

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

The following is said order as passed:

Ordered, That the Corporation Counsel is hereby authorized and directed to enter into and execute a settlement agreement in the following matter: *Agenor Roman v. Chicago Police Officer Sean Claeson, Star Number 18454, Chicago Police Officer John Doe and the City of Chicago*, cited as 00 C 3484, in the amount of \$300,000.

DESIGNATION OF WOODLAWN PARK II, L.L.C. AS PROJECT
DEVELOPER, AUTHORIZATION FOR EXECUTION OF
REDEVELOPMENT AGREEMENT AND ISSUANCE
OF CITY NOTES FOR CONSTRUCTION OF
RESIDENTIAL HOUSING WITHIN
WOODLAWN REDEVELOPMENT
PROJECT AREA.

The Committee on Finance submitted the following report:

CHICAGO, June 13, 2007.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance authorizing entering into and executing a redevelopment agreement with Woodlawn Park II, L.L.C., amount of notes not to exceed \$12,951,971, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

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

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

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

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

Yeas -- Aldermen Flores, Fioretti, Dowell, Preckwinkle, Hairston, Lyle, Jackson, Harris, Beale, Pope, Balcer, Cárdenas, Olivo, Foulkes, Thompson, Thomas, Lane, Rugai, Cochran, Brookins, Muñoz, Zalewski, Dixon, Solis, Ocasio, Burnett, E. Smith, Carothers, Reboyras, Suarez, Waguespack, Mell, Austin, Colón, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Reilly, Daley, Tunney, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 49.

Nays -- None.

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

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

The following is said ordinance as passed:

WHEREAS, Pursuant to an ordinance adopted by the City Council ("City Council") of the City of Chicago (the "City") on January 20, 1999 and published at pages 87763 -- 87844 in the *Journal of the Proceedings of the City Council of the City of Chicago* (the "Journal") of such date, a certain redevelopment plan and project (the "Redevelopment Plan") for the Woodlawn Redevelopment Project Area (the "Redevelopment Area") was approved pursuant to the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, et seq., as amended (the "Act"); and

WHEREAS, Pursuant to an ordinance adopted by the City Council on January 20, 1999 and published at pages 87845 -- 87853 in the "*Journal*" of such date, the Redevelopment Area was designated as a redevelopment project area pursuant to the Act; and

WHEREAS, Pursuant to an ordinance (the "T.I.F. Ordinance") adopted by the City Council on January 20, 1999 and published at pages 87852 and 87854 -- 87861 in the *Journal* of such date, tax increment allocation financing was adopted pursuant to the act as a means of financing certain Redevelopment Area redevelopment project costs (as defined in the Act) incurred pursuant to the Redevelopment Plan; and

WHEREAS, Woodlawn Park II, L.L.C., an Illinois limited liability company ("Developer"), intends to purchase the City Parcels (as defined herein) within the Redevelopment Area along and north and south of 63rd Street, between Woodlawn and Ingleside Avenues, in Chicago. Developer intends to purchase, at the same time as it purchases the City Parcels, certain parcels being sold by private parties. On the City Parcels and the private parcels (collectively, the "Property"), the Developer shall commence and complete construction of two hundred (200) new "for sale" residential dwelling units on the Property, consisting of one hundred thirty (130) single-family houses, ten (10) three (3) flat buildings (containing thirty (30) units), ten (10) townhouses and thirty (30) courtyard townhouses, and known as Columbia Pointe II, and a minimum of two hundred eleven (211) related off-street parking spaces (the "Project"). Of the two hundred (200) dwelling units, (i) one hundred fifty-nine (159) will be sold by Developer at market rates; (ii) twenty-one (21) will be sold by Developer at affordable purchase prices to buyers whose annual income does not exceed one hundred percent (100%) of the median income of the correspondingly-sized household in the City as determined from time to time by the City's Department of Housing (the "one hundred percent (100%) A.M.I. Affordable Units"); and (iii) the remainder, twenty (20) units, will be sold by Developer at affordable purchase prices to buyers whose annual income does not exceed eighty percent (80%) of the median income of the correspondingly-sized household in the City as determined from time to time by the City's Department of Housing (the "T.I.F.-Eligible Affordable Units"). The completion of the Project would not reasonably be anticipated without the City Parcels and the financing contemplated in this ordinance; and

WHEREAS, If Developer later acquires the real property commonly known as 1018 East 63rd Street (Permanent Index Number 20-14-316-027-0000) (the "Additional Parcel") directly from a private owner or from the City following the City's acquisition of said parcel, the Developer intends that the Additional Parcel would become part of the Property and would be improved with three (3) single-family units and three (3) parking spaces, and Developer would intend to sell those additional units at market rates, and thereby the Project's number of dwelling units would increase to two hundred three (203), the number of single-family units would increase to one hundred thirty-three (133), the number of market-rate units would increase to one hundred sixty-two (162) and the number of off-street parking spaces would increase to a minimum of two hundred fourteen (214); and

WHEREAS, The Developer has proposed to undertake the Project in accordance with the Redevelopment Plan and pursuant to the terms and conditions of a

proposed redevelopment agreement to be executed by the Developer and the City, to be financed in part by the issuance of City Notes (as defined below); and

WHEREAS, The City is owner of the parcels of real property located in the Redevelopment Area and listed on Exhibit A to this ordinance (the "City Parcels"); and

WHEREAS, The City intends to seek acquisition authority to acquire the Additional Parcel which, if acquired, shall also be included among the City Parcels; and

WHEREAS, Developer desires to purchase the City Parcels (not including the Additional Parcel) from the City for the amount of Three Million Eight Hundred Thousand Dollars (\$3,800,000) (the "Purchase Price", as more particularly defined in the Redevelopment Agreement, as defined below) for purposes of developing a portion of the Project on such parcels; and

WHEREAS, Pursuant to Resolution 05-CDC-116, adopted by the Community Development Commission of the City of Chicago (the "Commission") on December 13, 2005, the Commission authorized the City's Department of Planning and Development ("D.P.D.") to publish notice pursuant to Section 5/11-74.4(c) of the Act of its intention to negotiate a redevelopment agreement with the Developer for the Project and to request alternative proposals for redevelopment of the Property or a portion thereof; and

WHEREAS, D.P.D. published the notice, requested alternative proposals for the redevelopment of the Property or a portion thereof and provided reasonable opportunity for other persons to submit alternative bids or proposals; and

WHEREAS, Since no other responsive proposals were received by D.P.D. for the redevelopment of the Property or a portion thereof within fourteen (14) days after such publication, pursuant to Resolution 05-CDC-116, the Commission has recommended that the Developer be designated as the developer for the Project and that D.P.D. be authorized to negotiate, execute and deliver on behalf of the City a redevelopment agreement with the Developer for the Project; and

WHEREAS, In consideration of redevelopment project costs for the Project incurred or to be incurred by or on behalf of the Developer, the City agrees to issue, and the Developer agrees to acquire, according to certain terms and conditions, the City Notes (as defined below) as tax increment revenue obligations; and

WHEREAS, The City will receive no cash proceeds in exchange for the City Notes (as defined below) to be issued pursuant to this ordinance; now, therefore,

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

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

SECTION 2. The Developer is hereby designated as the developer for the Project pursuant to Section 5/11-74.4-4 of the Act.

SECTION 3. The Commissioner of D.P.D. (the "Commissioner") or a designee of the Commissioner are each hereby authorized, with the approval of the City's Corporation Counsel as to form and legality, to negotiate, execute and deliver a redevelopment agreement between the Developer and the City in substantially the form attached hereto as Exhibit B and made a part hereof (the "Redevelopment Agreement"), and such other supporting documents as may be necessary or appropriate to carry out and comply with the provisions of the Redevelopment Agreement, and with such changes, deletions and insertions as shall be approved by the persons executing the Redevelopment Agreement and supporting documents.

SECTION 4. The City Council hereby finds that the City is authorized to issue its tax increment allocation revenue obligations in an aggregate principal amount not to exceed Twelve Million Nine Hundred Fifty-one Thousand Nine Hundred Seventy-one Dollars (\$12,951,971) for the purpose of paying a portion of the eligible costs included within the Project.

SECTION 5. There shall be borrowed for and on behalf of the City an aggregate principal amount not to exceed Twelve Million Nine Hundred Fifty-one Thousand Nine Hundred Seventy-one Dollars (\$12,951,971) for the payment of a portion of the eligible costs included within the Project and revenue notes of the City shall be issued up to said amount and shall be designated:

(a) Tax Increment Allocation Revenue City Note (Woodlawn Redevelopment Project) (Columbia Pointe Development), Tax-Exempt Series 2007A, for a principal amount not to exceed Three Million Nine Hundred Seventeen Thousand Five Hundred Twenty-five Dollars (\$3,917,525) ("City Note A");

(b) Tax Increment Allocation Revenue City Note (Woodlawn Redevelopment Project) (Columbia Pointe Development), Tax-Exempt Series 2007B, for a principal amount not to exceed Nine Million Thirty-four Thousand Four Hundred Forty-six Dollars (\$9,034,446) ("City Note B"); and

(c) Tax Increment Allocation Revenue City Note (Woodlawn Redevelopment Project) (Columbia Pointe Development), Taxable Series 2007C, for a principal amount not to exceed Nine Million Thirty-four Thousand Four Hundred Forty-six Dollars (\$9,034,446) less the principal amount of City Note B once issued ("City Note C").

City Notes A, B and C are also referred to herein each as a "City Note" and collectively as the "City Notes". The City Notes shall be dated the date of delivery thereof and shall also bear the date of authentication, shall be in fully registered form, shall be in the principal amount thereof, and shall become due and payable

as provided therein. The City Notes shall be subject to such terms as are set forth in the Redevelopment Agreement and this ordinance, subject to such changes and additions, if any, as are set forth in a Bond Order of the City executed by the City Comptroller (the "Comptroller") and filed with the City Clerk or the Deputy City Clerk of the City (the "City Clerk") at the time of issuance of each City Note. The provisions of the respective Bond Orders shall be subject to the parameters set forth in the Redevelopment Agreement and this ordinance.

City Notes A and B shall bear interest at the rates (computed on the basis of a three hundred sixty (360) day year of twelve (12) thirty (30) day months) as set forth therein. Interest on City Notes A and B shall not be subject to federal income taxes.

City Note C shall bear interest at the rate (computed on the basis of a three hundred sixty (360) day year of twelve (12) thirty (30) day months) as set forth therein. Interest on City Note C shall be subject to federal income taxes.

The principal of and interest on each City Note shall be paid by check or draft of the Comptroller of the City, as registrar and paying agent (the "Registrar") (or, at the City's sole election, by wire transfer of funds), payable in lawful money of the United States of America to the person in whose name such City Note is registered at the close of business on the fifteenth (15th) day of the month immediately prior to the applicable payment date; provided that the final installment of the principal and accrued but unpaid interest of such City Note shall be payable in lawful money of the United States of America at the principal office of the Registrar or as otherwise directed by the City.

The seal of the City shall be affixed to or a facsimile thereof printed on each City Note, and each City Note shall be signed by the manual or facsimile signature of the Mayor of the City, or the Mayor may designate another to act as his proxy and to affix his signature to each City Note, and each City Note shall be attested by the manual or facsimile signature of the City Clerk, and each City Note shall be authenticated by the manual or facsimile signature of the Comptroller, or the Comptroller may designate another to act as his proxy and to affix his signature to each City Note, and in case any officer whose signature shall appear on any such City Note shall cease to be such officer before the delivery of the City Note, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

Each City Note shall have thereon a certificate of authentication substantially in the form hereinafter set forth duly executed by the Registrar, as authenticating agent of the City for such City Note, and showing the date of authentication. No City Note shall be valid or obligatory for any purpose or be entitled to any security or benefit under this ordinance unless and until such certificate of authentication shall have been duly executed by the Registrar by manual or facsimile signature, and such certificate of authentication upon the City Note shall be conclusive

evidence that the City Note has been authenticated and delivered under this ordinance.

SECTION 6. The City shall cause books (the "Register") for the registration of the City Notes as provided in this ordinance to be kept at the principal office of the Registrar, which is hereby constituted and appointed the registrar of the City for the City Notes. The Registrar shall maintain a list of the names and addresses of the registered owner(s) from time to time of each City Note and upon transfer to another owner (to the extent such transfer is permitted under the Redevelopment Agreement) shall add the name and address of the new registered owner and eliminate the name and address of the transferor. The City is authorized to prepare, and the Registrar shall keep custody of, multiple City Note blanks executed by the City for use in the transfer of the City Notes.

Upon surrender for transfer of any City Note authorized under this ordinance at the principal office of the Registrar, duly endorsed by, or accompanied by: (i) a written instrument or instruments of transfer in form satisfactory to the Registrar; (ii) an investment representation in form satisfactory to the City and duly executed by the registered owner or his attorney duly authorized in writing; (iii) the written consent of the City evidenced by the signature of the Commissioner (or his or her designee) on the instrument of transfer; and (iv) any deliveries required under this ordinance, the City shall execute and the Registrar shall authenticate, date and deliver in the name of any such authorized transferee or transferees a new fully registered City Note of the same maturity, of authorized denomination, for a like aggregate principal amount. The execution by the City of a fully registered City Note shall constitute full and due authorization of such City Note and the Registrar shall thereby be authorized to authenticate, date and deliver the City Note, provided, however, that the principal amount of the City Note authenticated by the Registrar shall not exceed the authorized principal amount of the City Note less previous retirements. The Registrar shall not be required to transfer or exchange any City Note during the period beginning at the close of business on the fifteenth (15th) day of the month immediately prior to the maturity date of the City Note nor to transfer or exchange the City Note after notice calling the City Note for redemption has been made, nor during a period of five (5) days next preceding mailing of a notice for redemption of principal of the City Notes. No beneficial interests in the City Notes shall be assigned, except in accordance with the procedures for transferring the City Notes described above.

The person or entity in whose name a City Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of the City Notes shall be made only to the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon the City Notes to the extent of the sum or sums so paid.

No service charge shall be made for any transfer of the City Notes, but the City or the Registrar may require payment of a sum sufficient to cover any tax or other

governmental charge that may be imposed in connection with any transfer of the City Notes.

SECTION 7. The principal of the City Notes shall be subject to determination, reduction (but only as to (Sub)Exhibit M-3) and prepayment as provided in the form of the City Notes attached to the Redevelopment Agreement as (Sub)Exhibits M-1, M-2 and M-3 thereto and as provided in the Redevelopment Agreement. As directed by the Commissioner, the Registrar shall proceed with redemptions without further notice or direction from the City.

SECTION 8. City Notes A, B and C shall be prepared in substantially the forms attached as (Sub)Exhibits M-1, M-2 and M-3 to the Redevelopment Agreement.

SECTION 9. Pursuant to the Redevelopment Agreement, the Developer has agreed to acquire the City Parcels and to perform construction and redevelopment work on the Property as necessary for the Project. The eligible costs of the acquisition of the City Parcels and the performance of such construction and redevelopment up to the amount not to exceed Twelve Million Nine Hundred Fifty-one Thousand Nine Hundred Seventy-one Dollars (\$12,951,971) shall be deemed to be a disbursement of the proceeds of the respective City Notes and the outstanding principal amount of a City Note shall be increased by the amount of such advance. The principal amount of a City Note outstanding from time to time shall be the amount of principal indicated in such City Note on its date of issuance, minus any principal amount paid on such City Note and other reductions in principal as provided in the Redevelopment Agreement.

SECTION 10. The Registrar shall mark upon the payment schedule attached to each City Note the amount of any payment of principal or interest on such City Note, including the amount of any redemption and the amount of any reduction in principal pursuant to the Redevelopment Agreement.

SECTION 11. The City Notes hereby authorized shall be executed as provided in this ordinance and the Redevelopment Agreement and thereupon be deposited with the Commissioner, and by said Commissioner delivered to the Developer.

SECTION 12. (a) Tax Allocation Fund. Pursuant to the T.I.F. ordinance, the City has created a special fund, designated as the Woodlawn Redevelopment Project Area Special Tax Allocation Fund (the "Tax Allocation Fund"). The Comptroller of the City is hereby directed to maintain the Tax Allocation Fund as a segregated interest-bearing account on the records of the City, separate and apart from the general fund or any other fund of the City, with a bank which is insured by the Federal Deposit Insurance Corporation or its successor; provided, however, that monies on deposit in the Tax Allocation Fund may be commingled with other funds of the City for investment purposes only and interest earnings thereon shall be allocated thereto. Pursuant to the T.I.F. Ordinance, all incremental ad valorem taxes received by the City for the Redevelopment Area are to be deposited into the Tax Allocation Fund.

(b) Developer Account. There is hereby created within the Tax Allocation Fund a special account to be known as the "Woodlawn Park II Developer Account". The City shall promptly designate and deposit into the Woodlawn Park II Developer Account those amounts of incremental ad valorem taxes defined as the "Available Non-Project and Non-Phase One Incremental Taxes" and the "Available Project and Phase One Incremental Taxes" in the Redevelopment Agreement that have been deposited into the Tax Allocation Fund after the execution and delivery of the Redevelopment Agreement. Further, at the time of the sale of City Note A or promptly thereafter, the City shall allocate, within the Woodlawn Park II Developer Account, an amount of Available Non-Project and Non-Phase One Incremental Taxes equal to ten percent (10%) of the issued value of City Note A ("Debt Service Reserve Amount") and shall hold such Debt Service Reserve Amount solely for the purposes and for the time period set forth in Section 12(c) herein.

(c) Pledge Of Woodlawn Park II Developer Account. The City hereby assigns, pledges and dedicates the Woodlawn Park II Developer Account, together with all amounts on deposit in the Woodlawn Park II Developer Account, to the payment of the City Notes, subject to the provisions and limitations of the Redevelopment Agreement, including the suspension of payments of principal and interest on City Note C. Upon deposit, the monies on deposit the Woodlawn Park II Developer Account may be invested as hereinafter provided. Interest and income on any such investment shall be deposited in the Tax Allocation Fund. All monies on deposit in the Woodlawn Park II Developer Account shall be used to pay the principal of and interest on the City Notes, at maturity or upon payment or redemption prior to maturity, each in accordance with its respective terms, which payments from the Woodlawn Park II Developer Account are hereby authorized and appropriated by the City.

If monies in the Woodlawn Park II Developer Account are insufficient from time to time to make payments of principal and interest on City Note A when they are due, the City shall use such portion of the Debt Service Reserve Amount as is necessary to cure the insufficiency. Upon the earlier to occur of the exhaustion of the Debt Service Reserve Amount or a showing to the Developer that the debt service coverage ratio for City Note A meets or exceeds 2.5, then the Debt Service Amount shall be dissolved and of no offer and said monies immediately released for the general purposes of the Woodlawn Park II Developer Account.

Upon payment of all amounts due under the City Notes in accordance with their respective terms (or the termination of the City's obligation to make such payments), the amounts on deposit in the Woodlawn Park II Developer Account shall be deposited in the Tax Allocation Fund and the Woodlawn Park II Developer Account shall be closed.

SECTION 13. The City Notes are special limited obligations of the City and are payable solely from amounts on deposit in the Woodlawn Park II Developer Account (or such other funds in the Tax Allocation Fund as the City, in its sole discretion,

may determine) and shall be a valid claim of the registered owner thereof only against said sources. The City Notes shall not be deemed to constitute an indebtedness or a loan against the general taxing powers or credit of the City within the meaning of any constitutional or statutory provision. The registered owners of the City Notes shall not have the right to compel any exercise of the taxing power of the City, the State of Illinois or any political subdivision thereof to pay the principal of or interest on the City Notes.

SECTION 14. Monies on deposit in the Woodlawn Park II Developer Account may be invested as allowed under Section 2-32-520 of the Municipal Code of the City of Chicago (the "Municipal Code"). Each such investment shall mature on a date prior to the date on which said amounts are needed to pay the principal of or interest on the City Notes.

SECTION 15. City Notes A and B are not "private activity bonds" as defined in Section 141(a) of the Internal Revenue Code of 1986, as amended (the "Code"). In support of such conclusion, the City certifies, represents and covenants as follows:

- (a) No direct or indirect payments are to be made on City Notes A or B with respect to any private business use by any person other than a state or local governmental unit.
- (b) None of the proceeds of City Notes A or B are to be used, directly or indirectly, to make or finance loans to persons other than a state or local governmental unit.

SECTION 16. As to City Notes A and B only, the City certifies and covenants as follows with respect to the requirements of Section 148(f) of the Code, relating to the rebate of "excess arbitrage profits" (the "Rebate Requirement") to the United States:

- (a) Unless an applicable exception to the Rebate Requirement is available to the City, the City will meet the Rebate Requirement.
- (b) Relating to applicable exceptions, the Comptroller is hereby authorized to make such elections under the Code as such officer shall deem reasonable and in the best interests of the City. If such election may result in a "penalty in lieu of rebate" as provided in the Code, and such penalty is incurred (the "Penalty"), then the City shall pay such Penalty.
- (c) The officers of the City shall cause to be established, at such time and in such manner as they may deem necessary or appropriate hereunder, a rebate fund, and such officers shall further, not less frequently than annually, cause to be transferred to the rebate fund the amount determined to be the accrued liability under the Rebate Requirement or the Penalty. Said officers shall cause to be paid to the United States, from time to time as required, amounts from the rebate fund sufficient to meet the Rebate Requirement or to pay the Penalty.

(d) Interest earnings in the Woodlawn Park II Developer Account are hereby authorized to be transferred, without further order or direction from the Comptroller, from time to time as required, to the rebate fund for the purposes herein provided, and other funds of the City are also hereby authorized to be used to meet the Rebate Requirement or to pay the Penalty, but only if necessary after application of investment earnings as aforesaid and only if appropriated by the City Council.

SECTION 17. The City covenants that it: (i) will take those actions which are necessary to be taken (and avoid those actions which it is necessary to avoid taking) so that interest on City Notes A and B will not be or become included in gross income for federal income tax purposes under existing law including, without limitation, the Code; (ii) will take those actions reasonably within its power to take which are necessary to be taken (and avoid taking those actions which are reasonably within its power to avoid taking and which it is necessary to avoid) so that interest on City Notes A and B will not be or become included in gross income for federal income tax purposes under the federal income tax laws as in effect from time to time; and (iii) will take no action or permit any action in the investment of any fund or account of the City which would result in making interest on City Notes A or B subject to federal income taxes by reason of causing City Notes A or B to be an "arbitrage bond" within the meaning of Section 148 of the Code. In furtherance of the foregoing provisions, but without limiting their generality, the City agrees: (a) through its officers, to make such further specific covenants, certifications and representations as shall be truthful, and assurances as may be necessary or advisable; (b) to comply with all representations, covenants and assurances contained in certificates or agreements as may be prepared by counsel approving City Notes A and B; (c) to consult with such counsel and to comply with such advice as may be given; (d) to file such forms, statements and supporting documents as may be required and in a timely manner; and (e) if deemed necessary or advisable by its officers, to employ and pay fiscal agents, financial advisors, attorneys and other persons to assist the City in such compliance.

SECTION 18. The City recognizes that Section 149(a) of the Code requires City Notes A and B to be issued and to remain in fully registered form in order that interest thereon is exempt from federal income taxation under laws in force at the time City Notes A and B are delivered. In this connection, the City agrees that it will not take any action to permit City Notes A or B to be issued in, or converted into, bearer or coupon form.

SECTION 19. The provisions of this ordinance shall constitute a contract between the City and the registered owner(s) of each City Note. All covenants relating to a particular City Note are enforceable by the registered owner(s) of such City Note.

SECTION 20. The City is hereby authorized to sell and convey the City Parcels to the Developer for the Purchase Price in accordance with and subject to the terms of such Redevelopment Agreement. Subject to the City Council's approval of acquisition authority for the City to acquire the Additional Parcel, and the City's acquisition of such parcel, the City is also hereby authorized to sell and convey to the Developer the Additional Parcel subject to the Developer's reimbursement of all costs and expenses (including, without limitation, acquisition costs, relocation costs, and cost of outside legal counsel retained for such acquisition, if necessary or desirable) prior to or at the time of the conveyance of such Additional Parcel to the Developer.

SECTION 21. The Mayor or his proxy is authorized to execute, and the City Clerk to attest, a quitclaim deed conveying to the Developer, or to a land trust of which the Developer is the sole beneficiary, or to a business entity of which the Developer is the sole controlling party, the City Parcels (including, upon acquisition, the Additional Parcel) for the consideration described in this ordinance and otherwise in accordance with and subject to the terms of such Redevelopment Agreement.

SECTION 22. The Mayor (or the Mayor's designated proxy), the Comptroller (or the Comptroller's designated proxy), the City Clerk, the Commissioner (or his or her designee) and the other officers of the City are authorized to execute and deliver on behalf of the City such other documents, agreements and certificates and to do such other things consistent with the terms of this ordinance as such officers and employees shall deem necessary or appropriate in order to effectuate the intent and purposes of this ordinance.

SECTION 23. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the other provisions of this ordinance.

SECTION 24. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict. No provision of the Municipal Code or violation of any provision of the Municipal Code shall be deemed to impair the validity of this ordinance or the instruments authorized by this ordinance or to impair the security for or payment of the instruments authorized by this ordinance; provided further, however, that the foregoing shall not be deemed to affect the availability of any other remedy or penalty for violation of any provision of the Municipal Code.

SECTION 25. This ordinance shall be in full force and effect immediately upon its passage.

Exhibits "A" and "B" referred to in this ordinance read as follows:

Exhibit "A".
(To Ordinance)

City Parcels.

| | Common Address | Permanent Index Number |
|-----------|--|--|
| Parcel 1 | 910 -- 944 East 63 rd Street | 20-14-315-025; -026; -027 |
| Parcel 2 | 1000 -- 1016 East 63 rd Street | 20-14-316-026 |
| Parcel 3 | 1022 -- 1036 East 63 rd Street | 20-14-316-028; -029 |
| Parcel 4 | 933 -- 1009 East 63 rd Street | 20-23-105-001 |
| Parcel 5 | 1017 -- 1043 East 63 rd Street | 20-23-106-001; -038; -039 |
| Parcel 6 | 6227 -- 6233 South Greenwood Avenue | 20-14-317-007 |
| Parcel 7 | 1100 -- 1140 East 63 rd Street | 20-14-317-009; -010; -011; -015; -022 through -032 |
| Parcel 8 | 1150 -- 1164 East 63 rd Street | 20-14-318-013; -015; -016 |
| Parcel 9 | 1101 -- 1145 East 63 rd Street | 20-23-107-001 through -015; -017; -019; -020 |
| Parcel 10 | 6318 -- 6336 South University Avenue | 20-23-107-018 |
| Parcel 11 | 6312 South Woodlawn Avenue | 20-23-108-006 |
| Parcel 12 | 6318 -- 6336 South Woodlawn Avenue | 20-23-108-008; -010; -011; -014; -016 |
| Parcel 13 | 1200 -- 1204 East 63 rd Street | 20-14-412-022 |

Exhibit "B".
(To Ordinance)

*Woodlawn Park II (Columbia Pointe Development)
Redevelopment Agreement*

By And Between

The City Of Chicago

And

Woodlawn Park II, L.L.C.

This Woodlawn Park II (Columbia Pointe Development) Redevelopment Agreement (this "Agreement") is made as of this _____ day of _____, 20__, by and between the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Planning and Development ("D.P.D."), and Woodlawn Park II, L.L.C., 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 to the Act, the City Council of the City (the "City Council") adopted the following ordinances on January 20, 1999: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the Woodlawn Redevelopment Project Area"; (2) "An

Ordinance of the City of Chicago, Illinois Designating the Woodlawn 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 Woodlawn Redevelopment Project Area” (the “T.I.F. Adoption Ordinance”) (items (1) -- (3) collectively referred to herein as the “T.I.F. Ordinances”). The redevelopment project area referred to above (the “Redevelopment Area”) is legally described in (Sub)Exhibit A hereto.

D. The Project. The Developer intends to purchase (the “Acquisition”) certain properties located within the Redevelopment Area along and north and south of 63rd Street, between Woodlawn and Ingleside Avenues, Chicago, Illinois and legally described on (Sub)Exhibit B-1 hereto (the “Property”). The Property consists in part of certain parcels (the “City Property”) being sold by the City to Developer at a specified discounted amount (the “City Property Grant”) from their appraised values; the City Property is legally described on (Sub)Exhibit B-1 (a) hereto. The remainder of the Property consists of certain parcels being sold to Developer by private parties and legally described (Sub)Exhibit B-1(b) hereto (the “Private Property Parcels”). Within the time frames set forth in Section 3.01 hereof, the Developer shall commence and complete construction of two hundred (200) new “for sale” residential dwelling units on the Property, consisting of one hundred thirty (130) single-family houses, ten (10) three (3) flat buildings (containing thirty (30) units), ten (10) townhouses and thirty (30) courtyard townhouses, and known as Columbia Pointe II, and a minimum of two hundred eleven (211) related off-street parking spaces (the “Facility”).

If Developer later acquires the real property commonly known as 1018 East 63rd Street (Permanent Index Number 20-14-316-027-0000) (the “Additional Parcel”) directly from a private owner or from the City following the City’s acquisition of said parcel, the Developer intends that the Additional Parcel would become part of the Property and would be improved with three (3) single-family units and three (3) parking spaces which would become part of the Facility, and Developer would intend to sell those additional units at market rates, and thereby the Project’s number of dwelling units would increase to two hundred three (203), the number of single-family units would increase to one hundred thirty-three (133), and the number of off-street parking spaces would increase to a minimum of two hundred fourteen (214).

Related improvements to be made by Developer on the Property include street and alley infrastructure changes and construction, subject to the City’s approval of vacation and dedication of certain public right-of-way and other public infrastructure

Of the two hundred (200) dwelling units (two hundred three (203) if the Additional Parcel comes in), (i) one hundred fifty-nine (159) of them (one hundred sixty-two (162) if the Additional Parcel comes in) will be sold by Developer at market rates; (ii)

twenty-one (21) will be sold by Developer at initial base purchase prices ranging from One Hundred Ninety-five Thousand Dollars (\$195,000) to Two Hundred Twenty-five Thousand Dollars (\$225,000) each (depending on unit location and configuration) to buyers whose annual income does not exceed one hundred percent (100%) of the median income of the correspondingly-sized household in the City as determined from time to time by the City's Department of Housing, and with certain resale restrictions set forth in (Sub)Exhibit K hereof incorporated verbatim in each initial purchase and sale agreement from Developer to grantee and in a mandatory recapture mortgage (the "one hundred percent (100%) A.M.I. Affordable Units"); and (iii) the remainder, twenty (20) units, will be sold by Developer at initial base purchase prices ranging from One Hundred Seventy Thousand Dollars (\$170,000) to One Hundred Eighty-two Thousand Dollars (\$182,000) each (depending on unit location and configuration) to buyers whose annual income does not exceed eighty percent (80%) of the median income of the correspondingly-sized household in the City as determined from time to time by the City's Department of Housing, and with certain resale restrictions set forth (Sub)Exhibit K hereof incorporated verbatim in each initial purchase and sale agreement from Developer to grantee and in a mandatory recapture mortgage (the "T.I.F.-Eligible Affordable Units") (the one hundred percent (100%) A.M.I. Affordable Units and the T.I.F.-Eligible Affordable Units, collectively, the "Affordable Units"). Households that qualify to purchase either the one hundred percent (100%) A.M.I. Affordable Units or the T.I.F. -Eligible Affordable Units shall be referred to herein as "Affordable Households".

The Facility and related improvements (including but not limited to those T.I.F. Eligible Improvements as defined below and set forth on (Sub)Exhibit C) are collectively referred to herein as the "Project". The completion of the Project would not reasonably be anticipated without the financing contemplated in this Agreement.

E. Redevelopment Plan. The Project will be carried out in accordance with this Agreement and the City of Chicago Woodlawn Redevelopment Project Area Tax Increment Financing Program Redevelopment Plan (the "Redevelopment Plan") attached hereto as (Sub)Exhibit D.

F. City Financing. The City agrees to use, in the amounts set forth in Section 4.03 hereof, (i) the proceeds of the City Notes (defined below) and/or (ii) Incremental Taxes (as defined below), to pay for or reimburse the Developer for the costs of T.I.F.-Eligible Improvements pursuant to the terms and conditions of this Agreement and the City Notes.

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 the recitals hereof.

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

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

“Affordable Households” shall have the meaning set forth in the recitals hereof.

“Affordable Units” shall have the meaning set forth in the recitals hereof.

“Available Incremental Taxes” shall mean an amount equal to the Incremental Taxes on deposit in the Woodlawn Special Tax Allocation Fund as of December 31 in the calendar year during which a given Requisition Form is received by the City, less the sum of the amount of the City Fee described in Section 4.05(c) hereof, and the amounts of any other obligations affecting the Incremental Taxes during the same calendar year.

“Available Non-Project and Non-Phase One Incremental Taxes” shall mean an amount equal to that portion of the Available Incremental Taxes attributable to all parcels in the Redevelopment Area except for those parcels that comprise the Property, as set forth on (Sub)Exhibit B-1 hereto, and those parcels that comprise the Phase One Property, as set forth on (Sub)Exhibit B-2 hereto.

“Available Project and Phase One Incremental Taxes” shall mean an amount equal to ninety-five percent (95%) of that portion of the Available Incremental Taxes attributable to those parcels comprise the Property, as set forth on (Sub)Exhibit B-1 hereto, and those parcels that comprise the Phase One Property, as set forth on (Sub)Exhibit B-2 hereto.

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

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

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

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

“City Funds” shall mean the funds paid to the Developer pursuant to the City Notes.

“City Notes” shall mean, depending on the context, any one or combination of: (i) the City of Chicago Tax Increment Allocation Revenue Note (Woodlawn Redevelopment Project) (Columbia Pointe Development), Tax-Exempt Series 2007A, for a principal amount not to exceed Three Million Nine Hundred Seventeen Thousand Five Hundred Twenty-five Dollars (\$3,917,525) (“City Note A”); (ii) the City of Chicago Tax Increment Allocation Revenue Note (Woodlawn Redevelopment Project) (Columbia Pointe Development), Tax-Exempt Series 2007B, for a principal amount not to exceed Nine Million Thirty-four Thousand Four Hundred Forty-six Dollars (\$9,034,446) (“City Note B”); and (iii) the City of Chicago Tax Increment Allocation Revenue Note (Woodlawn Redevelopment Project) (Columbia Pointe Development), Taxable Series 2007C, for a principal amount not to exceed Nine Million Thirty-four Thousand Four Hundred Forty-six Dollars (\$9,034,446) less the principal amount of City Note B once issued (“City Note C”). The City Notes shall be in the form attached hereto as (Sub)Exhibits M-1, M-2 and M-3. The City Notes shall bear interest at such annual rates and on such other terms as are set forth in Section 4.03(c) hereof.

“Closing Date” shall mean the date when all conditions precedent to such closing have occurred and this Agreement has been executed and delivered by all parties hereto, which shall be deemed to be the date appearing in the first paragraph of this Agreement.

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

“Corporation Counsel” shall mean the City’s Office of Corporation Counsel.

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

“Environmental Laws” shall mean any and all federal, state or local statutes, laws, regulations, ordinances, codes, rules, orders, licenses, judgments, decrees

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

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

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

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

"Financial 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 consistently applied throughout the appropriate periods.

"General Contractor" shall mean Urban Quest, Inc.

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

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

"Lender" shall mean the provider of the Lender Financing, as described in Section 5.18 hereof.

“Lender Financing” shall mean funds borrowed by the Developer from lenders and available and committed throughout the entire construction period to pay for Costs of the Project, in the amount set forth in Section 4.01 hereof.

“M.B.E.(s)” shall mean a business identified in the *Directory of Certified Minority Business Enterprises* published by the City’s Department of Procurement Services, or otherwise certified by the City’s Department of Procurement Services as a minority-owned business enterprise, related to the Procurement Program or the Construction Program as applicable.

“M.B.E./W.B.E. Budget” shall mean the budget attached hereto as (Sub)Exhibit H-2, as described in Section 10.03.

“Municipal Code” shall mean the Municipal Code of the City of Chicago.

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

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

“Phase One Property” shall mean the parcels legally described (Sub)Exhibit B-2 hereto.

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

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

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

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

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

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

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

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

“Requisition Form” shall mean the document, in the form attached hereto as (Sub)Exhibit L, to be delivered by the Developer to D.P.D. pursuant to Section 4.04 of this Agreement.

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

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

“Term of the Agreement” shall mean the period of time commencing on the Closing Date and ending on the date which is one year after the date on which the Redevelopment Area is no longer in effect (through and including January 20, 2023).

“T.I.F. Adoption Ordinance” shall have the meaning set forth in the recitals hereof.

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

“T.I.F. Ordinances” shall have the meaning set forth in the recitals hereof.

“Title Company” shall mean _____.

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

“W.A.R.N. Act” shall mean the Worker Adjustment and Retraining Notification Act (29 U.S.C. Section 2101, et seq.)

“W.B.E.(s)” shall mean a business identified in the *Directory of Certified Women Business Enterprises* published by the City’s Department of Procurement Services,

or otherwise certified by the City's Department of Procurement Services as a women-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable.

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

Section 3.

The Project.

3.01 The Project.

With respect to the Facility, the Developer shall, pursuant to the Plans and Specifications and subject to the provisions of Section 18.17 hereof: (i) commence construction no later than April 1, 2007; and (ii) complete construction and use commercially reasonable efforts to convey all of the housing units of the Project no later than September 1, 2010.

3.02 Scope Drawings And Plans And Specifications.

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

3.03 Project Budget.

The Developer has furnished to D.P.D., and D.P.D. has approved, a Project Budget showing total costs for the Project in an amount not less than Seventy-three Million Two Hundred Fifty Thousand Seven Hundred Eighty-five Dollars (\$73,250,785). The Developer hereby certifies to the City that (a) it has Lender Financing and Equity in an amount sufficient to pay for all Project costs; and (b) the Project Budget is true, correct and complete in all material respects. The

Developer shall promptly deliver to D.P.D. certified copies of any Change Orders with respect to the Project Budget for approval pursuant to Section 3.04 hereof.

3.04 Change Orders.

Except as provided below, all Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to material changes to the Project must be submitted by the Developer to D.P.D. concurrently with the progress reports described in Section 3.07 hereof; provided, that any Change Order relating to any of the following must be submitted by the Developer to D.P.D. for D.P.D.'s prior written approval: (a) a reduction in the gross or net square footage of the Facility by five percent (5%) or more, individually or cumulatively; (b) a change in the use of the Property to a use other than housing and related parking; (c) a delay in the completion of the Project by more than three (3) months; or (d) Change Orders that, individually or cumulatively, increase or decrease the budget by ten percent (10%) or more. The Developer shall not authorize or permit the performance of any work relating to any Change Order or the furnishing of materials in connection therewith prior to the receipt by the Developer of D.P.D.'s written approval (to the extent required in this section). The Construction Contract, and each contract between the General Contractor and any subcontractor, shall contain a provision to this effect. An approved Change Order shall not be deemed to imply any obligation on the part of the City to increase the amount of City Funds which the City has pledged pursuant to this Agreement or provide any other additional assistance to the Developer.

3.05 D.P.D. Approval.

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

3.06 Other Approvals.

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

3.07 Progress Reports And Survey Updates.

Following the Closing Date, the Developer shall provide D.P.D. with written quarterly progress reports detailing the status of the Project, which include duplicates of applicable support documentation verifying the disbursement and receipt of Project funds (i.e., invoices, cancelled checks, partial and final lien waivers, et cetera), and including a revised completion date, if necessary (with any change in completion date being considered a Change Order, requiring D.P.D.'s written approval pursuant to Section 3.04). The Developer shall also provide the City with reports as set forth in Section 10 (employment obligations) hereof. The Developer shall provide three (3) copies of an updated Survey to D.P.D. upon the request of D.P.D. or any lender providing Lender Financing, reflecting improvements made to the Property.

3.08 Inspecting Agent Or Architect.

D.P.D. agrees that the Project's construction lender's inspecting architect shall suffice as D.P.D.'s inspecting agent or architect, at the Developer's expense, for the Project unless, in D.P.D.'s sole discretion, D.P.D. requires an independent agent or architect (other than the Developer's architect). The inspecting agent or architect shall perform periodic inspections with respect to the Project, providing certifications with respect thereto to D.P.D.

3.09 Barricades.

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

3.10 Signs And Public Relations.

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

3.11 Utility Connections.

The Developer may connect all on-site water, sanitary, storm and sewer lines constructed on the Property to City utility lines existing on or near the perimeter of

the Property, provided the Developer first complies with all City requirements governing such, connections, including the payment of customary fees and costs related thereto.

3.12 Permit Fees.

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

3.13 Conveyance Of City Property.

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

- (i) Form Of Quitclaim Deed. The City shall convey title to the parcels comprising the City Property by one or more quitclaim deeds for the sum of Three Million Eight Hundred Thousand Dollars (\$3,800,000) (the "Purchase Price"), which shall be paid by or on behalf of the Developer to the City on the Closing Date in cash, wire transfer or other immediately available funds. The Developer acknowledges and agrees that the City's appraiser has set a fair market value price of approximately Eight Million Seventy-five Thousand Dollars (\$8,075,000) for the City Property and that the Purchase Price reflects a land write-down (the City Property Grant) of Four Million Two Hundred Seventy-five Thousand Dollars (\$4,275,000) from such amount. The City Property Grant has been made in express reliance upon the Developer's undertakings under this Agreement, including, without limitation, the title provisions in this Section 3, the affordability provisions applicable to the affordable units as set forth in Section 8.20, and the environmental provisions in Section 11. The City shall have no obligation to convey the City Property unless and until the Developer has acquired all of the Private Property Parcels other than the Additional Parcel. The conveyance of and title to the City Property parcels shall, in addition to the provisions of this Agreement, be subject to:
 - (A) the Redevelopment Plan;
 - (B) the standard exceptions in an ALTA insurance policy;
 - (C) all general real estate taxes;
 - (D) easements, encroachments, covenants and restrictions of record and not shown of record; and

- (E) such other title defects as may exist.

With respect to the City Property only, and if necessary to clear title of exceptions for general real estate tax liens attributable to taxes due and payable prior to the Closing Date, the City shall submit to the County a tax abatement letter and/or file a vacation of tax sale proceeding in the Circuit Court of Cook County, seeking the exemption or waiver of such pre-closing tax liabilities, but shall have no further duties with respect to any such taxes. The City shall also use good faith, commercially reasonable efforts to clear such other title defects as may exist against the City Property parcels, but such good faith, commercially reasonable efforts shall in no instance obligate the City to incur any costs for releasing liens, settling disputed tax claims, paying unpaid taxes that cannot be addressed by the submission of a tax abatement letter or a tax sale proceedings, or similar matters. If the Developer finds title to any parcel objectionable, Developer's sole option shall be to decline to accept title to any such parcel, with no adjustment offset or adjustment in the Purchase Price, unless D.P.D., in its sole discretion, agrees to a ratable reduction in the Purchase Price based on the allocable fair market values of the parcels in question. Any such reduction shall result in a corresponding reduction in the principal amount of City Note A.

- (ii) The City Property Closing. The City Property closing shall take place on such date and at such place as the parties may mutually agree to in writing, but in no event earlier than the satisfaction of all conditions precedent to closing set forth in Section 5 and the Closing Date.
- (iii) Recordation Of Quitclaim Deed. The Developer shall promptly record the quitclaim deed for the City Property in the Recorder's Office of Cook County. The Developer shall pay all costs for so recording the quitclaim deed.
- (iv) Escrow. In the event that the Developer requires the City Property conveyance through an escrow, the Developer shall pay all escrow fees.

Section 4.

Financing.

4.01 Total Project Cost And Sources Of Funds.

The cost of the Project is estimated to be at minimum Seventy-three Million Two Hundred Fifty Thousand Seven Hundred Eighty-five Dollars (\$73,250,785), to be applied in the manner set forth in the Project Budget. Such costs shall be funded from the following sources:

| | |
|---|--------------|
| Equity (subject to Sections 4.03(b) and 4.06) (includes proceeds derived from the syndication of City Note A) | \$ 6,402,349 |
| Lender Financing | 66,848,436 |
| ESTIMATED TOTAL: | \$73,250,785 |

4.02 Developer Funds.

Equity and/or Lender Financing may be used to pay any Project cost, including but not limited to Redevelopment Project Costs and costs of T.I.F.-Eligible Improvements.

4.03 City Funds.

(a) Uses Of City Funds. City Funds (as defined below) may only be used to pay directly or reimburse the Developer for costs of T.I.F.-Eligibility Improvements that constitute Redevelopment Project Costs. (Sub)Exhibit C sets forth, by line item, the T.I.F.-Eligibility Improvements for the Project, and the maximum amount of costs that may be paid by or reimbursed from City Funds for each line item therein (subject to Sections 4.03(b) and 4.05(d)), contingent upon receipt by the City of documentation satisfactory in form and substance to D.P.D. evidencing such cost and its eligibility as a Redevelopment Project Cost. City Funds with respect to City Note B and City Note C shall not be paid to the Developer hereunder prior to the issuance of a Certificate.

(b) Issuance Of City Note; Sources Of City Funds. Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03 and Section 5 hereof, and to provide for reimbursement to Developer for the costs of the T.I.F.-Eligible Improvements, the City hereby agrees to issue:

- (i) City Note A to the Developer on the Closing Date;
- (ii) City Note B to the Developer upon proof provided to the City's satisfaction that eighty (80) units in the Project have been sold and closed, of which a minimum of twenty percent (20%) thereof are Affordable Units and the Project is in good standing with respect to the M.B.E., W.B.E., City residency, equal employment opportunity and prevailing wage requirements; and
- (iii) City Note C to the Developer simultaneously with the issuance by the City of the Certificate.

Subject to the terms and conditions of this Agreement, the City hereby agrees to provide City funds from the sources and in the amounts described directly below (the "City Funds") to pay principal of and interest on the City Note:

| Sources Of City Funds | Maximum Amount |
|--|---|
| Available Non-Project and Non-Phase One Incremental Taxes, and Available Project and Phase One Incremental Taxes | <p>the lessor of:</p> <p>(i) \$12,951,971,</p> <p>(ii) 17.68% of the actual total Project costs, or</p> <p>(iii) 100% of the costs of the T.I.F.-Eligibility Improvements; plus interest that accrues on the City Notes</p> |

provided, however, that, notwithstanding anything to the contrary in this Section 4.03, the aggregate principal balance of City Note C otherwise set forth herein shall be reduced by an amount equal to fifty percent (50%) of the Excess Profit realized by Developer on the Project. Excess Profit shall be computed as of the date of issuance of City Note C. If all the market rate units have not been sold by that time, estimates of the Gross Sales Proceeds and Net Sales Proceeds (including upgrades) for the unsold units will be made by the City, based upon the average of such proceeds on a per-square-foot basis for the comparable market rate units already sold.

"Excess Profit" is equal to Actual Profit less Threshold Profit.

"Actual Profit" is equal to Net Sales Proceeds plus Maximum City Funds less Actual Project Costs.

"Threshold Profit" is equal to twelve and five-tenths percent (12.5%) of Actual Project Costs.

"Net Sales Proceeds" means Gross Sales Proceeds less customary actual sales commissions, closing costs and other Project costs the City determines should be deducted from gross sales proceeds rather than included in Project costs.

“Gross Sales Proceeds” means all income generated and actually received by the Project, including but not limited to the proceeds from the sale of all residential units, parking spaces, and upgrades to residential units, less any fees or proceeds not actually received by Developer.

“Maximum City Funds” is equal to the lesser of Twelve Million Nine Hundred Fifty-one Thousand Nine Hundred Seventy-one Dollars (\$12,951,971) or one hundred percent (100%) of the costs of the T.I.F.-Eligible Improvements.

“Actual Project Costs” means all hard and soft costs actually expended to implement the Project, exclusive of sales commissions, closing costs, Developer fees, project management fees (if paid to an entity or person having a financial interest in the Project), profit and other Project costs the City determines should be deducted from gross sales proceeds rather than included in Project costs. The Developer must prove up such costs. The Developer must prove up such costs to the satisfaction of the City.

(c) Amount Of Principal Of Each City Note; Maximum Interest Thereon. Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03 and Section 5 hereof, the City shall, for City Note A on the Closing Date and, for each of City Notes B and C on their respective issuance dates, set the initial principal balance as indicated on the following schedule, subject to the maximum amount of each City Note indicated:

| City Note | Initial Balance | Maximum Amount |
|------------------------|--|--|
| Note A (tax-exempt) | the dollar value of all Prior Expenditures (as defined in Section 4.04(a) herein) that are T.I.F.-Eligible Improvements | \$3,917,525 |
| Note B (tax-exempt) | the lesser of: (i) \$4,500,000 plus \$36,585 for each Project unit sold and closed in excess of 80 sold and closed units, or (ii) \$9,034,446 less the sum of \$100,000 for each unsold and unclosed Affordable Unit plus the dollar amount of the M.B.E. and W.B.E. budgets that have not been achieved | the lesser of (i) \$9,034,446 or (ii) 100% of the costs of the T.I.F.-Eligible Improvements not already accounted for in City Note A |

| City Note | Initial Balance | Maximum Amount |
|-----------|--|---|
| Note C | the dollar value of all T.I.F.-Eligible Improvements not taken into account in connection with the issuance of Notes A and B | the lesser of (i) 100% of the maximum City Funds not already accounted for in City Notes A and B, less 50% of the Excess Profit, or (ii) 100% of the costs of the T.I.F.-Eligible Improvements not already accounted for in City Notes A and B, less 50% of the Excess Profit |

Interest on the outstanding and unpaid principal of each City Note shall commence accrual and compounding (at the rate set forth in such City Note) on the date the City delivers the City Note to the Developer pursuant to Section 7 hereof. The interest rate for each City Note shall be set at its issuance date and shall not exceed the following per annum based on a three hundred sixty (360) day year:

| City Note | Maximum Interest Rate |
|-------------|---|
| City Note A | the AAA 20-Year G.O. Bond rate as published by Bloomberg for 15 business days prior to the date of issuance, plus 225 basis points, but in no event greater than 8.00% |
| City Note B | the AAA 20-Year G.O. Bond rate as published by Bloomberg for 15 business days prior to the date of issuance, plus 225 basis points, but in no event greater than 8.00% |
| City Note C | the median value of the 10-Year Treasury rate as published in the Federal Reserve Statistical Release for 15 business days prior to the date of issuance, plus 275 basis points, but in no event greater than 9.00% |

Any interest that has accrued on one or more City Notes and remains unpaid following a scheduled payment date shall accrue interest per annum at the scheduled interest rate, but such interest on interest shall not be deemed to increase the principal of any City Note.

(d) Payment Obligations On City Notes; Priority Of Payments. The payment obligation of the City on each City Note shall commence on their issuance dates pursuant to Section 7 hereof. Once the Final Certificate is issued for City Note C, the Developer shall provide D.P.D. with a Requisition Form (as set forth in Section 4.09 hereof) for payment on that City Note not less than sixty (60) days prior to each debt payment date arising under the City Note.

On each payment date set forth in the applicable City Note (or on that date that is sixty (60) days after the Developer delivers the Requisition Form and any additional required information to D.P.D.), the City agrees to pay on each respective City Note, in the manner and from the City Funds set forth below, the following amounts:

| City Note | Source Of City Funds | Amount Of Payment |
|-----------|---|---|
| Note A | Available Non-Project and Non-Phase One Incremental Taxes | the amount due on the debt service schedule attached to City Note A, as such schedule may be adjusted from time to time |
| Note B | Available Project and Phase One Incremental Taxes | the amount due on the debt service schedule attached to City Note B, as such schedule may be adjusted from time to time |
| Note C | Available Project and Phase One Incremental Taxes Phase | the lesser of (i) the amount requested in the Requisition Form, or (ii) all Available Project and Phase One Incremental Taxes remaining at the time of payment after each City Note B payment has been made |

Payments on the City Notes shall continue (including, if necessary, beyond the term of the corresponding debt service schedule) until the City Notes are fully paid or discharged, subject to the terms, conditions and limitations with respect thereto contained in the City Notes and in this Agreement. Payments on each City Note shall first be applied to unpaid interest, if any, then to current interest, if any, and then to principal.

The City's obligation to make payments under City Notes A and B shall be vested as of their respective dates of issuance (their Dated Dates) and without right of setoff or other defense to payment (other than insufficiency of their respective City Funds source), including as a result of a default by the Developer hereunder, it being expressly acknowledged that any setoff, suspension or recapture of payments of City Funds pursuant to the terms of this Agreement, if any, shall be made against and limited to City Note C only.

(e) Prepayment. The City may pre-pay, in whole or in part, the City Notes at any time, but in the sequence and priority in which they become payable, using any Available Non-Project and Non-Phase One Incremental Taxes, Available Project and Phase One Incremental Taxes, or other monies available to the City. Notwithstanding anything to the contrary contained in this Agreement, including but not limited to this Section 4.03(e), City Notes A and B may not be prepaid during the period commencing on the Dated Date of City Note A ending on the fifth (5th) anniversary of the Dated Date of City Note A.

(f) Unavailability Of City Funds. The City is not obligated to pay principal of or interest on any City Note in any year in which there are no City Funds. If, at the end of the Term of the Agreement, any outstanding unpaid principal amount of and/or interest on any City Note exists (the "Outstanding Amount"), the Outstanding Amount shall be forgiven in full by the Developer, and the City shall have no obligation to pay the Outstanding Amount after the end of the Term of the Agreement.

4.04 Requisition Form.

After the issuance of the Final Certificate and thereafter throughout the earlier of (i) the Term of the Agreement or (ii) the date that City Note C has been paid in full under this Agreement, the Developer shall provide D.P.D. with a Requisition Form in the form set forth in (Sub)Exhibit L hereto, along with the documentation described therein, in order to request payments under City Note C. Such Requisition Form(s) shall contain as part thereof certifications as to continuing operations and compliance generally with this Agreement. Requisition Forms shall not be submitted more than once per calendar year (or as otherwise permitted by D.P.D.) and not later than October 1 of any given year. At the request of D.P.D., the Developer shall meet with D.P.D. to discuss any Requisition Form(s) delivered to D.P.D.

4.05 Treatment Of Prior Expenditures.

Only those expenditures made by the Developer with respect to the Project that occurred prior to the Closing Date and subsequent to the date of the T.I.F. Ordinances and are evidenced by documentation satisfactory to D.P.D. and approved by D.P.D. as satisfying costs covered in the Project Budget shall be considered previously contributed Equity or Lender Financing hereunder (the "Prior Expenditures"). D.P.D. shall have the right, in its reasonable discretion, to disallow any such expenditure as a Prior Expenditure. (Sub)Exhibit I, hereto sets forth those expenditures, if any, approved by D.P.D. as of the date hereof as Prior Expenditures. Prior Expenditures made for items other than T.I.F.-Eligible Improvements shall not be reimbursed to the Developer, but shall reduce the amount of Equity and/or Lender Financing required to be contributed by the Developer pursuant to Section 4.01 hereof.

4.06 Allocation Among Line Items.

Disbursements for expenditures related to T.I.F.-Eligible Improvements may be allocated to and charged against the appropriate line only, with transfers of costs and expenses from one line item to another, without the prior written consent of D.P.D., being prohibited; provided, however, that such transfers among line items, in an amount not to exceed Twenty-five Thousand Dollars (\$25,000) or One Hundred Thousand Dollars (\$100,000) in the aggregate, may be made without the prior written consent of D.P.D.

4.07 Cost Overruns.

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

4.08 Conditional Grant.

The City Funds being provided hereunder are being granted on a conditional basis, subject to the Developer's compliance with the provisions of this Agreement.

4.09 Cost Of Issuance.

The Developer shall be responsible for paying all costs relating to the issuance of all the City Notes, including costs relating to the opinion described in Section 5.09(b) hereof.

Section 5.

Conditions Precedent.

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

5.01 Project Budget.

The Developer has submitted to D.P.D., and D.P.D. has approved, a Project Budget in accordance with the provisions of Section 3.03 hereof.

5.02 Scope Drawings And Plans And Specifications.

The Developer has submitted to D.P.D., and D.P.D. has approved, the Scope Drawings and Plans and Specifications accordance with the provisions of Section 3.02 hereof.

5.03 Other Governmental Approvals.

The Developer has secured all other necessary approvals and permits required by any state, federal, or local statute, ordinance or regulation and has submitted evidence thereof to D.P.D.

5.04 Financing.

The Developer has furnished proof reasonably acceptable to the City that the Developer has Equity and Lender Financing in the amounts set forth in Section 4.01 hereof to complete the Project and satisfy its obligations under this Agreement. If a portion of such funds consists of Lender Financing, the Developer has furnished proof as of the Closing Date that the proceeds thereof are available to be drawn upon by the Developer as needed and are sufficient (along with the Equity set forth in Section 4.01) to complete the Project. The Developer has delivered to D.P.D. a copy of the construction escrow agreement entered into by the Developer regarding the Lender Financing. Any liens against the Property in existence at the Closing Date have been subordinated to certain encumbrances of the City set forth herein pursuant to one or more Subordination Agreements, in a form acceptable to the City such as the form set forth in (Sub)Exhibit O hereto, executed on or prior to the Closing Date, which is or are to be recorded, at the expense of the Developer, with the Office of the Recorder of Deeds of Cook County. The Subordination Agreement may include lender cure rights, standstill provisions, and similar intercreditor agreement as may be mutually acceptable to the City and the lender providing the Lender Financing.

5.05 Acquisition And Title.

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

5.06 Evidence Of Clean Title.

The Developer, at its own expense, has provided the City with searches under the Developer's name as follows:

| | |
|--|-------------------------------|
| Secretary of State | UCC search |
| Secretary of State | Federal tax lien 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 |
| United States District Court | Pending suits and judgments |
| Clerk of Circuit Court, Cook County | Pending suits and judgments |

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

5.07 Surveys.

Developer has furnished the City with three (3) copies of the Survey.

5.08 Insurance.

The Developer, at its own expense, has insured the Property in "accordance with Section 12 hereof, and has delivered certificates required pursuant to Section 12 hereof evidencing the required coverages to D.P.D.

5.09 Opinion Of The Developer's Counsel.

(a) On the Closing Date, the Developer has furnished the City with an opinion of counsel, substantially in the form attached hereto as (Sub)Exhibit J, with such changes as required by or acceptable to Corporation Counsel. If the Developer has engaged special counsel in connection with the Project, and such special counsel is unwilling or unable to give some of the opinions set forth in (Sub)Exhibit J hereto, such opinions were obtained by the Developer from its general corporate counsel.

(b) On the Closing Date, the City has received from Foley and Lardner, special counsel, an opinion regarding the tax-exempt status and enforceability of City Notes A and B, in form and substance acceptable to Corporation Counsel.

5.10 Evidence Of Prior Expenditures.

The Developer has provided evidence satisfactory to D.P.D. in its sole discretion of the Prior Expenditures in accordance with the provisions of Section 4.05(a) hereof.

5.11 Financial Statements.

The Developer has provided Financial Statements to D.P.D. for its most recent fiscal year, and audited or unaudited interim financial statements.

5.12 Documentation.

Documentation with respect to current information requested under Sections 8.07 and 8.09 herein.

5.13 Environmental.

The Developer has provided D.P.D. with copies of that certain Phase I environmental audit completed with respect to the Property and any Phase II environmental audit with respect to the Property required by the City. The Developer has provided the City with a letter from the environmental engineer(s) who completed such audit(s), authorizing the City to rely on such audits.

5.14 Corporate Documents; Economic Disclosure Statement.

The Developer has provided a copy of its Articles of Organization containing the original certification of the Secretary of State of its state of organization; certificates of good standing from the Secretary of State of its state of organization and all other states in which the Developer is qualified to do business; a secretary's certificate in such form and substance as the Corporation Counsel may require; operating agreement of the entity; and such other corporate and organizational documentation as the City has requested. The Developer has provided to the City an Economic Disclosure Statement, in the City's then current form, recertified as of the Closing Date.

5.15 Litigation.

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

5.16 Agreement With General Contractor.

A copy of the executed agreement with the General Contractor.

5.17 M.O.P.D. Approval.

Evidence that the City's Mayor's Office for People with Disabilities ("M.O.P.D.") has reviewed and approved the Plans and Specifications.

5.18 City Junior Construction Mortgage.

The Developer shall have executed and delivered to the City, for recording on the Closing Date, a junior construction mortgage ("Junior City Mortgage") against the

City Property parcels, securing the Developer's payment and performance obligations under this Agreement. The Junior City Mortgage shall be subordinated to the Lender Financing pursuant to a subordination and standstill agreement between the lender of the Lender Financing (the "Lender") and the City (in addition to the Subordination Agreement referenced in Section 5.04 hereof), which shall provide, among other things, that (a) the City shall not foreclose or exercise its rights under the Junior City Mortgage for a mutually agreeable standstill period; (b) Lender may cure defaults by Developer under the Junior City Mortgage; (c) City will re-subordinate its Junior City Mortgage in connection with the refinancing or replacing of the Lender Financing from time to time; (d) City will issue partial releases of its Junior City Mortgage when Lender issues partial releases of the Lender Financing in connection with unit or home sales at the Property and such release shall be issued without payment or fees of any kind; and (e) the City will allow other customary intercreditor agreements found in agreements of this type.

Section 6.

Agreements With Contractors.

6.01 Bid Requirements For General Contractors And Subcontractors.

(a) Developer agrees and affirms that, prior to entering into its agreement with the General Contractor or any subcontractor for construction of the Project, the Developer caused the General Contractor to solicit, bids from qualified contractors eligible to do business with, and having an office located in, the City of Chicago, and submitted all bids received to D.P.D. for its inspection and written approval.

(b) Developer agrees and affirms that all the following took place before it entered into the General Contractor agreement: (i) For the T.I.F.-Eligible Improvements, the Developer shall select the General Contractor (or shall cause the General Contractor to select the subcontractor) submitting the lowest responsible bid who can complete the Project in a timely manner. If the Developer selects a General Contractor (or the General Contractor selects any subcontractor) submitting other than the lowest responsible bid for the T.I.F.-Eligible Improvements, the difference between the lowest responsible bid and the bid selected may not be paid out of City Funds. (ii) For Project work other than the T.I.F.-Eligible Improvements, if the Developer selects a General Contractor (or the General Contractor selects any subcontractor) who has not submitted the lowest responsible bid, the difference between the lowest responsible bid and the higher bid selected shall be subtracted from the actual total Project costs for purposes of the calculation of the amount of City Funds to be contributed to the Project pursuant to Section 4.03(b) hereof.

(c) The Developer shall submit copies of the Construction Contract to D.P.D. in accordance with Section 6.02 below. Photocopies of all subcontracts entered or to

be entered into in connection with the T.I.F.-Eligible Improvements shall be provided to D.P.D. within five (5) business days of the execution thereof. The Developer shall ensure that the General Contractor shall not (and shall cause the General Contractor to ensure that the subcontractors shall not) begin work on the Project until the Plans and Specifications have been approved by D.P.D. and all requisite permits have been obtained.

6.02 Construction Contract.

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

6.03 Performance And Payment Bonds.

Prior to the commencement of any portion of the Project which includes work on the public way, the Developer shall require that the General Contractor be bonded for its payment by sureties having an AA rating or better using a bond in the form attached as (Sub)Exhibit P hereto. The City shall be named as obligee or co-obligee on any such bonds.

6.04 Employment Opportunity.

The Developer shall contractually obligate and cause the General Contractor and each subcontractor to agree to the provisions of Section 10 hereof.

6.05 Other Provisions.

In addition to the requirements of this Section 6, the Construction Contract and each contract with any subcontractor shall contain provisions required pursuant to Section 3.04 (Change Orders), Section 8.09 (Prevailing Wage), Section 10.01(e) (Employment Opportunity), Section 10.02 (City Resident Employment Requirement), Section 10.03 (M.B.E./M.B.W. Requirements, as applicable), Section 12 (Insurance) and Section 14.01 (Books and Records) hereof. Photocopies of all contracts or subcontracts entered or to be entered into in connection with the T.I.F.-Eligible Improvements shall be provided to D.P.D. within five (5) business days of the execution thereof.

Section 7.

Completion Of Construction.

7.01 Certificate Of Completion Of Construction.

Upon completion of the construction of the Project in accordance with the terms of this Agreement, including but not limited to:

(a) completion of the Project in accordance with Recital D hereof and the Plans and Specifications and within the time period set forth in Section 3.01 hereof (subject to force majeure as set forth in Section 18.17 hereof);

(b) receipt by the Developer of a certificate of occupancy from the City Building Department or such other evidence of compliance with building permit requirements as is acceptable to D.P.D.;

(c) submitted proof that the amount of T.I.F.-Eligible Improvements made or incurred equals or exceeds the issuance value of the City Notes;

(d) paid the City the full monetary penalty for failure to meet the City residency requirements of this Agreement;

(e) fulfillment of all progress reports requirements set forth in Section 8.07 hereof;

(f) fulfilled the public benefits program requirement set forth in (Sub)Exhibit N hereof;

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

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

(i) there exists neither an Event of Default which is continuing nor a condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default;

(j) full compliance with the prevailing wage provisions of Section 8.09 and the employment provisions of Section 10;

(k) the completion of the Excess Profit calculations set forth in Section 4.03(b) and payment to the City of any Excess Profit or, in lieu thereof, the making of all offsetting adjustments to City Note C;

(l) the completion of the sale of at least seventy-five (75%) percent of the market rate units (this is in addition to the full completion of construction of the Project as set forth in (a) above); and

(m) the completion of the initial sale of all 41 Affordable Units and the providing to D.P.D. of a copy of all 41 recorded recapture mortgages showing full compliance with the provisions of Section 8.20,

and upon the Developer's written request, D.P.D. 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. D.P.D. shall respond to the Developer's written request for a Certificate within forty-five (45) days by issuing either a Certificate or a written statement detailing the ways in which the Project does not conform to this Agreement or has not been satisfactorily completed, and the measures which must be taken by the Developer in order to obtain the Certificate. The Developer may resubmit a written request for a Certificate upon completion of such measures.

7.02 Effect Of Issuance Certificate; Continuing Obligations.

The Certificate relates only to the construction of the Project, and upon its issuance, the City will certify that the terms of the Agreement specifically related to 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 8.02 and 8.20 as covenants that run with the land are the only covenants in this Agreement intended to be binding upon any transferee of the Property (including an assignee as described in the following sentence) throughout the Term of the Agreement notwithstanding the issuance of a Certificate; provided, that upon the issuance of a Certificate, the covenants set forth in Section 8.02 shall be deemed to have been fulfilled. The other executory terms of this Agreement that remain after the issuance of a Certificate shall be binding only upon the Developer or a permitted assignee of the Developer who, pursuant to Section 18.15 of this Agreement, has contracted to take an assignment of the Developer's rights under this Agreement and assume the Developer's liabilities hereunder.

7.03 Failure To Complete.

If the Developer fails to complete the Project in accordance with the terms of this

Agreement, then the City has, but shall not be limited to, any of the following rights and remedies:

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

(b) the right (but not the obligation) to complete those T.I.F.-Eligible Improvements that are public improvements and to pay for the costs of T.I.F.-Eligible Improvements (including interest costs) out of City Funds or other City monies. In the event that the aggregate cost of completing the T.I.F.-Eligible Improvements exceeds the amount of City Funds available pursuant to Section 4.01, the Developer shall reimburse the City for all reasonable costs and expenses incurred by the City in completing such T.I.F.-Eligible Improvements in excess of the available City Funds, provided, however, that if the Lender becomes the Developer hereunder, the Lender's obligation to pay expenses under this Section 7.03 shall be limited to the Lender's interest in the Project and Lender shall not have personal liability or recourse therefor; and

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

7.04 Notice Of Expiration Of Term Of Agreement.

Upon the expiration of the Term of the Agreement, D.P.D. 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 8.

Covenants/Representations/Warranties Of The Developer.

8.01 General.

The Developer represents, warrants and covenants, as of the date of this Agreement and as of the date of each disbursement of City Funds hereunder, 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 any other state where, due to the nature of its activities or properties, such qualification or license is required;

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

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

(d) the Developer has acquired and, unless otherwise permitted or not prohibited pursuant to or under the terms of this Agreement, shall maintain good, indefeasible and merchantable fee simple title to those portions of the Property (and the Additional Property, if and when obtained by Developer) that the Developer has not yet conveyed to residential buyers (and all improvements thereon) free and clear of all liens (except for the Permitted Liens, Lender Financing as disclosed in the Project Budget and non-governmental charges that the Developer is contesting in good faith pursuant to Section 8.15 hereof);

(e) the Developer is now and, until two (2) years after that date that the last dwelling unit of the Project has first been sold by the Developer, shall remain solvent and able to pay its debts as they mature;

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

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

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

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

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

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

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

(m) neither the Developer nor any affiliate of the Developer is listed on any of the following lists maintained by the Office of Foreign Assets Control of the United States Department of the Treasury, the Bureau of Industry and Security of the United States Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List. For purposes of this subparagraph (m) only, the term "affiliate", when used to indicate a relationship with a specified person or entity, means a person or entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified person or entity, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

8.02 Covenant To Redevelop.

Upon D.P.D.'s approval of the Project Budget, the Scope Drawings and Plans and

Specifications as provided in Sections 3.02 and 3.03 hereof, and the Developer's receipt of all required building permits and governmental approvals, the Developer shall redevelop the Property in accordance with this Agreement and all exhibits attached hereto, the T.I.F. Ordinances, the Scope Drawings, Plans and Specifications, Project Budget and all amendments thereto, and all federal, state and local laws, ordinances, rules, regulations, executive orders and codes applicable to the Project, the Property and/or the Developer. The covenants set forth in this section shall run with the land and be binding upon any transferee, but shall be deemed satisfied upon issuance by the City of a Certificate with respect thereto.

8.03 Redevelopment Plan.

The Developer represents that the Project is and shall be in compliance with all of the terms of the Redevelopment Plan. Developer shall provide the City copies of all vacations and dedications in connection with the Project, and copies of any subdivisions of any plats or parcels undertaken in connection with the Project.

8.04 Use Of City Funds.

City Funds disbursed to the Developer shall be used by the Developer solely to pay for (or to reimburse the Developer for its payment for) the T.I.F.-Eligible Improvements as provided in this Agreement.

8.05 Bonds.

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

8.06 Job Creation And Retention; Covenant To Remain In The City.

[Not applicable]

8.07 Employment Opportunity; Progress Reports.

The Developer covenants and agrees to abide by, and contractually obligate and use reasonable efforts to cause the General Contractor and each subcontractor to abide by the terms set forth in Section 10 hereof. The Developer shall deliver to the City written progress reports detailing compliance with the requirements of Sections 8.09, 10.02 and 10.03 of this Agreement. Such reports shall be delivered to the City quarterly until the Certificate is issued, and monthly for the M.B.E./W.B.E. progress. If any such reports indicate a shortfall in compliance, the Developer shall also deliver a plan to D.P.D. which shall outline, to D.P.D.'s satisfaction, the manner in which the Developer shall correct any shortfall.

8.08 Employment Profile.

The Developer shall submit, and contractually obligate and cause the General Contractor or any subcontractor to submit, to D.P.D. from time to time, statements of its employment profile upon D.P.D.'s request.

8.09 Prevailing Wage.

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

8.10 Arms-Length Transactions.

Unless D.P.D. has given its prior written consent with respect thereto, no Affiliate of the Developer may receive any portion of City Funds, directly or indirectly, in payment for work done, services provided or materials supplied in connection with any T.I.F.-Eligible Improvement. The Developer shall provide information with respect to any entity to receive City Funds directly or indirectly (whether through payment to the Affiliate by the Developer and reimbursement to the Developer for such costs using City Funds, or otherwise), upon D.P.D.'s request, prior to any such disbursement.

8.11 Conflict Of Interest.

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

8.12 Disclosure Of Interest.

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

8.13 Financial Statements.

Developer shall obtain and provide to D.P.D. Financial Statements for the Developer's fiscal year ended 2005 and each fiscal year thereafter until two (2) years after that date that the last dwelling unit of the Project has first been sold by the Developer. In addition, the Developer shall submit unaudited financial statements as soon as reasonably practical following the close of each fiscal year and for such other periods as D.P.D. may request.

8.14 Insurance.

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

8.15 Non-Governmental Charges.

(a) Payment Of Non-Governmental Charges. Except for the Permitted Liens, the Developer agrees to pay or cause to be paid when due any Non-Governmental Charge assessed or imposed upon the Project, the Property or any fixtures that are or may become attached thereto, which creates, may create, or appears to create a lien upon all or any portion of the Property or Project; provided however, that if such Non-Governmental Charge may be paid in installments, the Developer may pay the same together with any accrued interest thereon in installments as they become due and before any fine, penalty, interest or cost may be added thereto for nonpayment. The Developer shall furnish to D.P.D., within thirty (30) days of

D.P.D's request, official receipts from the appropriate entity, or other proof satisfactory to D.P.D., evidencing payment of the Non-Governmental Charge in question.

(b) Right To Contest. The Developer has the right, before any delinquency occurs:

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

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

8.16 Developer's Liabilities.

The Developer shall not enter into any transaction that would materially and adversely affect its ability to perform its obligations hereunder or to repay any material liabilities or perform any material obligations of the Developer to any other person or entity. The Developer shall immediately notify D.P.D. of any and all events or actions which may materially affect the Developer's ability to carry on its business operations or perform its obligations under this Agreement or any other documents and agreements.

8.17 Compliance With Laws.

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

8.18 Recording And Filing.

The Developer shall cause this Agreement, certain exhibits (as specified by

Corporation Counsel), all amendments and supplements hereto to be recorded and filed against the Property on the date hereof in the conveyance and real property records of the county in which the Project is located. This Agreement shall be recorded prior to any mortgage made in connection with Lender Financing or, if one or more such mortgages exist, then a Subordination Agreement, in a form acceptable to the City such as the form set forth in (Sub)Exhibit O hereto, shall be executed on or prior to the Closing Date and recorded, at the expense of the Developer, with the Office of the Recorder of Deeds of Cook County. Upon recording, the Developer shall immediately transmit to the City an executed original of this Agreement showing the date and recording number of record.

8.19 Real Estate Provisions.

(a) Governmental Charges.

(i) Payment Of Governmental Charges. Until the entirety of the Project has been sold to one or more residential buyers, 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, the City or other governmental (or any instrumentality, division, agency, body or department thereof) taxes, levies, assessments, charges, liens, claims or encumbrances (except for those assessed by foreign nations, states other than the State of Illinois, counties of the state other than Cook County, and municipalities other than the City) relating to the Developer, the Property or the Project including but not limited to real estate taxes.

(ii) Right To Contest. The Developer has 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. 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 D.P.D. of the Developer's intent to contest or object to a Governmental Charge and, unless, at D.P.D.'s sole option,

(A) the Developer shall demonstrate to D.P.D.'s satisfaction that legal proceedings instituted by the Developer contesting or objecting to a Governmental Charge shall conclusively operate to prevent or remove a lien

against, or the sale or forfeiture of, all or any part of the Property to satisfy such Governmental Charge prior to final determination of such proceedings; and/or

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

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

8.20 Affordable Housing Covenant.

(a) The Developer agrees and covenants to the City that it shall meet the intent and purpose of the City's Affordable Housing Ordinance, Section 2-44-090 of the Municipal Code of Chicago, by undertaking the following:

(i) forty-one (41) of the Project's dwelling units (which quantity is twenty percent (20%) of the dwelling units comprising the Project) will be sold by Developer at initial base purchase prices not greater than those shown in the table below (which prices have already been approved by the City's Department of Housing) to buyers whose annual income does not exceed one hundred percent (100%) or eighty percent (80%), as the case may be, of the median income of the correspondingly-sized household in the City as determined from time to time by the City's Department of Housing ("Affordable Units"):

| Number Of Units | Unit Configuration | 100% A.M.I. Affordable Units Initial Sale Price |
|--|--|---|
| 4 | 3 bedroom single-family; 1,572 square feet; 2 parking pads | \$235,000 |
| 11 | 3 bedroom flat; 1,393 square feet; 1 parking pad | \$225,000 |
| 6 | 3 bedroom townhome; 1,504 square feet; 1 parking pad | \$200,927 |
| 80% A.M.I. (T.I.F.-Eligible) Affordable Units Initial Sale Price | | |
| 4 | 3 bedroom single-family; 1,572 square feet; 2 parking pads | \$182,000 |
| 10 | 3 bedroom flat; 1,393 square feet; 1 parking pad | \$172,500 |
| 6 | 3 bedroom townhome; 1,504 square feet; 1 parking pad | \$170,000 |

[above prices subject to adjustment prior to Closing Date if the H.U.D. A.M.I. guideline for the area changes]

(ii) it will ensure that a recapture mortgage running in favor of the City, which instrument includes verbatim the text set forth in the model recapture mortgage form set forth in (Sub)Exhibit K hereto (subject to revision based upon the City Affordability Amount, Qualified Household and Chicago-area median income (as such terms are defined in (Sub)Exhibit K) in effect as of the date of each applicable initial sale), is recorded in the Office of the Cook County Recorder of Deeds against each Affordable Unit at the time of the Developer's initial sale of each such unit; and

(iii) it will ensure that a photocopy of each of the forty-one (41) recorded recapture mortgages is provided to D.P.D. promptly upon the closing of each initial sale of each Affordable Unit.

(b) The covenants set forth in this Section 8.20 shall run with the land and be binding upon any transferee.

(c) The Developer acknowledges and agrees that any default under this Section 8.20, in addition to triggering an Event of Default under this Agreement, shall also be an event of default under the City's Affordable Housing Ordinance, Section 2-44-090 of the Municipal Code of Chicago, and may result in the City's assessment of Affordable Housing Opportunity Fund fees (as defined in that ordinance) of One Hundred Thousand Dollars (\$100,000) per Affordable Unit not completed as set forth herein.

8.21 Public Benefits Program.

The Developer shall undertake the public benefits program as described on (Sub)Exhibit N hereof. On a semi-annual basis, the Developer shall provide the City with a status report describing in sufficient detail the Developer's compliance with the public benefits program.

8.22 Survival Of Covenants.

All warranties, representations, covenants and agreements of the Developer contained in this Section 8 and elsewhere in this Agreement shall be true, accurate and complete at the time of the Developer's execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties hereto and (except as provided in Section 7 hereof upon the issuance of a Certificate) shall be in effect throughout the Term of the Agreement or until two (2) years after that date that the last dwelling unit of the Project has first been sold by the Developer.

8.23 Prohibition On Certain Contributions -- Mayoral Executive Order Number 05-1.

(a) Developer agrees that Developer, any person or entity who directly or indirectly has an ownership or beneficial interest in Developer of more than seven and five-tenths percent (7.5%) ("Owners"), spouses and domestic partners of such Owners, Developer's contractors (i.e., any person or entity in direct contractual privity with Developer regarding the subject matter of this Agreement) ("Contractors"), any person or entity who directly or indirectly has an ownership or beneficial interest in any Contractor of more than seven and five-tenths percent (7.5%) ("Subowners") and spouses and domestic partners of such Subowners (Developer and all the other preceding classes of persons and entities are together, the "Identified Parties"), shall not make a contribution of any amount to the Mayor of the City of Chicago (the "Mayor") or to his political fund-raising committee (i)

after execution of this Agreement by Developer, (ii) while this Agreement or any Other Contract is executory, (iii) during the term of this Agreement or any Other Contract between Developer and the City, or (iv) during any period while an extension of this Agreement or any Other Contract is being sought or negotiated.

(b) Developer represents and warrants that from the later of (i) February 10, 2005 (ii) the date the City approached the Developer regarding the formulation of this Agreement, or (iii) the date the Developer approached the City regarding the formulation of this Agreement, no Identified Parties have made a contribution of any amount to the Mayor or to his political fund-raising committee.

(c) Developer agrees that it shall not: (a) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fundraising committee; (b) reimburse its employees for a contribution of any amount made to the Mayor or to the Mayor's political fund-raising committee; or (c) bundle or solicit others to bundle contributions to the Mayor or to his political fund-raising committee.

(d) Developer agrees that the Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order Number 05-1 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order Number 05-1.

(e) Developer agrees that a violation of, noncompliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order Number 05-1 constitutes a breach and default under this Agreement, and under any Other Contract for which no opportunity to cure will be granted, unless the City, in its sole discretion, elects to grant such an opportunity to cure. Such breach and default entitles the City to all remedies (including without limitation termination for default) under this Agreement, under any Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

(f) If Developer intentionally violates this provision or Mayoral Executive Order Number 05-1 prior to the closing of this Agreement, the City may elect to decline to close the transaction contemplated by this Agreement.

(g) For purposes of this provision:

"Bundle" means to collect contributions from more than one source which are then delivered by one person to the Mayor or to his political fund-raising committee.

"Other Contract" means any other agreement with the City of Chicago to which Developer is a party that is (i) formed under the authority of Chapter 2-92 of the

Municipal Code of Chicago; (ii) entered into for the purchase or lease of real or personal property; or (iii) for materials, supplies, equipment or services which are approved or authorized by the City Council of the City of Chicago.

“Contribution” means a “political contribution” as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

Individuals are “Domestic Partners” if they satisfy the following criteria:

- (A) they are each other’s sole domestic partner, responsible for each other’s common welfare; and
- (B) neither party is married; and
- (C) the partners are not related by blood closer than would bar marriage in the State of Illinois; and
- (D) each partner is at least eighteen (18) years of age, and the partners are the same sex, and the partners reside at the same residence; and
- (E) two (2) of the following four (4) conditions exist for the partners:
 - 1. The partners have been residing together for at least twelve (12) months.
 - 2. The partners have common or joint ownership of a residence.
 - 3. The partners have at least two (2) of the following arrangements:
 - a. joint ownership of a motor vehicle;
 - b. a joint credit account;
 - c. a joint checking account;
 - d. a lease for a residence identifying both domestic partners as tenants.
 - 4. Each partner identifies the other partner as a primary beneficiary in a will.

“Political fund-raising committee” means a “political fund-raising committee” as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

Section 9.

Covenants/Representations/Warranties Of City.

9.01 General Covenants.

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

9.02 Survival Of Covenants.

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

Section 10.

Developer's Employment Obligations.

10.01 Employment Opportunity.

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

(a) No Employer shall discriminate against any employee or applicant for employment based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income as defined in the City of Chicago Human Rights Ordinance, Chapter 2-160, Section 2-160-010, et seq., Municipal Code; except as otherwise provided by said ordinance and as amended from time to time (the "Human Rights Ordinance"). Each Employer shall take affirmative action to ensure that applicants are hired and employed without discrimination

based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income and are treated in a nondiscriminatory manner with regard to all job-related matters, including without limitation: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Each Employer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this nondiscrimination clause. In addition, the Employers, in all solicitations or advertisements for employees, shall state that all qualified applicants shall receive consideration for employment without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income.

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

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

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

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

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

10.02 City Resident Construction Worker Employment Requirement.

The Developer agrees for itself and its successors and assigns, and shall contractually obligate its General Contractor and shall cause the General Contractor to contractually obligate its subcontractors, as applicable, to agree, that during the construction of the Project they shall comply with the minimum percentage of total worker hours performed by actual residents of the City as specified in Section 2-92-330 of the Municipal Code of Chicago (at least fifty percent (50%) of the total worker hours worked by persons on the site of the Project shall be performed by actual residents of the City); provided, however, that in addition to complying with this percentage, the Developer, its General Contractor and each subcontractor shall be required to make good faith efforts to utilize qualified residents of the City in both unskilled and skilled labor positions.

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

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

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

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

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

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

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

When work at the Project is completed, in the event that the City has determined that the Developer has failed to ensure the fulfillment of the requirement of this section concerning the worker hours performed by actual Chicago residents or failed to report in the manner as indicated above, the City will thereby be damaged in the failure to provide the benefit of demonstrable employment to Chicagoans to the degree stipulated in this section. Therefore, in such a case of noncompliance, it is agreed that one-twentieth of one percent (0.0005) of the aggregate hard construction costs set forth in the Project budget (the product of .0005 multiplied by such aggregate hard construction costs) (as the same shall be evidenced by approved contract value for the actual contracts) shall be surrendered by the Developer to the City in payment for each percentage of shortfall toward the stipulated residency requirement. Failure to report the residency of employees entirely and correctly shall result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. The willful falsification of statements and the certification of payroll data may subject the Developer, the General Contractor and/or the subcontractors to prosecution. Any retainage to cover contract performance that may become due to the Developer pursuant to Section 2-92-250 of the Municipal Code of Chicago may be withheld by the City pending the Chief Procurement Officer's determination as to whether the Developer must surrender damages as provided in this paragraph.

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

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

10.03 M.B.E./W.B.E. Commitment.

The Developer agrees for itself and its successors and assigns and, if necessary, to meet the requirements set forth herein, shall contractually obligate the General Contractor to agree that during the Project:

- (a) Consistent with the findings which support, as applicable, (i) the Minority-Owned and Women-Owned Business Enterprise Procurement Program,

Section 2-92-420, et seq., Municipal Code of Chicago (the "Procurement Program"), and (ii) the Minority- and Women-Owned Business Enterprise Construction Program, Section 2-92-650, et seq., Municipal Code of Chicago (the "Construction Program", and collectively with the Procurement Program, the "M.B.E./W.B.E. Program"), and in reliance upon the provisions of the M.B.E./W.B.E. Program to the extent contained in, and as qualified by, the provisions of this Section 10.03, during the course of the Project, at least the following percentages of the M.B.E./W.B.E., Budget (as set forth in (Sub)Exhibit H-2 hereto) shall be expended for contract participation by M.B.E.s and by W.B.E.s:

(1) At least twenty-four percent (24%) by M.B.E.s.

(2) At least four percent (4%) by W.B.E.s.

(b) For purposes of this Section 10.03 only, the Developer (and any party to whom a contract is let by the Developer in connection with the Project) shall be deemed a "contractor" and this Agreement (and any contract let by the Developer in connection with the Project) shall be deemed a "contract" or a "construction contract" as such terms are defined in Sections 2-92-420 and 2-92-670, Municipal Code of Chicago, as applicable.

(c) Consistent with Sections 2-92-440 and 2-92-720, Municipal Code of Chicago, the Developer's M.B.E./W.B.E. commitment may be achieved in part by the Developer's status as an M.B.E./W.B.E. (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 M.B.E.s or W.B.E.s (but only to the extent of the lesser of (i) the M.B.E. or W.B.E. participation in such joint venture or (ii) the amount of any actual work performed on the Project by the M.B.E. or W.B.E.) by the Developer utilizing a M.B.E. or a W.B.E. 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 M.B.E.s or W.B.E.s or by the purchase of materials or services used in the Project from one or M.B.E.s or W.B.E.s or by any combination of the foregoing. Those entities which constitute both a M.B.E. and a W.B.E. shall not be credited more than once with regard to the Developer's M.B.E./W.B.E. commitment as described in this Section 10.03. In accordance with Section 2-92-730, Municipal Code of Chicago, the Developer shall not substitute any M.B.E. or W.B.E. General Contractor or subcontractor without the prior written approval of D.P.D.

(d) The Developer shall deliver quarterly reports to the City's monitoring staff during the Project describing its efforts to achieve compliance with this M.B.E./W.B.E. commitment. Such reports shall include, inter alia, the name and business address of each M.B.E. or W.B.E. 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 M.B.E. or W.B.E. actually involved in the Project, a description of the work performed or products or services supplied, the date and amount of such work, product or service, and such other information as may assist the City's monitoring staff in determining the Developer's compliance with this M.B.E./W.B.E. commitment. The Developer shall maintain records of all relevant data with respect to the utilization of M.B.E.s and W.B.E.s in connection with the Project for at least five (5) after completion of the Project, and the City's monitoring staff shall have access to all such records maintained by the Developer, on five (5) Business Days notice, to allow the City to review the Developer's compliance with its commitment to M.B.E./W.B.E. participation and the status of any M.B.E. or W.B.E. performing any portion of the Project.

(e) Upon the disqualification of an M.B.E. or W.B.E. 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 M.B.E. or W.B.E. as a replacement. For purposes of this subsection (e), the disqualification procedures are further described in Sections 2-92-540 and 2-92-730, Municipal Code of Chicago, as applicable.

(f) Any reduction or waiver of the Developer's M.B.E./W.B.E. commitment as described in this Section 10.03 shall be undertaken in accordance with Sections 2-92-450 and 2-92-730, Municipal Code of Chicago, as applicable.

(g) Prior to the commencement of the Project, the Developer shall be required to meet with the City's monitoring staff with regard to the Developer's compliance with its obligations under this Section 10.03. The General Contractor and all major subcontractors shall be required to attend this pre-construction meeting. During said meeting, the Developer shall demonstrate to the City's monitoring staff its plan to achieve its obligations under this Section 10.03, the sufficiency of which shall be approved by the City's monitoring staff. During the Project, the Developer shall submit the documentation required by this Section 10.03 to the City's monitoring staff, including the following: (i) subcontractor's activity report; (ii) contractor's certification concerning labor standards and prevailing wage requirements; (iii) contractor letter of understanding; (iv) monthly utilization report; (v) authorization for payroll agent; (vi) certified payroll; (vii) evidence that M.B.E./W.B.E. contractor associations have been informed of the Project via written notice and hearings; and (viii) evidence of compliance with job creation/job retention requirements. Failure to submit such documentation on a timely basis, or a determination by the City's monitoring staff, upon analysis of the documentation, that the Developer is not complying with its obligations under this Section 10.03, 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 in this Agreement,

the City may: (1) issue a written demand to the Developer to halt the Project, (2) withhold any further payment of any City Funds to the Developer or the General Contractor, or (3) seek any other remedies against the Developer available at law or in equity.

Section 11.

Environmental Matters.

(a) City Property. The City makes no covenant, representation or warranty as to the soil or environmental condition of the City Property or the suitability of the City Property for any purpose whatsoever, and the Developer agrees to accept the City Property "as is" subject to the provisions of this Agreement.

If, after the Closing Date, the soil or environmental condition of the City Property is not in all respects entirely suitable for the use to which the City Property is to be utilized, it shall be the sole responsibility and obligation of the Developer to take such action as is necessary to put the City Property in a condition suitable for such intended use. The Developer agrees to release and indemnify the City from any claims and liabilities relating to or arising from the environmental condition of the City Property (including, without limitation, claims under C.E.R.C.L.A.) and to undertake and discharge all liabilities of the City arising from any environmental condition which existed on the City Property prior to the Closing.

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

Without limiting any other provisions hereof, the Developer agrees to indemnify, defend and hold the City harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses or claims of any kind whatsoever including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under any Environmental Laws incurred, suffered by or asserted against the City as a direct or indirect result of any of the following, regardless of whether or not caused by, or within the control of the Developer: (i) the presence of any Hazardous Material on or under, or the escape, seepage, leakage, spillage, emission, discharge or release of any Hazardous Material from (A) all or any portion of the Property or (B) any other real property in which the Developer, or any person directly or indirectly controlling, controlled by or under common control with the Developer, holds any estate or interest whatsoever

(including, without limitation, any property owned by a land trust in which the beneficial interest is owned, in whole or in part, by the Developer), or (ii) any liens against the Property permitted or imposed by any Environmental Laws, or any actual or asserted liability or obligation of the City or the Developer or any of its Affiliates under any Environmental Laws relating to the Property.

(c) If the Lender becomes the Developer hereunder, the Lender's liability for the covenants and agreements set forth in this Section 11 shall be limited to the Lender's interest in the Project and shall not create recourse to other assets of the Lender.

Section 12.

Insurance.

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

(a) Prior To Execution And Delivery Of This Agreement And Throughout The Term Of The Agreement:

(i) Workers' Compensation And Employer's Liability Insurance.

Workers' Compensation and Employer's Liability Insurance, as prescribed by applicable law covering all employees who are to provide a service under this Agreement and Employer's Liability coverage with limits of not less than One Hundred Thousand Dollars (\$100,000) each accident or illness.

(ii) Commercial General Liability Insurance (Primary And Umbrella).

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

(b) Construction:

(i) Workers' Compensation And Employer's Liability Insurance.

Workers' Compensation and Employer's Liability Insurance, as prescribed by applicable law covering all employees who are to provide a service under this Agreement and Employer's Liability coverage with limits of not less than Five Hundred Thousand Dollars (\$500,000) each accident or illness.

(ii) Commercial General Liability Insurance (Primary And Umbrella).

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

(iii) Automobile Liability Insurance (Primary And Umbrella).

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

(iv) Railroad Protective Liability Insurance.

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

(v) Builders Risk Insurance.

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

(vi) Professional Liability.

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

(vii) Valuable Papers Insurance.

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

(viii) Contractor's Pollution Liability.

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

(c) Term Of The Agreement:

- (i) Prior to the execution and delivery of this Agreement and during construction of the Project, All Risk Property Insurance in the amount of the full replacement value of the Property. The City of Chicago is to be named an additional insured on a primary, noncontributory basis, but the City's interest in such insurance proceeds shall be subordinate to the Lender's.
- (ii) Post-construction, throughout the Term of the Agreement, All Risk Property Insurance, including improvements and betterments in the amount of full replacement value of the Property. Coverage extensions shall include business interruption/loss of rents, flood and boiler and machinery, if applicable. The City of Chicago is to be named as an additional insured on a primary, noncontributory basis, but the City's interest in such insurance proceeds shall be subordinate to the Lender's.

(d) Other Requirements.

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

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

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

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

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

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

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

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

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

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

Section 13.

Indemnification.

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

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

(ii) the Developer's or any contractor's failure to pay General Contractors, subcontractors or materialmen in connection with the, T.I.F.-Eligible Improvements or any other Project improvement; or

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

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

provided, however, that Developer shall have no obligation to an Indemnitee arising from the wanton or willful misconduct of that Indemnitee. To the extent that the preceding sentence may be unenforceable because it is violative of any law or public policy, Developer shall contribute the maximum portion that it is permitted to pay and satisfy under the applicable law, to the payment and satisfaction of all indemnified liabilities incurred by the Indemnitees or any of them. The provisions of the undertakings and indemnification set out in this Section 13 shall survive the termination of this Agreement. If the Lender becomes the Developer hereunder, Lender's obligation under this Section 13 shall be limited to (i) matters arising after the Lender obtains title to the Project, and (ii) Lender's interest in the Project, with no recourse being available to the other assets of the Lender.

Section 14.

Maintaining Records/Right To Inspect.

14.01 Books And Records.

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

14.02 Inspection Rights.

Upon three (3) business days notice, any authorized representative of the City has access to all portions of the Project and the Property during normal business hours for the Term of the Agreement until two (2) years after that date that the last dwelling unit of the Project has first been sold by the Developer.

Section 15.

Default And Remedies.

15.01 Events Of Default.

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

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

(b) the failure of the Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Developer under any other agreement with any person or entity if such failure may have a material adverse effect on the Developer's 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, 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 the liquidation or reorganization of the Developer, or alleging that the Developer is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of the Developer's debts, whether under the United

States Bankruptcy Code or under any other state or federal law, now or hereafter existing for the relief of debtors, or the commencement of any analogous statutory or non-statutory proceedings involving the Developer; provided however, that if such commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such proceedings are not dismissed within sixty (60) days after the commencement of such proceedings;

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

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

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

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

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

(k) prior to the issuance of the Certificate, the sale or transfer of any of the ownership interests of the Developer without the prior written consent of the City.

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

15.02 Remedies.

Upon the occurrence of an Event of Default, the City may terminate this Agreement and all related agreements, and may suspend disbursement of City

Funds; provided, however, that the City will not suspend payment of any principal or interest due and owing under City Notes A or B. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to injunctive relief or the specific performance of the agreements contained herein.

15.03 Curative Period.

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

Section 16.

Mortgaging Of The Project.

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

(a) In the event that a mortgagee or any other party shall succeed to the Developer's interest in the Property or any portion thereof pursuant to the exercise of remedies under a New Mortgage (other than a Permitted Mortgage), whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of the Developer's interest hereunder in accordance with Section 18.15 hereof, the City may, but shall not be obligated to, attorn to and recognize such party as the successor in interest to the Developer for all purposes under this Agreement and, unless so recognized by the City as the successor in interest, such party shall be entitled to no rights or benefits under this Agreement, but such party shall be bound by those provisions of this Agreement that are covenants expressly running with the land.

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

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

(d) Notwithstanding the foregoing, any purchaser of a housing unit in the Project may place a mortgage on such unit or units without the consent of the City.

Section 17.

Notice.

Unless otherwise specified, any notice, demand or request required hereunder

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

If To The City:

City of Chicago
Department of Planning and
Development
121 North LaSalle Street, Room 1000
Chicago, Illinois 60602
Attention: Commissioner

with copies to:

City of Chicago
Department of Law
Finance and Economic Development
Division
121 North LaSalle Street, Room 600
Chicago, Illinois 60602

If To The Developer:

Woodlawn Park II, L.L.C.
54 West Hubbard Street -- Suite 205
Chicago, Illinois 60610

with copies to:

DLA Piper US L.L.P.
203 North LaSalle Street -- Suite 1800
Chicago, Illinois 60601
Attention: Paul Shadle

Such addresses may be changed by notice to the other parties given in the same manner provided above. Any notice, demand or request sent pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon dispatch. Any notice, demand or request sent pursuant to clause (c) shall be deemed received on the day immediately following deposit with the overnight courier and any notices, demands or requests sent pursuant to clause (d) shall be deemed received two (2) business days following deposit in the mail. The City and the Developer agree to give copies of all notices served hereunder to the Lender if the Lender requests such in writing as provided above, which request shall include the Lender's address to where notices shall be sent.

*Section 18.**Miscellaneous.*

18.01 Amendment.

This Agreement and the exhibits attached hereto may not be amended or modified without the prior written consent of the parties hereto and the Lender if the consent of the latter is required under the terms of any Subordination Agreement of record; provided, however, that the City, in its sole discretion, may amend, modify or supplement: (a) any exhibits containing legal descriptions in order to correct surveyor's, scrivener's or clerical errors, provided such corrections have no material effect on the Project; (b) (Sub)Exhibits H-1 and H-2 in connection with updated budgets and/or approvals of Change Orders; (c) (Sub)Exhibit D hereto; (d) unit locations, types and purchase prices; or (e) (Sub)Exhibit K hereto. It is agreed that no material amendment or change to this Agreement shall be made or be effective unless ratified or authorized by an ordinance duly adopted by the City Council. The term "material" for the purpose of this Section 18.01 shall be defined as any deviation from the terms of the Agreement which operates to cancel or otherwise reduce any developmental, construction or job-creating obligations of Developer (including those set forth in Sections 10.02 and 10.03 hereof) by more than five percent (5%) or materially changes the Project site or character of the Project or any activities undertaken by Developer affecting the Project site, the Project, or both, or increases any time agreed for performance by the Developer by more than ninety (90) days.

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. No delay or omission on the part of a party in exercising any right shall operate as a waiver of such right or any other right unless pursuant to the specific terms hereof. A waiver by a party of a provision of this Agreement shall not prejudice or constitute a waiver of such party's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by a party, nor any course of dealing between the parties hereto, shall constitute a waiver of any such parties' rights or of any obligations of any other party hereto as to any future transactions.

18.06 Remedies Cumulative.

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

18.07 Disclaimer.

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

18.08 Headings.

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

18.09 Counterparts.

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

18.10 Severability.

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

18.11 Conflict.

In the event of a conflict between any provisions of this Agreement and the provisions of the T.I.F. Ordinances, such ordinance(s) shall prevail and control.

18.12 Governing Law.

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

18.13 Form Of Documents.

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

18.14 Approval.

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

18.15 Assignment.

Prior to the issuance of the Certificate, the Developer may not sell, assign or otherwise transfer its interest in this Agreement in whole or in part without the written consent of the City, subject to the provisions of Section 4.03 (b) hereof. Notwithstanding the foregoing, the Developer may (a) sell and/or assign Note A to a qualified institutional buyer upon issuance; (b) sell and/or assign Note B to a

qualified institutional buyer upon issuance; and (c) at any time collaterally assign its interest in Note A, Note B, Note C and/or the right to receive City Funds under this Agreement and the Notes issued pursuant hereto to any Lender providing Lender Financing that has been identified to the City as of the Closing Date. Any successor in interest to the Developer under this Agreement shall certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, including but not limited to Section 8.22 (Survival of Covenants) hereof, for the Term of the Agreement. The Developer consents to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part.

18.16 Binding Effect.

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

18.17 Force Majeure.

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

18.18 Exhibits.

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

18.19 Business Economic Support Act.

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

18.20 Venue And Consent To Jurisdiction.

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

18.21 Costs And Expenses.

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

18.22 Business Relationships.

The Developer acknowledges (A) receipt of a copy of Section 2-156-030(b) of the Municipal Code of Chicago, (B) that Developer has read such provision and understands that pursuant to such Section 2-156-030(b), it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any

discussion in any City Council 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, and (C) that a violation of Section 2-156-030(b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Agreement shall be grounds for termination of this Agreement and the transactions contemplated hereby. The Developer hereby represents and warrants that, to the best of its knowledge after due inquiry, no violation of Section 2-156-030(b) has occurred with respect to this Agreement or the transactions contemplated hereby.

18.23 Estoppel Certificates.

The City and the Developer agree to furnish, upon written request of the Lender and within ten (10) days following such request, estoppel certificates stating (a) the amount of any costs, fees or expenses (if any) which are then due with respect to this Agreement, (b) whether there have been any amendments to this Agreement as of the date of such request, (c) whether there exists any Event of Default hereunder (and if so, a description of the nature thereof and the curative action required therefor), (d) whether there exists any condition or circumstance that given the passage of time if not cured may cause an Event of Default hereunder, and (e) any other truthful factual statement reasonably requested by the Lender.

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.

Woodlawn Park II, L.L.C., an Illinois
limited liability company

By: Magellan Project Services, L.L.C.,
an Illinois limited company, its
sole manager

By: Carlins Loewenberg Holdings,
L.L.C., an Illinois limited liability
company, its sole owner

By: _____

Its: _____

City of Chicago, a municipal corporation,
by and through its Department of
Planning and Development

By: _____
Commissioner

State of Illinois)
)SS.
County of Cook)

I, _____, a notary public in and for the said County, in the State aforesaid, do hereby certify that _____, personally known to me to be the _____ of _____, an Illinois [corporation] (the "Developer"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed, and delivered said instrument, pursuant to the authority given to him/her by the [Board of Directors] of the Developer, as his/her free and voluntary act and as the free and voluntary act of the Developer, for the uses and purposes therein set forth.

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

Notary Public

My commission expires: _____.

[Seal]

State of Illinois)
)SS.
County of Cook)

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

be the _____ Commissioner of the Department of Planning and Development of the City of Chicago (the "City"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed, and delivered said instrument pursuant to the authority given to him/her by the City, as his/her free and voluntary act and as the free and voluntary act of the City, for the uses and purposes therein set forth.

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

Notary Public

My commission expires: _____.

[(Sub)Exhibits "B-1(a)", "D", "E", "I", "N", "O" and "P" referred to in this Redevelopment Agreement with Woodlawn Park II, L.L.C. unavailable at time of printing.]

[(Sub)Exhibit "F" not referenced in this Redevelopment Agreement with Woodlawn Park II, L.L.C.]

(Sub)Exhibits "A", "B-1(b)", "B-2", "C", "G", "H-1", "H-2", "J", "K", "L", "M-1", "M-2" and "M-3" referred to in this Redevelopment Agreement with Woodlawn Park II, L.L.C. read as follows:

(Sub)Exhibit "A".
(To Redevelopment Agreement With
Woodlawn Park II, L.L.C.)

*Legal Description For Woodlawn Tax
Increment Financing District.*

That part of the south half of Section 14, the southeast quarter of Section 15, the east half of Section 22, the north half of Section 23 and the northwest quarter of

Section 24, all in Township 38 North, Range 14 East of the Third Principal Meridian, described as follows:

beginning at the southwest corner of Lot 41 in Keith's South Park Addition in the east half of the southeast quarter of said Section 14, said point being on the east line of Blackstone Avenue; thence southerly along said east line to the north line of 61st Place; thence easterly along said north line to the westerly line of the Illinois Central Railroad; thence southerly along said westerly line to the easterly extension of the south line of an east/west alley adjoining Lots 17 to 22 inclusive in O. A. Bogue's Subdivision in said east half of the southeast quarter; thence westerly along said south line of the alley (and its easterly extension) to the northwest corner of said Lot 17; thence southerly along the westerly line of said Lot 17 to the southwest corner thereof, being a point on the north line of 62nd Street; thence easterly along said north line to said westerly line of the Illinois Central Railroad; thence southerly along said westerly line to a point on the north line of 63rd Street; thence easterly along said north line to the northerly extension of the east line of Blackstone Avenue; thence southerly along said east line and its northerly extension, to the south line of 64th Street; thence westerly along said south line to the east line of the Illinois Central Railroad; thence southerly along said east line to the north line of 65th Street; thence easterly along said north line to the east line of Stony Island Avenue; thence southerly along said east line to the south line of 66th Street (also known as Marquette Road); thence westerly along said south line to the southerly extension of the westerly line of Dorchester Avenue; thence northerly along said westerly line and its southerly extension to the southeast corner of Lot 11 in Block 7 in Wait and Bowen's Subdivision in the west half of the northeast quarter of said Section 23; thence westerly along the south line of said Lot 11 to the east line of the west 100.00 feet of said Lot 11; thence northerly along said east line and along the east line of the west 100.00 feet of Lots 8, 9 and 10 in said Block 7 to a point on the north line of said Lot 8; thence easterly along said north line to the west line of the east half of Lot 7 in said Block 7; thence northerly along said west line and along the west line of the east half of Lot 6 in said Block 7 to the north line of said Lot 6; thence easterly along said north line to the west line of a north/south alley in Block 2 in Thomas A. Hall's Addition to Hyde Park, being a subdivision in the northeast quarter of said Section 23; thence northerly along said west line and along the west line of a north/south alley in Block 6 in said Wait and Bowen's Subdivision to the southeast corner of Lot 21 in said Block 6; thence westerly along the south line of said Lot 21 to the east line of Kenwood Avenue; thence southerly along said east line of Kenwood Avenue to the easterly extension of the south line of the north 12.50 feet of Lot 29 in Block 1 in said Thomas A. Hall's Addition to Hyde Park; thence westerly along said south line and its easterly extension to the east line of a north/south alley in said Block 1; thence southerly along said east line of the alley and its southerly extension to the south line of 66th Street (also known as Marquette Road); thence westerly along said south line to the east line of Ellis Avenue; thence southerly along said east line to the south line of 67th

Street; thence westerly along said south line to its intersection with the southerly extension of the west line of Ingleside Avenue; thence northerly 164 feet (more or less) along said westerly line and its southerly extension to its intersection with the westerly extension of the south line of Lot 15 in Block 12 in Woodlawn Ridge Subdivision, being a subdivision in the west half of the northwest quarter of said Section 23; thence easterly along said south line and its westerly extension to the west line of a north/south alley in said Block 12; thence northerly along said west line to said south line of 66th Street; thence westerly along said south line to the east line of a north/south alley in Block 11 in aforesaid Woodlawn Ridge Subdivision; thence southerly along said east line to its intersection with the easterly extension of the south line of Lot 22 in aforesaid Block 11; thence westerly along said south line and its easterly and westerly extensions to the southwest corner of Lot 3 in Block 10 in aforesaid Woodlawn Ridge Subdivision; thence southerly along the west line of Lot 4, said line also being the east line and its southerly extension of a north/south alley in aforesaid Block 10 to a point on said south line of 67th Street; thence westerly along said south line to the east line of Cottage Grove Avenue; thence southerly along said east line to its intersection with the easterly extension of the south line of Lot 14 in Block 1 in A. J. Hawhe's South Park Subdivision, being a subdivision in the east half of the southeast quarter of said Section 22; thence westerly along said south line and its easterly and westerly extensions to the west line of a north/south alley in aforesaid Block 1; thence northerly along said west line and its northerly extension, and also along the west line and the northerly extensions thereof of the north/south alleys in Block 1 in McChesney's Hyde Park Homestead Subdivision, McChesney's Resubdivision of Block 1, Block 8 in Oakwood Subdivision, Block 1 in Hoyt & Farwell's Hyde Park Subdivision, and Block 1 in Loring and Gibbs Subdivision, all being subdivisions in the east half of the northeast quarter of aforesaid Section 22, to the southeast corner of Lot 7 in Block 1 in said Loring and Gibbs Subdivision; thence westerly along the south line of said Lot 7 and its westerly extension to the west line of Evans Avenue; thence northerly along said west line of Evans Avenue to the westerly extension of the north line of an east/west alley in Block 2, in a resubdivision of Washington Park Club Addition to Chicago in the south half of the southeast quarter of said Section 15; thence easterly along said north line and its westerly extension, to the southwest corner of Lot 18 in said Block 2; thence southerly along the southerly extension of the west line of said Lot 18 to the north line of Lot 20 in said Block 2; thence easterly along said north line and along the north line of Lot 19 in said Block 2 to the west line of Cottage Grove Avenue; thence northerly along said west line to the north line of 62nd Street; thence easterly along said north line to the east line of a north/south alley in Block 5 in Snow & Dickinson's Subdivision of Blocks 4, 5 and 6 in Charles Busby's Subdivision in said west half of the southwest quarter of Section 14; thence southerly along the southerly extension of said east line to the centerline of 62nd Street; thence easterly along said centerline to its intersection with the centerline of Ingleside Avenue; thence northerly along said centerline 33 feet, more or less, to the north line of 62nd Street; thence westerly along said north line 33 feet, more or less, to the west line of Ingleside Avenue; thence northerly along said west line to the north line of aforesaid Snow &

Dickinson's Subdivision of Blocks 4, 5 and 6; thence easterly along said north line to the east line of a north/south alley in Block 4 in said Snow & Dickinson's Subdivision of Blocks 4, 5 and 6; thence southerly along said east line to the north line of 62nd Street; thence easterly along said north line to the west line of a north/south alley in the subdivision of Block 2 of Charles Busby's Subdivision in the east half of the southwest quarter of said Section 14; thence northerly, along said west line to the westerly extension of the north line of Lot 4 in said subdivision of Block 2 in Charles Busby's Subdivision; thence easterly along said north line and its westerly extension to the west line of University Avenue; thence northerly along said west line to the north line of Lot 12 and its westerly extension in J. E. Cowle's Subdivision in said east half of the southwest quarter of Section 14; thence easterly along said north line and its westerly extension to the east line of a north/south alley in said J. E. Cowle's Subdivision; thence southerly along said east line to the north line of said 62nd Street; thence easterly along said north line to the west line of a north/south alley in Block 3 of the subdivision of Blocks 3 and 5 of O. R. Keith's Subdivision, being a subdivision in said west half of the southeast quarter of said Section 14; thence northerly along said west line to the westerly extension of south line of Lot 3 in Block 3 in said subdivision; thence easterly along said south line and its easterly and westerly extensions to the east line of a north/south alley in Block 1 of the subdivision of Blocks 1 and 2 of O. R. Keith's Subdivision, being a subdivision in said west half of the southeast quarter; thence southerly along said east line to the south line of Lot 10 in aforesaid subdivision of Blocks 1 and 2; thence easterly along said south line to the west line of Dorchester Avenue; thence northerly along said west line to its intersection with the westerly extension of the northerly line of 61st Street; thence northeasterly along said northerly line being a curved line concave to the northwest to its intersection with the northerly extension of the west line of Blackstone Avenue; thence southeasterly to the southwest corner of Lot 41 in aforesaid Keith's South Park Addition, said point being the point of beginning,

all in the City of Chicago, Cook County, Illinois, containing approximately three hundred thirty (330) acres, more or less.

(Sub)Exhibit "B-1(b)".
(To Redevelopment Agreement With
Woodlawn Park II, L.L.C.)

Private Property Parcels.

Legal descriptions of entire Property, including the City Property Parcels, the Private Property Parcels and the Additional Parcel.

Parcel A:

Lots 19 through 32, both inclusive, in Lloyd's Resubdivision of Blocks 8, 9 and the west half of Block 10 in Charles Busby's Subdivision of the south half of the southwest quarter of Section 14, Township 38 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Parcel B:

Lots 5, 6, 7 and 8 in the subdivision of the south half of the east half of Block 10 of Charles Busby's Subdivision, together with all of Lots 19 through 25, both inclusive, in Lloyd's Resubdivision of Blocks 8, 9 and the west half of Block 10 of said Charles Busby's Subdivision of the south half of the southwest quarter of Section 14, Township 38 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Parcel C:

Lots 48 through 57, both inclusive, in King and Rumsey's Addition to Woodlawn Ridge, being a subdivision in the northwest quarter of Section 23, Township 38 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Parcel D:

Lots 46 and 47 in Wadsworth Addition to Woodlawn, a subdivision of the west 8 acres of the east 30 acres of the northeast quarter of Section 23, also Lots 7 and 8 of Block 2 and Lot 10 and the west 40 feet of Lot 11 in Block 3 of the second plat of Woodlawn, being a subdivision of the east 22 acres of the north half of the northwest quarter of said Section 23, both in Township 38 North, Range 14 East, of the Third Principal Meridian, in Cook County, Illinois.

Also, Lots 1 through 5, both inclusive, in King and Rumey's Addition to Woodlawn Ridge, together with that portion of the alley south of and adjoining said Lot 2, vacated by ordinance passed on February 23, 1927 and recorded April 23, 1927 as Document 9626142 in said King and Rumsey's Addition to Woodlawn Ridge, being a subdivision in the northwest quarter of Section 23, Township 38 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Parcel E:

Lots 1 through 6, both inclusive, Lots 11, 12, 13, 14 and 15, all in Block 2 of the second plat of Woodlawn, being a subdivision of the east 22 acres of the north half of the northwest quarter of Section 23, Township 38 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Also, Lots 1, 2 and 3 in Wadsworth Addition to Woodlawn, being a subdivision of the east 22 acres of the north half of the northwest quarter of Section 23, Township 38 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Also, Lots 1, 2 and 3 in the resubdivision of Lots 4 to 12 of Wadsworth Addition to Woodlawn, also Lots 9 and 10 of Block 2 and the east 50 feet of the west 90 feet of Lot 11 of Block 3 of the second plat of Woodlawn in Section 23, Township 38 North, Range 14 east of the Third Principal Meridian, in Cook County Illinois.

Also, all of the east and west public alley, 20 feet wide, and also all of the north and south public alley, 20 feet wide, lying adjacent to and adjoining said lots in said subdivision and resubdivisions aforesaid, being also all of the public alleys within the block bounded by the south line of East 63rd Street, the west line of South University Avenue, the north line of East 64th Street and the east line of East Greenwood Avenue.

Parcel F:

Lots 10, 11, 12 and 13 in Wadsworth and Towle's Resubdivision of Lots 1, 2, 3, 9, 10, 11 and 12 in Towle and Evoy's Subdivision of Lots 1, 2, 5 and 6 in Block 1 of the second plat of Woodlawn in Section 23, Township 38 North, Range 14 East of the Third Principal Meridian in Cook County Illinois.

Also, Lots, 4, 5, 6, 7 and 8 in said Towle and Evoy's Subdivision of Lots 1, 2, 5 and 6 in Block 1 of the second plat of Woodlawn in Section 23, Township 38 North, Range 14 East of the Third Principal Meridian, in Cook County Illinois.

Also, Lots 3 and 4 in Block 1 of the second plat of Woodlawn, being a subdivision of the east 22 acres of the north half of the northwest quarter of Section 23, Township 38 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Parcel G:

Lot 13, except the north 27 feet thereof, in Block 11 of Charles Busby's Subdivision of the south half of the southwest quarter of Section 14, Township

38 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Parcel H:

Lot 11 and the south half of Lot 12 in Block 11 of Charles Busby's Subdivision of the south half of the southwest quarter of Section 14, Township 38 North, Range 14 East of the third principal meridian, in Cook County, Illinois.

Parcel I:

Lots 8, 9 and the south half of the Lot 10 in Block 11 of Charles Busby's Subdivision of the south half of the southwest quarter of Section 14, Township 38 North, Range 14 East of the Third Principal Meridian in Cook County Illinois.

Also, Lots 2, 3, 4, 5, 6 and 7 in the subdivision of Lot 7 in Block 11 in Charles Busby's Subdivision of the south half of the southwest quarter of Section 14, Township 38 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Also, Lots 1 through 8, both inclusive, in the Owners' Subdivision in the southeast corner of Block 11 in Charles Busby's Subdivision of the south half of the southwest quarter of Section 14, Township 38 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Parcel J:

Lots 1 through 8, both inclusive, in Wright's Subdivision of the south 4.394 chains of the east 4.56 chains of the southwest quarter of Section 14, Township 38 North, Range 14 East of the Third Principal Meridian in Cook County Illinois.

Also, Lots 1, 2 and 3 in Pennington's Subdivision of Lot 7 in Block 12 of Charles Busby's Subdivision of the south half of the southwest quarter of Section 14, Township 38 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Also, Lots 3 and 4 in the subdivision of the south half of Lot 8 and also the north half of Lot 3 of Pennington's Subdivision of Lot 7 in Block 12 of Charles Busby's Subdivision of the south half of the southwest quarter of Section 14, Township 38 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Parcel K:

Lot 16 in the subdivision of Block 4 in O. R. Keith's Subdivision of the southwest quarter of the southeast quarter of Section 14, Township 38 North, Range 14 East of the Third Principal Meridian in Cook County Illinois.

Also, Lot 18, except the east 36.08 feet thereof, in Columbia Pointe Unit 1, being a subdivision of a part of the southeast quarter of Section 14 and a part of the northeast quarter of Section 23, both in Township 38 North, Range 14 East of the Third Principal Meridian in Cook County, Illinois, according to the plat of said Columbia Pointe Unit 1.

(Sub)Exhibit "B-2".

(To Redevelopment Agreement With
Woodlawn Park II, L.L.C.)

Legal Description Of Phase I Parcels.

Permanent Index Number:

20-23-200-033/004.

Parcel 1:

The south 40 feet of Lots 6 and 7 in Block 3 in Wait and Bowen's Subdivision of that part of the west half of the northeast quarter of Section 23, Township 38 North, Range 14 East of the Third Principal Meridian, lying west of the Illinois Central Railroad, in Cook County, Illinois.

Parcel 2:

The north 25 feet of the south 65 feet of Lot 6 and the north 25 feet of the south 65 feet of Lot 7 in Block 3 in Wait and Bowen's Subdivision of that part of the west half of the northeast quarter of Section 23, Township 38 North, Range 14, East of the Third Principal Meridian, lying west of the Illinois Central Railroad, all in Cook County, Illinois.

Permanent Index Number:

20-23-200-036.

Lot 6 (except the south 65 feet thereof) and Lot 7 (except the south 65 feet thereof) in Block 3 in Wait and Bowen's Subdivision of that part of west half of the northeast quarter of Section 23, Township 38 North, Range 14, East of the Third Principal Meridian, lying west of the Illinois Central Railroad, in Cook County, Illinois.

Permanent Index Number:

20-23-200-005.

West half of Lot 5 in Block 3 in Wait and Bowen's Subdivision of that part of the west half of the northeast quarter of Section 23, Township 38 North, Range 14 East of the Third Principal Meridian, lying west of Illinois Central Railroad in Cook County, Illinois.

Permanent Index Number:

20-23-200-030/031/007.

Lots 3 and 4 and the east half of Lot 5 in Block 3 in Wait and Bowen's Subdivision of that part of the west half of the northeast quarter of Section 2, Township 38 North, Range 14 East of the Third Principal Meridian, lying west of Illinois Central Railroad in Cook County, Illinois.

Permanent Index Number:

20-23-200-008.

The west 25 feet of Lot 2 in Wait and Bowen's Subdivision of that part of the west half of the northeast quarter of Section 23, Township 38 North, Range 14, lying west of the railroad recorded March 9, 1868, Document 161329, vacation by Edwin O. Lamphere and Hattie M. Lamphere of Lots 1 to 10, inclusive, and alleys in Block 12 of Wait and Bowen's Subdivision recorded November 15, 1892, Document 1768694.

Permanent Index Number:

20-23-200-009.

Lot 1 and the east half of Lot 2 in Block 3 in Wait and Bowen's Subdivision of the west half of the northwest quarter of Section 23, Township 38 North, Range 14, East of the Third Principal Meridian, lying west of Illinois Central Railroad in the County of Cook, State of Illinois.

Permanent Index Number:

20-14-412-023/024/025.

Lots 10 to 15 in subdivision of Block 4 in O. R. Keith's Subdivision of the southwest quarter of the southeast quarter of Section 14, Township 38 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

Permanent Index Number:

20-23-201-002/003/029.

Lots 1 through 6 in Earl's Subdivision of Lots 5, 6 and 7 of Block 2 of Wait and Bowen's Subdivision of that part of the west half of the northeast quarter of Section 23, Township 38 North, Range 14 East of the Third Principal Meridian, lying west of the Illinois Central Railroad, all Cook County, Illinois.

Permanent Index Number:

20-23-201-031; and

20-23-201-030.

Lot 4 (except the west 25.20 feet thereof (except the east 9³/₄ inches of that part lying north of the south 58 feet thereof) and south 58 feet of the west 7 feet of Lot 3 in Block 2 in Wait and Bowen's Subdivision of part of the west half of the northeast quarter of Section 23, lying west of the right-of-way of Illinois Central Railroad in Township 38 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois,

And;

the west 25.20 feet of Lot 4 (except the west 7 inches of the north 85 feet, 10³/₄ inches) in Block 2 in Wait and Bowen's Subdivision of part of the west half of the

northeast quarter of Section 23, lying west of right-of-way of Illinois Central Railroad in Township 38 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois,

And;

Lot 2 (except the east 40 feet, 9 inches thereof and the south 58 feet thereof), Lot 3 (except the east 34 feet of the south 58 feet thereof, except the west 7 feet of the south 58 feet thereof) and the east 9¾ inches of that part of Lot 4 lying north of the south 58 feet thereof in Block 2 in Wait and Bowen's Subdivision of that part of the west half of the northeast quarter of Section 23, Township 38 North, Range 14 East of the Third Principal Meridian, lying west of the Illinois Central Railroad in Cook County, Illinois.

Permanent Index Number:

20-23-201-026.

Lot 2 (except the east 40 feet, 9 inches thereof and the south 58 feet thereof), Lot 3 (except the east 34 feet of the south 58 feet thereof, and except the west 7 feet of the south 58 feet thereof) and the east 9¾ inches of that part of Lot 4 lying north of the south 58 feet thereof in Block 2 in Wait and Bowen's Subdivision of that part of the west half of the northeast quarter of Section 23, Township 38 North, Range 14 East of the Third Principal Meridian, lying west of the Illinois Central Railroad in Cook County, Illinois.

Permanent Index Number:

20-14-413-025/026/027.

Lot 12 and Lot 13 (except the west 40 feet) in Block 5 of the subdivision of Blocks 3 and 5 of O.R. Keith's Subdivision of the southwest quarter of the southeast quarter of Section 14, Township 38 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

Permanent Index Number:

20-14-413-028.

That part of Lots 10 and 11 in Block 5 in subdivision of Blocks 3 and 5 in O.R. Keith's Subdivision of the southwest quarter of the southeast quarter of

Section 14, Township 38 North, Range 14, East of the Third Principal Meridian in Cook County, Illinois taken as one tract described as follows:

commencing at a point on the south line of tract 60.20 feet west of the southeast corner of tract; thence north parallel with the east line of tract 94.85 feet; thence west parallel with the south line of tract 02 feet; thence north to a point of the north line of tract 60.42 feet west of the northeast corner of said tract; thence west to the northwest corner of tract; thence south to the southwest corner of tract; thence east to the point of beginning.

Permanent Index Number:

20-14-413-029.

That part of Lots 10 and 11 in Block 5 in subdivision of Blocks 3 and 5 in O.R. Keith's Subdivision of the southwest quarter of the southeast quarter of Section 14, Township 38 North, Range 14, East of the Third Principal Meridian in Cook County, Illinois taken as one tract described as follows:

commencing at a point on the south line of tract 60.20 feet west of the southeast corner of tract; thence north parallel with the east line of tract 94.85 feet; thence west parallel with the south line of 0.02 feet; thence north to a point on the north line of tract 6.42 feet west of the northeast corner of tract; thence east to the northeast corner of tract; thence south to the southeast corner of tract; thence west to the point of beginning.

(Sub)Exhibit "C".
(To Redevelopment Agreement With
Woodlawn Park II L.L.C.)

T.I.F.-Eligible Improvements.

| Description Of Expenses | Amount |
|---|-------------|
| Site Work/Environmental (clean fill/3 feet) | \$1,243,697 |
| Environmental Testing and Filing Fees | 299,000 |
| Site Work Contingency | 510,371 |

| Description Of Expenses | Amount |
|---|------------------|
| Land Acquisition | \$ 4,925,000 |
| Infrastructure Design | 289,501 |
| Construction Interest (not to exceed thirty percent (30%) of senior loan interest on the market-rate units) | 253,496 |
| Construction Management/Consulting Services | 250,000 |
| Soil Engineering/Testing | 152,250 |
| Streets and Alleys | 4,360,010 |
| Architecture and Engineering (Affordable Units) | 179,300 |
| Affordable Housing Construction (eighty percent (80%) A.M.I. Units) | 1,831,810 |
| General Conditions (Affordable Units) | 14,654 |
| Legal (Affordable Units) | <u>30,000</u> |
| TOTAL T.I.F. ELIGIBLE EXPENSES: | \$14,339,089 |

Notwithstanding the total of T.I.F.-Eligible Improvements shown here, the assistance to be provided by the City is limited to the maximum amount of City Funds calculated pursuant to Section 4.03 herein.

The Commissioner may consent to adjustments between the line items set forth above and to consent to additional project-related T.I.F.-Eligible Improvements within other categories authorized under the Act.

(Sub)Exhibit "G".
(To Redevelopment Agreement With
Woodlawn Park II L.L.C.)

Permitted Liens.

1. Liens or encumbrances against the Property:

Those matters set forth as Schedule B title exceptions in the owner's title

insurance policy issued by the Title Company as of the date hereof, but only so long as applicable title endorsements issued in conjunction therewith on the date hereof, if any, continue to remain in full force and effect.

2. Liens or encumbrances against the Developer or the Project, other than liens against the Property, if any:

[To be completed by Developer's counsel, subject to City approval.]

(Sub)Exhibit "H-1".
(To Redevelopment Agreement With
Woodlawn Park II, L.L.C.)

Project Budget.

Sources

| | |
|---|-------------------|
| Equity (including proceeds derived from syndicated from Note A) | \$ 6,402,349 |
| Debt | <u>66,848,436</u> |
| Total: | \$73,250,785 |

Uses Of Funds

| | |
|--|--------------|
| Land | |
| Land Acquisition (City and WCDC) | \$ 4,925,000 |
| Land Closing Cost | 0 |
| Land Carry Cost on deferred land payment | <u>0</u> |
| Subtotal | \$ 4,925,000 |

Site Preparation

| | |
|-------------------------|--------------|
| Site Work/Environmental | \$ 1,754,068 |
|-------------------------|--------------|

| | |
|--|------------------|
| Sidewalks, Streets, Alleys and Underground Electrical | <u>4,360,010</u> |
|--|------------------|

| | |
|----------|--------------|
| Subtotal | \$15,039,078 |
|----------|--------------|

Hard Construction

| | |
|--|---------------------|
| | <u>\$50,562,952</u> |
|--|---------------------|

| | |
|----------|--------------|
| Subtotal | \$65,602,030 |
|----------|--------------|

Soft Costs

| | |
|-------------------------------|-----------|
| Architectural and Engineering | 1,793,000 |
|-------------------------------|-----------|

| | |
|-----------------|---------|
| Master Planning | 500,000 |
|-----------------|---------|

| | |
|-----------------------------|---------|
| Overhead and Administration | 943,833 |
|-----------------------------|---------|

| | |
|--|---------|
| General Legal, Accounting and T.I.F. Legal | 421,000 |
|--|---------|

| | |
|------------------------|-----------|
| Project Management Fee | 1,522,500 |
|------------------------|-----------|

| | |
|-----------|-----------|
| Marketing | 1,371,100 |
|-----------|-----------|

| | |
|-----------------------|---------|
| Environmental Testing | 299,000 |
|-----------------------|---------|

| | |
|----------------------|--------|
| Appraisal and Survey | 50,000 |
|----------------------|--------|

| | |
|--------------------|-----------|
| Affordable Subsidy | 1,070,190 |
|--------------------|-----------|

| | |
|------------------------------------|---------|
| Construction Management/Consultant | 250,000 |
|------------------------------------|---------|

| | |
|----------------------|---------|
| Predevelopment Costs | 500,000 |
|----------------------|---------|

| | |
|------------------------------|---------|
| Soil and Engineering Testing | 152,250 |
|------------------------------|---------|

| | |
|------------------|--------|
| Title and escrow | 75,000 |
|------------------|--------|

| | |
|-----------|---------|
| Insurance | 304,500 |
|-----------|---------|

| | |
|--|---------|
| Interim R.E. taxes during construction | 200,000 |
|--|---------|

| | |
|-------------------------------|----------------|
| Permits/Fees | \$ 761,250 |
| UCC Searches | 15,000 |
| Lenders Architect | 91,350 |
| Fee for Landscaping Credit | 7,000 |
| Soft Cost Contingency | <u>444,272</u> |
| Subtotal | \$10,771,254 |
| Finance And Interest Expense | |
| Construction Loan/Escrow | \$ 0 |
| Financing/Closing Fees | 0 |
| Financing Cost Contingency | 85,000 |
| Construction Interest Expense | <u>792,501</u> |
| Subtotal | \$ 877,501 |
| TOTAL: | \$73,250,785 |

(Sub)Exhibit "H-2".
 (To Redevelopment Agreement With
 Woodlawn Park II, L.L.C.)

Columbia Pointe II

Project Budget -- M.B.E./W.B.E. Eligible Costs.

Hard Costs

| | |
|--|-----------------|
| Residential Unit Construction | \$47,547,456.00 |
| Sidewalks/Streets/Alleys/Underground Electrical | 4,360,010.00 |
| Total: | \$51,907,466.00 |

Soft Costs

| | |
|------------------------------|-----------------|
| Architecture and Engineering | \$ 1,793,000.00 |
| Total: | \$ 1,793,000.00 |

Site and Acquisition Costs

| | |
|-------------------------|-----------------|
| Site Work/Environmental | \$ 1,243,697.00 |
|-------------------------|-----------------|

TOTAL M.B.E./W.B.E. ELIGIBLE COSTS: \$54,944,163.00

Minimum Contract Amount to M.B.E. Contractors (24%) \$13,186,599.12

Minimum Contract Amount to W.B.E. Contractors (4%) \$ 2,197,766.52

The above M.B.E./W.B.E. dollar values are an estimate. The final M.B.E./W.B.E. Budget will be inserted prior to the Closing Date based upon hard costs plus architectural and engineering costs, with permitted exclusions subject to the review and approval of D.P.D.

(Sub)Exhibit "J".
(To Redevelopment Agreement With
Woodlawn Park II, L.L.C.)

Opinion Of Developer's Counsel.

[To Be Retyped On The Developer's Counsel's Letterhead]

City of Chicago
121 North LaSalle Street
Chicago, Illinois 60602

Attention: Corporation Counsel

Ladies and Gentlemen:

We have acted as counsel to _____, an [Illinois] _____ (the "Developer"), in connection with the purchase of certain land and the construction

of certain facilities thereon located in the _____ Redevelopment Project Area (the "Project"). In that capacity, we have examined, among other things, the following agreements, instruments and documents of even date herewith, hereinafter referred to as the "Documents":

(a) _____ Redevelopment Agreement (the "Agreement") of even date herewith, executed by the Developer and the City of Chicago (the "City");

[(b) the Escrow Agreement of even date herewith executed by the Developer and the City;]

(c) [insert other documents including but not limited to documents related to purchase and financing of the Property and all lender financing related to the Project]; and

(d) all other agreements, instruments and documents executed in connection with the foregoing.

In addition to the foregoing, we have examined:

(a) the original or certified, conformed or photostatic copies of the Developer's (i) Articles of Incorporation, as amended to date, (ii) qualifications to do business and certificates of good standing in all states in which the Developer is qualified to do business, (iii) Bylaws, as amended to date, and (iv) records of all corporate proceedings relating to the Project [revise if the Developer is not a corporation]; and

(b) such other documents, records and legal matters as we have deemed necessary or relevant for purposes of issuing the opinions hereinafter expressed.

In all such examinations, we have assumed the genuineness of all signatures (other than those of the Developer), the authenticity of documents submitted to us as originals and conformity to the originals of all documents submitted to us as certified, conformed or photostatic copies.

Based on the foregoing, it is our opinion that:

1. The Developer is a corporation duly organized, validly existing and in good standing under the laws of its state of [incorporation] [organization], has full power and authority to own and lease its properties and to carry on its business as presently conducted, and is in good standing and duly qualified to do business as a foreign [corporation] [entity] under the laws of every state in which the conduct of its affairs or the ownership of its assets requires such qualification, except for

those states in which its failure to qualify to do business would not have a material adverse effect on it or its business.

2. The Developer has full right, power and authority to execute and deliver the Documents to which it is a party and to perform its obligations thereunder. Such execution, delivery and performance will not conflict with, or result in a breach of, the Developer's [Articles of Incorporation or Bylaws] [describe any formation documents if the Developer is not a corporation] or result in a breach or other violation of any of the terms, conditions or provisions of any law or regulation, order, writ, injunction or decree of any court, government or regulatory authority, or, to the best of our knowledge after diligent inquiry, any of the terms, conditions or provisions of any agreement, instrument or document to which the Developer is a party or by which the Developer or its properties is bound. To the best of our knowledge after diligent inquiry, such execution, delivery and performance will not constitute grounds for acceleration of the maturity of any agreement, indenture, undertaking or other instrument to which the Developer is a party or by which it or any of its property may be bound, or result in the creation or imposition of (or the obligation to create or impose) any lien, charge or encumbrance on, or security interest in, any of its property pursuant to the provisions of any of the foregoing, other than liens or security interests in favor of the lender providing Lender Financing (as defined in the Agreement).

3. The execution and delivery of each Document and the performance of the transactions contemplated thereby have been duly authorized and approved by all requisite action on the part of the Developer.

4. Each of the Documents to which the Developer is a party has been duly executed and delivered by a duly authorized officer of the Developer, and each such Document constitutes the legal, valid and binding obligation of the Developer, enforceable in accordance with its terms, except as limited by applicable bankruptcy, reorganization, insolvency or similar laws affecting the enforcement of creditors' rights generally.

5. (Sub)Exhibit A attached hereto (a) identifies each class of capital stock of the Developer, (b) sets forth the number of issued and authorized shares of each such class, and (c) identifies the record owners of shares of each class of capital stock of the Developer and the number of shares held of record by each such holder. To the best of our knowledge after diligent inquiry, except as set forth on (Sub)Exhibit A, there are no warrants, options, rights or commitments of purchase, conversion, call or exchange or other rights or restrictions with respect to any of the capital stock of the Developer. Each outstanding share of the capital stock of the Developer is duly authorized, validly issued, fully paid and nonassessable.

6. To the best of our knowledge after diligent inquiry, no judgments are outstanding against the Developer, nor is there now pending or threatened, any litigation, contested claim or governmental proceeding by or against the Developer or affecting the Developer or its property, or seeking to restrain or enjoin the performance by the Developer of the Agreement or the transactions contemplated by the Agreement, or contesting the validity thereof. To the best of our knowledge after diligent inquiry, the Developer is not in default with respect to any order, writ, injunction or decree of any court, government or regulatory authority or in default in any respect under any law, order, regulation or demand of any governmental agency or instrumentality, a default under which would have a material adverse effect on the Developer or its business.

7. To the best of our knowledge after diligent inquiry, there is no default by the Developer or any other party under any material contract, lease, agreement, instrument or commitment to which the Developer is a party or by which the company or its properties is bound.

8. To the best of our knowledge after diligent inquiry, all of the assets of the Developer are free and clear of mortgages, liens, pledges, security interests and encumbrances except for those specifically set forth in the Documents.

9. The execution, delivery and performance of the Documents by the Developer have not and will not require the consent of any person or the giving of notice to, any exemption by, any registration; declaration or filing with or any taking of any other actions in respect of, any person, including without limitation any court, government or regulatory authority.

10. To the best of our knowledge after diligent inquiry, the Developer owns or possesses or is licensed or otherwise has the right to use all licenses, permits and other governmental approvals and authorizations, operating authorities, certificates of public convenience, goods carriers permits, authorizations and other rights that are necessary for the operation of its business.

11. A federal or state court sitting in the State of Illinois and applying the choice of law provisions of the State of Illinois would enforce the choice of law contained in the Documents and apply the law of the State of Illinois to the transactions evidenced thereby.

We are attorneys admitted to practice in the State of Illinois and we express no opinion as to any laws other than federal laws of the United States of America and the laws of the State of Illinois. [Note: include a reference to the laws of the state of incorporation/organization of the Developer, if other than Illinois.]

This opinion is issued at the Developer's request for the benefit of the City and its counsel, and may not be disclosed to or relied upon by any other person.

Very truly yours,

By: _____

Name: _____

[(Sub)Exhibit "A" referred to in this Opinion of Developer's Counsel unavailable at time of printing.]

(Sub)Exhibit "K".
(To Redevelopment Agreement With
Woodlawn Park II, L.L.C.)

Text Of Recapture Mortgage.

The following text is required to be incorporated verbatim into the forty-one (41) recapture mortgages that must be recorded in the Office of the Cook County Recorder of Deeds against the forty-one (41) Affordable Units at the time of the Developer's initial sale of each such unit (subject to revision based upon the City Affordability Amount, Qualified Household and Chicago-area median income in effect as of the date of each applicable initial sale):

Mortgage, Security And Recapture Agreement,
Including Residency, Transfer, Financing
And Affordability Covenants.

(Compliant With The Owner-Occupied Housing Features Of The Affordable
Housing Ordinance Of 2003 And With The Woodlawn Park II, L.L.C.
(Columbia Pointe Development) Redevelopment Agreement)

City Affordability Amount

Affordability Period

\$ _____
[Fill In Here And In Article I]

30 Years

This Mortgage, Security and Recapture Agreement, including Residency, Transfer, Financing and Affordability Covenants (this "Mortgage") is made as of this ___ day of _____, 200__ from [Insert Name(s) and Describe Marital Status] _____ [If Recipient Is One Person: (the "Mortgagor"),] [If Recipient Is More Than One Person: (collectively, jointly and severally referred to herein as the "Mortgagor"),] to the City of Chicago, an Illinois municipal corporation, acting by and through its Department of Planning and Development, and having its principal office at City Hall, 121 North LaSalle Street -- Room 1000, Chicago, Illinois 60602 (the "City" or "Mortgagee"). Capitalized terms not otherwise defined herein shall have the meaning set forth in Section 1.

Recitals.

A. The City Council of the City, by ordinance adopted April 9, 2003, adopted an Affordable Housing Ordinance (the "A.H.O."), codified at Chapter 2-44-090 of the Municipal Code of the City, which obligates the City to impose certain affordability and recapture requirements upon developers who undertake residential development projects that receive City assistance in the form of either the sale of City land at less than fair market value or in the form of financial assistance.

B. The City and Woodlawn Park II, L.L.C., an Illinois limited liability company ("Developer"), have executed that certain Woodlawn Park II, L.L.C. (Columbia Pointe Development) Redevelopment Agreement, dated _____, 2007 and recorded in the Office of the Recorder of Deeds of Cook County as Document Number _____ (the "Redevelopment Agreement"). Pursuant to the Redevelopment Agreement, the Developer has constructed Columbia Pointe on the real property legally described on (Sub)Exhibit A (such real property, the "Property" and such project, the "Project"). As part of the Project, the Developer has constructed on the real property legally described on (Sub)Exhibit B attached hereto (the "Land") a single-family housing unit (the "Home").

C. Pursuant to the Redevelopment Agreement, the City provided a grant of City funds to the Developer in the amount not to exceed Thirteen Million Three Hundred Sixty-seven Thousand Eight Hundred Eleven Dollars (\$13,367,811), to be paid to Developer from certain available incremental taxes, as described in more detail in the Redevelopment Agreement.

D. Pursuant to the A.H.O., the Developer acknowledges that it is required to sell the Mortgaged Property to Mortgagor for the Base Purchase Price, plus upgrades, subject to Mortgagor's execution of this Mortgage in favor of Mortgagee, which Mortgage secures the residency, transfer, financing and affordability covenants set forth in Section 3 of this Mortgage (such covenants, the "Affordability Covenants"), which covenants shall run with the Land and are intended to assure that the City achieves the affordable housing objectives of the A.H.O. and complies with the affordability and recapture provisions of the A.H.O.

E. The Affordability Covenants require that, among other things, with respect to the initial sale of the Mortgaged Property (in connection with which this Mortgage is being granted), and with respect to each resale of the Mortgaged Property during the Affordability Period (unless Mortgagor is permitted and elects to repay to the City the Recapture Amount), such Mortgaged Property may only be sold to a Qualified Household for an Affordable Price.

F. Mortgagor has covenanted to Mortgagee herein that it is a Qualified Household and that the Base Purchase Price is an Affordable Price.

G. Mortgagor acknowledges and agrees that, as of the Purchase Date, the Base Purchase Price is less than the fair market price for the Mortgaged Property by an amount equal to the City Affordability Amount, as evidenced by contemporaneous or projected sales of comparable homes.

H. Mortgagor acknowledges and agrees that, but for the City's imposition of the Affordability Covenants, Mortgagor would have been unable to purchase the Mortgaged Property for an Affordable Price.

I. The City has required Mortgagor to execute this Mortgage in order to both (a) impose the Affordability Covenants upon the Mortgaged Property and give notice of the Affordability Covenants to Mortgagor, to any subsequent purchaser of the Mortgaged Property, and to any lender having a mortgage secured by the Mortgaged Property, and (b) to secure the payment of the Recapture Amount described in Section 4.02 hereof and Mortgagor's other obligations under this Mortgage.

J. In consideration of the benefits accruing to Mortgagor as a result of its purchase of the Mortgaged Property for an Affordable Price, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Mortgagor has executed and delivered to the City this Mortgage.

Now, Therefore, To secure the performance and observance by Mortgagor of all the terms, covenants and conditions described herein, and in order to charge the properties, interests and rights hereinafter described with such consideration, Mortgagor has executed and delivered this Mortgage and does hereby grant, convey, assign, mortgage, grant a security interest in, and confirm unto Mortgagee and its successors and assigns forever, all of Mortgagor's right, title and interest in the following described property (which is hereinafter sometimes referred to as "Mortgaged Property"):

(A) the Land and, if such Land constitutes a common element under applicable condominium property law, Mortgagor's undivided interest therein and in any common elements and limited common elements associated therewith;

(B) the Home and all easements, rights, interests and appurtenances thereto, including, without limitation, any deeded, reserved or assigned parking area or

storage space and any interest in common elements and limited common elements associated therewith;

(C) all structures and improvements of every nature whatsoever now or hereafter located on the Land or situated within or comprising a part of the Home, including, without limitation, all fixtures of every kind and nature whatsoever which are or shall be attached to said buildings, structures or improvements, and now or hereafter owned by Mortgagor, including all extensions, additions, improvements, betterments, renewals and replacements of any of the foregoing (the "Improvements"); and

(D) all rents and issues of the Land, Home and Improvements from time to time and all of the estate, right, title, interest, property, possession, claim and demand at law, as well as in equity of Mortgagor, in and to the same;

To Have And To Hold the Mortgaged Property and all parts thereof unto Mortgagee, its successors and assigns, to its own proper use, benefit and advantage forever, subject, however, to the terms, covenants and conditions herein;

Without limitation of the foregoing, Mortgagor hereby further grants unto Mortgagee, pursuant to the provisions of the Uniform Commercial Code of the State of Illinois, a security interest in all of the above-described property, which are or are to become fixtures.

This Mortgage Is Given To Secure: (a) payment of all Recapture Amounts described herein, (b) performance of the Affordability Covenants, and (c) the payment and performance of all other obligations, covenants, conditions and agreements contained herein and in any other agreement, document or instrument to which reference is expressly made in the Mortgage.

Article I.

Incorporation Of Recitals; Definitions.

The recitals set forth above constitute an integral part of the Mortgage and are hereby incorporated herein by this reference with the same force and effect as if set forth herein as the agreement of the Mortgagor.

As used herein, the following capitalized terms shall be defined as follows:

"Affordability Covenants" shall mean the affordability covenants and requirements contained in Section 3 hereof and (Sub)Exhibit C hereto.

"Affordability Period" shall mean the thirty (30) year period commencing on the Purchase Date.

“Affordable Price” shall mean an amount less than or equal to the price at which Monthly Homeownership Costs for the Mortgaged Property would total not more than thirty percent (30%) of household income for a household with a family size equal to the product of one and five-tenths (1.5) multiplied by the number of bedrooms in the Mortgaged Property whose income is the maximum amount allowable for such household to qualify as a Qualified Household.

“Base Purchase Price” shall mean \$_____, which is the base purchase price the Mortgagor paid the Developer for the Mortgaged Property pursuant to the requirements of the Redevelopment Agreement.

“City Affordability Amount” shall mean \$_____, constituting the dollar difference between the market value of the Mortgaged Property at the time of its purchase from Developer (based on appraisals, comparable sales or similar evidence reasonably acceptable to the City’s Department of Planning and Development) and the Base Purchase Price.

“Monthly Homeownership Costs” shall mean the sum of the following estimated amounts:

- (i) monthly principal and interest payments on a thirty (30) year fixed rate purchase money mortgage in the amount of ninety-five percent (95%) of the purchase price of the Mortgaged Property, bearing interest at a rate equal to the prevailing rate as published in the *Chicago Tribune* (or posted on the internet website maintained by the *Chicago Tribune*) as of the date of calculation of Monthly Homeownership Costs, rounded up to the nearest quarter percent;
- (ii) annual estimated real property taxes for the Mortgaged Property (based upon the most recently issued real estate tax bill), divided by twelve (12);
- (iii) annual insurance premiums for the Mortgaged Property, divided by twelve (12), for homeowners’ insurance in the amount of the replacement value of the Mortgaged Property; and
- (iv) monthly condominium assessment payments or similar homeowners’ association payments for the Mortgaged Property, if applicable.

“Purchase Date” shall mean the date on which the Mortgagor purchased the Mortgaged Property, which shall be deemed to be the date on which this Mortgage is recorded.

“Purchase Price” shall mean \$_____, being the sum of the Base Purchase Price plus upgrades.

“Qualified Household” shall mean a single person, family or unrelated persons living together whose adjusted income is not more than [for the one hundred percent (100%) A.M.I. Affordable Units: one hundred percent (100%)] [for the T.I.F.-Eligible Affordable Units: eighty percent (80%)] of the Chicago-area median income, adjusted for family size, as such adjusted income and Chicago-area median income are determined from time to time by the United States Department of Housing and Urban Development for purposes of Section 8 of the United States Housing Act of 1937. As of the Purchase Date, such income limitations are as follows [Current Information For The Charts Below Must Be Obtained From The City’s Housing Department Or H.U.D. Just Prior To Closing Date]:

For The 100% A.M.I. Affordable Units.

| Number Of Persons In Household | 100% Of A.M.I. |
|-----------------------------------|----------------|
| 1 | \$52,800 |
| 2 | \$60,300 |
| 3 | \$67,900 |
| 4 | \$75,400 |
| 5 | \$81,400 |
| 6 | \$87,500 |

For The T.I.F.-Eligible Affordable Units.

| Number Of Persons In Household | 80% Of A.M.I. |
|-----------------------------------|---------------|
| 1 | \$ to come |
| 2 | \$ |
| 3 | \$ |
| 4 | \$ |
| 5 | \$ |
| 6 | \$ |

"Recapture Amount" shall mean an amount, determined as of any applicable determination date, equal to the City Affordability Amount plus simple, non-compounding interest on such amount at the rate of three percent (3%) per annum (assuming twelve (12) thirty (30) day months) calculated from the Purchase Date to the date of the Recapture Default. For example, if (a) this Mortgage was recorded January 1, 2005, (b) the date of the Recapture Default was July 1, 2011, and (c) the City Affordability Amount was Twenty Thousand Dollars (\$20,000), then (i) the interest on the City Affordability Amount would be Three Thousand Nine Hundred Dollars (\$3,900) (Six Hundred Dollars (\$600)/year for six (6) years, plus Three Hundred Dollars (\$300) for one-half (½) year, and (ii) the Recapture Amount would be Twenty-three Thousand Nine Hundred Dollars (\$23,900) (Twenty Thousand Dollars (\$20,000) plus Three Thousand Nine Hundred Dollars (\$3,900)).

Article II.

Covenants, Representations And Warranties.

Mortgagor covenants and agrees with Mortgagee that, at all times during the Affordability Period:

2.01 Taxes And Assessments.

(a) Mortgagor will pay when due all general taxes and assessments (including, without limitation, any condominium or homeowners' association assessments, if applicable), special assessments, water charges and all of the charges against the Mortgaged Property and shall, upon written request, furnish to Mortgagee receipts evidencing payment thereof, provided that Mortgagor, in good faith and with reasonable diligence, may contest the validity or amount of any such taxes, assessments or charges, provided that during any such contest the enforcement of the lien of such taxes, assessments or charges is stayed.

(b) Mortgagor will not suffer (unless bonded or insured over) any mechanic's, laborer's, materialmen's or statutory lien to remain outstanding upon any of the Mortgaged Property. Mortgagor may contest such lien, provided that Mortgagor shall first post a bond in the amount of the contested lien, or provide title insurance over such contested lien, and further provided that Mortgagor shall diligently prosecute the contested lien and cause the removal of the same.

2.02 Insurance.

Mortgagor shall keep the Mortgaged Property continuously insured (or shall use reasonable efforts to cause the condominium or homeowners' association, as

applicable, to keep insured such parts of the Mortgaged Property as may be required to be insured by such association under the applicable declaration) in such amounts and against such risks as required of Mortgagor by the Senior Lender, paying the premiums for said insurance as they become due. Policies of insurance shall name Mortgagee as an additional insured. All policies of insurance shall provide that the same shall not be canceled, except upon thirty (30) days prior written notice to Mortgagee.

2.03 Maintenance Of The Property.

(a) Mortgagor shall preserve and maintain the Mortgaged Property in good condition and repair, will not commit or suffer any waste thereof, and will keep the same in a clean, orderly and attractive condition. Mortgagor shall not do or suffer to be done anything which will increase the risk of fire or other hazard to the Mortgaged Property or any part thereof.

(b) If the Mortgaged Property or any part thereof is damaged by fire or any other cause, Mortgagor will immediately give written notice of the same to Mortgagee.

(c) Mortgagee or its representatives shall have the right to inspect the Mortgaged Property to assure compliance with the terms of this Mortgage.

(d) Mortgagor shall promptly comply, and cause the Mortgaged Property to comply, with all present and future laws, ordinances, orders, rules and regulations and other requirements of any governmental authority affecting the Mortgaged Property or any part thereof and with all instruments and documents of record or otherwise affecting the Mortgaged Property or any part thereof.

(e) If all or any part of the Mortgaged Property shall be damaged by fire or other casualty, Mortgagor (subject to the rights of the Board of Managers of the condominium or homeowners' association, if applicable, with respect to any proceeds applicable to common elements or limited common elements), will promptly restore the Mortgaged Property to the equivalent of its condition prior to the casualty, to the extent of any insurance proceeds made available to Mortgagor for that purpose.

2.04 Subordination.

This Mortgage shall be subject and subordinate in all respects to that certain mortgage dated as of _____, 200__, between Mortgagor and _____ (the "Senior Lender"), recorded with the Office of the Recorder of Deeds of Cook County, Illinois on _____, 200__, as Document

Number _____ (the "Senior Mortgage"), to secure indebtedness in the original principal amount not to exceed the Base Purchase Price. This Mortgage shall also be subordinate to any subsequent mortgage that refinances the Senior Mortgage, so long as such refinancing is not in an amount greater than the Base Purchase Price.

2.05 Income Eligibility.

Mortgagor represents and warrants to Mortgagee that, based on Mortgagor's household income, as of the time of Mortgagor's execution of its purchase contract for the Mortgaged Property, Mortgagor's household was a Qualified Household as of such date.

2.06 Foreclosure Of Senior Mortgage.

In the event of a transfer of title of the Mortgaged Property through foreclosure or recording of deed in lieu of foreclosure to the Senior Lender pursuant to the Senior Mortgage, Mortgagee acknowledges and agrees that the Affordability Covenants and any other provisions contained herein restricting the sale and occupancy of the Mortgaged Property to buyers or occupants which meet the income eligibility requirements of the A.H.O. shall be released and shall have no further force or effect; provided, however, that all such Affordability Covenants and restrictions shall be revived according to the original terms if, during the Affordability Period, the Mortgagor or any member of Mortgagor's household or family reacquires an ownership interest in the Mortgaged Property. Any other person (including the successors and/or assigns of Senior Lender) receiving title to the Mortgaged Property through a foreclosure or deed in lieu of foreclosure of the Senior Mortgage shall also receive title to the Mortgaged Property free and clear of such restrictions.

Further, if Senior Lender acquires title to the Mortgaged Property pursuant to a deed in lieu of foreclosure, the lien of this Mortgage and the restrictions contained herein shall automatically terminate upon the Senior Lender's acquisition of title to the Mortgaged Property, provided that: (i) the Senior Lender has given written notice to Mortgagor of a default under the Senior Mortgage in accordance with its terms, (ii) the Mortgagor shall not have cured the default under the Senior Mortgage within any applicable cure period(s) provided for therein; and (iii) any proceeds from any subsequent sale of the Mortgaged Property, if any, which Mortgagee is entitled to receive after payment of all amounts due pursuant to the Senior Mortgage and pursuant to this Mortgage, are paid to Mortgagee.

Article III.

Residency, Transfer, Financing And Affordability Covenants.

Mortgagor covenants to comply with the residency, transfer, financing and affordability covenants set forth in (Sub)Exhibit C, which covenants are materially related to the City's affordable housing objectives of the A.H.O.

Article IV.

Default.

4.01 Events Of Default.

The terms "Event of Default" or "Events of Default", wherever used in the Mortgage, shall mean any one or more of the following events:

- (a) a failure by Mortgagor to comply with any of the Affordability Covenants set forth in (Sub)Exhibit C hereof;
- (b) failure by Mortgagor to duly observe or perform any other material term, covenant, condition or agreement in the Mortgage after the expiration of the applicable cure periods provided in Section 4.02; or
- (c) a default continuing beyond all applicable cure periods under the Senior Mortgage and permitting foreclosure thereunder.

4.02 City Remedies.

The City shall have the following remedies, depending on the nature and timing of the Event of Default:

- (a) Recapture Defaults. If an Event of Default arising from a breach of one or more of the covenants set forth in (Sub)Exhibit C occurs, (such a default, a "Recapture Default"), the City may seek specific enforcement of the Affordability Covenants and any other remedies available under this Mortgage. The City, in its sole discretion, and in lieu of its specific enforcement of the Affordability Covenants, may elect to require payment of the Recapture Amount in the event that the City determines that specific enforcement of the Affordability Covenants is impractical or inappropriate. If Mortgagor pays to the City the Recapture

Amount pursuant to an election by the City to accept same, then the City shall have no other remedy with respect to such Event of Default and shall be obligated to execute and deliver a release of this Mortgage in recordable form and any subsequent transferee shall not be bound by any Affordability Covenants or otherwise required to execute and deliver any mortgage in favor of the City.

(b) Other Mortgage Defaults. If an Event of Default occurs that is not a Recapture Default, and such default involves a failure to make timely payment of any amount due and secured by this Mortgage or the Senior Mortgage and such failure is not cured within ten (10) days of the Mortgagee's delivery of written notice of such failure to Mortgagor (a "Monetary Event of Default"), then Mortgagee shall be entitled to immediately: (i) declare the Recapture Amount immediately due and payable (with such Monetary Event of Default date being also being deemed the Recapture Default date for purposes of computing such amount); and (ii) exercise any other remedies available under this Mortgage (including, without limitation, specific enforcement of the Affordability Covenants any time prior to the end of the Affordability Period of this Mortgage), in either instance without further notice or demand.

(c) If an Event of Default occurs by Mortgagor failing to perform any other non-monetary obligation required under this Mortgage that is not described in Section 4.02(a) or (b) and such failure is not cured within sixty (60) days of the Mortgagee's delivery of written notice of such failure to Mortgagor, Mortgagee shall be entitled to immediately: (i) declare the Recapture Amount immediately due and payable (with such non-monetary Event of Default date being also being deemed the Recapture Default date for purposes of computing such amount); and (ii) exercise any other remedies available under this Mortgage (including, without limitation, specific enforcement of the Affordability Covenants anytime prior to the end of the Affordability Period of this Mortgage), in either instance without further notice or demand. In the event such default cannot reasonably be cured within such sixty (60) day period, however, and if Mortgagor has commenced efforts to cure such default, then the time to cure shall be extended so long as said party diligently continues to cure such default.

(d) If an event of default occurs under the Senior Lender's security documents (after the giving of any applicable notice and lapse of any applicable cure period, if any) and the Senior Lender commences efforts to foreclose its mortgage (or obtain a deed-in-lieu-of-foreclosure), obtain appointment of a receiver for the Mortgaged Property, or obtain possession of the Mortgaged Property, such event of default shall (notwithstanding anything in this Section 4.02 to the contrary) constitute an immediate Event of Default under this Mortgage and the Mortgagee shall be entitled to immediately: (i) declare the Recapture Amount immediately due and payable (with such commencement date being also deemed the Recapture Default date for purposes of computing the Recapture Amount); and (ii) exercise any other remedies available under this Mortgage, in either instance without further notice or demand.

4.03 Other Remedies.

(a) If any amounts due under and secured by this Mortgage shall become due, whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien hereof for such indebtedness or part thereof. This Mortgage and the right of foreclosure hereunder shall not be impaired or exhausted by any foreclosure of the Senior Mortgage, and may be foreclosed successively and in parts, until all of the Mortgaged Property has been foreclosed against. In any such foreclosure, or upon the enforcement of any other remedy of Mortgagee, there shall be allowed and included as additional indebtedness all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for reasonable attorneys' fees, appraisers' fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, and costs involved in title insurance and title examinations. All expenditures and expenses of the nature in this Section 4.03 mentioned, and such expenses and fees as may be incurred in the protection of the Mortgaged Property and the maintenance of the lien of this Mortgage, including the reasonable fees of any attorney employed by Mortgagee in any litigation or proceeding affecting this Mortgage, or the Mortgaged Property, including probate and bankruptcy proceedings, or in preparation for the commencement or defense of any proceeding or threatened suit or proceeding, shall be immediately due and payable by Mortgagor, with interest thereon at the lesser of the highest rate permitted by law or fifteen percent (15%) per annum, and shall be secured by this Mortgage. The proceeds of any foreclosure sale of the Mortgaged Property shall be distributed and applied in the following order of priority: (i) on account of all costs and expenses incidental to the foreclosure proceedings, including all such items as are mentioned in this section; (ii) repayment of the indebtedness owed to the Senior Lender, subject to the limitation in Section 2.04; (iii) repayment of any other amounts due under this Mortgage; and (iv) payment of any remaining amounts due to Mortgagor, its successors or assigns, as their rights may appear.

(b) Mortgagor shall not and will not apply for or avail itself of any appraisalment, valuation, stay, extension or exemption laws, or any so-called "Moratorium Laws", now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, but hereby waives the benefit of such laws. Mortgagor, for itself and all who may claim through or under it, waives any and all right to have the property and estates comprising the Mortgaged Property marshaled upon any foreclosure of the lien hereof, and agrees that any court having jurisdiction to foreclose such lien may order the Mortgaged Property sold as an entirety. To the extent permitted by law, Mortgagor hereby waives any and all rights of redemption from sale under any order or decree of foreclosure of this Mortgage on such Mortgagor's behalf and on behalf of each and every person, except decree or judgment creditors of Mortgagor, acquiring any interest in or title to the Mortgaged Property subsequent to the date of this Mortgage.

(c) Upon any other entering upon or taking of possession of the Mortgaged Property after the occurrence of an Event of Default and the expiration of the

applicable cure period and other than by means of a foreclosure, Mortgagee, subject to the rights of the Senior Lender, may hold, use, manage and control the Mortgaged Property and, from time to time: (i) make all necessary and proper maintenance, repairs, renewals, replacements, additions, betterments and improvements thereto and thereon and purchase or otherwise acquire additional fixtures, personalty and other property required in connection therewith; (ii) insure or keep the Mortgaged Property insured; (iii) manage the Mortgaged Property and exercise all the rights and powers of Mortgagor to the same extent as Mortgagor could in its own name or otherwise with respect to the same; and (iv) enter into any and all agreements with respect to the exercise by others of any of the powers herein granted to Mortgagee, all as Mortgagee from time to time may reasonably determine to be to its best advantage. Mortgagee may collect and receive all the rents, issues, profits and revenues of the same, including those past due as well as those accruing thereafter, and, after deducting to the extent reasonable: (aa) expenses of taking, holding and managing the Mortgaged Property (including compensation for the services of all persons employed for such purposes); (bb) the cost of all such maintenance, repairs, renewals, replacements, additions, betterments, improvements and purchases and acquisitions; (cc) the cost of such insurance; (dd) such taxes, assessments and other similar charges as Mortgagee may determine to pay; (ee) other proper charges upon the Mortgaged Property or any part thereof; and (ff) the reasonable compensation, expenses and disbursements of the attorneys and agents of Mortgagee, shall apply the remainder to the payment of amounts due under this Mortgage. The balance of such funds, if any, after payment in full, of all of the aforesaid amounts shall be paid to Mortgagor.

(d) Mortgagee may also seek specific performance or injunctive relief in order to enforce the provisions of this Mortgage.

4.04 Receiver.

Subject to the rights of the Senior Lender, if an Event of Default shall have occurred and be continuing after an applicable cure period has expired, Mortgagee, upon application to a court of competent jurisdiction, shall be entitled to the appointment of a receiver to take possession of and to operate the Mortgaged Property and to collect and apply the rents, issues, profits and revenues thereof. The receiver shall otherwise have all of the rights and powers to the fullest extent permitted by law.

4.05 Purchase By Mortgagee.

Upon any foreclosure sale, Mortgagee may bid for and purchase the Mortgaged Property and shall be entitled to apply all or any part the Recapture Amount and other amounts due under and secured by this Mortgage as a credit to the purchase price.

4.06 Remedies Cumulative.

No right, power or remedy conferred upon or reserved to Mortgagee by this Mortgage is intended to be exclusive of any other right, power or remedy, but each and every right, power and remedy shall be cumulative and concurrent and shall be in addition to any other right, power and remedy given hereunder or now or hereafter existing at law, in equity or by statute.

4.07 Waiver.

No delay or omission of Mortgagee to exercise any right, power or remedy accruing upon any Event of Default shall exhaust or impair any such right, power or remedy or shall be construed to be a waiver of any such Event of Default or acquiescence therein; and every right, power and remedy given by this Mortgage to Mortgagee may be exercised from time to time as often as may be deemed expedient by Mortgagee. No consent or waiver, expressed or implied, by Mortgagee to or of any breach or Event of Default by Mortgagor in the performance of its obligations hereunder shall be deemed or construed to be a consent or waiver to or of any other breach or Event of Default in the performance of the same or any other obligations of Mortgagor hereunder. Failure on the part of Mortgagee to complain of any act or failure to act or to declare an Event of Default, irrespective of how long such failure continues, shall not constitute a waiver by Mortgagee of its rights hereunder or impair any rights, powers or remedies on account of any breach or default by Mortgagor.

Article V.

Miscellaneous Provisions.

5.01 Successor And Assigns.

This Mortgage shall inure to the benefit of and be binding upon Mortgagor and its respective legal representatives, successors and assigns. Whenever a reference is made in this Mortgage to Mortgagor, such reference shall be deemed to include a reference to legal representatives, successors and assigns of Mortgagor, as applicable.

5.02 Terminology.

All personal pronouns used in this Mortgage, whether used in the masculine,

feminine or neuter gender, shall include all other genders; the singular shall include the plural, and vice versa. Titles and sections are for convenience only and neither limit nor amplify the provisions of this Mortgage, and all references herein to articles, sections or paragraphs shall refer to the corresponding articles, sections or paragraphs of this Mortgage unless specific reference is made to such articles, sections or paragraphs of another document or instrument.

5.03 Severability.

If any provision of this Mortgage or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Mortgage and the application of such provision to other persons or circumstances shall not be affected thereby and shall be enforced to the extent permitted by law.

5.04 Security Agreement.

This Mortgage shall be construed as a "Security Agreement" within the meaning of and shall create a security interest under the Uniform Commercial Code as adopted by the State of Illinois with respect to any part of the Mortgaged Property which constitutes fixtures. Mortgagee shall have all the rights with respect to such fixtures afforded to it by said Uniform Commercial Code in addition to, but not in limitation of, the other rights afforded Mortgagee by this Mortgage or any other agreement.

5.05 Modification.

No change, amendment, modification, cancellation or discharge hereof, or of any part hereof, shall be valid unless in writing and signed by the parties hereto or their respective successors and assigns. Mortgagor shall have no right to convey the Mortgaged Property into a land trust without obtaining the prior written consent of the City.

5.06 No Merger.

It being the desire and intention of the parties that this Mortgage and the lien hereof do not merge in fee simple title to the Mortgaged Property, it is hereby understood and agreed that should Mortgagee acquire any additional or other interests in or to said property or the ownership thereof, then, unless a contrary interest is manifested by Mortgagee as evidenced by an appropriate document duly recorded, this Mortgage and the lien hereof shall not merge in the fee simple title,

toward the end that this Mortgage may be foreclosed as if owned by a stranger to the fee simple title.

5.07 Applicable Law.

This Mortgage shall be interpreted, construed and enforced under the laws of the State of Illinois, without regard to its conflict of laws principles.

5.08 Administration.

All consents, approvals, modifications, waivers, adjustments or other actions of the City described herein shall be made in writing by the City, acting through its Department of Planning and Development, or any successor department thereto. All notices, requests, or other communications to the City hereunder shall be made to the Department of Planning and Development at the following address: 121 North LaSalle Street -- Room 1000, Chicago, Illinois 60602, Attention: Commissioner.

In Witness Whereof, The undersigned has caused this Mortgage to be executed as of the day and year first above written.

Mortgagor(s):

State of Illinois)
)SS.
County of Cook)

I, _____, a notary public in and for said County, in the State aforesaid, do hereby certify that _____ [and _____] to me as the same person(s) whose name(s) is/are subscribed to the foregoing instrument, appeared before me this day in person and being first duly sworn by me acknowledged that he/she/they signed and delivered the said instrument as his/her/their free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and notarial seal this ____ day of _____, 200__.

Notary Public

My commission expires: _____.

[(Sub)Exhibits "A" and "B" referred to in this Mortgage, Security and Recapture Agreement, including Residency, Transfer, Financing and Affordability Covenants unavailable at time of printing.]

(Sub)Exhibit "C" referred to in this Mortgage, Security and Recapture Agreement, including Residency, Transfer, Financing and Affordability Covenants reads as follows:

(Sub)Exhibit "C".
(To Mortgage, Security And Recapture Agreement
Including Residency, Transfer, Financing
And Affordability Covenants)

*Residency, Transfer, Financing And
Affordability Covenants.*

In consideration of the requirements of the A.H.O. that apply to the Developer and that have enabled the Mortgagor to Purchase the Mortgaged Property for the Base Purchase Price, Mortgagor covenants to Mortgagee that:

(a) Mortgagor meets the income eligibility requirements established under the A.H.O. in order to qualify as a Qualified Household under such ordinance;

(b) during the Affordability Period, Mortgagor shall own the Mortgaged Property, shall not lease the Mortgaged Property, shall use the Mortgaged Property as its primary residence (and the primary residence of Mortgagor's Qualified Household), and will not let any other person occupy or use the property without the prior written consent of the City, which shall be in the City's reasonable discretion, and

which, if granted, will require that the total amount payable by any tenant household not exceed the amount set forth to qualify such housing as "affordable housing" as defined in the Illinois Affordable Housing Act, 310 ILCS 65/1, et seq;

(c) during the Affordability Period, Mortgagor shall not sell or otherwise directly or indirectly transfer ownership of the Mortgaged Property, except (i) to a Qualified Household, (ii) for an Affordable Price, and provided that (iii) the transferee Qualified Household executes a mortgage, security and recapture agreement in similar form to this Mortgage. Mortgagor shall confer with the City's Department of Planning and Development before entering into a sale contract involving the Mortgaged Property for assistance in determining the qualifications of any proposed transferee and the eligible resale price of the Mortgaged Property. Any transfer of ownership (x) resulting from Mortgagor's death and occurring pursuant to (i) the terms of a written land trust, personal trust or will, or (ii) state intestacy law, (y) to a spouse or member of Mortgagor's Qualified Household, or (z) that simply consists of Mortgagor's transfer (with the prior written consent of the City to such transfer) of the Mortgaged Property into a land trust or personal trust of which Mortgagor is the sole beneficiary and holder of power of direction, as applicable, shall not be subject to the foregoing transfer restriction, provided, however, that the transferee in any such transfer shall be bound by all of the affordable housing covenants contained in this Mortgage. If Mortgagor attempts or purports to transfer the Mortgaged Property to a transferee in violation of any one or more of the conditions in clauses (i), (ii) and (iii), such attempted or purported transfer shall constitute an immediate Event of Default under Section 4.01(a); and

(d) during the Affordability Period, it shall not encumber the Mortgaged Property with any one or more mortgages which, individually or in aggregate, secures initial principal indebtedness in excess of the Base Purchase Price.

The Affordability Covenants in this (Sub)Exhibit C may be waived or modified in writing by the City, upon a showing of undue hardship or changed circumstances that would make the enforcement of such covenants inequitable or impractical, as determined by the City in its sole discretion.

Upon either a permitted transfer described in clause (c)(iii) above or a transfer accompanied by a repayment of the Recapture Amount in accordance with the terms of this Mortgage, the City will, upon ten (10) business days prior written notice, execute and deliver a "Certificate of Transfer" confirming that such transfer is a permitted transfer hereunder and effective to deliver legal title to the transferee. In addition, within thirty (30) days of receipt of a written request from Mortgagor, Mortgagee shall execute a release of the Mortgage in recordable form.

Mortgagor Acknowledges And Agrees That, To The Extent The Affordability Covenants, Anything In This (Sub)Exhibit C, Or Any Other Provision In This Mortgage Could Be Deemed A Restraint On Alienation, That Any Such Restraint (A)

\$ _____, in connection with that City of Chicago Tax Increment Allocation Revenue Note (Woodlawn Redevelopment Project) (Columbia Pointe Development)), Taxable Series 2007C, issued _____, 2007.

D. None of the costs referenced in paragraph C above have been previously reimbursed by the City.

E. The Developer hereby certifies to the City that, as of the date hereof:

1. Except as described in the attached certificate, the representations and warranties contained in the Redevelopment Agreement are true and correct and the Developer is in compliance with all applicable covenants contained herein.

2. No event of Default or condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default, exists or has occurred.

All capitalized terms which are not defined herein have the meanings given such terms in the Agreement.

Woodlawn Park, L.L.C.

By: _____

Its: _____

Subscribed and Sworn before me this _____ day of _____, _____.

My commission expires: _____.

Agreed and Accepted:

Name

Title: _____

City of Chicago
Department of Planning and Development

(Sub)Exhibit "M-1".
(To Redevelopment Agreement With
Woodlawn Park II, L.L.C.)

Form Of City Note A.

Registered
Number R-1

Principal Amount
\$3,917,525

United States Of America

State Of Illinois

County Of Cook

City Of Chicago

Tax Increment Allocation Revenue Note
(Woodlawn Redevelopment Project) (Columbia Pointe Development)
Tax Exempt Series 2007A.

Registered Owner: Woodlawn Park II, L.L.C.

Interest Rate: _____

Dated Date: _____

Maturity Date: January 1, 2018

Know All Persons By These Presents, That the City of Chicago, Cook County, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, the principal amount of this Note and to pay the Registered Owner interest on that amount at the Interest Rate per year specified above from the Dated Date. Interest shall be computed on the basis of a three hundred sixty (360) day year of twelve (12) thirty (30) day months. Accrued but unpaid interest on this Note shall also accrue at the Interest Rate per year specified above until paid.

Principal of and interest on this Note are payable from the Available Non-Project and Non-Phase One Incremental Taxes (as defined in the hereinafter defined Redevelopment Agreement) on March 1 of each year, or the first day of the month

that is two (2) months following the City's receipt of a completed Requisition Form for this Note A, in accordance with Schedule I attached hereto until the earlier of the Maturity Date or until this Note is paid in full. Payments on this Note shall first be applied to accrued but unpaid interest and thereafter to principal. The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying agent (the "Registrar"), at the close of business on the fifteenth (15th) day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of the Registered Owner as it appears on such registration books or at such other address furnished in writing by the Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City. The Registered Owner of this Note shall note on the Payment Record attached hereto as Schedule II the amount and the date of any payment of the principal of this Note promptly upon receipt of such payment.

This Note is issued by the City in the principal amount of Three Million Nine Hundred Seventeen Thousand Five Hundred Twenty-five Dollars (\$3,917,525) for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Woodlawn Park II, L.L.C., an Illinois limited liability company (the "Developer") in connection with the construction of two hundred (200) units of housing and related parking facilities, of which at least twenty percent (20%) shall be sold to and occupied by households that qualify as Affordable Households as that term is defined in the Redevelopment Agreement (the "Project"), all within the Woodlawn Redevelopment Project Area (the "Project Area") in the City, pursuant to a Redevelopment Agreement dated _____, 2007 by and between the City and Developer, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1, et seq.) (the "T.I.F. Act"), the Local Government Debt Reform Act (30 ILCS 350/1, et seq.) and an Ordinance adopted by the City Council of the City on _____, 2006 (the "Ordinance"), in all respects as by law required.

The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the T.I.F. Act and the Ordinance, in order to pay the principal and interest of this Note. Reference is hereby made to the aforesaid Ordinance and the Redevelopment Agreement for a description, among others, with respect to the determination, custody and application of said revenues, the nature and extent of such security with respect to this Note and the terms and conditions under which this Note is issued and secured. This Note Is A Special Limited Obligation Of The City, And Is Payable Solely From Available Non- Project And Non-Phase One Incremental Taxes, And Shall Be A Valid Claim Of The Registered Owner Hereof Only Against Said Sources. This Note Shall Not Be Deemed To Constitute An Indebtedness Or A Loan Against The General Taxing Powers Or Credit Of The City, Within The Meaning Of Any Constitutional Or Statutory Provision. The Registered Owner Of This Note Shall Not Have The Right

To Compel Any Exercise Of The Taxing Power Of The City, The State Of Illinois Or Any Political Subdivision Thereof To Pay The Principal Or Interest Of This Note.

The principal of this Note is subject to redemption on any date that is later than five (5) years after the Dated Date, as a whole or in part, at a redemption price of one hundred percent (100%) of the principal amount thereof being redeemed. Notice of any such redemption shall be sent by registered or certified mail not less than five (5) days nor more than sixty (60) days prior to the date fixed for redemption to the Registered Owner of this Note at the address shown on the registration books of the City maintained by the Registrar or at such other address as is furnished in writing by such Registered Owner to the Registrar.

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

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

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

Pursuant to the Redevelopment Agreement, the Developer has agreed to acquire and construct the Project and to advance funds for the construction of certain facilities related to the Project on behalf of the City. The cost of such acquisition and construction in the amount of Three Million Nine Hundred Seventeen Thousand Five Hundred Twenty-five Dollars (\$3,917,525) shall be deemed to be a disbursement of the proceeds of this Note.

The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

It is hereby certified and recited that all conditions, acts and things required by law to exist, to happen, or to be done or performed precedent to and in the issuance of this Note did exist, have happened, have been done and have been performed in regular and due form and time as required by law; that the issuance of this Note,

together with all other obligations of the City, does not exceed or violate any constitutional or statutory limitation applicable to the City.

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

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

Mayor

[Seal]

Attest:

City Clerk or Deputy Clerk

Registrar and Paying Agent:

Certificate
Of
Authentication

Comptroller of the
City of Chicago,
Cook County, Illinois

This Note is described in the within mentioned Ordinance and is the Tax Increment Allocation Revenue Note (Woodlawn Redevelopment Project Area) (Columbia Pointe Development), Tax-Exempt Series 2007A, of the City of Chicago, Cook County, Illinois.

Comptroller

Date: _____

[Schedule I referred to in this Form of City Note A
unavailable at time of printing.]

Schedule II referred to in this Form of City Note A reads as follows:

Schedule II.
(To Form Of City Note A)

Principal Payment Record.

| Date Of Payment | Principal Payment | Principal Balance Due |
|-----------------|-------------------|-----------------------|
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |

Assignment.

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

Woodlawn Park II, L.L.C.

By: _____

Its: _____

Date: _____, 20__

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

* * * * *

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

Signature Guaranteed: _____

* * * * *

Consented to as of _____, 20__ by:

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

By: _____
Commissioner

(Sub)Exhibit "M-2".
(To Redevelopment Agreement With
Woodlawn Park II, L.L.C.)

Form Of City Note B.

Registered
Number R-1

Principal Amount
[\$9,034,446]

United States Of America

State Of Illinois

County Of Cook

City Of Chicago

Tax Increment Allocation Revenue Note (Woodlawn
Redevelopment Project) (Columbia Pointe Development),

Tax-Exempt Series 2007B.

Registered Owner: Woodlawn Park II, L.L.C.

Interest Rate: _____

Dated Date: _____

Maturity Date: not later than January 1, 2022

Know All Persons By These Presents, That the City of Chicago, Cook County, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, the principal amount of this Note and to pay the Registered Owner interest on that amount at the Interest Rate per year specified above from the Dated Date. Interest shall be computed on the basis of a three hundred sixty day (360) year of twelve (12) thirty (30) day months. Accrued but unpaid interest on this Note shall also accrue at the Interest Rate per year specified above until paid.

Principal of and interest on this Note are payable from the Available Project and Phase One Incremental Taxes (as defined in the hereinafter defined Redevelopment Agreement) on March 1 of each year, commencing not fewer than twelve (12) months after the Dated Date, in accordance with Schedule I attached hereto until the earlier of the Maturity Date or until this Note is paid in full. Payments on this Note shall first be applied to accrued but unpaid interest and thereafter to principal. The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying agent (the "Registrar"), at the close of business on the fifteenth (15th) day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of the Registered Owner as it appears on such registration books or at such other address furnished in writing by the Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City. The Registered Owner of this Note shall note on the Payment Record attached hereto as Schedule II the amount and the date of any payment of the principal of this Note promptly upon receipt of such payment.

This Note is issued by the City in the principal amount of Nine Million Thirty-four Thousand Four Hundred Forty-six Dollars [\$9,034,446] for the purpose of paying

the costs of certain eligible redevelopment project costs incurred by Woodlawn Park II, L.L.C. an Illinois limited liability company (the "Developer") in connection with the construction of two hundred (200) units of housing and related parking facilities, of which at least twenty percent (20%) shall be sold to and occupied by households that qualify as Affordable Households as that term is defined in the Redevelopment Agreement (the "Project"), all within the Woodlawn Redevelopment Project Area (the "Project Area") in the City, pursuant to a Redevelopment Agreement dated _____, 2007 by and between the City and Developer, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1, et seq.) (the "T.I.F. Act"), the Local Government Debt Reform Act (30 ILCS 350/1, et seq.) and an Ordinance adopted by the City Council of the City on _____, 2006 (the "Ordinance"), in all respects as by law required.

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

The principal of this Note is subject to redemption on any date that is later than five (5) years after the Dated Date of that certain Tax Increment Allocation Revenue City Note (Woodlawn Redevelopment Project) (Columbia Pointe Development), Tax-Exempt Series 2007 A, issued by the City on _____, _____, as a whole or in part, at a redemption price of one hundred percent (100%) of the principal amount thereof being redeemed. Notice of any such redemption shall be sent by registered or certified mail not less than five (5) days nor more than sixty (60) days prior to the date fixed for redemption to the Registered Owner of this Note at the address shown on the registration books of the City maintained by the Registrar or at such other address as is furnished in writing by such Registered Owner to the Registrar.

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

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

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

Pursuant to the Redevelopment Agreement, the Developer has agreed to acquire and construct the Project and to advance funds for the construction of certain facilities related to the Project on behalf of the City. The cost of such acquisition and construction in the amount of Nine Million Thirty-four Thousand Four Hundred Forty-six Dollars [\$9,034,446] shall be deemed to be a disbursement of the proceeds of this Note.

The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

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

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

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

and attested by the duly authorized signature of the City Clerk or the Deputy City Clerk of the City, all as of the Dated Date.

Mayor

[Seal]

Attest:

City Clerk or Deputy City Clerk

Registrar and Paying Agent:

Certificate
Of
Authentication

Comptroller of the
City of Chicago,
Cook County, Illinois

This Note is described in the within mentioned Ordinance and is the Tax Increment Allocation Revenue Note (Woodlawn Redevelopment Project Area) (Columbia, Pointe Development), Tax-Exempt Series 2007B of the City of Chicago, Cook County, Illinois.

Comptroller

Date: _____

[Schedule I referred to in this Form of City Note B
unavailable at time of printing.]

Schedule II referred to in this Form of City Note B reads as follows:

Schedule II.
(To Form Of City Note B)

Principal Payment Record.

| Date Of Payment | Principal Payment | Principal Balance Due |
|-----------------|-------------------|-----------------------|
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |

Assignment.

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

Woodlawn Park II, L.L.C.

By: _____

Its: _____

Date: _____, 20__

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

* * * * *

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

Signature Guaranteed: _____

* * * * *

Consented to as of _____, 20__ by:

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

By: _____
Commissioner

(Sub)Exhibit "M-3".
(To Redevelopment Agreement With
Woodlawn Park II, L.L.C.)

Form Of City Note C.

Registered
Number R-1

Maximum Amount
[\$9,034,446 less the
principal amount of
City Note B once
issued]

United States Of America

State Of Illinois

County Of Cook

City Of Chicago

Tax Increment Allocation Revenue Note
(Woodlawn Redevelopment Project)
(Columbia Pointe Development),
Taxable Series 2007C.

Registered Owner: Woodlawn Parl II, L.L.C.

Interest Rate: _____

Dated Date: _____

Maturity Date: not later than January 1, 2022

Know All Persons By These Presents, That the City of Chicago, Cook County, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, the principal amount of this Note from time to time advanced by the Registered Owner to pay costs of the Project (as hereafter defined) in accordance with the ordinance hereinafter referred to up to the principal amount of [Nine Million Thirty-four Thousand Four Hundred Forty-six Dollars (\$9,034,446) less the principal amount of City Note B once issued] and to pay the Registered Owner interest on that amount at the Interest Rate per year specified above from the date of the advance. Interest shall be computed on the basis of a three hundred sixty (360) day year of twelve (12) thirty (30) day months. Accrued but unpaid interest on this Note shall also accrue at the interest rate per year specified above until paid.

Principal of and interest on this Note from the Available Project and Phase One Incremental Taxes (as defined in the hereinafter defined Redevelopment Agreement) is due March 1 of each year, commencing not fewer than twelve (12) months after the Dated Date, in accordance with Schedule I attached hereto until the earlier of Maturity or until this Note is paid in full. Payments shall first be applied to interest. The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying agent (the "Registrar"), at the close of business on the fifteenth (15th) day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City. The Registered Owner of this Note shall note on the Payment Record, attached hereto the amount and the date of any payment of the principal of this Note promptly upon receipt of such payment.

This Note is issued by the City in the principal amount of advances made from time to time by the Registered Owner up to [Nine Million Thirty-four Thousand Four Hundred Forty-six Dollars (\$9,034,446) less the principal amount of City Note B

once issued] for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Woodlawn Park II, L.L.C. an Illinois limited liability company (the "Developer") in connection with the construction of two hundred (200) units of housing and related parking facilities, of which at least twenty percent (20%) shall be sold to and occupied by households that qualify as Affordable Households as that term is defined in the Redevelopment Agreement (the "Project"), all within the Woodlawn Redevelopment Project Area (the "Project Area") in the City, pursuant to a Redevelopment Agreement dated _____, 2007 by and between the City and Developer, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1, et seq.) (the "T.I.F. Act"), the Local Government Debt Reform Act (30 ILCS 350/1, et seq.) and an Ordinance adopted by the City Council of the City on _____, 2006 (the "Ordinance"), in all respects as by law required.

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

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

This Note is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the principal office of the Registrar in

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

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

Pursuant to the Redevelopment Agreement dated as of _____, 2007 between the City and the Registered Owner (the "Redevelopment Agreement"), the Registered Owner has agreed to acquire and construct the Project and to advance funds for the construction of certain facilities related to the Project on behalf of the City. The cost of such acquisition and construction in the amount of [Nine Million Thirty-four Thousand Four Hundred Forty-six Dollars (\$9,034,446) less the principal amount of City Note B once issued] shall be deemed to be a disbursement of the proceeds of this Note.

Pursuant to Section 15.02 of the Redevelopment Agreement, the City has reserved the right to suspend or terminate payments of principal and of interest on this Note upon the occurrence of certain conditions and, the City has reserved the right to offset liquidated damage amounts owed to the City against the principal amount outstanding under this Note. The City shall not be obligated to make payments under this Note if an Event of Default (as defined in the Redevelopment Agreement), or condition or event that with notice or the passage of time or both would constitute an Event of Default has occurred. Such rights shall survive any transfer of this Note. The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

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

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

In Witness Whereof, The City of Chicago, Cook County, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and has caused this Note to be signed by the duly authorized signature of the Mayor and attested by the duly authorized signature of the City Clerk or Deputy City Clerk of the City, all as of _____, 2007.

Mayor

[Seal]

Attest:

City Clerk or Deputy City Clerk

Certificate
Of
Authentication

Registrar and Paying Agent:

Comptroller of the
City of Chicago,
Cook County, Illinois

This Note is described in the within mentioned Ordinance and is the Tax Increment Allocation Revenue Note (Woodlawn Redevelopment Project Area) (Columbia Pointe Development), Taxable Series 2003C, of the City of Chicago, Cook County, Illinois.

Comptroller

Date: _____

[Schedule I referred to in this Form of City Note C
unavailable at time of printing.]

Payment Record referred to in this Form of City Note C reads as follows:

Principal Payment Record.
(To Form Of City Note C)

| Date Of Payment | Principal Payment | Principal Balance Due |
|-----------------|-------------------|-----------------------|
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |

Assignment.

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

Woodlawn Park II, L.L.C.

By: _____

Its: _____

Date: _____, 20__

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

* * * * *

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

Signature Guaranteed: _____

Consented to as of _____ 20 __ by:

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

By:

Commissioner

AUTHORIZATION FOR AMENDMENT NUMBER 10 TO SMALL
BUSINESS IMPROVEMENT FUND PROGRAM BY
MODIFICATION OF PROGRAM RULES.

The Committee on Finance submitted the following report:

CHICAGO, June 13, 2007.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance authorizing Amendment Number 10 to the Small Business Improvement Funds Program, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.