAL DESCRIPTION

The Roosevelt-Homan Commercial/Residential Redevelopment Project Area is located on the west side of the City of Chicago and is generally described as Beginning at the southeast corner of West Roosevelt Road and South Central Park Avenue, then proceeding east on West Roosevelt road to South Albany Avenue, then proceeding north to the B. & O.C.T. rail road tracks, then west to South Kedzie Avenue, then south on South Kedzie Avenue to West Fillmore Avenue, then West on West Fillmore Avenue to South Central Park , then south to the beginning point.

The legal description of the Roosevelt-Homan Commercial/Residential Redevelopment Area is as follows:

A tract of land in the East half and the West half of the Southeast quarter of Section 14 and the West half of the Southwest quarter of Section 13, all in Township 39 North, Range 13 East of the Third Principle Meridian, described as follows: Beginning at the Southwest corner of said West half of the Southeast quarter of Section 14; thence North 696.5 feet along the West line of said Southeast quarter to the North line of Fillmore Street as dedicated; thence East 2560 feet along the North line of Fillmore Street to the West line of Kedzie Avenue; thence North 138.96 feet to the South right-of-way line of the B. & O.C.T. Railroad also being the North line of the East-West alley in Block 6 of the Subdivision of Block 6 of Pipers Subdivision; thence East 690 feet along the South right-of-way line of the B & O.C.T. Railroad to the centerline of Albany Avenue in said Pipers Subdivision; thence South along last said centerline to the centerline of Roosevelt Road, being the South line of Section 13; thence West along last said centerline, being the South line of Section 13 and the South line of Section 14, to the place of beginning, all in the City of Chicago, Cook County, Illinois.

EXHIBIT B**SITE LEGAL DESCRIPTIONS****Roosevelt Tower - I, LLC Redevelopment Agreement****Exhibit B-1 (Developer-Owned)**

Lot 23 in Block 9 of the Twelfth Street Addition To Chicago, a Subdivision of that part of the Southeast 1/4 of Section 14, Township 39 North, Range 13, lying South of the Right of Way of The Chicago And Great Western Railroad Co., East of The Third Principal Meridian, in Cook County, Illinois.

COMMONLY KNOWN AS 3448 W. ROOSEVELT RD., CHICAGO, ILLINOIS
PIN 16-14-427-025

Exhibit B-2 (City-Owned)

Lots 1 and 2 in the Subdivision of Lots 13 to 18, inclusive, in Block 9 in the Twelfth Street Addition to Chicago, a Subdivision of that part of the Southeast 1/4 of Section 14, Township 39 North, Range 13, Lying South of the Right of Way Of The Chicago and Great Western Railroad Co., East of the Third Principal Meridian, in Cook County, Illinois.

COMMONLY KNOWN AS 3449 W. GRENSHAW ST., CHICAGO, ILLINOIS
PIN 16-14-427-001

Exhibit B-3 (City-Owned)

Lot 6 in the Subdivision of Lots 13 to 18, inclusive, in Block 9 in the Twelfth Street Addition to Chicago, a Subdivision of that part of the Southeast 1/4 of Section 14, Township 39 North, Range 13, Lying South of the Right of Way Of The Chicago and Great Western Railroad Co., East of the Third Principal Meridian, in Cook County, Illinois.

COMMONLY KNOWN AS 3445 W. GRENSHAW ST., CHICAGO, ILLINOIS
PIN 16-14-427-005

Exhibit B-4 (City-Owned)

Lots 19 and 20 in Block 9 of the Twelfth Street Addition To Chicago, a Subdivision of that part of the Southeast 1/4 of Section 14, Township 39 North, Range 13, lying South of the Right of Way of The Chicago And Great Western Railroad Co., East of The Third Principal Meridian, in Cook County, Illinois.

COMMONLY KNOWN AS 3454 W. ROOSEVELT RD., CHICAGO, ILLINOIS
PIN 16-14-427-022

Exhibit B-5 (City-Owned)

Lot 21 in Block 9 of the Twelfth Street Addition To Chicago, a Subdivision of that part of the Southeast 1/4 of Section 14, Township 39 North, Range 13, lying South of the Right of Way of The Chicago And Great Western Railroad Co., East of The Third Principal Meridian, in Cook County, Illinois.

COMMONLY KNOWN AS 3452 W. ROOSEVELT RD., CHICAGO, ILLINOIS
PIN 16-14-427-023

Exhibit B-6 (City-Owned)

Lot 22 in Block 9 of the Twelfth Street Addition To Chicago, a Subdivision of that part of the Southeast 1/4 of Section 14, Township 39 North, Range 13, lying South of the Right of Way of The Chicago And Great Western Railroad Co., East of The Third Principal Meridian, in Cook County, Illinois.

COMMONLY KNOWN AS 3450 W. ROOSEVELT RD., CHICAGO, ILLINOIS
PIN 16-14-427-024

Exhibit B-7 (City-Owned)

Lot 24 and 25 in Block 9 of the Twelfth Street Addition To Chicago, a Subdivision of that part of the Southeast 1/4 of Section 14, Township 39 North, Range 13, lying South of the Right of Way of The Chicago And Great Western Railroad Co., East of The Third Principal Meridian, in Cook County, Illinois.

COMMONLY KNOWN AS 3442 W. ROOSEVELT RD., CHICAGO, ILLINOIS
PIN 16-14-427-026

Exhibit B-8 (City-Owned)

Lot 26 in Block 9 of the Twelfth Street Addition To Chicago, a Subdivision of that part of the Southeast 1/4 of Section 14, Township 39 North, Range 13, lying South of the Right of Way of The Chicago And Great Western Railroad Co., East of The Third Principal Meridian, in Cook County, Illinois.

COMMONLY KNOWN AS 3440 W. ROOSEVELT RD., CHICAGO, ILLINOIS
PIN 16-14-427-027

Exhibit B-9 (City-Owned)

Lot 27 in Block 9 of the Twelfth Street Addition To Chicago, a Subdivision of that part of the Southeast 1/4 of Section 14, Township 39 North, Range 13, lying South of the Right of Way of The Chicago And Great Western Railroad Co., East of The Third Principal Meridian, in Cook County, Illinois.

COMMONLY KNOWN AS 3438 W. ROOSEVELT RD., CHICAGO, ILLINOIS
PIN 16-14-427-028

EXHIBIT C

REDEVELOPMENT PLAN

NOT ATTACHED FOR RECORDING PURPOSES

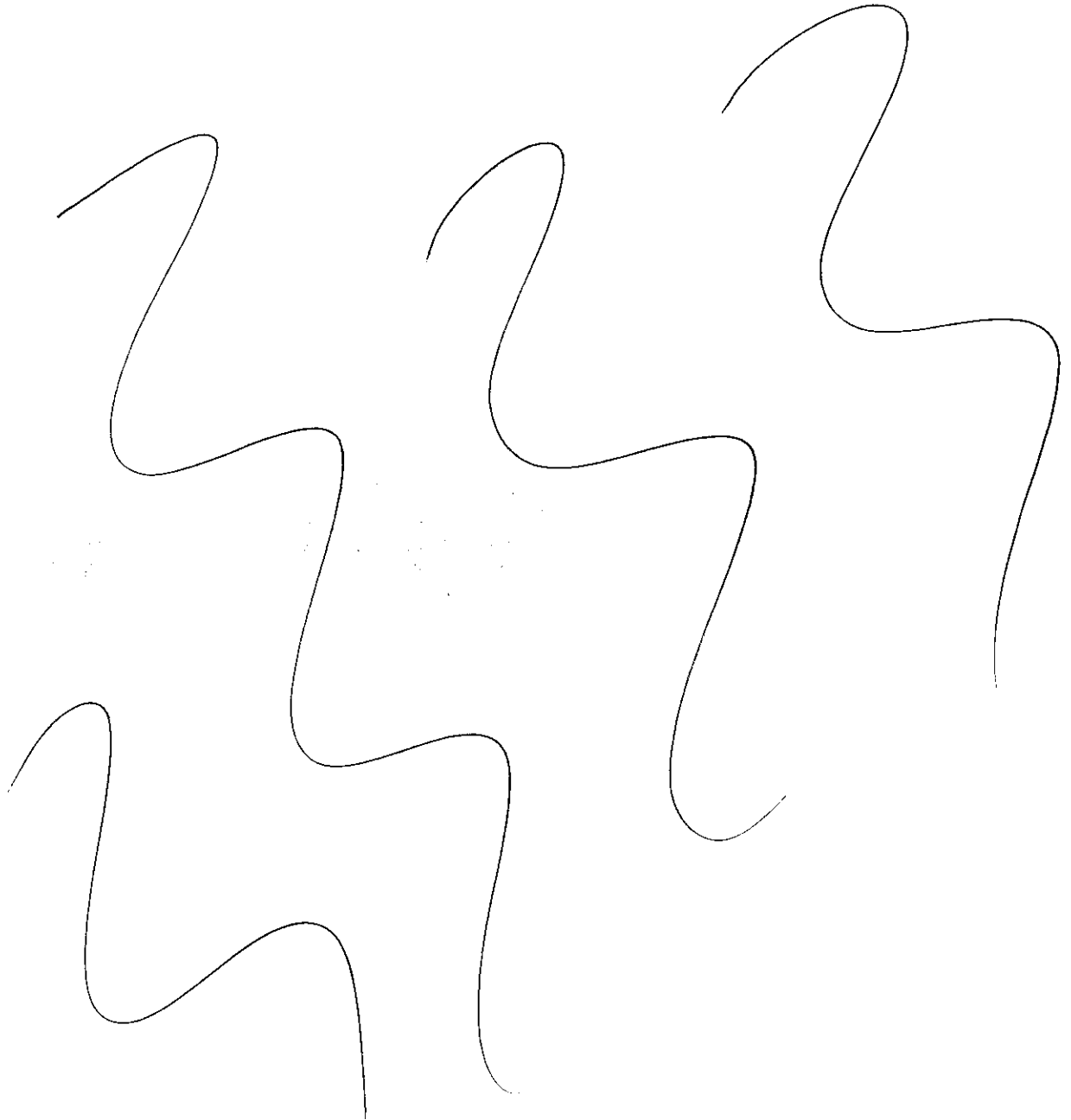


EXHIBIT C

PASSED 12/3/90

REDEVELOPMENT PLAN

CITY OF CHICAGO

ROOSEVELT-HOMAN

COMMERCIAL/RESIDENTIAL REDEVELOPMENT AREA

TAX INCREMENT FINANCE PROGRAM

REDEVELOPMENT PLAN

July, 1990

Richard M. Daley
Mayor

**REDEVELOPMENT PLAN FOR
ROOSEVELT-HOMAN COMMERCIAL/RESIDENTIAL REDEVELOPMENT AREA
TAX INCREMENT FINANCING PROGRAM**

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EXECUTIVE SUMMARY

GOALS AND OBJECTIVES

General Goals:

- * Improve the quality of life in Chicago by eliminating the influence of, as well as the manifestations of, both physical and economic blight in the Redevelopment Project Area.
- * Provide sound economic development in the Redevelopment Project Area.
- * Revitalize the Redevelopment Project Area to make it an important center contributing to the revitalization of the North Lawndale community area.
- * Provide for residential rehabilitation and new development which will offer a diversity of new housing accommodations in a variety of structure types.
- * Provide new housing for low and moderate income persons.
- * Provide for the consolidation of strip commercial into a neighborhood shopping cluster which will be conveniently located to adequately serve all residents of the area.
- * Provide for the vacation of unnecessary streets and alleys and development of a street system which will adequately serve the area.
- * Achieve changes of land use, through development of coordinated clusters of uses for neighborhood shopping, residential and recreation.
- * Remove impediments to land disposition and development through acquisition and/or assembly of vacant land into reasonably sized and shaped parcels.
- * Create an environment within the Redevelopment Project Area which will contribute to the health, safety, and general welfare of the City, and preserve or enhance the value of properties in the North Lawndale community area.
- * Create job opportunities.

Redevelopment Objectives:

- * Reduce or eliminate those conditions which qualify the Redevelopment Project Area as a Blighted Area. Section IV of the Eligibility Study, Blighted Area Conditions Existing in the Redevelopment Project Area, describes the blighting conditions.
- * Enhance the tax base of the City of Chicago and of the other taxing districts which extend into the Redevelopment Project Area by encouraging private investment in commercial and residential new construction and rehabilitation.

- * Strengthen the economic well-being of the Redevelopment Project Area and the City by increasing business activity, taxable values, and job opportunities.
- * Encourage the assembly of land into parcels functionally adaptable with respect to shape and size for redevelopment needs and standards.
- * Provide sites for needed public improvements or facilities in proper relationship to the projected demand for such facilities and in accordance with accepted design criteria for such facilities.
- * Provide needed incentives to encourage a broad range of improvements for both new development and rehabilitation efforts.
- * Encourage the participation of minorities and women in professional and investment opportunities involved in the development of the Redevelopment Project Area.

Development and Design Objectives

- * Establish a pattern of land use activities arranged in compact, compatible grouping to increase efficiency of operation and economic relationships.
- * Achieve development which is integrated both functionally and aesthetically with nearby existing development.
- * Ensure safe and adequate circulation patterns and capacity in the project area.
- * Encourage a high-quality appearance of buildings, rights-of-way and open spaces, and encourage high standards of design.
- * Incorporate the 1970 Urban Renewal techniques to achieve plan objectives.

Based upon surveys, inspections, and analysis of the area by Louik/Schneider & Associates, Inc., the Redevelopment Project Area qualifies as a "blighted area" as defined by the Act. The area is characterized by the presence of a combination of five or more blighting factors as listed in the Act, rendering the area detrimental to the public safety, health and welfare of the citizens of this area of the City. Specifically:

- * Of the fourteen factors set forth in the law, ten are present in the area.
- * The blighting factors are reasonably distributed throughout the Study Area.
- * All blocks within the Study Area show the presence of blighting factors.

REDEVELOPMENT PLAN

The proposed Roosevelt-Homan Commercial/Residential Redevelopment Project Area for the purposes of planning and programming of improvements have been divided into two components. These components are a commercial development and residential redevelopment and rehabilitation.

COMMERCIAL DEVELOPMENT

The commercial component of this plan encompasses an area bounded by S. Kedzie Ave on the east, W. Homan Ave. on the west, S. Roosevelt Rd. on the south, and W. Fillmore Ave. on the north (see Map 3 Redevelopment Plan). The commercial redevelopment will require the City and a developer to enter into a redevelopment agreement upon approval by the City Council of Chicago. The redevelopment agreement will generally provide for the City to provide funding for necessary infra-structure and site improvements. The funds for said improvements are to come from the City's issuance of bonds to be repaid from the incremental increase in tax revenues to be generated from the entire Redevelopment Project Area. The developer will undertake the responsibility for the required infra-structure and site improvements, and will further be required to build a retail shopping center containing approximately 130,000 square feet on approximately a 15.5 acre site and the necessary support facilities such as parking and landscaping.

The commercial portion of the project defined in this component of the Plan will be completed within 24 months of the signing of a redevelopment agreement. This commercial component is expected to generate tax increments in excess of its needs for development. Those additional dollars not needed for the commercial portion of the project along with the new taxes generated from the residential development will provide a basis for the residential component of the Plan.

RESIDENTIAL REDEVELOPMENT/REHABILITATION

The residential component of this plan encompasses the residential areas of the Project Area as defined by the proposed land use (See Map 3). This residential component of the Redevelopment Plan will be administered and coordinated by the City of Chicago Department of Housing. The residential program is part of a long term program to improve the housing

conditions in the Lawndale Area. The residential component of the Redevelopment Plan includes the following four programs: (1) Neighborhood home improvement program; (2) Low-income housing tax reactivation program; (3) In-fill housing Program; and (4) Site improvement program.

Neighborhood Home Improvement Program

This program provides low-interest fixed rate loans to owners of one to four unit properties, for all types of home improvements. The Department of Housing will commit to doing a minimum of 60 houses within 20 years. The maximum that can be borrowed is \$25,000 per property.

Low Income Tax Reactivation Program

This program will return tax-delinquent properties to the tax rolls and develop low -income housing by providing not-for-profit and for-profit developers the opportunity to acquire tax delinquent multi-unit (7 or more) properties through the no-cash bid procedure of the Cook County Scavenger Sale. The Department of Housing will commit to doing a minimum of 8 to 10 buildings over a 10 year period.

In-Fill Housing Program

This program is intended to help revitalize the Redevelopment Area by reducing blight of under-utilized, long vacant lots, replacing them with new homes and landscaped yards. The Department of Housing will put together a special demonstration project for the Redevelopment Project Area.

The projected goals of the In-Fill Housing program are:

- (1) To build 40 to 50 single family homes in the Redevelopment Area over a 10 to 15 year period. It is expected that these homes will sell for between \$55,000 and \$85,000 as adjusted for inflation over the time period.
- (2) To build 50 to 60 multi family rental units in the Redevelopment Area over a 10 to 15 year period.

Perimeter Site Improvements Program

The purpose of the Site Improvement Program is to provide improvements to the public rights-of-way which surround and support the redevelopment project.

On site developments undertaken by the Department of Housing may include but not be limited to the construction or reconstruction of curbs, gutters, sidewalks, streets and alleys; the installation of landscaping to public parkways and plazas; and the installation or reconstruction of public and private utilities.

The Department of Housing will provide site improvements not to exceed \$500.00 per dwelling unit for each of the housing development programs.

The estimated redevelopment project costs are shown in Table 1. To the extent that municipal obligations may be issued to pay for such redevelopment project costs included prior to, but in anticipation of, the adoption of tax increment financing, the City shall be reimbursed for such redevelopment project costs. The total redevelopment project costs provide an upper limit on expenditures (exclusive of capitalized interest, issuance costs, interest and other financing costs).

TABLE 1
ESTIMATED REDEVELOPMENT PROJECT COSTS

Program Action/Improvements

Commercial Area	
Infrastructure Improvements	\$ 700,000
Site Improvements	800,000
Planning, legal, studies, etc.	200,000
Contingencies	150,000
Residential Area	
Infrastructure Improvements	100,000
Financing assistance - interest rate subsidy	200,000
Acquisition	100,000
Planning, legal, studies, etc.	100,000
Contingencies	50,000
Total Costs*	\$ 2,500,000

*Exclusive of capitalized interest, issuance costs and other financing costs

Funds necessary to pay for redevelopment project costs and municipal obligations which have been issued or incurred to pay for such costs are to be derived principally from tax increment revenues and proceeds from municipal obligations which have as their revenue source tax increment revenue. To secure the issuance of these obligations, the City may permit the utilization of guarantees, deposits and other forms of security made available by private sector developers.

The tax increment revenue which will be used to fund tax increment obligations and redevelopment project costs shall be the incremental real property tax revenues. Incremental real property tax revenue is attributable to the increase in the current equalized assessed value of each taxable lot, block, tract or parcel of real property in the Redevelopment Project Area over and above the initial equalized assessed value of each such property in the Redevelopment Project Area. Other sources of funds which may be used to pay for redevelopment costs and obligations issued or incurred, the proceeds of which are used to pay for such costs, are land disposition proceeds, state and federal grants, investment income, and such other sources of funds and revenues as the municipality may from time to time deem appropriate.

Issuance of Obligations

To finance redevelopment costs a municipality may issue obligations secured by the anticipated tax increment revenue generated within the TIF Redevelopment Project Area.

Revenues shall be used for the scheduled and/or early retirement of obligations, and for reserves, bond sinking funds and redevelopment project costs, and, to the extent that real property tax increment is not used for such purposes, shall be declared surplus and shall then become available for distribution annually to taxing districts in the Redevelopment Project Area in the manner provided by the Act.

Most Recent Equalized Assessed Valuation of Properties in the Redevelopment Project Area

The total 1988 equalized assessed valuation for the entire Redevelopment Project Area is \$3,618,369. This equalized assessed valuation is subject to final verification by Cook County.

After verification, the County Clerk of Cook County, Illinois will certify the amount, and this amount will serve as the "Initial Equalized Assessed Valuation."

Anticipated Equalized Assessed Valuation

By the year 2001, when it is estimated that all the anticipated private development will be completed and fully assessed, the estimated equalized assessed valuation of real property within the Redevelopment Project Area is estimated at between \$8,500,000 and \$11,000,000. By the year 1994, when the primary phase of the commercial and the initial residential development is complete, the equalized assessed value of real property within the Redevelopment Project Area is estimated at between \$6,000,000 and \$8,000,000. These estimates are based on several key assumptions, including: 1) primary phase of the commercial development will be completed in 1992; 2) residential and secondary commercial development projects will occur in a timely manner; 3) the market value of the anticipated developments will increase following completion of the redevelopment activities described in the Redevelopment Project and Plan; 4) the most recent State Multiplier of 1.9133 as applied to 1989 assessed values will remain unchanged; and 4) for the duration of the project the tax rate for the entire Redevelopment Project Area is assumed to be the same and will remain unchanged from the 1989 level.

INTRODUCTION

The North Lawndale area since the early 1960's has been a much studied community area within the City of Chicago. Dating back to the first steps taken in 1958 by the Community Conservation Board when it designated the Lawndale Community a " Conservation Area". This first planning step to curtail and eliminate blighting from occurring was followed by a study of the area by the Department of Urban Renewal in 1964, which produced the Lawndale Conservation Plan of 1968. The Lawndale Conservation Plan was revised in 1970 with specific objectives, development methodologies and techniques. Numerous amendments have been approved for specific projects within the boundaries of Lawndale.

Although many social programs were established and some physical improvements were carried out in the Lawndale Area by both the public and private sectors, both population and jobs in the area continued to decline. This decline was evident in the erosion of commercial activities as well as industrial employers.

Positive progress has been made in some areas of Lawndale as a result of the City's and citizens efforts and along with local neighborhood groups. However, many of the plans for the Lawndale Community have not been implemented as a result of the necessary dollars needed to induce redevelopment.

The Roosevelt-Homan Commercial/Residential Redevelopment Project Area is approximately a 54.09 acre section of the North Lawndale Community Area. The area is bounded by Roosevelt Road on the south, South Central Park Avenue on the west, West Fillmore Avenue on the north (between S. Central Park Avenue and South Kedzie Avenue) and the B & O.C.T. Rail Road tracks (between South Kedzie Avenue and South Albany Avenue) on the north, and South Albany Avenue on the east. Within this Redevelopment Project Area 43% of the parcels of property are vacant.

The purpose of the Roosevelt-Homan Commercial/Residential Redevelopment Project Area Plan is to create a mechanism for the development of a shopping center and rehabilitation and construction of new housing.

With the loss of shopping in the Lawndale Community and the advent of regional, community and strip shopping centers, individual consumer shopping patterns have changed. The proposed approximately 130,000 square foot shopping center along with newer residential development located south of the Redevelopment Project Area and in a small portion of the eastern part of the Redevelopment Project Area will help to create an economic synergy within the community area.

The Mid-West Development Area Planning Report, which covers the North Lawndale area was prepared by the Department of Planning in 1967. This report stated that "Long stretches of the major streets in the Mid-West Area are lined with deteriorating and often vacant commercial buildings. Eventually, these commercial strips should be consolidated into attractive business centers of modern design at major street intersections. This should be done in conjunction with other community improvement programs...". This Plan further states that "It is probable that a new regional business center should be developed in the area, since it is highly accessible by excellent transportation lines."

One of the primary goals of the Mid-West Area report is, "To stimulate new investment in the area in order to make it more attractive to families. This would be done by assuring adequate resources for residential rehabilitation and by helping to make available land at suitable locations for new housing and for commercial, industrial and institutional development."

The second part of the Roosevelt-Homan Commercial/Residential Plan is to promote the rehabilitation of single family housing, infrastructure and site preparation, in-fill housing, and tax reactivation. The objective of the housing component is the creation of a coordinated block-by-block strategy in a small targeted area. This strategy would increase housing stock in North Lawndale through rehabilitation, and in-fill. The proposed Roosevelt-Homan area is small enough in size that by placing maximum concentration on it, the greatest impact will occur and the return will be large for the investment of public funding.

To assist in the development of a new commercial center and new residential housing in the Roosevelt-Homan Commercial/Residential Area, various agencies will have to join together, including the City of Chicago Departments' of Economic Development, Housing and Planning,

along with the private sector. While the commercial center will be developed by the private sector with public assistance, much of the remaining vacant land which can and should be put to productive use for residential housing also needs investment of public funds in order to achieve such productive development.

Tax Increment Allocation Redevelopment Act.

An analysis of conditions within this area indicates that it is appropriate for designation as a redevelopment project, utilizing the State of Illinois tax increment financing legislation. The area is characterized by conditions which warrant the designation as a "blighted area" within the definitions set forth in the Tax Increment Allocation Redevelopment Act (hereafter referred to as the "Act"). The Act is found in the Illinois Revised Statutes, Chapter 24 Section 11-74.4-1 et seq., as amended.

The Act provides a means for municipalities, after the approval of a "Redevelopment Plan and Project" to redevelop blighted areas by pledging the increase in tax revenues generated by public and private redevelopment in order to pay for the up front public costs which are required to stimulate such private investment in new redevelopment and rehabilitation. Municipalities may issue obligations to be repaid from the stream of real property tax increments that occur within the tax increment financing district.

The property tax increment revenue is calculated by determining the difference between the initial equalized assessed value (the Certified EAV Base) for all real estate located within the district and the current year EAV. Any increase in EAV is then multiplied by the current tax rate, which determines the incremental real property tax.

The Roosevelt-Homan Commercial/Residential Redevelopment Area Project and Plan (hereafter referred to as the "Redevelopment Plan") has been formulated in accordance with the provision of the Act. It is a guide to all proposed public and private action in the Redevelopment Project Area. In addition to describing the objectives of redevelopment, the Redevelopment Plan sets forth the overall program to be undertaken to accomplish these objectives. This program is the "Redevelopment Project".

This Redevelopment Plan will also specifically describe the Roosevelt-Homan Commercial/Residential Tax Increment Redevelopment Project Area (hereafter referred to as the "Redevelopment Project Area"). This area meets the eligibility requirement of the Act. The Redevelopment Project Area boundaries are described in Section II of the Redevelopment Plan and shown in Map 1, Boundary Map.

After its approval of the Redevelopment Plan, the City Council then formally designates the Redevelopment Project Area.

The purpose of this Redevelopment Plan is to ensure that new development occurs:

1. On a coordinated rather than a piecemeal basis to ensure that the land-use, vehicular access, parking, service and urban design systems will meet modern-day principles and standards.
2. On a reasonable, comprehensive and integrated basis to ensure that blighting factors are eliminated.
3. Within a reasonable and defined time period.

Revitalization of the Redevelopment Project Area is a large and complex undertaking and presents challenges and opportunities commensurate to its scale. The success of this effort will depend to a large extent on the cooperation between the private sector and agencies of local government. The adoption of the Redevelopment Plan makes possible the implementation of a logical program to stimulate redevelopment in the Redevelopment Project Area -- an area which cannot reasonably be anticipated to be developed without the adoption of this Redevelopment Plan. Public investments, will create the appropriate environment to attract the investment required for the rebuilding of the area.

Successful implementation of the Redevelopment Plan and Project requires that the City of Chicago take full advantage of the real estate tax increments attributed to the Redevelopment Project Area as provided in accordance with the Act. The Redevelopment Project Area would not reasonably be developed without the use of such incremental revenues.

REDEVELOPMENT PROJECT AREA AND LEGAL DESCRIPTION

The Roosevelt-Homan Commercial/Residential Redevelopment Project Area is located on the west side of the City of Chicago and is generally described as Beginning at the southeast corner of West Roosevelt Road and South Central Park Avenue, then proceeding east on West Roosevelt road to South Albany Avenue, then proceeding north to the B. & O.C.T. rail road tracks, then west to South Kedzie Avenue, then south on South Kedzie Avenue to West Fillmore Avenue, then West on West Fillmore Avenue to South Central Park , then south to the beginning point.

The legal description of the Roosevelt-Homan Commercial/Residential Redevelopment Area is as follows:

A tract of land in the East half and the West half of the Southeast quarter of Section 14 and the West half of the Southwest quarter of Section 13, all in Township 39 North, Range 13 East of the Third Principle Meridian, described as follows: Beginning at the Southwest corner of said West half of the Southeast quarter of Section 14; thence North 696.5 feet along the West line of said Southeast quarter to the North line of Fillmore Street as dedicated; thence East 2560 feet along the North line of Fillmore Street to the West line of Kedzie Avenue; thence North 138.96 feet to the South right-of-way line of the B. & O.C.T. Railroad also being the North line of the East-West alley in Block 6 of the Subdivision of Block 6 of Pipers Subdivision; thence East 690 feet along the South right-of-way line of the B & O.C.T. Railroad to the centerline of Albany Avenue in said Pipers Subdivision; thence South along last said centerline to the centerline of Roosevelt Road, being the South line of Section 13; thence West along last said centerline, being the South line of Section 13 and the South line of Section 14, to the place of beginning, all in the City of Chicago, Cook County, Illinois.

REDEVELOPMENT PROJECT AREA GOALS AND OBJECTIVES

Investment in new development and reinvestment in existing structures and facilities are essential in the Roosevelt-Homan Commercial/Residential Redevelopment Project Area. Redevelopment and conservation efforts in the Redevelopment Project Area will strengthen the entire City through environmental improvements, an increased tax base and additional employment opportunities.

This section of the Redevelopment Plan identifies the goals and objectives of the Redevelopment Project Area. A latter section of the Redevelopment Plan identifies more specific programs which the City plans to undertake in achieving the redevelopment goals and objectives which have been identified.

General Goals:

- * Improve the quality of life in Chicago by eliminating the influence of, as well as the manifestations of, both physical and economic blight in the Redevelopment Project Area.
- * Provide sound economic development in the Redevelopment Project Area.
- * Revitalize the Redevelopment Project Area to make it an important center contributing to the revitalization of the North Lawndale community area.
- * Provide for residential rehabilitation and new development which will offer a diversity of new housing accommodations in a variety of structure types.
- * Provide new housing for low and moderate income persons.
- * Provide for the consolidation of strip commercial into a neighborhood shopping cluster which will be conveniently located to adequately serve all residents of the area.
- * Provide for the vacation of unnecessary streets and alleys and development of a street system which will adequately serve the area.
- * Achieve changes of land use, through development of coordinated clusters of uses for neighborhood shopping, residential and recreation.
- * Remove impediments to land disposition and development through acquisition and/or assembly of vacant land into reasonably sized and shaped parcels.

- * Create an environment within the Redevelopment Project Area which will contribute to the health, safety, and general welfare of the City, and preserve or enhance the value of properties in the North Lawndale community area.
- * Create job opportunities.

Redevelopment Objectives:

- * Reduce or eliminate those conditions which qualify the Redevelopment Project Area as a Blighted Area. Section IV of the Eligibility Study, Blighted Area Conditions Existing in the Redevelopment Project Area, describes the blighting conditions.
- * Enhance the tax base of the City of Chicago and of the other taxing districts which extend into the Redevelopment Project Area by encouraging private investment in commercial and residential new construction and rehabilitation.
- * Strengthen the economic well-being of the Redevelopment Project Area and the City by increasing business activity, taxable values, and job opportunities.
- * Encourage the assembly of land into parcels functionally adaptable with respect to shape and size for redevelopment needs and standards.
- * Provide sites for needed public improvements or facilities in proper relationship to the projected demand for such facilities and in accordance with accepted design criteria for such facilities.
- * Provide needed incentives to encourage a broad range of improvements for both new development and rehabilitation efforts.
- * Encourage the participation of minorities and women in professional and investment opportunities involved in the development of the Redevelopment Project Area.

Development and Design Objectives

- * Establish a pattern of land use activities arranged in compact, compatible grouping to increase efficiency of operation and economic relationships.
- * Achieve development which is integrated both functionally and aesthetically with nearby existing development.
- * Ensure safe and adequate circulation patterns and capacity in the project area.
- * Encourage a high-quality appearance of buildings, rights-of-way and open spaces, and encourage high standards of design.
- * Incorporate the 1970 Urban Renewal techniques to achieve plan objectives.

Property Rehabilitation Standards (1970 Urban Renewal Plan)

All property in the area shall comply with the standards set forth in all applicable statues, codes and ordinances, as amended from time to time, relating to the use, maintenance, facilities, and occupancy of the existing property. These laws, codes, ordinances, and regulations are as follows:

- (a.) Municipal Building Code
- (b.) Housing Code
- (c.) Plumbing Code
- (d.) Electrical Code
- (e.) Chicago Zoning Ordinance
- (f.) Chicago Air Pollution Code

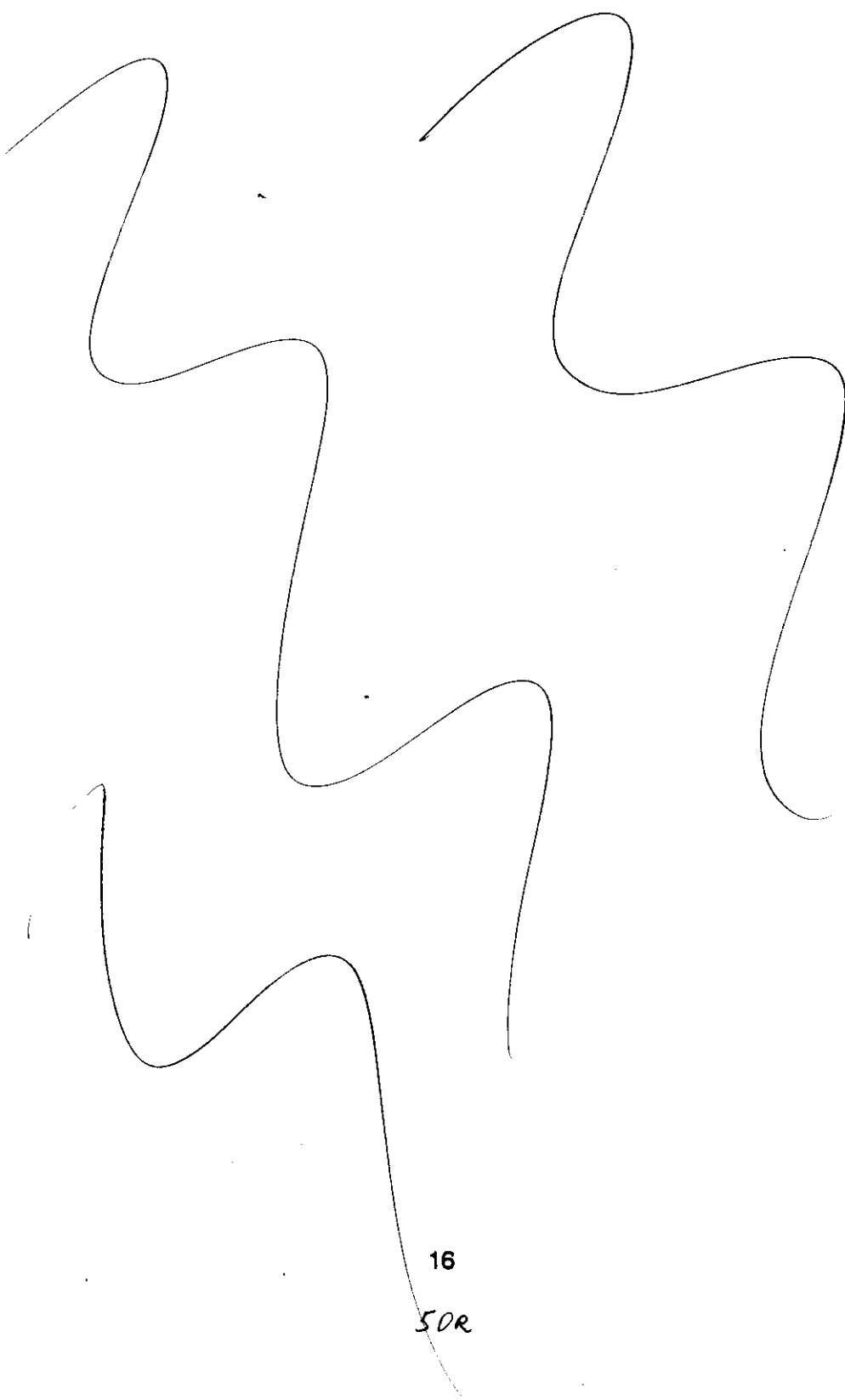
The standards of these codes and ordinances are hereby incorporated by reference and made a part of these Property Rehabilitation Standards.

In addition to the standards set forth above, it shall be the goal of that structures in the area will be rehabilitated in such a way to enhance the character and identity of renewal area and provide improved housing of highest quality possible for families. To achieve this goal, property owners will be encouraged to meet the following objectives:

- | | |
|--------------------------|---|
| Exterior: | Improvements to be made to the exterior so as to assure that the general character and appearance of the area will reflect sound development and create an environment which will be compatible with and stimulate private investment in the proposed new development within the project area. |
| Facade Treatment: | Aesthetic quality is recognized as an integral part of neighborhood improvement and is encouraged as part of rehabilitation activities. The choice of colors, textures, and materials must be related to the surrounding environment by expressing either the continuity of an existing character or, as may be desired in some situations, a sensitive contrast. |
| Site Layout: | In treatment of building additions and secondary structures, care should be given to the development of the site so that the scale of each building and its relationship to its surroundings reflects a sensitivity to the community. |
| Landscape: | The space around buildings is as important as the buildings themselves. Landscaping, walls, fences, etc., should be used to relate buildings to one another, emphasize important architectural features, confine spaces, and to screen service areas from view. |

Sign Control:

Where buildings contain commercial space, consideration should also be given to all aspects of graphic design. The various forms of lettering in a development have the important function of identifying and clarifying aspects of the development as well as contributing to its character. Signs should not be allowed to dominate the buildings they serve or to create a jarring affect on the surrounding neighborhood.



BLIGHTED AREA CONDITIONS EXISTING IN THE REDEVELOPMENT PROJECT AREA

Based upon surveys, inspections, and analysis of the area by Louik/Schneider & Associates, Inc. the Redevelopment Project Area qualifies as a "blighted area" as defined by the Act. The area is characterized by the presence of a combination of five or more blighting factors as listed in the Act, rendering the area detrimental to the public safety, health and welfare of the citizens of this area of the City. Specifically:

- * Of the fourteen factors set forth in the law, ten are present in the area.
- * The blighting factors which are present are reasonably distributed throughout the Study Area.
- * All areas within the Study Area show the presence of blighting factors.

A separate report entitled "Roosevelt-Homan Commercial/Residential Tax Increment Financing District Eligibility Report", dated July, 1990 describes in detail the surveys and analysis undertaken and the basis for the finding that the Redevelopment Project Area qualifies as a "blighted area" as defined by the Act. Summarized below are the findings of the Eligibility Report:

1. **Age**

Age as a factor is present to a major extent in five of the eleven blocks and to a limited extent in two blocks. Of the 122 total buildings in the Redevelopment Area, 112 (92%) are 35 years of age or older.

2. **Dilapidation**

Dilapidation is present to a major extent in four of the eleven blocks and to a minor extent in two other blocks. Of the 122 building in the Redevelopment Area, 34 (28%) are dilapidated.

3. **Obsolescence**

Obsolescence as a factor is present in eight of the eleven blocks. Conditions contributing to this factor include obsolete buildings and obsolete platting.

4. **Deterioration**

Deterioration as a factor is present to a major extent in six of the eleven blocks and to a minor extent in two other blocks. Of the 122 buildings in the Study Area 57 (47%) exhibit deterioration. Conditions contributing to this factor include deteriorating structures, deteriorating off-street parking and storage areas and site surface areas, and deteriorating street pavement, curbs, gutters and sidewalks.

5. **Illegal use of individual structures**

There were no structures which were illegal uses as defined by municipal ordinance.

6. **Structures Below Minimum Code Standards**

Structures below the city's minimum code standards for existing buildings as a factor is present in six of the eleven blocks. Of the 122 buildings in the Study Area, 26 (21%) appeared to exhibit this factor.

7. **Excessive Vacancies**

Excessive vacancies as a factor is present to a major extent in all of the eleven blocks. Of the 122 buildings in the Study Area 14 are vacant and over 43% percent of the land area is vacant.

8. **Overcrowding of structures and community facilities**

There were no blocks in the Study Area which contained evidence of overcrowding of structures.

9. **Lack of Ventilation, Light or Sanitary Facilities**

Five of the eleven blocks exhibit to a minor extent factors contributing to the lack of light, ventilation and or sanitary facilities within the structures.

10. **Inadequate Utilities**

Inadequate utilities are present to a minor extent in the Study Area.

11. **Excessive land coverage**

Four of the eleven blocks in the Study Area exhibit excessive land coverage. This is particularly true with large commercial and multi-tenant residential buildings located on major arterial streets within the Study Area.

12. **Deleterious Land-Use or Layout**

Deleterious land-use or layout is present in seven of the eleven blocks. Conditions contributing to this factor includes such findings as illegal uses, combined industrial and residential parcels, and outside storage areas. Large tracts of vacant and under-utilized land, vacant and dilapidated structures and sub-standard streets limited access to most of the Study Area.

13. **Depreciation of Physical Maintenance**

Depreciation of physical maintenance is present to a major extent in five blocks and to a minor extent in one additional block of the eleven blocks in the Study Area. Conditions contributing to this factor include deferred maintenance and lack of maintenance of buildings, parking and storage areas, and site improvements.

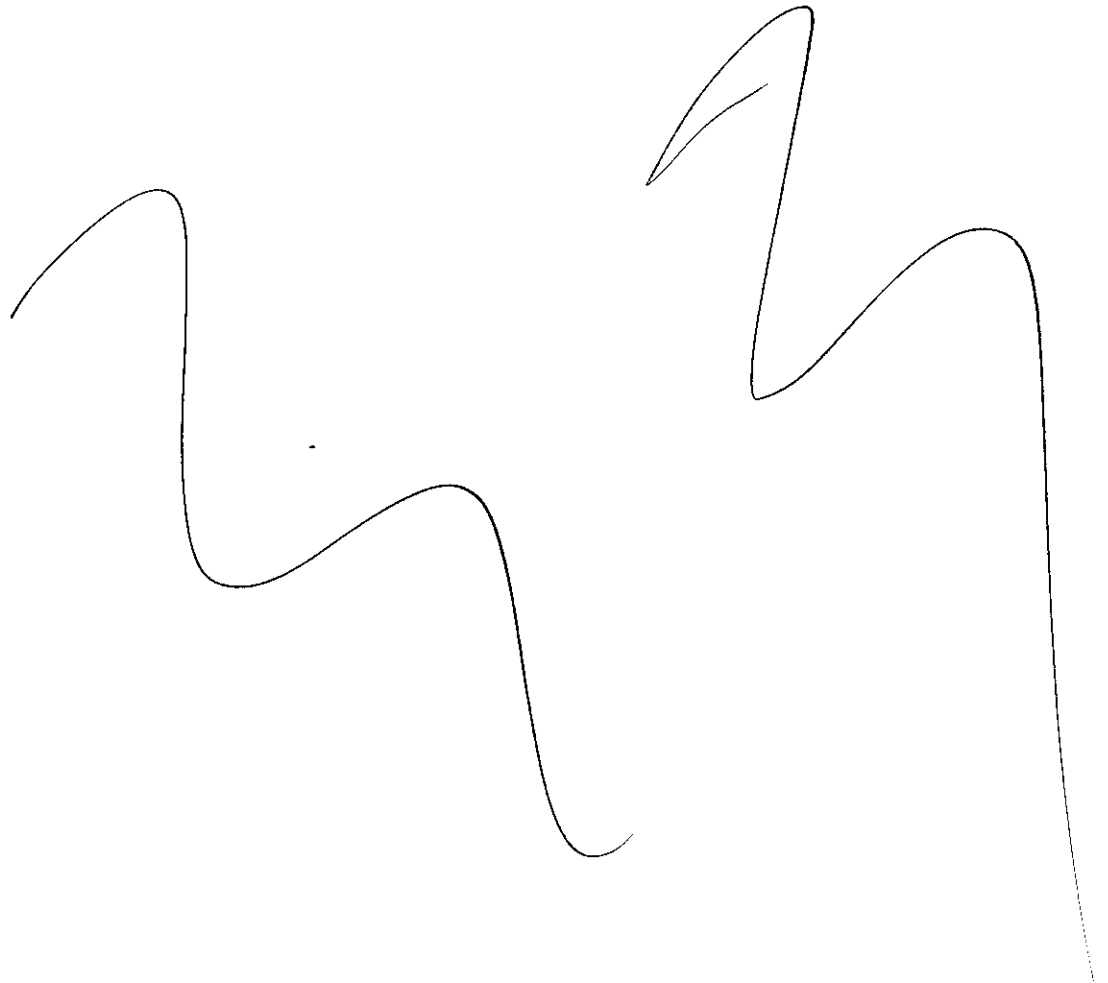
14. **Lack of Community Planning**

While there can be numerous public and private plans for the Study Area as well much of the surrounding area, little implementation of these plans has occurred. A large portions of the Study Area has no specific plans for redevelopment, rehabilitation or in-fill for existing residential areas.

The analysis above is based upon data assembled by the City of Chicago, Department of Economic Development, the City of Chicago, Department of Housing and Louik/Schneider & Associates, Inc. The surveys and analysis conducted include:

1. Exterior surveys of the condition and use of each building;

2. Field surveys of environmental conditions covering streets, sidewalks, curbs and gutters, lighting, traffic, parking facilities, landscaping, fences and walls, and general property maintenance;
3. Analysis of existing uses and their relationships;
4. Comparison of current land use to current zoning ordinance and the current zoning maps;
5. Historical analysis of site uses;
6. Analysis of original and current platting and building size layout;
7. Analysis of building floor area and site coverage.
8. Review of previously prepared plans, studies and data.



ROOSEVELT-HOMAN COMMERCIAL/RESIDENTIAL REDEVELOPMENT PROJECT

A. REDEVELOPMENT PROJECT AREA GOAL AND OBJECTIVES

The City proposes to realize its goals and objectives of redevelopment through public finance techniques, including but not limited to tax increment financing, and by undertaking some or all of the following actions:

1. Assemblage of Sites. To achieve the revitalization of the Redevelopment Project Area, property identified in Map 3, Development Activities, attached hereto and made a part hereof, may be acquired by the City of Chicago and cleared of all improvements if any and either (a) sold or leased for private redevelopment, or (b) sold, leased or dedicated for construction of public improvements or facilities. The City may determine that to meet the revitalization objectives of this Redevelopment Plan, other properties in the Redevelopment Project Area not scheduled for acquisition should be acquired, or certain property currently listed for acquisition should not be acquired. Acquisition of land for public rights-of-way will also be necessary for the portions of said rights-of-way that the City does not own (see Map 3).

As a necessary part of the redevelopment process, the City may hold and secure property which it has acquired and place it in temporary uses until such property is scheduled for disposition and redevelopment. Such uses may include, but are not limited to, project office facilities, parking or other uses the City may deem appropriate.

2. Provision for Public Improvements and Facilities. Adequate public improvements and facilities will be provided to service the entire Redevelopment Project Area. Public improvements and facilities may include, but are not limited to:
 - a. Improvements to and/or removal of public rights-of-way necessary for development.
 - b. Provision of utilities necessary to serve the redevelopment.
 - c. Construction of new traffic signalization.
3. Provision for Site Improvements. Funds may be made available for improvements to properties for the purpose of making land suitable for development.
4. Provision for Interest Subsidy. Funds may be made available to privately held properties for the purpose of reducing interest costs for the purpose of redeveloping properties.
5. Redevelopment Agreements. Land assemblage shall be conducted for (a) sale, lease, or conveyance to private developers, or (b) sale, lease,

conveyance or dedication for the construction of public improvements or facilities. Terms of conveyance shall be incorporated in appropriate disposition agreements which may contain more specific controls than those stated in the Redevelopment Plan.

In the event that the City determines that construction of certain improvements is not financially feasible, the City may reduce the scope of the proposed improvements.

B. REDEVELOPMENT PLAN

The proposed Roosevelt-Homan Commercial/Residential Redevelopment Project Area for the purposes of planning and programming of improvements have been divided into two components. These components are commercial development and residential redevelopment and rehabilitation.

COMMERCIAL DEVELOPMENT

The primary commercial component of this plan encompasses an area bounded by S. Kedzie Ave on the east, W. Homan Ave. on the west, S. Roosevelt Rd. on the south, and W. Fillmore Ave. on the north (see Map 3, Redevelopment Plan). The commercial redevelopment will require the City and a developer to enter into a redevelopment agreement upon approval by the City Council of Chicago. The redevelopment agreement will generally provide for the City to provide funding for necessary infra-structure and site improvements. The funds for said improvements are to come from the City's issuance of bonds to be repaid from the incremental increase in tax revenues to be generated from the entire Redevelopment Project Area. The developer will undertake the responsibility for the required infra-structure and site improvements, and will further be required to build a retail shopping center containing approximately 130,000 square feet on approximately a 15.5 acre site and the necessary support facilities such as parking and landscaping.

In addition, there may also be a planned in-fill mixed-use development along the North side of Roosevelt Road. The City may determine that assistance be provided for acquisition, site improvements or financing of this residential/commercial development.

The primary phase of the commercial development contemplated by this Plan will be completed within 24 months of the signing of a redevelopment agreement. The primary commercial component is expected to generate tax increments in excess of its needs for development. These additional dollars along with new taxes generated from the residential development will provide a basis for the residential component of the Plan as well as the secondary phase commercial development.

RESIDENTIAL REDEVELOPMENT/REHABILITATION

The residential component of this plan encompasses the residential areas of the Project Area as defined by the proposed land use (See Map 3). This residential component of the Redevelopment Plan will be administered and coordinated by the City of Chicago Department of Housing. The residential program is part of a long term program to improve the housing conditions in the Lawndale Area. The residential component of the Redevelopment Plan includes the following four programs: (1) Neighborhood home improvement program; (2) Low-income housing tax reactivation program; (3) In-fill housing Program; and (4) Site improvement program.

Neighborhood Home Improvement Program

This program provides low-interest fixed rate loan to owners of one to four unit properties, for all types of home improvements. The Department of Housing will commit to doing a minimum of 60 houses within 20 years. The maximum that can be borrowed is \$25,000 per property.

Low Income Tax Reactivation Program

This program will return tax-delinquent properties to the tax rolls and develop low -income housing by providing not-for-profit and for-profit developers the opportunity to acquire tax delinquent multi-unit (7 or more) properties through the no-cash bid procedure of the Cook

County Scavenger Sale. The Department of Housing will commit to doing a minimum of 8 to 10 buildings over a 10 year period.

In-Fill Housing Program

This program is intended too help revitalize the Redevelopment Area by reducing blight of under-utilized, long vacant lots, replacing them with new homes and landscaped yards. The Department of Housing will put together a special demonstration project for the Redevelopment Area.

The projected goals of the In-Fill Housing program are:

- (1) To build 40 to 50 single family homes in the Redevelopment Area over a 10 to 15 year period. It is expected that these home will sell for between \$55,000 and \$85,000 as adjusted for inflation over the time period.
- (2) To build 50 to 60 multi family rental units in the Redevelopment Area over a 10 to 15 year period.

Perimeter Site Improvements Program

The purpose of the Site Improvement Program is to provide improvements to the public rights-of-way which surround and support the redevelopment project.

On site developments undertaken by the Department of Housing may include but not be limited to the construction or reconstruction of curbs, gutters,sidewalks, streets and alleys; the installation of landscaping to public parkways and plazas; and the installation or reconstruction of public and private utilities.

The Department of Housing will provide site improvements not to exceed \$500.00 per dwelling unit for each of the housing development programs.

The residential component of the plan will be completed within 20 years after the Plan is adopted.

C. GENERAL LAND-USE PLAN

The Redevelopment Plan and the proposed projects described herein conform to the land uses and development policies for the City as a whole as currently provided by the Comprehensive Plan of Chicago (1966) and the companion Midwest Development Area Report. Also this plan is in conformity with the goals and objectives of the City of Chicago, Department of Urban Renewals' REVISED LAWDALE CONSERVATION PLAN of 1970.

The Redevelopment Plan also conforms with the Mid West Development Area Report in that it provides for the development of attractive business centers of modern design at major street intersections and it is in conjunction with other community improvement programs. Furthermore, the Plan intends to stimulate new investments in the area in order to make it more attractive to families. This would be done by assuring adequate resources for residential rehabilitation and by helping to make land available at suitable locations for new housing and for commercial, industrial and institutional development.

The retail shopping facilities in the North Lawndale Area follow the general city wide pattern of commercial frontage along major arterial streets. This pattern no longer meets the needs of most consumers. An objective of this plan is to provide resources necessary for the development of a new commercial center which is located on a concentrate site with ample parking, easy ingress and egress. The development of this type of shopping center will also provide increased employment opportunities and strengthen the tax base of the City.

The rehabilitation of deteriorated single family housing, infrastructure and site preparation necessary to encourage residential development and in-fill housing development on vacant land are the key elements of the City of Chicago Department of Housing's plan for residential redevelopment. This strategy and its objectives conform to the past and proposed land use plans for this area of Chicago.

The proposed Land Use Plan (See Map 2) incorporates the proposed objectives, goals and proposed development for the Roosevelt-Homan Commercial/Residential Redevelopment Project Area.

D. ESTIMATED REDEVELOPMENT PROJECT COSTS

Redevelopment project costs mean the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to this Redevelopment Plan and Redevelopment Project pursuant to the State of Illinois Tax Increment Allocation Redevelopment Act. Such costs may include, without limitation, the following:

1. 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, financial, planning or other services, provided, however, that no charges for professional services may be based on a percentage of the tax increment collected;
2. Property assembly costs, including but not limited to acquisition of land and other property, real or personal, or rights or interests therein, demolition of any buildings, and the clearing and grading of land;
3. Costs of the construction of public works or improvements;
4. Costs of job training and retraining projects;
5. Financing costs, 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;
6. All or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs;
7. Payment in lieu of taxes;
8. Costs of job training, advanced vocational education or career education, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in a redevelopment project area; and (ii) when incurred by a taxing district or taxing districts other than the municipality, are set forth in a written agreement by or among the municipality and the taxing district or taxing districts, which agreement describes the program to be undertaken, including but not limited to the number of employees to be trained, a description of the training and services to be

provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 10- 22.20a and 10-23.3a of the School Code;

9. Interest costs incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that:
 - a. such costs are to be paid directly from the special tax allocation fund established pursuant to this Act;
 - b. such payments in any one year may not exceed 30 percent of the annual interest costs incurred by the redeveloper with regard to the redevelopment project during that year;
 - c. if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this paragraph (11) then the amount so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund; and
 - d. the total of such interest payments incurred pursuant to this Act may not exceed 30 percent of the total redevelopment project costs excluding any property assembly costs and any relocation costs incurred pursuant to this Act.

The estimated redevelopment project costs are shown in Table 1. To the extent that municipal obligations have been issued to pay for such redevelopment project costs included prior to, but in anticipation of, the adoption of tax increment financing, the City shall be reimbursed for such redevelopment project costs. The total redevelopment project costs provide an upper limit on expenditures (exclusive of capitalized interest, issuance costs, interest and other financing costs). Within this limit, adjustments may be made in line items without amendment to this Redevelopment Plan.

E. SOURCES OF FUNDS TO PAY REDEVELOPMENT PROJECT COSTS

Funds necessary to pay for redevelopment project costs and municipal obligations which have been issued or incurred to pay for such costs are to be derived principally from tax increment revenues and proceeds from municipal obligations which have as their revenue source tax increment revenue. To secure the issuance of these obligations, the City may permit the utilization of guarantees, deposits and other forms of security made available by private sector developers.

The tax increment revenue which will be used to fund tax increment obligations and redevelopment project costs shall be the incremental real property tax revenues. Incremental real property tax revenue is attributable to the increase in the current equalized assessed value of each taxable lot, block, tract or parcel of real property in the Redevelopment Project Area over and above the initial equalized assessed value of each such property in the Redevelopment Project Area. Other sources of funds which may be used to pay for redevelopment costs and obligations issued or incurred, the proceeds of which are used to pay for such costs, are land disposition proceeds, state and federal grants, investment income, and such other sources of funds and revenues as the municipality may from time to time deem appropriate.

Issuance of Obligations

To finance redevelopment costs a municipality may issue obligations secured by the anticipated tax increment revenue generated within the TIF redevelopment project area. In addition, a municipality may pledge towards payment of such obligations any part or any combination of the following: (a) net revenues of all or part of any redevelopment project; (b) a mortgage on part or all of the redevelopment project; or (c) any other taxes or anticipated receipts that the municipality may lawfully pledge.

All obligations issued by the City pursuant to this Redevelopment Plan and the Act shall be retired within twenty-three (23) years from the adoption of the ordinance approving the Redevelopment Project Area. Also, the final maturity date of any such obligations which are issued may not be later than twenty (20) years from their respective dates of issue. One or more

series of obligations may be sold at one or more times in order to implement this Redevelopment Plan. The amounts payable in any year as principal and interest on all obligations issued by the City pursuant to the Redevelopment Plan and the Act shall not exceed the amounts available, or projected to be available, from tax increment revenues and from such bond sinking funds or other sources of funds as may be provided by ordinance. Obligations may be of a parity or senior/junior lien nature. Obligations issued may be serial or term maturities, and may or may not be subject to mandatory, sinking fund, or optional redemptions.

Revenues shall be used for the scheduled and/or early retirement of obligations, and for reserves, bond sinking funds and redevelopment project costs, and, to the extent that real property tax increment is not used for such purposes, shall be declared surplus and shall then become available for distribution annually to taxing districts in the Redevelopment Project Area in the manner provided by the Act.

Most Recent Equalized Assessed Valuation of Properties in the Redevelopment Project Area

The total 1988 equalized assessed valuation for the entire Redevelopment Project Area is \$3,618,369. This equalized assessed valuation is subject to final verification by Cook County. After verification, the County Clerk of Cook County, Illinois will certify the amount, and this amount will serve as the "Initial Equalized Assessed Valuation."

Anticipated Equalized Assessed Valuation

By the year 2001, when it is estimated that all the anticipated private development will be completed and fully assessed, the estimated equalized assessed valuation of real property within the Redevelopment Project Area is estimated at between \$ 8,500,000 and \$ 11,000,000. By the year 1994, when the primary phase of the commercial and the initial residential development is complete, the equalized assessed value of real property within the Redevelopment Project Area is estimated at between \$ 6,000,000 and \$ 8,000,000. These estimates are based on several key assumptions, including: 1) primary phase of the commercial development will be completed in

1992; 2) residential and secondary phase of the commercial development will occur in a timely manner; 3) the market value of the anticipated developments will increase following completion of the redevelopment activities described in the Redevelopment Project and Plan; 4) the most recent State Multiplier of 1.9133 as applied to 1989 assessed values will remain unchanged and 4) for the duration of the project the tax rate for the entire Redevelopment Project Area is assumed to be the same and will remain unchanged from the 1989 level.

PHASING AND SCHEDULING OF REDEVELOPMENT PLAN

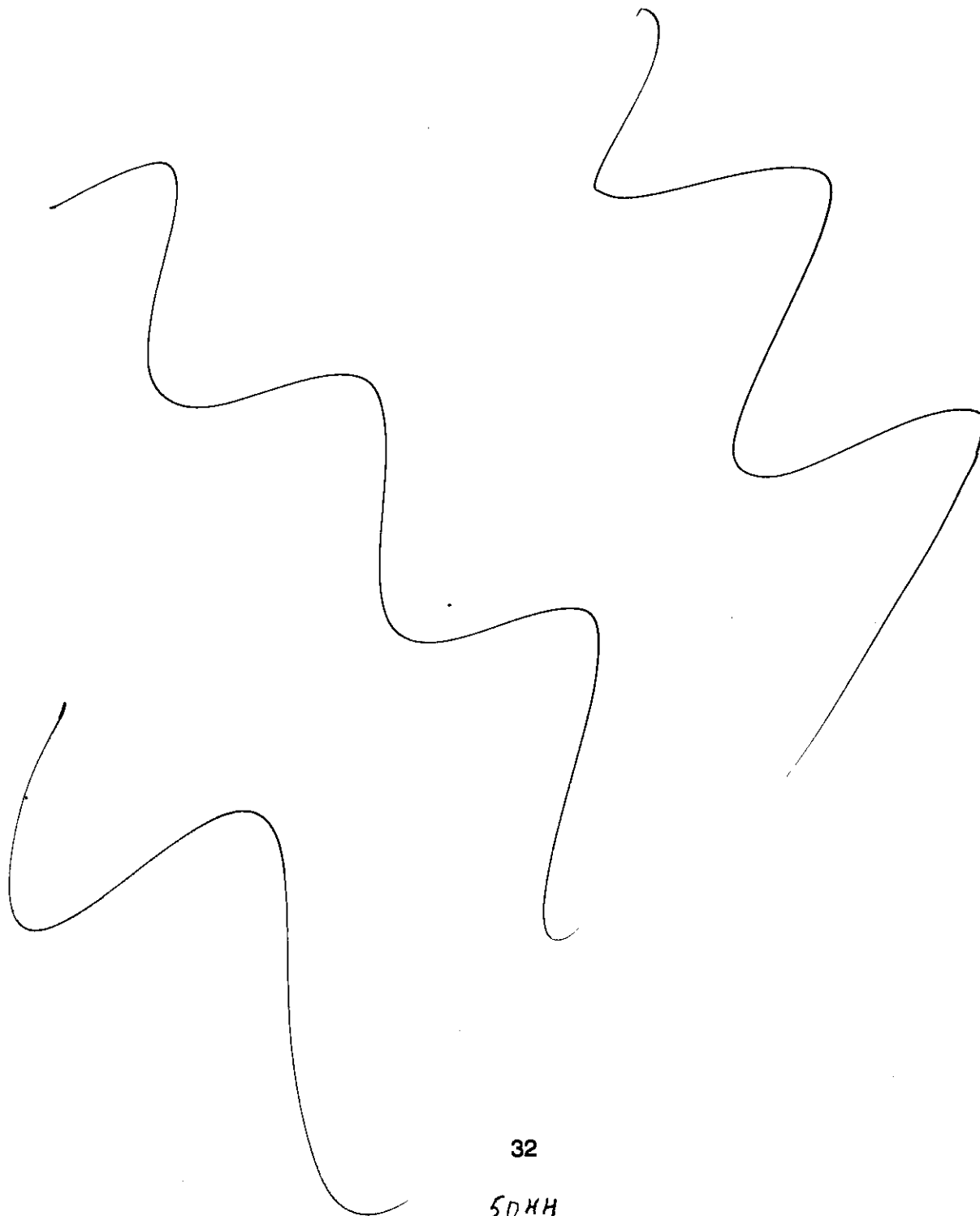
A phased implementation strategy will be utilized to achieve a timely and orderly redevelopment of the project area.

It is anticipated that City expenditures for redevelopment will be carefully staged on a reasonable and proportional basis to coincide with expenditures in rehabilitation and/or redevelopment by private developers.

The public and private improvements to be undertaken in the Redevelopment Project Area are anticipated to be completed in the tenth year. Table 1, the Estimated Redevelopment Project Costs (See page 43), illustrates the public improvements to be undertaken as part of the Redevelopment Project.

PROVISION FOR AMENDING ACTION PLAN

This Roosevelt-Homan Commercial/Residential Redevelopment Project Area Tax Increment
Redevelopment Plan and Project may be amended pursuant to the provisions of the Act.



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AFFIRMATIVE ACTION PLAN

The City is committed to and will affirmatively implement the following principles with respect to the Roosevelt-Homan Commercial/Residential Redevelopment Project Area.

- A. The assurance of equal opportunity in all personnel and employment actions with respect to the Plan and Project, including but not limited to: hiring, training, transfer, promotion, discipline, fringe benefits, salary, employment working conditions, termination, etc., without regard to race, color, religion, sex, age, handicapped status, national origin, creed, or ancestry.

- B. This commitment to affirmative action will ensure that all members of the protected groups are sought out to compete for all job openings and promotional opportunities.

In order to implement these principles for this Plan and Project, the City shall require that all parties contracting with the City on the Project meet City goals for Minority Business Enterprises, Women's Business Enterprises, Affirmative Action and First Source Hiring.

LEGAL DESCRIPTION

A tract of land in the East half and the West half of the Southeast quarter of Section 14 and the West half of the Southwest quarter of Section 13, all in Township 39 North, Range 13 East of the Third Principle Meridian, described as follows: Beginning at the Southwest corner of said West half of the Southeast quarter of Section 14; thence North 696.5 feet along the West line of said Southeast quarter to the North line of Fillmore Street as dedicated; thence East 2560 feet along the North line of Fillmore Street to the West line of Kedzie Avenue; thence North 138.96 feet to the South right-of-way line of the B. & O.C.T. Railroad also being the North line of the East-West alley in Block 6 of the Subdivision of Block 6 of Pipers Subdivision; thence East 690 feet along the South right-of-way line of the B. & O.C.T. Railroad to the centerline of Albany Avenue in said Pipers Subdivision; thence South along last said centerline to the centerline of Roosevelt Road, being the South line of Section 13; thence West along last said centerline, being the South line of Section 13 and the South line of Section 14, to the place of beginning, all in the City of Chicago, Cook County, Illinois.



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TABLES

TABLE 1
ESTIMATED REDEVELOPMENT PROJECT COSTS

Program Action/Improvements

Commercial Area	
Infrastructure Improvements	\$ 700,000
Site Improvements	800,000
Planning, legal, studies, etc.	200,000
Contingencies	150,000
Residential Area	
Infrastructure Improvements	100,000
Financing assistance - interest rate subsidy	200,000
Acquisition	100,000
Planning, legal, studies, etc.	100,000
Contingencies	50,000
Total Costs*	\$ 2,500,000

*Exclusive of capitalized interest, issuance costs and other financing costs

TABLE 2

1988 EQUALIZED ASSESSED VALUATION

PERMANENT INDEX NO.		1988 EAV
16-13-320-002		9,147
16-13-320-003		1,017
16-13-320-004		1,017
16-13-320-005		1,017
16-13-320-006	EX	
16-13-320-007	EX	
16-13-320-008		2,874
16-13-320-009		1,994
16-13-320-010		8,171
16-13-320-011		17,713
16-13-320-012		10,612
16-13-320-013		1,017
16-13-320-014		1,017
16-13-320-015	EX	
16-13-320-016		1,025
16-13-324-001		64,460
16-13-324-002		18,181
16-13-324-003		42,221
16-13-324-004		12,209
16-13-324-005		1,077
16-13-324-006		1,077
16-13-324-007	EX	
16-13-324-008		1,077
16-13-324-009		1,077
16-13-324-010	EX	
16-13-324-011		1,077
16-13-324-012		1,422
16-13-324-013		34,211
16-13-324-014		17,472
16-13-324-015		9,560
16-13-324-016		9,560
16-13-324-017		9,560
16-13-324-018		29,860
16-13-324-019		8,677
16-13-324-020		1,077
16-13-324-021		1,077
16-13-324-022	EX	
16-13-324-023		1,077
16-13-324-024		1,077
16-13-324-025		1,077
16-13-324-026		1,077
16-13-324-027		1,077
16-13-324-028		1,077
16-13-324-030		184,351
16-13-324-031		177,619
16-13-324-032		177,619
16-13-324-033		278,097
16-13-324-034		181,665
16-13-324-035		9,211
16-13-324-036		1,056
16-13-324-037		2,454
16-13-325-002		3,963
16-13-325-003		6,864
16-13-325-004		6,209
16-13-325-005		5,772

PERMANENT INDEX NO.

1988 EAV

16-13-325-006		10,756
16-13-325-007		2,828
16-13-325-008		4,685
16-13-325-009		2,056
16-13-325-010		10,756
16-13-325-011		1,060
16-13-325-012		2,545
16-13-325-013		2,549
16-13-325-014		3,048
16-13-325-015		771
16-13-325-016		2,873
16-13-325-017		3,672
16-13-325-018		778
16-13-325-019		919
16-13-325-020		938
16-13-325-021		959
16-13-325-022		7,580
16-13-325-023	EX	
16-13-325-024		1,060
16-13-325-025		4,290
16-13-325-026		3,445
16-13-325-027	EX	
16-13-325-028		2,262
16-13-325-029	EX	
16-13-325-030		10,103
16-13-325-031		3,732
16-13-325-032		7,109
16-13-325-033		1,060
16-13-325-034	EX	
16-13-325-035	EX	
16-13-325-036		15,927
16-13-325-037		2,649
16-13-325-038		13,636
16-13-325-039	EX	
16-13-325-040	EX	
16-13-325-041		6,857
16-13-325-042		7,496
16-13-325-043	EX	
16-13-325-044		10,419
16-13-325-045		18,522
16-13-325-046		13,024
16-13-325-047		2,454
16-14-422-001		5,456
16-14-422-002		3,707
16-14-422-003		5,784
16-14-422-004		5,909
16-14-422-005		5,909
16-14-422-006		1,676
16-14-422-007		5,445
16-14-422-008		1,090
16-14-422-009	EX	
16-14-422-010		1,090
16-14-422-011		39,594
16-14-422-012		4,188
16-14-422-013		47,288
16-14-422-014		6,067
16-14-422-015		1,029
16-14-422-016		11,041
16-14-422-017		15,151
16-14-422-018	EX	
16-14-422-019		1,543
16-14-422-020		42,740
16-14-422-021	EX	
16-14-422-022		13,305
16-14-422-023		857

PERMANENT INDEX NO.

1988 EAV

16-14-422-024		4,676
16-14-422-025		17,280
16-14-422-026		2,719
16-14-422-027	EX	
16-14-423-001		14,494
16-14-423-002		2,414
16-14-423-003		9,594
16-14-423-004		2,746
16-14-423-005		3,682
16-14-423-006		2,942
16-14-423-007		2,165
16-14-423-008		13,035
16-14-423-009		2,049
16-14-423-010	EX	
16-14-423-011	EX	
16-14-423-012		5,002
16-14-423-013		5,053
16-14-423-014		5,525
16-14-423-015		4,341
16-14-423-016		10,263
16-14-423-017		2,182
16-14-423-018		3,527
16-14-423-019		1,868
16-14-423-020		26,055
16-14-423-021		678
16-14-423-022		6,753
16-14-423-023		1,857
16-14-423-024		1,414
16-14-423-025		2,061
16-14-423-026		3,888
16-14-423-027		3,333
16-14-423-028		56,866
16-14-424-042		4,239
16-14-424-045		2,243
16-14-424-046	EX	
16-14-424-047		35,814
16-14-424-048		370,871
16-14-424-049		717
16-14-425-001		7,248
16-14-425-014		1,175
16-14-425-015		1,175
16-14-425-016		1,169
16-14-425-017		2,898
16-14-425-018		2,173
16-14-425-019		1,811
16-14-425-020		1,811
16-14-425-021		1,811
16-14-425-022		3,624
16-14-425-023		1,462
16-14-425-024		1,811
16-14-425-025		1,811
16-14-425-026		1,811
16-14-425-027		1,462
16-14-425-028		1,811
16-14-425-029		1,811
16-14-425-030		1,811
16-14-425-031		1,811
16-14-425-032		1,811
16-14-425-033		2,391
16-14-425-034		8,090
16-14-425-035		28,344
16-14-425-036		16,392
16-14-426-001		60,110

PERMANENT INDEX NO.

1988 EAV

16-14-426-002		1,516
16-14-426-003		4,978
16-14-426-004	EX	
16-14-426-005		4,054
16-14-426-006	EX	
16-14-426-007		5,233
16-14-426-008		6,209
16-14-426-009		6,105
16-14-426-010		1,184
16-14-426-011		848
16-14-426-012		6,556
16-14-426-013		116
16-14-426-014		5,352
16-14-426-015		5,439
16-14-426-016		6,258
16-14-426-017	EX	
16-14-426-018		838
16-14-426-019		3,356
16-14-426-020		10,390
16-14-426-021		25,113
16-14-426-022		6,275
16-14-426-023		9,764
16-14-426-024		2,913
16-14-426-025	EX	
16-14-426-026		33,376
16-14-426-027		2,649
16-14-426-028		17,183
16-14-426-029	EX	
16-14-426-030	EX	
16-14-426-031		15,099
16-14-427-001		1,667
16-14-427-002		2,911
16-14-427-003		3,978
16-14-427-004		10,300
16-14-427-005	EX	
16-14-427-006		6,134
16-14-427-007		3,183
16-14-427-008		3,680
16-14-427-009		1,906
16-14-427-010		116
16-14-427-011		3,713
16-14-427-012		848
16-14-427-013		116
16-14-427-014		2,717
16-14-427-015		4,287
16-14-427-016		4,857
16-14-427-017		26,098
16-14-427-018		15,667
16-14-427-019		5,262
16-14-427-020		5,285
16-14-427-021		2,119
16-14-427-022		4,994
16-14-427-023		2,649
16-14-427-024		2,649
16-14-427-025		39,312
16-14-427-026		5,298
16-14-427-027		2,649
16-14-427-028	EX	
16-14-427-029		63,015
16-14-427-030		2,649
16-14-427-031		16,139
16-14-427-032		2,939
16-14-427-033		17,106
16-14-427-034		26,306
16-14-427-035		30,350

PERMANENT INDEX NO.

1988 EAV

16-14-427-036	11,072
16-14-427-037	21,884
16-14-427-038	18,992
16-14-427-039	62,776
16-14-428-001	6,088
16-14-428-002	1,408
16-14-428-003	1,859
16-14-428-004	2,225
16-14-428-005	1,759
16-14-428-006	1,759
16-14-428-007	1,759
16-14-428-008	1,759
16-14-428-009	1,759
16-14-428-010	1,759
16-14-428-011	1,759
16-14-428-012	1,408
16-14-428-013	1,759
16-14-428-014	1,759
16-14-428-015	1,759
16-14-428-016	1,759
16-14-428-017	1,759
16-14-428-018	1,759
16-14-428-019	1,759
16-14-428-020	3,200
16-14-428-021	6,082
16-14-428-022	6,082
16-14-428-023	3,040
16-14-428-024	2,607
16-14-428-025	3,485
16-14-428-026	2,695
16-14-428-027	2,695
16-14-428-028	2,695
16-14-428-029	2,695
16-14-428-030	2,695
16-14-428-031	18,983
16-14-428-032	13,026
16-14-428-033	2,695
16-14-428-034	5,393
16-14-428-035	2,695
16-14-428-036	2,695
16-14-428-037	2,695
16-14-428-038	2,695
16-14-428-039	2,695
	EX
16-14-429-001	2,250
16-14-429-002	1,759
16-14-429-003	1,759
16-14-429-004	2,638
16-14-429-005	2,638
16-14-429-006	1,759
16-14-429-007	1,759
16-14-429-008	1,759
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16-14-429-010	1,759
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16-14-429-012	1,759
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16-14-429-014	1,759
16-14-429-015	1,759
16-14-429-016	1,759
16-14-429-017	2,322
16-14-429-018	8,758
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16-14-429-020	3,774
16-14-429-021	3,774

PERMANENT INDEX NO.

1988 EAV

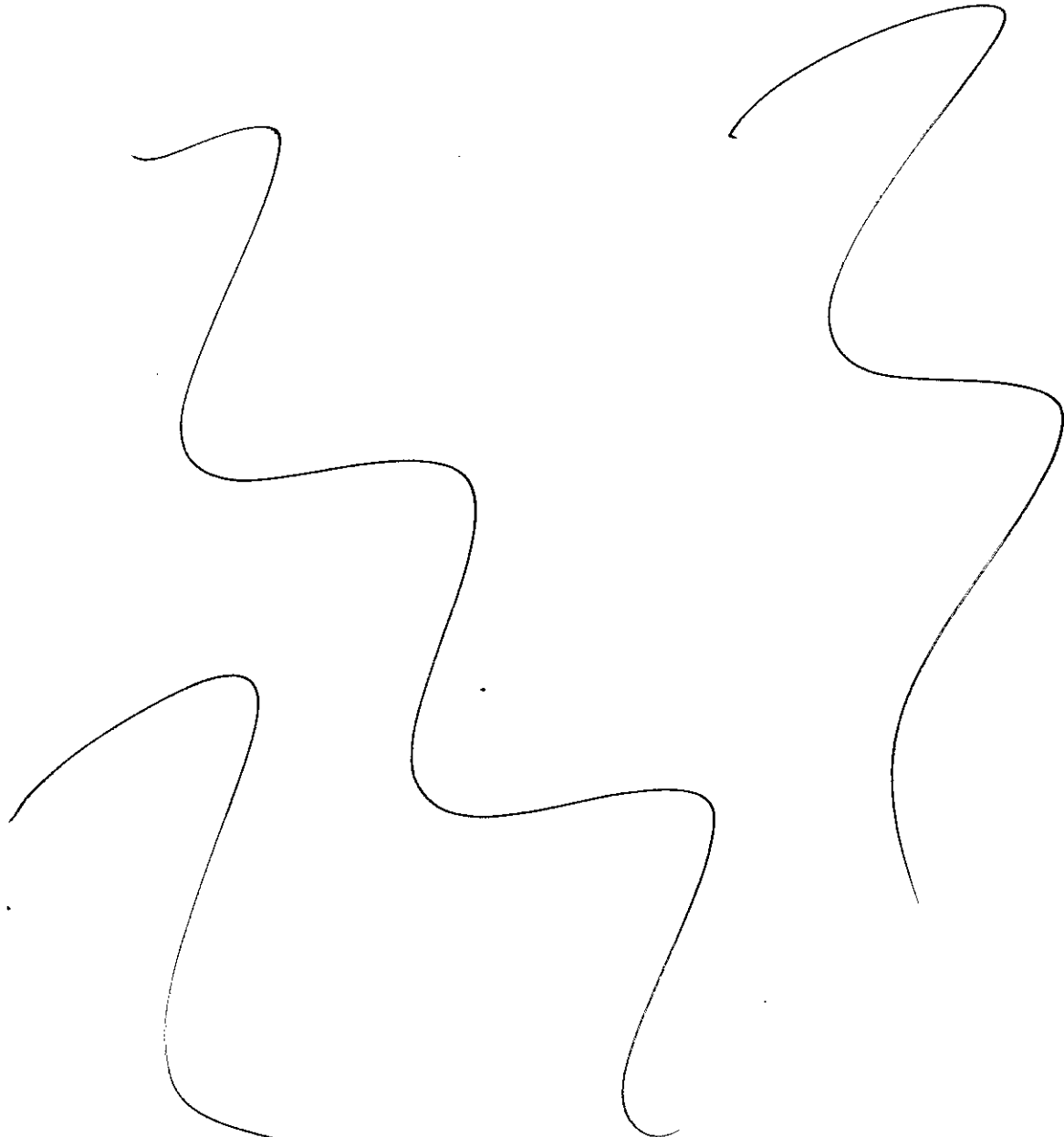
16-14-429-022	4,982
16-14-429-023	12,296
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16-14-429-027	3,235
16-14-429-028	3,235
16-14-429-029	3,235
16-14-429-030	3,235
16-14-429-031	3,235
16-14-429-032	3,235
16-14-429-033	3,235
16-14-429-034	3,235
16-14-429-035	7,550
16-14-429-036	3,774
16-14-429-037	4,258
16-14-429-038	196,442

TOTAL

3,618,369

MAPS

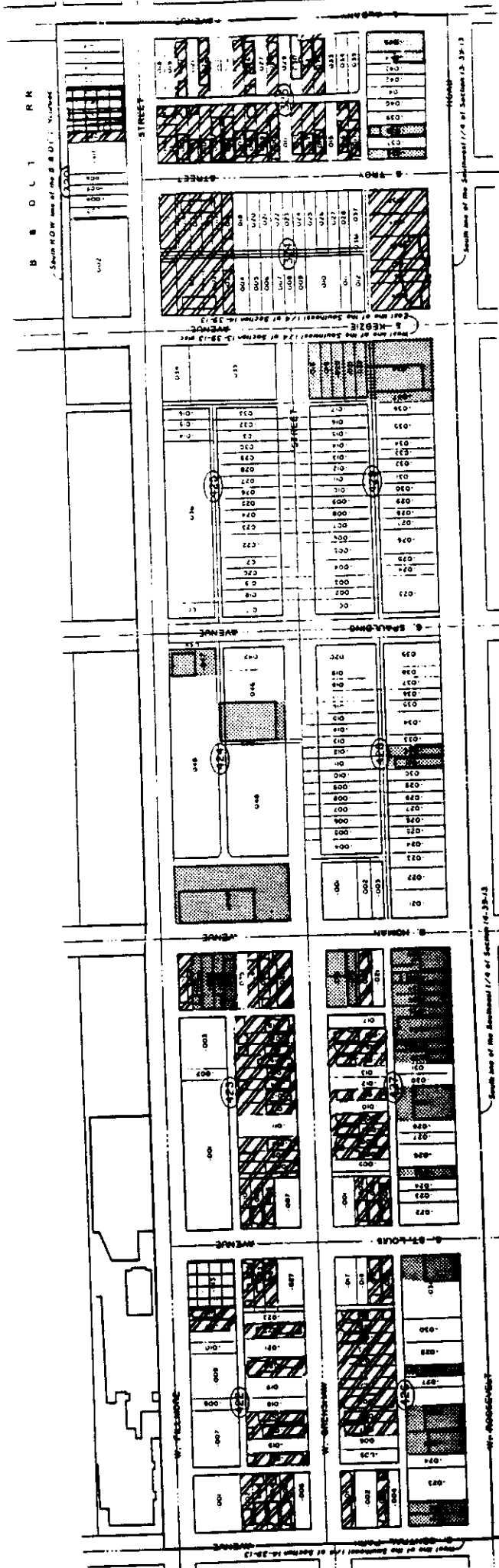
- Map 1 Project Boundaries
- Map 2 Exiting Land Use
- Map 3 Redevelopment Plan/Proposed Land Use



42

50RR

Map 2 Existing Land Use



**Roosevelt-Homan
Commercial/Residential
Redevelopment Plan**
City of Chicago
Department of
Economic Development
July, 1990




Scale: 1" = 100'-0"

North Arrow

LEGEND

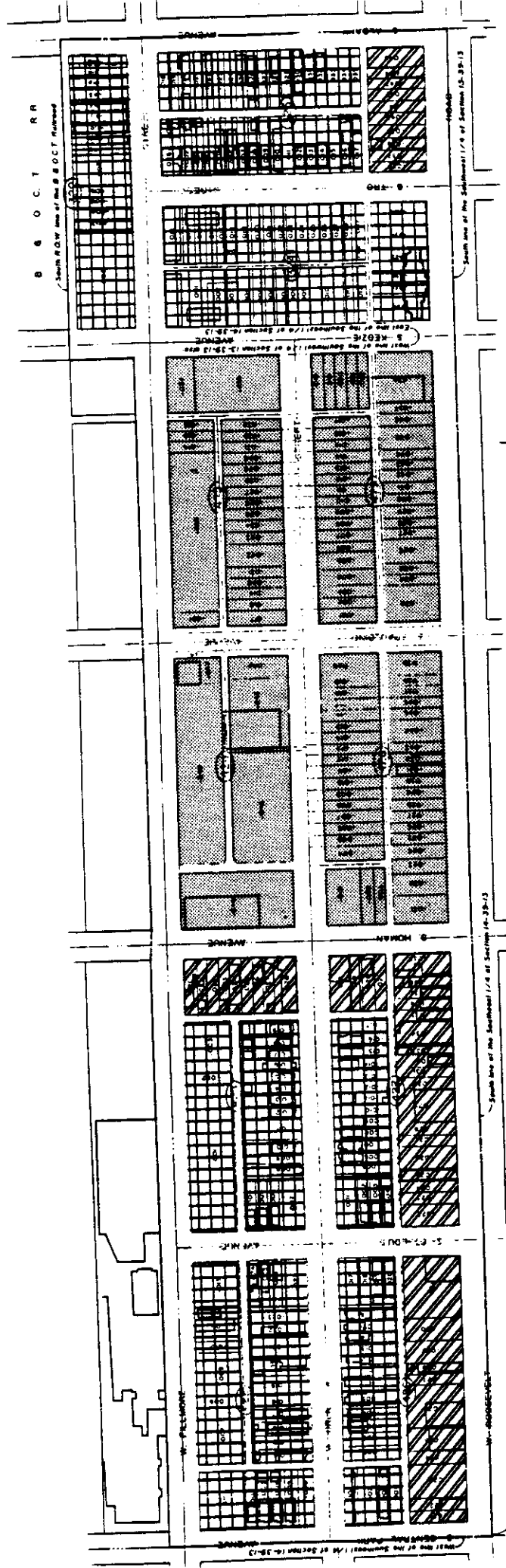
PM No. 16-1A, 108-014
LADP 16-1A, 108-014
CITY OF CHICAGO ZONING 16-1A
BUILDING

Prepared by Louik/Schneider & Associates, Inc.

-  Commercial
-  Residential
-  Vacant/Under Utilized Land

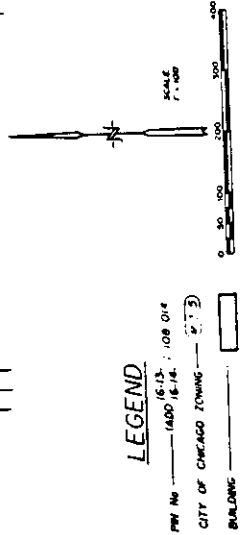
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Map 3 Redevelopment Plan/Proposed Land Use



Roosevelt-Homan
Commercial/Residential
Redevelopment Plan
City of Chicago
Department of
Economic Development
July, 1990

Prepared by Louik/Schneider
& Associates, Inc.



-  New Commercial Development
-  Residential Redevelopment/Development
-  Commercial/Residential Redevelopment/Development

5000

JAMES J. LASNI, CITY CLERK
 CITY CLERK'S OFFICE — CITY OF CHICAGO

FORM C.C. 424 3M 4-95

PD16\Rooshom\TIF2.ORD

Partial Ordinance
CC approval 7/31/96

AN ORDINANCE OF THE CITY OF CHICAGO, ILLINOIS
 APPROVING AN AMENDMENT NO. 1 TO THE REDEVELOPMENT PLAN
 FOR THE
 ROOSEVELT-HOMAN COMMERCIAL/RESIDENTIAL
 REDEVELOPMENT PROJECT AREA

WHEREAS, on December 5, 1990, the City Council of the City of Chicago (the "City") approved a Redevelopment Plan and Redevelopment Project (the "Plan") for the Roosevelt-Homan Commercial/Residential Redevelopment Project Area (the "Area") pursuant to an ordinance published at pages 26369-26418 of the Journal of the Proceedings of the City Council of the City of such date pursuant to the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1 et. seq.) (the "Act"); and

WHEREAS, pursuant to Sections 5/11-74.4-4 and 5/11-74.4-5 of the Act, the Community Development Commission (the "Commission") of the City, by authority of the Mayor and the City Council of the City (the "City Council," referred to herein collectively with the Mayor as the "Corporate Authorities") called a public hearing (the "Hearing") concerning approval of an Amendment No. 1 to the Plan (the "Amendment") pursuant to the Act on July 9, 1996, which Plan and Amendment are attached hereto as Exhibit A; and

WHEREAS, the Plan, as amended by the Amendment, was made available for public inspection and review pursuant to Section 5/11-74.4-5(a) of the Act beginning May 14, 1996, at a time prior to the adoption by the Commission of Resolution 96-CDC-34 on May 14, 1996 fixing the time and place for the Hearing, at the offices of the City Clerk and the City's Department of Planning and Development; and

WHEREAS, due notice of the Hearing was given pursuant to Section 5/11-74.4-6 of the Act, said notice being given to all taxing districts having property within the Area and to the Department of Commerce and Community Affairs of the State of Illinois by certified mail on May 20, 1996, by publication in the Chicago Sun-Times or Chicago Tribune on June 23, 1996 and June 30, 1996, and by certified mail to taxpayers within the Area on June 28, 1996; and

WHEREAS, a meeting of the joint review board established pursuant to Section 5/11-74.4-5(b) of the Act (the "Board") was convened upon the provision of due notice on May 30, 1996 at 10:00 a.m., concerning the approval of the Amendment; and

WHEREAS, the Commission has forwarded to the City Council a copy of its Resolution 96-CDC-42 attached hereto as Exhibit B, adopted on July 9, 1996, recommending to the City Council approval of the Amendment, among other related matters; and

WHEREAS, the Corporate Authorities have reviewed the Plan, the Amendment, testimony from the Hearing, if any, the recommendation of the Board, if any, the recommendation of the Commission and such other matters or studies as the Corporate Authorities have deemed necessary or appropriate to make the findings set forth herein, and are generally informed of the conditions existing in the Area; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

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

Section 2. Approval of the Amendment. The City hereby approves the Amendment pursuant to Sections 5/11-74.4-4 and 5/11-74.4-5 of the Act.

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

Section 4. Superseder. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

Section 5. Effective Date. This ordinance shall be in full force and effect immediately upon its passage.

List of Attachments

Exhibit A:
Exhibit B:

omitted
The Plan, with the Amendment No. 1 *attached*
CDC Resolution recommending to City Council
approval of the Amendment

Omitted



*Committed to
Circuit Court**#3,335,000*

**EXHIBIT A
PLAN AMENDMENT NO. 1**

Roosevelt-Homan Commercial/Residential Redevelopment Area
Tax Increment Finance Program
Redevelopment Plan
May, 1996

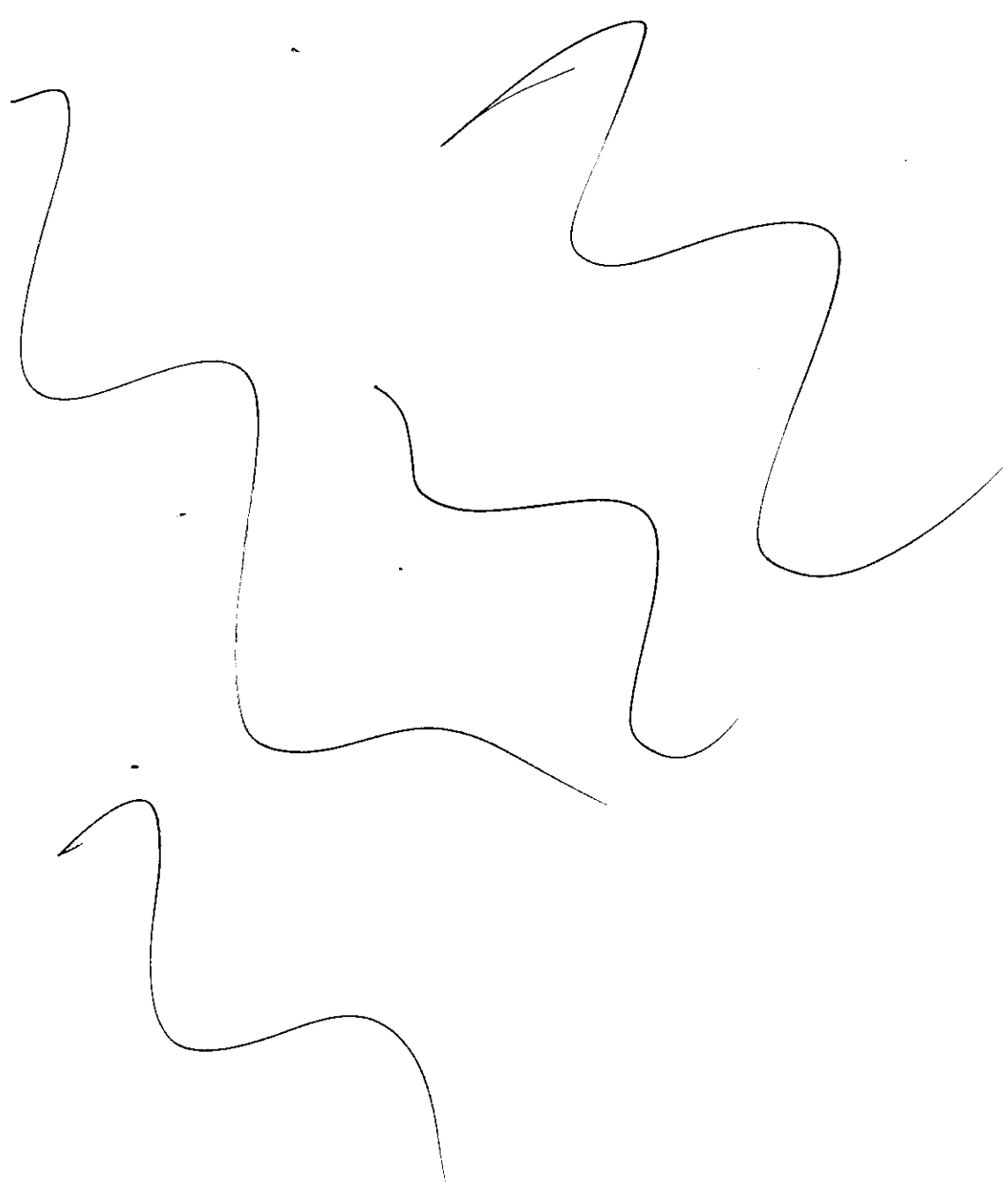
The Roosevelt-Homan Commercial/Residential Redevelopment Area Tax Increment Finance Program Redevelopment Plan (the "Plan") of the City of Chicago approved by Ordinance of the City Council of Chicago on December 5, 1990, is amended by revising Table 1 (Estimated Redevelopment Costs - Program Action/Improvements) as follows:

REVISED TABLE NO. 1
"ESTIMATED REDEVELOPMENT PROJECT COSTS"

<u>Original Program Action/ Improvements</u>	<u>Original Estimated Project Cost</u>	<u>Amended Program Action/ Improvements</u>	<u>Amended Estimated Project Cost</u>
		Commercial/Residential	
Commercial Area			
Infrastructure Improvements	\$ 700,000	Public Improvements	\$1,000,000.00
Site Improvements	\$ 800,000	Site Improvements	\$1,000,000.00
Planning, Legal, studies	\$ 200,000	Planning, Legal, studies	\$500,000.00
Contingencies	\$ 150,000	Deleted	\$0.00
Residential Area			
Infrastructure Improvements	\$ 100,000		
Financing assistance - interest rate subsidy	\$ 200,000	Interest Cost	\$4,000,000.00
Acquisition	\$ 100,000	Property Assembly	\$3,000,000.00
Planning, Legal, studies	\$ 100,000		
Contingencies	\$ 50,000	Deleted	\$0.00
		Rehabilitation	\$3,000,000.00
		Job Training	\$500,000.00
Total Costs*	\$2,500,000		\$13,000,000.00

5044

* Note: The total redevelopment project costs provide an upper limit on expenditures (exclusive of capitalized interest, issuance costs and other financing costs). Within this limit, adjustments may be made in line items without further amendment to Revised Table No.1. Line items and/or estimated redevelopment project costs in bold type are revisions to Table No.1 in the original Plan.

A large, complex handwritten scribble or signature in black ink, consisting of multiple overlapping loops and curves, occupying the central portion of the page.

1473

Document No.

50444

PASSED by the City Council of the City of Chicago and deposited in the office of the City Clerk of said City.	
JUL 3 1 1996	
<i>James J. Lane</i>	City Clerk
	City of Chicago

APPROVED

Susan S. Davis
CORPORATION COUNSEL

APPROVED

Richard Daley
Mayor

19

EXHIBIT D

FINANCING FOR THE PROJECT

A. LENDER FINANCING:

1. City of Chicago Multi-Family Housing Revenue Bonds, (Roosevelt Towers - Phase I Project), Series 2004A (FHA-Insured/GNMA) in an aggregate principal amount not to exceed \$8,000,000.

The bond proceeds will be used to purchase fully modified mortgage-backed securities guaranteed by GNMA issued by PFC Corporation or another financial institution or entity acceptable to the City (the "GNMA Issuer"). The GNMA Issuer will make one or more loans in an aggregate amount not to exceed \$8,000,000 (the "FHA-Insured Loan") to the Developer. The repayment of the FHA-Insured Loan will be insured by the Federal Housing Administration and secured by a first mortgage on the Project and its repayment will also be secured by Available Incremental Revenues.

The City will also issue its City of Chicago Multi-Family Housing Revenue Note (Roosevelt Towers - Phase I Project), Series 2004B in an aggregate principal amount not to exceed \$2,000,000 that will be privately-placed with Highland Community Bank or another financial institution acceptable to the Commissioner. The proceeds from the sale of such Note, which will be secured by a second mortgage on the Project and certain investor notes executed and delivered by the tax credit investor, will be used to bridge finance the tax credit equity described below in Section B. The Note will be repaid from the pay-in of such tax credit equity.

2. Amount: Not to exceed \$2,650,000, which funds shall bridge finance the tax credit equity described below in Section B.
- Source: New Century Bank or another financial institution acceptable to the Commissioner.
- Interest: A variable rate equal to 1% over New Century Bank's prime rate, as set from time to time, but not less 6.5% percent per annum
- Term: Not to exceed five (5) years
- Security: This bridge loan will also be repaid from the pay-in of tax credit equity.
3. Amount: Affordable Housing Loan not to exceed \$5,623,000
- Source: HOME Program/Corporate Funds/Program Income/Empowerment Zone/CDBG
- Interest: Zero percent per annum
- Term: Not to exceed 42 years
- Security: Non-recourse loan; third mortgage on the

Project, or such other priority mortgage as to which the Commissioner of DOH may consent

B. OTHER FUNDS: Approximately \$5,709,000 derived from the syndication of approximately \$697,790 of Low Income Housing Tax Credits. The managing member will contribute \$10,000.

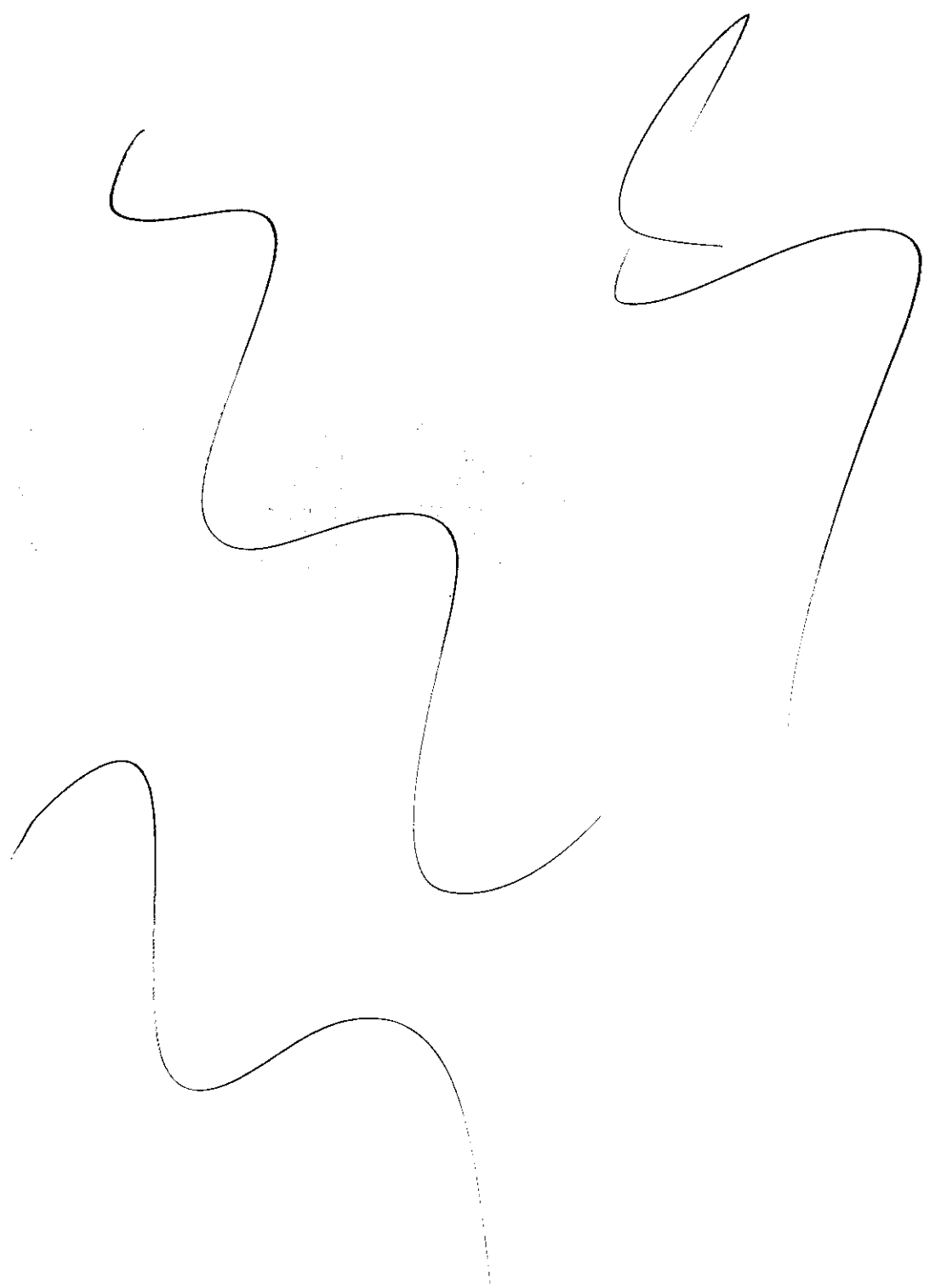
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EXHIBIT E

AVAILABLE INCREMENTAL REVENUES

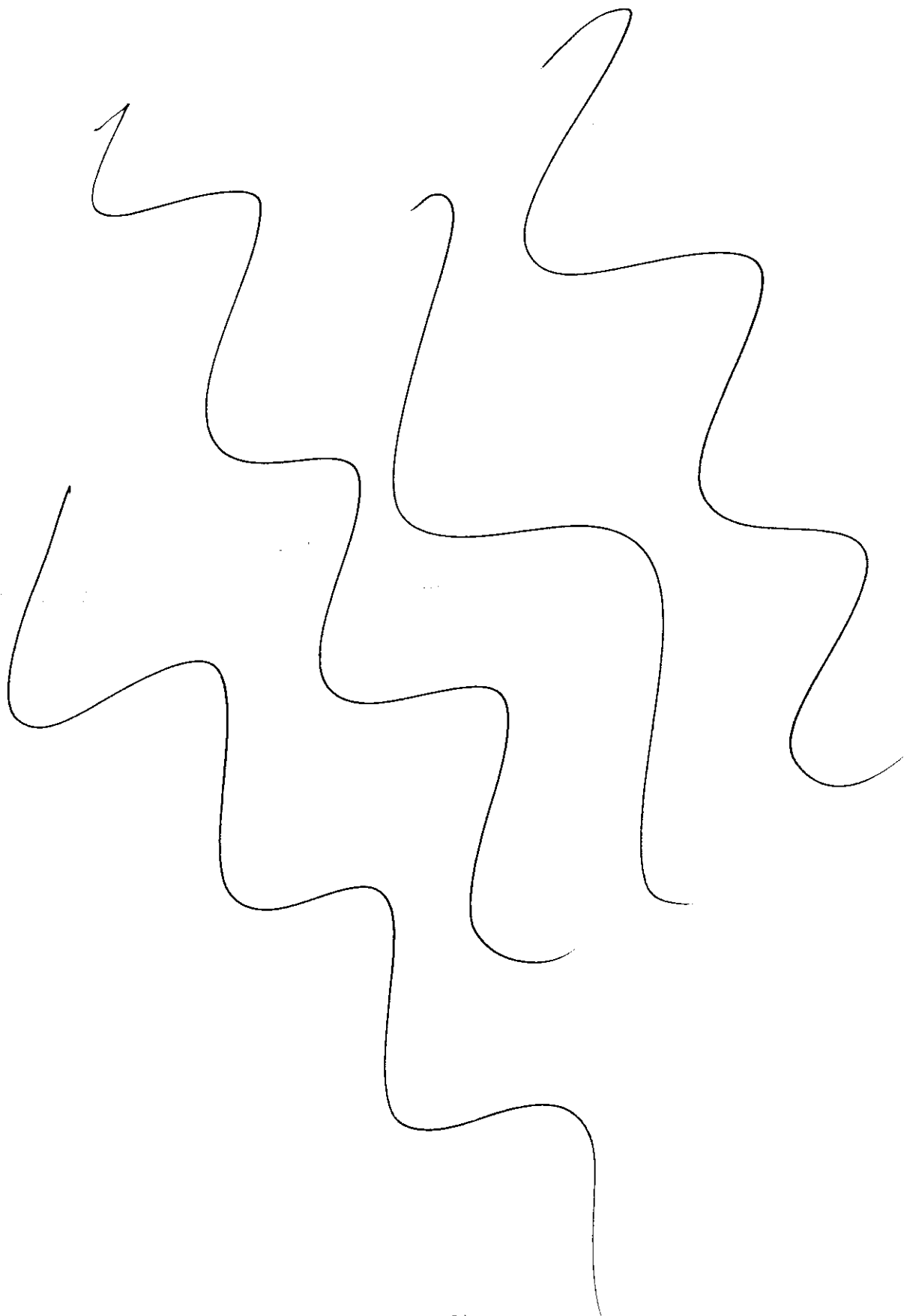
<u>Year*</u>	<u>Estimated Available Incremental Revenues</u>
2002	0
2003	0
2004	0
2005	185,187
2006	185,187
2007	198,987
2008	198,987
2009	198,987
2010	216,331
2011	216,331
2012	140,434
2013	0

TOTAL \$1,540,433**

* This column lists the tax year. Collection of such taxes occurs the subsequent calendar year.

** This is the maximum amount that may be paid to the Developer

EXHIBIT F-1
PROJECT BUDGET



Project Budget

March 18, 2004

SWORN OWNER'S STATEMENT

STATE OF ILLINOIS

COUNTY OF COOK

The affiant, CECIL C. BUTLER, being duly sworn on oath deposes and says that he is the President of Boulevard Realty Services Corp., the Managing Member of Roosevelt Tower - I, LLC, which is the owner of the following described premises in Cook County, Illinois, to wit: See Exhibit A

1. That he is thoroughly familiar with all the facts and circumstances concerning the premises described above;
2. That during the six months last past the only work done or materials furnished in connection with the described premises are listed below
and the amount of such work done or materials furnished and the amount of contemplated improvements are as listed below;
3. That this statement is a true and complete statement of all such contracts, previous payments

NAME	TYPE OF WORK	BUDGET	Not In CTI ESCROW	PREVIOUSLY PAID	AMOUNT OF THIS PAYMENT	BALANCE TO BECOME DUE
Revised acquisition /holdig costs						
1 Boulevard Realty Services C ("BRSC")		\$ 500,000.00	\$ -	\$ 500,000.00	\$ 500,000.00	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -
2 Walsh Construction Co.	Construction Contract	\$ 12,402,888.00	\$ -	\$ -	\$ 84,033.00	\$ 12,318,855.00
3 Thomas Hickey & Assoc. ;BRSC-Advances	Architectural-Design Services Design Advances	\$ 134,192.00 \$ 175,808.00	\$ -	\$ - \$ 175,808.00	\$ 134,192.00 \$ 175,808.00	\$ - \$ -
4 Thomas Hickey & Assoc	Architect-Supervision	\$ 60,000.00	\$ -	\$ -	\$ -	\$ 60,000.00
5 BRSC and Subcontractors	Owner allowance for Utilities, other, fencing and garbage enclosure, extra landscaping and repairs to site work	\$ 64,102.00	\$ -	\$ -	\$ 10,560.77	\$ 53,541.23
6 BRSC and Subcontractors	Owner allowance for Construction Contingency	\$ 435,000.00	\$ -	\$ -		\$ 435,000.00
7 BRSC	Reimbursement for	\$ 212,554.00	\$ -	\$ 212,554.00	\$ 212,554.00	\$ -
8 BRSC	Mortgage Process Fee for reports	\$ 21,700.00	\$ -	\$ 21,700.00	\$ 21,700.00	\$ -
BRSC	Balance for Appraisal of Renzi & Associates	\$ 1,000.00	\$ -	\$ 1,000.00	\$ 1,000.00	\$ -
BRSC	Balance of Henry M Chiano ASA Report	\$ 7,900.00	\$ -	\$ 7,900.00	\$ 7,900.00	\$ -
9 BRSC	Reimbursement of advances for surveys,	\$ 10,450.00	\$ -	\$ 10,450.00	\$ 10,450.00	\$ -
10 BRSC	Reimbursement of advances for legal services	\$ 90,800.00	\$ -	\$ 90,800.00	\$ 90,800.00	\$ -
John Talbot, attorney for mortgagee Charity and Associates	Legal services for	\$ 20,000.00 \$ 85,000.00	\$ -	\$ -	\$ 20,000.00 \$ 85,000.00	\$ - \$ -
Foley and Lardner	Legal/Organization	\$ 110,815.00	\$ -	\$ -	\$ 110,815.00	\$ -

54A

11 BRSC	ORGANIZATION	\$ 120,000.00	\$ -	\$ -	\$ 120,000.00	\$ -
12 COOK COUNTY COLLECTOR	Real estate Taxes	\$ 30,000.00	\$ -	\$ -	\$ -	\$ 30,000.00
13 Accord of Illinois, Inc	Insurance During Construction	\$ 50,000.00	\$ -	\$ -	\$ 35,100.00	\$ 14,900.00
14 PFC	Interest During Construction	\$278,596	\$ -	\$ -	\$ -	\$ 278,596.00
15 Chicago Title Insurance Co	Title and Recording	\$30,000	\$ -	\$ -	\$30,000	\$ -
16 BRSC and Subcontractors	Security for the site and project	\$144,000.00	\$ -	\$ -	\$ -	\$ 144,000.00
17 BRSC and Subcontractors	Marketing and Leasing of the project	\$ 74,500.00	\$ -	\$ -	\$ -	\$ 74,500.00
18 BRSC and Subcontractors	Pha Leison Marketing	\$30,500.00	\$ -	\$ -	\$ -	\$30,500.00
19 BRSC and Subcontractors	Equiping and furnishing of the project	\$ 136,000.00	\$ -	\$ -	\$ -	\$ 136,000.00
20 Haran and Associates	Accounting and cost certification	\$ 30,000.00	\$ -	\$ -	\$ -	\$ 30,000.00
21 HUD	Mortgage Insurance Premium for the project	\$72,300	\$ -	\$ -	\$ 36,150.00	\$ 36,150.00
22 BRSC	Project Inspection Fee for the project	\$ 36,150.00	\$ -	\$ -	\$ 36,150.00	\$ -
23 HUD	Inspection Fee for the project	\$ 36,150.00	\$ -	\$ -	\$ 36,150.00	\$ -
24 Draper & Kramer, Inc.	Financing Fee	\$ 72,300.00	\$ -	\$ -	\$ 72,300.00	\$ -
25 LaSalle National Bank	Underwriter Fee	\$144,500	\$ -	\$ -	\$ 144,500.00	\$ -
25a Universal Structured Finance Group, Inc.	Underwriter Fee	\$25,000	\$ -	\$ -	\$ 25,000.00	\$ -
26 Greene and Letts	Underwriter Counsel	\$ 45,000.00	\$ -	\$ -	\$ 45,000.00	\$ -
27 Gardner Carton & Douglas	Bond Counsel	\$60,000.00	\$ -	\$ -	\$60,000.00	\$0.00
28 BRSC	Payouts and Monitoring	\$40,364	\$ -	\$ -	\$ -	\$ 40,364.00
29 PFC	HUD required working capital	\$144,600	\$ -	\$ -	\$144,600.00	\$0
30 PFC	HUD required initial operating deficit	\$144,600	\$ -	\$ -	\$ 144,600.00	\$ -
31 PFC	HUD required parking lot escrow	\$12,135	\$ -	\$ -	\$ 12,135.00	\$ -
32 PFC	HUD required reserve for Tax Increment Financing	\$ 240,000.00	\$ -	\$ -	\$ 240,000.00	\$ -
33 BRSC	Reimbursement of Highland Bank Charges	\$ 8,000.00	\$ 8,000.00	\$ -	\$ 8,000.00	\$ -
34 Highland CB for Bell Boyd	Reimbursement to Highland Community Bank for Legal Services	\$ 62,000.00	\$ -	\$ -	\$ 62,000.00	\$ -
35 Highland Community Bank	Interest Reserve for the Project	\$307,835.00	XXXXX	\$ -	\$ -	\$ 307,835.00
36 BRSC	Reimbursement for Commitment Letter fee from New Century Bank	\$ 10,000.00	\$ -	\$10,000.00	\$ 10,000.00	\$ -
37 New Century Bank	Lending Fee	\$30,100	\$ -	\$ -	\$30,100	\$0
38 Duane Morris	Legal Services for New Century Bank	\$50,000	\$ -	\$ -	\$50,000	\$0
39 New Century Bank	Interest Reserve for the project	\$244,021	XXXXX	\$ -	\$ -	\$ 244,021.00
40 BRSC and Subcontractors	Printing and other service	\$0	\$ -	\$ -	\$ -	\$ -
41 MOODY's Investor Services	Rating Agency	\$15,000	\$ -	\$ -	\$12,000	\$ 3,000.00
42 Thomas Tully and Associates	Special Counsel for TIF	\$15,000	\$ -	\$ -	\$ -	\$ 15,000.00
43 BRSC or Reznick Fedder & Silverman or Haran & Assoc	Accounting Services for the project in relation to Investor	\$30,000	\$ -	\$ -	\$ 14,745.00	\$ 15,255.00
44 BRSC or Holland and Knight or Foley and Lardner	Legal services for the project in relation to the Investor	\$70,000	\$ -	\$ -	\$70,000	\$ -

54B

2004-03-22 16:35

DRAPER & KRAMER, INC.

P 4/4

45 BRSC	Partnership Expenses for the Project in relation to construction and operation and reporting to the investor	\$0		\$ -	\$ -
46 John P. Ahern	Financial Analysis aspects of Project	\$38,800		\$38,800	\$0
47 LaSalle National Bank	Trustee Fee and Legal	\$9,000		\$6,500	\$2,500
48 BRSC	Developers Fee	\$987,000	XXXXX	\$0	\$987,000
	Deferred Developer's Fee	\$0			
49 LaSalle National Bank	Other Requirements including Reserve for Negative Arbitrage, @0 day delivery period, 30 day call period	\$371,100		\$371,100	\$0
50 Misc Bond/Finance costs:	Miscellaneous	\$0		\$0	\$0
51 Interest on Deferred Development Fee	Prepaid Interest	\$0	XXXXX	\$0	\$0
	SUBTOTAL			\$	
	Equity	\$4,109,300			
	HUD Insured First Mfg	\$7,230,000			
	DOH + B Bonds	\$7,223,000			
		\$18,562,300			
				CASH DRAW	\$ 3,305,282.77
					\$ 15,257,017.23

		CASH	BALANCE	
		FIRST DRAW	AVAILABLE	Check
PFC Corporation	\$7,230,000	\$650,000	\$6,580,000	
Department of Housing	\$5,623,000	\$513,910	\$5,109,090	
Highland Community Bank	\$1,600,000	\$0	\$1,600,000	
New Century Bank	\$2,650,000	\$1,641,373	\$1,008,627	
Previously Disbursed equity	\$1,459,300	\$500,000	\$959,300	
	\$18,562,300	\$3,305,282.77	\$15,257,017	\$18,562,300.00

Affiant, Cecil C. Butler

 President, Boulevard Realty Services Corp.,
 Managing Member, Roosevelt Tower-I, LLC

Subscribed and sworn to me this 23 day of March, 2004

NOTARY PUBLIC 

EXHIBIT F-2**MBE/WBE PROJECT BUDGET**

(9/25/03)

Hard Costs

Construction Costs	\$	10,431,006
Site Work and Landscaping		367,958
Total Hard Costs	\$	10,798,964*

Soft Costs

General & Administrative Costs	\$	1,603,924
Contingency		435,000
Total Soft Costs	\$	2,038,924

MBE/WBE Budget	\$	10,798,964*
MBE Total (25%)	\$	2,669,741**
WBE Total (5%)	\$	539,985**

* The above MBE/WBE dollar value is an estimate. If the actual cost of the above applicable MBE/WBE activities increase, the associated MBE/WBE dollar value will increase accordingly.

** Whether future contracts equal this value or not, the Developer is obligated to expend the required MBE/WBE dollar value.

NOTE: Upgrades included

EXHIBIT G

LIST OF PLANS AND SPECIFICATIONS

DEVELOPER TO PREPARE

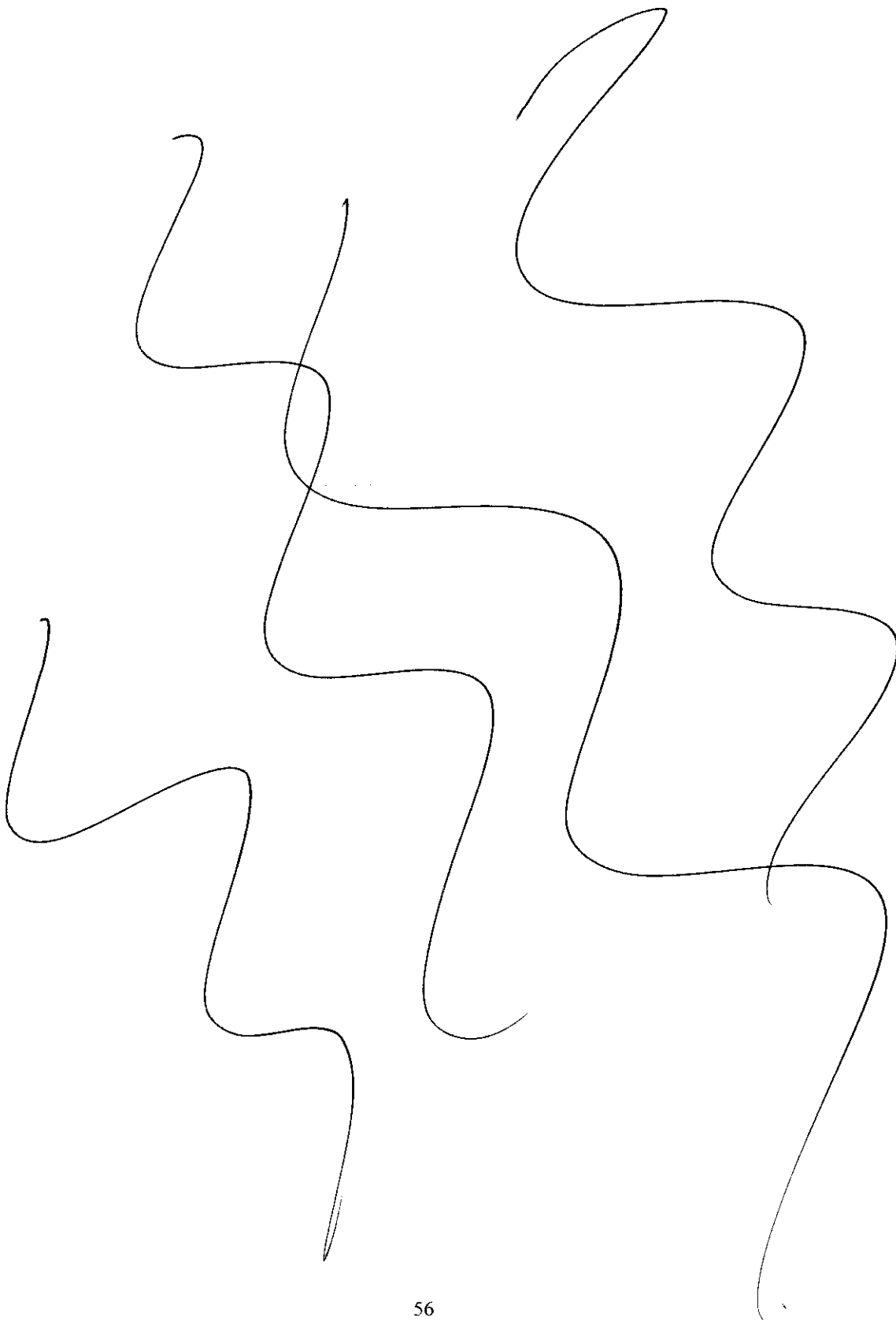


EXHIBIT G

Drawings and Specifications Index
 Roosevelt Tower - I
 3440 West Roosevelt
 Chicago, Illinois
 May 21, 2003

Description	Sheet Number	Date
ARCHITECTURAL		
Title Sheet	T-1	November 16, 2001
Master Plan	A-1	November 16, 2001
Site Plan & Site Details	A-2	November 16, 2001
Ground Floor Plan	A-3	November 16, 2001
2nd - 6th Floor Plan	A-4	November 16, 2001
7th - 8th Floor Plan	A-5	November 16, 2001
Roof Plan & Details	A-6	November 16, 2001
South & West Elevations	A-7	November 16, 2001
East & North Elevations	A-8	November 16, 2001
Building Section & Canopy Details	A-9	November 16, 2001
Building Section & Wall Details	A-10	November 16, 2001
Wall Sections & Details	A-11	November 16, 2001
Stair, Handrail & Trash Chute Details	A-12	November 16, 2001
Typical Unit Enlarged Plans	A-13	November 16, 2001
Interior Elevations & Details	A-14	November 16, 2001
Door, Window Details & Schedules	A-15	November 16, 2001
Reflected Ceiling Plan - Ground Floor	A-16	November 16, 2001
LANDSCAPE		
Landscape Plan	L-1	November 16, 2001
Utility Plan	U-1	November 16, 2001
STRUCTURAL		
Foundation & Ground Floor Plan and General Notes	S-1	November 16, 2001
Foundation Details	S-2	November 16, 2001
2nd - 6th Floor Framing Plan	S-3	November 16, 2001
7th - 8th Floor Framing Plan	S-4	November 16, 2001
Main Roof Framing Plan	S-5	November 16, 2001
Miscellaneous Details	S-6	November 16, 2001
MECHANICAL		
Mechanical Ground Floor Plan	M-1	November 16, 2001
Mechanical Ground Floor Plan	M-2	November 16, 2001
Mechanical 2nd - 6th Floor Plan	M-3	November 16, 2001
Mechanical 7th - 8th Floor Plan	M-4	November 16, 2001
Mechanical Roof Plan	M-5	November 16, 2001
Mechanical Schedule	M-6	November 16, 2001
Mechanical Schedules	M-7	November 16, 2001

Mechanical Details	M-8	November 16, 2001
Mechanical Details	M-9	November 16, 2001
Riser Diagrams	M-10	November 16, 2001
Underground Plumbing	P-1	November 16, 2001
Plumbing Ground Floor Plan	P-2	November 16, 2001
Plumbing 2nd - 6th Floor Plan	P-3	November 16, 2001
Plumbing 7th - 8th Floor Plan	P-4	November 16, 2001
Plumbing Roof Plan	P-5	November 16, 2001
Soil, Waste & Vent Piping Diagrams	P-6	November 16, 2001
Soil, Waste & Vent Piping Diagrams	P-7	November 16, 2001
Water Piping Diagrams	P-8	November 16, 2001
Plumbing Notes, Schedules and Diagrams	P-9	November 16, 2001
Sprinkler Plan Ground Floor & Typical Floor	P-10	November 16, 2001
Electrical Symbol List and General Notes	E-0	November 16, 2001
Electrical Site Plan	E-1	November 16, 2001
Electrical Ground Floor Plan	E-2	November 16, 2001
Electrical 2nd - 6th Floor Plan	E-3	November 16, 2001
Electrical 7th - 8th Floor Plan	E-4	November 16, 2001
Electrical Roof Plan	E-5	November 16, 2001
Electrical Schedules and Diagrams	E-6	November 16, 2001
Electrical Schedules and Diagrams	E-6	August 15, 2001
Electrical Schedules	E-8	August 15, 2001
Electrical Schedules and Diagrams	E-9	August 15, 2001
Specifications for the Construction of Roosevelt T. Phase 1		August 15, 2001
Soils Report by Louis K. Walter, Jr. & Associates		June 26, 2001
Addendum 1 - Clarifications & Qualifications		June 23, 2003

EXHIBIT H-1**ARCHITECT'S OPENING CERTIFICATE**

Date: _____

The undersigned, [INSERT NAME] ("Architect"), hereby certifies to the City of Chicago, Illinois ("City") as follows (any term which is capitalized but not specifically defined herein shall have the same meaning as set forth in that certain Redevelopment Agreement ("Agreement") dated March 1, 2004, by and between the City and Roosevelt Tower - I, LLC ("Developer")):

1. Architect is an architect licensed and in good standing in the State of Illinois.

2. Architect has prepared the Plans and Specifications, to the best of the Architect's professional knowledge, the same are, and the Project will be when completed in accordance therewith, in full compliance with all applicable building, zoning and other laws, statutes, codes, regulations and ordinances (collectively, "Laws"), including, without limitation, all applicable pollution control and environmental protection regulations.

3. The Project, when completed in accordance with the Plans and Specifications, will not encroach upon any recorded or visible easement in effect with respect to the Property.

4. The Plans and Specifications are complete in all respects and were prepared in accordance with accepted architectural practices, containing all detail requisite for the Project which, when built and equipped in accordance therewith, shall be ready for occupancy.

5. In the aggregate, the construction contract and the existing subcontracts contain all detail necessary to provide for all labor, material and equipment required by the Plans and Specifications.

6. All permits and other governmental approvals necessary for the construction of the Project and the intended occupancy, use and operation thereof have been obtained as of the date of this Certificate or, if not so obtained, the Architect has no reason to believe same will not be obtained as and when so required. Such permits and other necessary governmental approvals are described in Exhibit 1 attached to this Certificate.

7. To our knowledge, there are no petitions, actions or proceedings pending or threatened to revoke, rescind, alter or declare invalid (in any manner adverse to the Project), any Laws, permits or other necessary governmental approvals relating to the Property or the Project.

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

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

9. This Certificate is made with the intent that it may be relied upon by the City as a condition to payment under the Redevelopment Agreement.

10. The Architect has executed and delivered to the City the Statement of Compliance in the form attached hereto as Exhibit 2.

ARCHITECT:

[INSERT NAME]

By: _____
Its: _____

EXHIBIT H-2

ARCHITECT'S COMPLETION CERTIFICATE

Date:

The undersigned, [INSERT NAME] ("Architect"), hereby certifies to the City of Chicago, Illinois ("City") as follows (any term which is capitalized but not specifically defined herein shall have the same meaning as set forth in that certain Redevelopment Agreement ("Agreement") dated March 1, 2004, by and between the City and Roosevelt Tower - I, LLC ("Developer")):

1. Architect is an architect licensed and in good standing in the State of Illinois.

2. The construction of the Project has been "substantially completed" as of the date of this Certificate in accordance with the approved Plans and Specifications. For purposes hereof, the Project being "substantially completed" means that the Project is usable in its present condition for its intended purpose. The Architect's determination of the total cost to complete the construction of such portion of the Project as may be unfinished is \$_____.

3. Neither the Property nor the construction of the Project violates or will violate any existing applicable zoning, building, environmental protection or other statutes, ordinances, laws or regulations (collectively, "Laws").

4. All permits and other governmental approvals necessary for the construction of the Project and the intended occupancy, use and operation thereof have been obtained as of the date of this Certificate. Such permits and other necessary governmental approvals are described in Exhibit 1 attached to this Certificate.

5. To our knowledge, there are no petitions, actions or proceedings pending or threatened to revoke, rescind, alter or declare invalid (in any manner adverse to the Project), any Laws, permits or other necessary governmental approvals relating to the Property or the Project.

6. This Certificate is made with the intent that it may be relied upon by the City as a condition to payment under the Redevelopment Agreement.

ARCHITECT: [INSERT NAME]

By: _____
Its: _____

EXHIBIT I

REQUISITION FORM FOR TIF-FUNDED INTEREST COSTS

The undersigned, _____ [Name] _____, _____ [Title] _____ of [INSERT NAME], an Illinois corporation (the "First Mortgagee"), does hereby certify to the City of Chicago, Illinois (the "City") as follows (any term which is capitalized but not specifically defined herein shall have the same meaning as set forth in that certain Redevelopment Agreement ("Agreement") dated March 1, 2004, by and between the City and Roosevelt Tower - I, LLC ("Developer")):

1. That the Developer has incurred, accrued and/or paid the following parties for the listed items, each of which constitutes interest related to the construction of the Project:

- A. First Mortgagee
\$ _____
- B. Highland Park Community Bank
\$ _____
- C. New Century Bank
\$ _____

2. That none of the items listed in paragraph 1, above, has been the subject of any other requisition for payment;

3. That including the payment requested hereunder, the payments from the City during this year for interest costs do not exceed 30 percent of the interest costs incurred by the Developer with regard to Project during this year [, plus accruals];

4. That including the payment requested hereunder, the total of interest payments to date from the City does not exceed 30 percent of the total Project Costs actually incurred by the Developer;

5. That the remaining balance of the TIF-Funded Interest Costs which are eligible for reimbursement under the Redevelopment Agreement taking this requisition into account are as follows:

	Current	Accrued and		
	Annual	Unpaid	Balance	Amount
Maximum	Amount	Prior	Accrued	Paid

<u>Amount</u>	<u>Accrued</u>	<u>Requisitions¹</u>	<u>and Unpaid²</u>	<u>To Date³</u>
\$ _____	_____	_____	_____	_____

6. That attached as Exhibit 1 are true and correct copies of monthly invoices for the HUD Insured Loan sent to the Developer by the First Mortgagee;

IN WITNESS WHEREOF, I have hereunto affixed my signature this _____ day of _____, _____.

[INSERT FIRST MORTGAGEE'S]

By: _____
Its: _____

cc: Roosevelt Tower - I, LLC

¹ Represents the sum of the following unpaid amounts for the specified years: \$____ for 200__; \$____ for 200__; \$____ for 200__.

² Sum of columns 2 and 3.

³ After giving effect to the payment covered by this Requisition Form.

EXHIBIT J

SCHEDULE OF MAXIMUM AMOUNT OF TIF-FUNDED INTEREST COSTS

△

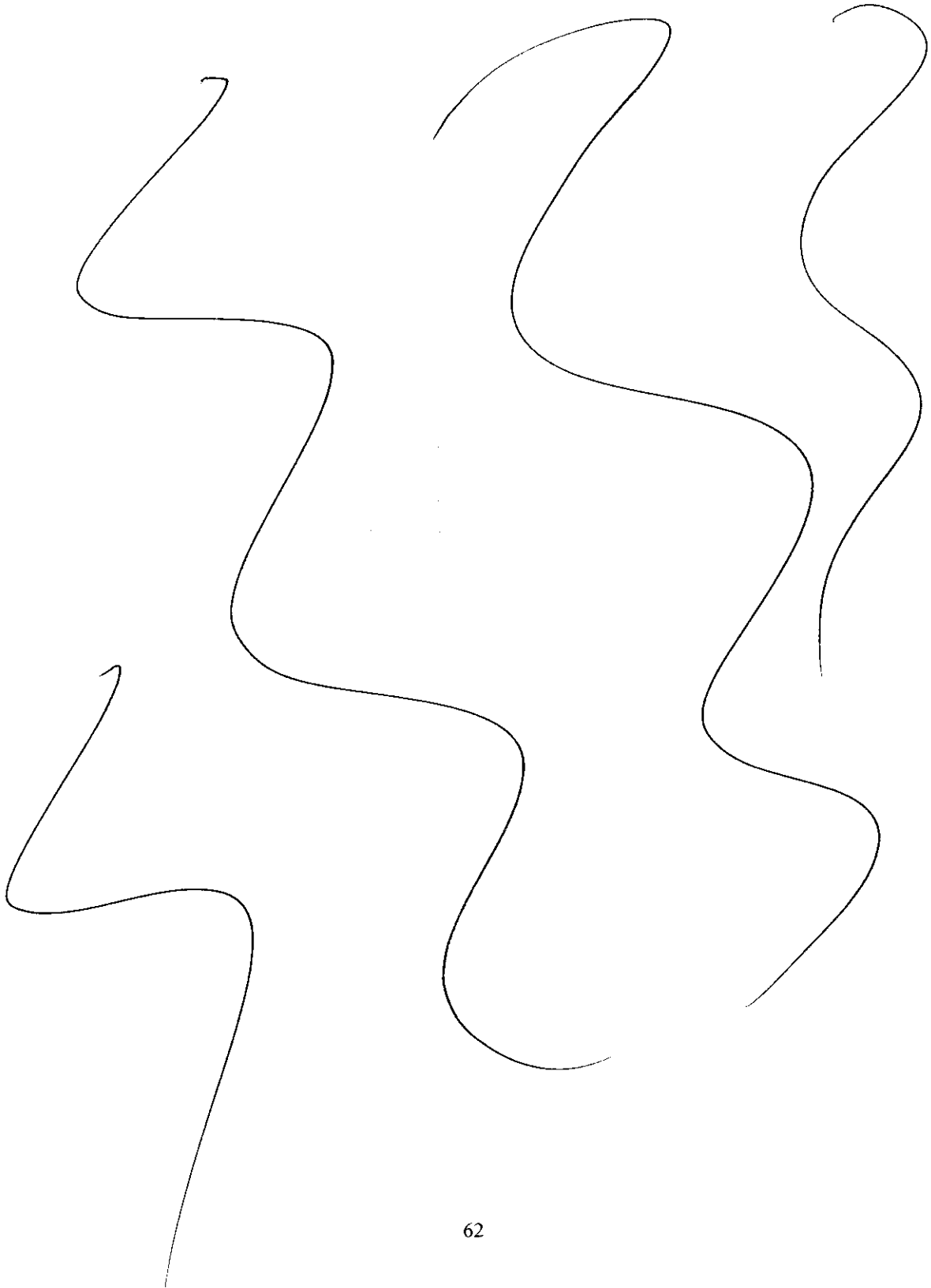


EXHIBIT J
SCHEDULE OF MAXIMUM AMOUNT OF TIF-FUNDED INTEREST COSTS

Year of Payment	Mortgage Interest Payments In Dollars (\$)
2004	14,733.33
2005	35,360.00
2006	390,329.05
2007	383,589.99
2008	376,475.06
2009	368,963.27
2010	361,032.50
2011	352,659.37
2012	343,819.22
2013	334,485.98
2014	327,456.10
2015	323,432.44
2016	319,184.36
2017	314,699.33
2018	309,964.14
2019	304,964.83
2020	299,686.69
2021	294,114.14
2022	288,230.76
2023	282,019.23
2024	275,461.23
2025	268,573.46
2026	261,227.50
2027	253,509.80
2028	245,361.64
2029	236,759
2030	227,676.52
2031	218,087.46
2032	207,963.53
2033	197,274.94
2034	185,990.15
2035	174,075.95
2036	161,497.19
2037	148,216.84
2038	134,195.74
2039	119,392.58
2040	103,763.75
2041	87,263.19
2042	69,842.28
2043	51,449.68
2044	32,031.19
2045	11,529.59

EXHIBIT K

MINIMUM EQUALIZED ASSESSED VALUE

<u>Year</u>	<u>Minimum Equalized Assessed Value</u>
2002	64,395
2003	64,395
2004	2,471,926
2005	2,471,926
2006	2,651,332
2007	2,651,332
2008	2,651,332
2009	2,876,815
2010	2,876,816
2011	1,890,110
2012	64,395
2013	64,395