

Contract Summary Sheet

Contract (PO) Number: 2629

Specification Number: 13812

Name of Contractor: EPORT 600, L L C

City Department: PLANNING & DEVELOPMENT

Title of Contract: Rehabilitation of Former Montgomery Ward Facility at 600 W Chicago

Term of Contract: Start Date:

End Date:

Dollar Amount of Contract (or maximum compensation if a Term Agreement) (DUR):

\$33,243,085 00

Brief Description of Work: Rehabilitation of Former Montgomery Ward Facility at 600 W Chicago

Procurement Services Contact Person: BARBARA SUTTON

Vendor Number: 50065442

Submission Date:



FEB 27 2004

RDA

REDEVELOPMENT AGREEMENT

BY AND BETWEEN

THE CITY OF CHICAGO

AND

EPORT 600, L.L.C.,
EPORT 600 RIVERWALK OWNER, L.L.C., AND
EPORT 600 PROPERTY OWNER, L.L.C.

This agreement was prepared by
and after recording return to
Adam R. Walker, Esq.
City of Chicago Law Department
121 North LaSalle Street, Room 600
Chicago, IL 60602

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LIST OF EXHIBITS

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Exhibit B-1*	Developer Properties -- Descriptions and Legal Descriptions
Exhibit B-2*	Project Description -- including all Project Sub-Projects
Exhibit B-3*	Controlled Properties -- Descriptions and Legal Descriptions
Exhibit B-4*	Additional Projects Descriptions -- including all Additional Projects Sub-Projects
Exhibit B-5*	Projected Estimated Total of Dwelling Units
Exhibit B-6*	Site Map
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Exhibit O	Form of Subordination Agreement
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Exhibit Q*	Form of Housing Covenant
Exhibit R*	Formula of Applicable Costs for CHA Replacement Units and Affordable Housing Units
Exhibit S	Form of Completion Certificate
Exhibit T#	Form of CMHDC Escrow Agreement

* indicates which documents are to be recorded on the Closing Date.

indicates which exhibits will not be included in the ordinance packet

This agreement was prepared by and
after recording return to
Adam R. Walker, Esq
City of Chicago Law Department
121 North LaSalle Street, Room 600
Chicago, IL 60602

**EPORT 600, L.L.C., EPORT 600 RIVERWALK OWNER, L.L.C., AND EPORT 600
PROPERTY OWNER, L.L.C. REDEVELOPMENT AGREEMENT**

This Eport 600, L.L.C., Eport 600 Riverwalk Owner, L.L.C., and Eport 600 Property Owner, L.L.C. Redevelopment Agreement ("Agreement") is made as of December 29, 2003 by and between the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Planning and Development ("DPD"), and Eport 600, L.L.C., a Delaware limited liability company, Eport 600 Riverwalk Owner, L.L.C., a Delaware limited liability company, and Eport 600 Property Owner, L.L.C., a Delaware limited liability company (collectively, 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 "the City Council") adopted the following ordinances on April 12, 2000 (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the Chicago/Kingsbury Redevelopment Project Area"; (2) "An Ordinance of the City of Chicago, Illinois Designating the Chicago/Kingsbury 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 Chicago/Kingsbury Redevelopment Project Area" (the "TIF Adoption Ordinance") (items (1)-(3) collectively referred to herein as the "TIF Ordinances") The redevelopment project area referred to above (the "Redevelopment Area") is legally described in Exhibit A hereto.

D. The Project: Additional Projects.

1. The Developer has purchased in fee simple (the "Acquisition") certain properties ("Developer Properties") located within the Redevelopment Area. The Developer Properties consist of those parcels set forth and legally described on Exhibit B-1 hereto.

ii. On the Developer Properties and certain rights-of-way adjacent to or in the vicinity thereof, and within the time frames set forth in Section 3.01 hereof, Developer shall commence and complete, or cause to be commenced and completed, as described in more detail on Exhibit B-2 hereto: (a) the construction and/or rehabilitation of several large mixed-use facilities, totaling approximately 1,700,000 square feet (the "Facility") and related parking facilities (the "Related Parking"), (b) certain enclosed arcade and open air riverwalk improvements (the "Riverwalk Improvements"), (c) certain street and streetscape improvements (the "Street/Streetscape Improvements"), and (d) if approved in writing by DPD, perform the Tenant Buildout Sub-Project as that term is defined in Section 3.01(iv) hereof. Including but not limited to those TIF-Eligible Improvements as defined below and set forth on Exhibit C hereto, the Facility, Related Parking, Riverwalk Improvements, Street/Streetscape Improvements and, if constructed, the Tenant Buildout, 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.

iii In addition, through control agreements or other relationships with affiliated entities of the Developer, the Developer has control over, or previously owned or had control over, certain other properties within the Redevelopment Area and outside the Redevelopment Area (individually a "Controlled Property" and collectively the "Controlled Properties"). The Controlled Properties consist of those parcels set forth and

legally described on Exhibit B-3 hereto

iv. On the Controlled Properties and within the time frames set forth in Section 3.01 hereof, Developer shall commence and complete, or cause to be commenced and completed, the construction or rehabilitation of, or various other requirements relating to, several single-family and multi-family housing complexes and open space projects, all as described in more detail on Exhibit B-4 hereto (collectively, the "Additional Projects").

v. In connection with the undertaking of the Project and the Additional Projects, the Developer currently estimates that the total number of Dwelling Units (including CHA Replacement Dwelling Units and Affordable Dwelling Units) on the Controlled Properties shall be as set forth on Exhibit B-5 hereto. Such information constitutes a current estimate only, which the Developer shall have the right to update and modify from time to time in accordance with the terms of this Agreement and PD447 (as such term is defined herein).

vi. The sites of the Project and the Additional Projects, including but not limited to the general location of the Developer Properties, the Controlled Properties and the public streets, alleys and rights of way, are shown on the site map set forth on Exhibit B-6 hereto.

E. Redevelopment Plan. The Project will be carried out in accordance with this Agreement and the City's Chicago/Kingsbury Tax Increment Financing Redevelopment Project and Plan (the "Redevelopment Plan") attached hereto as 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 TIF-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:

“Acceptable Institution” shall mean any one or more of the following, if it has or controls assets or other attributes reasonably acceptable to the City: (a) a savings bank, a savings and loan association, a bank or trust company, an investment bank or an insurance company; (b) a federal, state, municipal, teachers, or other public employees' welfare, pension or retirement trust, fund or system; (c) any other employees, welfare, pension or retirement trust, fund or system; (d) any real estate investment or mortgage trust; (e) any corporation, organization or other entity not referred to in (a) through (d) hereof and which is subject to supervision and regulation by the insurance or banking department of any of the United States, the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation or by any successor hereafter exercising similar functions; (f) any trustee, collateral agent or similar party acting for the benefit of investors in any issuance of securities, including, without limitation, mortgage backed securities, (g) a corporation, partnership, limited liability company, real investment trust, investment fund or other entity engaged in the business of money management or investment; or (h) any subsidiary, parent, or affiliate of any of the foregoing entities

“Acceptable Purchaser” shall mean (a) an Acceptable Institution that, at the time of acquisition of the applicable portion of the Developer Properties, has (i) Adequate Financial Ability, (ii) not been convicted of fraud or criminal conduct (other than a misdemeanor) (which conviction has not been overturned or dismissed), (iii) hired a property management firm to manage the Developer Properties which has effectively managed properties comparable to the Developer Properties and which is not in violation of any City laws or regulations or in breach of any contractual agreements with the City and has notice or knowledge of such violation or breach, and (iv) is not itself, or its principal owners, in violation of any City laws or regulations or in breach of any contractual agreements with the City of which it has notice or knowledge; or (b) any Person (including, without limitation, a Special Purpose Entity, Governmental Agency or Acceptable Institution) that is not in compliance with the requirements of clause (a) hereof that is reasonably acceptable to DPD.

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

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

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

“Adequate Financial Ability” shall mean that, at the time of acquisition of the applicable portion of the Developer Properties, the entity is not obtaining mortgage financing secured by the to-be acquired portion of the Developer Properties of greater than 90% of the then-value of the to-be acquired portion of the Developer Properties.

“Affiliate” shall mean any person or entity directly or indirectly controlling, controlled by

or under common control with the Developer.

“Affordable Dwelling Unit” or “Affordable Dwelling Units” shall mean Non-Senior Affordable Dwelling Units and Senior Affordable Dwelling Units, as such terms are defined herein.

“Applicable Part” shall have the meaning set forth in Section 7.01 hereof.

“Available Redevelopment Area Incremental Taxes” shall mean an amount equal to fifty percent (50%) of the Incremental Taxes attributable to the ad valorem taxes levied on the Redevelopment Area that are deposited into the Chicago/Kingsbury TIF Fund after January 1 of that year in which the City’s obligation to commence payment on any of City Notes A, B or C first arises (as such obligation is determined in either Section 4.03(d) or Section 7.02 hereof), and that are deposited therein from time to time thereafter; but excluding therefrom all amounts that exceed the amounts necessary to pay principal of and interest on City Notes A, B and C from time to time, if any, and to pay the City Funds Direct Payments, if any, all such excluded amounts being deemed returned to the Chicago/Kingsbury TIF Fund and no longer City Funds.

“Available Domain-Generated Incremental Taxes” shall mean an amount equal to forty-five percent (45%) of the Incremental Taxes attributable to the ad valorem taxes levied on that portion of the Controlled Properties consisting of the Domain Condominium as set forth and legally described on Exhibit B-3 hereof that are deposited into the Chicago/Kingsbury TIF Fund after January 1 of that year in which the City’s obligation to commence payment on City Note C arises (as such obligation is determined in Section 7.02 hereof), and that are deposited therein from time to time thereafter; but excluding therefrom all amounts that exceed the amounts necessary to pay principal of and interest on City Note C from time to time, if any, and to pay the City Funds Direct Payments, if any, all such excluded amounts being deemed returned to the Chicago/Kingsbury TIF Fund and no longer City Funds

“Available Project-Generated Incremental Taxes” shall mean an amount equal to forty-five percent (45%) of the Incremental Taxes attributable to the ad valorem taxes levied on the Developer Properties that are deposited into the Chicago/Kingsbury TIF Fund after January 1 of that year in which the City’s obligation to commence payment on any of City Notes C or D first arises (as such obligation is determined in Section 7.02 hereof), and that are deposited therein from time to time thereafter; but excluding therefrom all amounts that exceed the amounts necessary to pay principal of and interest on City Notes C or D from time to time, if any, and to pay the City Funds Direct Payments, if any, all such excluded amounts being deemed returned to the Chicago/Kingsbury TIF Fund and no longer City Funds.

“Basic Use” shall mean the use of a Leasable Square Foot for any one or more of the following: i) high technology office; ii) high technology data storage (i.e. carrier hotel); iii) commercial office.

"Bond(s)" shall have the meaning set forth for such term in Section 8 05 hereof

"Bond Ordinance" shall mean the City ordinance authorizing the issuance of Bonds

"CHA" shall mean the Chicago Housing Authority, an Illinois municipal corporation

"CHA Replacement Dwelling Unit" or "CHA Replacement Dwelling Units" shall mean Non-Senior CHA Replacement Dwelling Units and Senior CHA Replacement Dwelling Units as such terms are used herein.

"CMHDC Escrow Account" shall mean the escrow account to be established by the Developer and the City in connection with Section 8.21(a)(iii) herein.

"CMHDC Sub-Project" shall have the meaning set forth in Section 3 01 hereof.

"CMHDC Subproject Completion Certificate" shall mean the particular Completion Certificate to be issued to the Developer by DPD upon the completion of the respective Applicable Part set forth in Section 7 01 hereof.

"Certificate of Expenditure" shall mean any Certificate of Expenditure (other than the Tenant Buildout Certificate of Expenditure) referenced in either City Note B or C, and further described in Section 4.06, pursuant to which the principal amount of either City Note B or C will be established.

"Change Order" shall mean any amendment or modification to the Plans and Specifications or the Project Budget as described in Section 3.03, Section 3.04 and Section 3 05, respectively.

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

"City Contract" shall have the meaning set forth in Section 8.01(l) hereof.

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

"City Fee" shall mean the fee described in Section 4.04(b) hereof.

"City Funds" shall have the meaning set forth in Section 4.03(b) hereof.

"City Funds Direct Payments" shall have the meaning set forth in Section 4.03(h) hereof.

"City Notes" shall mean, depending on the context, any one or combination of (i) the

City of Chicago Tax Increment Allocation Revenue Note (The Eport Redevelopment Project) Tax-Exempt Series 2002A ("City Note A"), in the amount of \$14,000,000, (ii) the City of Chicago Tax Increment Allocation Revenue Note (The Eport Redevelopment Project) Taxable Series 2002B ("City Note B"), in the maximum principal amount of \$14,750,000, (iii) the City of Chicago Tax Increment Allocation Revenue Note (The Eport Redevelopment Project) Taxable Series 2002C ("City Note C"), in the maximum principal amount of \$1,571,085; and (iv) if issued, the City of Chicago Tax Increment Allocation Revenue Note (The Eport Redevelopment Project) Taxable Series 2002D ("City Note D"), in the maximum principal amount of \$2,000,000. The City Notes shall be in the form attached hereto as Exhibits M-1, M-2, M-3 and M-4. 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 of execution and delivery of this Agreement by all parties hereto, which shall be deemed to be the date appearing in the first paragraph of this Agreement.

"Commitment Period" shall mean that period of time ending ten (10) years after the issuance of the Interim Completion Certificate.

"Completion Certificate" shall mean any one or more of the certificates to be issued to the Developer by DPD upon the completion of the respective Applicable Part set forth in Section 7.01 hereof.

"Construction Contract" shall mean one or more contracts, substantially in the forms attached hereto as Exhibit E, between the Developer and the General Contractors providing for construction of the Facility.

"Controlled Properties" shall have the meaning set forth in the Recitals hereof

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

"Developer" shall have the meaning set forth in the Recitals hereof, provided, however, that, where the context or the facts so require, the term "Developer" shall be deemed to severally refer solely to the separate applicable entity listed in the introductory paragraph of this Agreement that holds or previously held title to a given portion of the Developer Properties.

"Developer Properties" shall have the meaning set forth in the Recitals hereof.

"Dwelling Unit" shall mean any dwelling unit or efficiency unit (as such terms are used and defined in the Chicago Zoning Ordinance) located within the Developer Properties or the Controlled Properties.

"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), including any proceeds derived from Developer's anticipated sale of City Note A, irrevocably available for the Project, in the amount set forth in Section 4.01 hereof, which amount may be increased pursuant to Section 4.05.

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

"Escrow Agreement" shall mean one or more document(s) establishing one or more construction escrow(s) and entered into by the Developer, one or more of the General Contractors and the Developer's lender(s), among others, in substantially the form(s) set forth on Exhibit F attached hereto.

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

"Existing Mortgage" shall have the meaning set forth in Section 16 hereof.

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

"Final Completion Certificate" shall mean the particular Completion Certificate to be issued to the Developer by DPD upon the completion of the respective Applicable Part set forth in Section 7.01 hereof.

"Financial Statements" shall mean complete reviewed and reported 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.

"Foreclosure Event" means any transfer of title to any estate in the Developer Properties as the result of any: (1) judicial or nonjudicial foreclosure; (2) trustee's sale; (3) deed, transfer, assignment, or other conveyance in lieu of foreclosure; (4) other similar exercise of rights or

remedies under an Existing Mortgage or a New Mortgage; or (5) transfer by operation of or pursuant to any bankruptcy proceeding (including an auction or plan of reorganization pursuant to any bankruptcy proceeding), in each case (“1” through “5”) whether the transferee is a Mortgagee (as such term is defined below), a party claiming through a Mortgagee, or a third party.

“Full-Time-Equivalent Employee” or “FTE” shall mean an employee of Developer primarily located at the Facility or an employee of any tenant or other commercial entity located at the Facility (or, with respect to job shares or similar work arrangements, such employees taken collectively) who is employed at least 35 hours per week on average.

“General Contractors” shall mean W.E. O’Neil and Company, Linn-Mathes, Inc. and/or such other contractors as may be designated for the various portions of the Developer Properties by Developer from time to time.

“Governmental Agency” shall mean any federal, state, county, municipal and other governmental or quasi-governmental agency or authority and all subdivisions, agencies, authorities, department, courts, commissions, boards, bureaus and instrumentalities of any of them.

“Governmental Charges” shall have the meaning set forth in Section 8.19 hereof.

“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.

“Housing Covenant” shall have the meaning set forth in Section 8.21(a) hereof.

“Housing Sub-Project” or “Housing Sub-Projects” shall mean the single family and multi-family housing sub-projects set forth on Exhibit B-4 hereto.

“In Balance” shall have the meaning set forth in Section 4 06(g) hereof.

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

“Initial Sale” shall mean the first sale by the Developer or any housing developer of a Dwelling Unit.

“Interim Completion Certificate” shall mean the particular Completion Certificate to be issued to the Developer by DPD upon the completion of the Interim Project set forth in **Section 7.01** hereof

“Interim Project” shall have the meaning set forth in **Section 3.01(iii)** hereof

“Leasable Square Foot” shall mean a square foot of the Facility that is capable of being leased as such capability is generally understood within the commercial real estate leasing industry.

“Limited Use” shall mean the use of a Leasable Square Foot for any one or more of the following: i) fast food stand or restaurant; and ii) school, except for any use that is a Retail Use or Prohibited Use.

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

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

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

“MOPD” shall have the meaning set forth in **Section 5.25**

“Mortgagee” means a holder of any Existing Mortgage or New Mortgage (as such terms are defined herein) and its successors and assigns.

“Mortgage Protections” means, for any Mortgagee, all rights, protections, and privileges of such Mortgagee under this Agreement, including: (1) any right to receive notices and/or to cure defaults; (2) any requirement for a Mortgagee's consent and all provisions regarding any amendment or modification to this Agreement; and (3) all other rights, remedies, protections, privileges, and powers of such Mortgagee and anyone claiming through or under such Mortgagee.

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

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

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

“Non-Senior Affordable Dwelling Unit” shall mean (i) any Non-Senior Dwelling Unit, for which an initial purchase contract has not been fully executed by the date of introduction of the ordinance authorizing this Agreement to the City Council, that is specifically designated for residential occupancy by a person or family whose annual income does not exceed 100% of the median income of the correspondingly-sized household in the City, as such median income is determined from time to time by the City’s Department of Housing, or (ii) any Non-Senior Dwelling Unit, for which an initial purchase contract has been fully executed by the date of introduction of the ordinance authorizing this Agreement to the City Council, that is specifically designated for residential occupancy by a person or family whose annual income does not exceed 120% of the median income of the correspondingly-sized household in the City, as such median income is determined from time to time by the City’s Department of Housing.

“Non-Senior CHA Replacement Dwelling Unit” shall mean any Non-Senior Dwelling Unit that is specifically designated to be rented by or under the authority of the CHA.

“Non-Senior Dwelling Unit” shall mean any Dwelling Unit that is not specifically designated for residential occupancy by a Senior Person or a Senior Family, and which is not a Non-Senior Affordable Dwelling Unit or a Non-Senior CHA Replacement Dwelling Unit.

“Open Space Sub-Project” or **“Open Space Sub-Projects”** shall mean the Open Space Sub-Projects described in detail on Exhibit B-4 hereto.

“Other Uses” shall mean the use of a Leasable Square Foot in a manner that conforms with PD 447 and is not a Basic Use, Parking Use, Retail Use, Limited Use or Prohibited Use.

“PD 447” shall mean the ordinance entitled “Residential-Business Planned Development No. 447, as Amended” and enacted by the City Council on October 3, 2001 and set forth on pages 68741 - 68796, inclusive, in the Journal of the Proceedings of the City Council of the City of Chicago of the same date, as the same may be amended or modified from time to time. As used in this Agreement, and as the context requires, the term “PD 447” may also refer to all or a portion of the property which is the subject thereof

“Parking Use” shall mean the use of a Leasable Square Foot for vehicular parking or ancillary purposes.

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

“Person” means any natural person, partnership, corporation, limited liability company and any other form of business or legal entity

“Plans and Specifications” shall mean 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 04(a) hereof

"Prohibited Use" shall mean the use of a Leasable Square Foot for any one or more of the uses set forth in Exhibit K.

"Project" shall have the meaning set forth in the Recitals hereof

"Project Budget" shall mean the budget attached hereto as Exhibit H-1, showing the total cost of the Project by line item, furnished by the Developer to DPD, in accordance with Section 3 03 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.

"Related Parking" shall have the meaning set forth in the Recitals hereof.

"Requisition Form" shall mean the document, in the form attached hereto as Exhibit L, to be delivered by the Developer to DPD pursuant to Section 4.09 of this Agreement.

"Retail Use" shall mean the use of a Leasable Square Foot for the retail sale of merchandise or food, and ancillary purposes, except for any use that is a Limited Use or a Prohibited Use.

"Riverwalk Improvements" shall have the meaning set forth in the Recitals hereof.

"Senior Affordable Dwelling Unit" shall mean (i) any Senior Dwelling Unit, for which an initial purchase contract has not been fully executed by the date of introduction of the ordinance authorizing this Agreement to the City Council, that is specifically designated for residential occupancy by a person or family whose annual income does not exceed 100% of the median income of the correspondingly-sized household in the City, as such median income is determined from time to time by the City's Department of Housing, or (ii) any Senior Dwelling Unit, for which an initial purchase contract has been fully executed by the date of introduction of the ordinance authorizing this Agreement to the City Council, that is specifically designated for residential occupancy by a person or family whose annual income does not exceed 120% of the median income of the correspondingly-sized household in the City, as such median income is determined from time to time by the City's Department of Housing.

“Senior CHA Replacement Dwelling Unit” shall mean any Senior Dwelling Unit that is specifically designated to be rented by or under the authority of the CHA

“Senior Dwelling Unit” shall mean any Dwelling Unit that is specifically designated for residential occupancy by a Senior Person or a Senior Family, and which is not a Senior Affordable Dwelling Unit or a Senior CHA Replacement Dwelling Unit.

“Senior Family” shall mean a household consisting entirely of Senior Persons.

“Senior Person” shall mean a person 55 years of age or older pursuant to Section 3607(c)(2)(C) of the Fair Housing Act (42 U.S.C. §3601 et seq)

“Special Purpose Entity” shall mean a Person (as defined in this Agreement) whose sole assets shall be the to-be acquired portion of the Developer Properties, the tangible and intangible property related thereto and other de minimis assets

“Street/Streetscape Improvements” shall have the meaning set forth in the Recitals hereof.

“Survey” shall mean a Class A plat of survey in the most recently revised form of ALTA/ACSM survey of the Developer Properties dated within 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 Developer Properties are in a flood hazard area as identified by the United States Federal Emergency Management Agency (and updates thereof to reflect improvements to the Developer Properties in connection with the construction of the Facility and related improvements as required by the City or lender(s) providing Lender Financing).

“Tenant Buildout” shall mean any part of the Tenant Buildout Sub-Project as set forth in Section 7.01 hereof that is approved by the Commissioner of DPD.

“Tenant Buildout Certificate of Expenditure” shall mean the certificate referenced in City Note D and further described in Section 4.06, pursuant to which the principal amount of City Note D will be established

“Tenant Buildout Completion Certificate” shall mean the Completion Certificate to be issued to the Developer by DPD upon the completion of the Tenant Buildout Sub-Project as set forth in Section 7.01 hereof.

“Tenant Buildout Sub-Project” shall have the meaning set forth in Section 3.01 hereof.

“Term of the Agreement” shall mean the period of time commencing on the Closing Date

and ending on the date on which the Redevelopment Area is no longer in effect (through and including December 31, 2024)

"Then-Available Project Funds" shall have the meaning set forth in Section 4.06(g) hereof.

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

"TIF-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 Exhibit C lists the TIF-Eligible Improvements for the Project.

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

"Title Company" shall mean Chicago Title Insurance Company.

"Title Policy" shall mean a title insurance policy in the most recently revised ALTA or equivalent form, or an endorsement to a current title insurance policy that is "dated down," that shows the Developer as the insured, noting the recording of this Agreement as an encumbrance against the Developer Properties, and a subordination agreement described in Section 5.04 hereof in favor of the City with respect to previously recorded liens against the Developer Properties.

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

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

SECTION 3. THE PROJECT

3.01 The Project The Developer shall, pursuant to the Plans and Specifications and subject to the provisions of Section 18 17 hereof

(i) not later than the Closing Date, commence construction and rehabilitation of the Facility and Related Parking and demonstrate completion of Additional Projects Sub-Project 206 (conveyance of open space on Site C 2 to the Chicago Park District);

(ii) not later than the date that is six months after the Closing Date, complete Additional Projects Sub-Project 205 (the "CMHDC Sub-Project") as set forth in Section 8.21(a)(ii)(A) hereof;

(iii) not later than the date that is 18 months after the Closing Date, complete Project Sub-Projects 101 through and including 113 (e.g., all of the Facility, the Related Parking, the Riverwalk Improvements, and the Street/Streetscape Improvements described in Exhibit B-2 hereof, except for Project Sub-Project 114, the Tenant Buildout), and cause at least 400,000 of Leasable Square Feet to be occupied with Basic Uses (all such construction and business operations defined as the “Interim Project”),

(iv) not later than the date that is two years after the Closing Date, or as that date may be extended thereafter by the Commissioner of DPD, if given prior written approval by DPD, complete Project Sub-Project 114 and cause the tenant connected with such Sub-Project to conduct business operations therein (the “Tenant Buildout Sub-Project”); and

(v) not later than the ten-year anniversary date of the Closing Date, complete Sub-Projects 201 through and including 204, and 207 and 208 of the Additional Projects.

3.02 Plans and Specifications. The Developer has delivered the Plans and Specifications to DPD and DPD has approved same. Subsequent proposed changes to the Plans and Specifications shall be submitted to DPD as a Change Order pursuant to Section 3.04 hereof. The 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, Department of Housing, MPOD 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 DPD, and DPD has approved, a Project Budget showing total costs for the Project in an amount that is approximately Two Hundred Eighty-Six Million Six Hundred Seventy-Five Thousand Nine Hundred Twenty-Four Dollars (\$286,675,924). The Developer hereby certifies to the City that the City Funds, together with Lender Financing and Equity described in Section 4.02 hereof, shall be sufficient to complete the Project. 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 DPD certified copies of any Change Orders with respect to the Project Budget for approval pursuant to Section 3.04 hereof.

3.04 Change Orders. Except as provided below, 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 DPD 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 DPD for DPD's prior written approval: (a) a reduction in the square footage of the Facility by more than 10%; (b) a change during construction of the Project in the Basic Use of any square footage impressed with a Basic Use by operation of this Agreement; (c) a delay by more than six months in the completion

schedule of the Project, or (d) an increase the Project Budget by five percent (5%) 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 DPD's written approval (to the extent required in this section). 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 DPD Approval. Any approval granted by DPD of the Plans and Specifications and the Change Orders is for the purposes of this Agreement only and does not affect or constitute any approval required by any other City department or pursuant to any City ordinance, code, regulation or any other governmental approval, nor does any approval by DPD pursuant to this Agreement constitute approval of the quality, structural soundness or safety of the Developer Properties or the Project.

3.06 Other Approvals. Any DPD approval under this Agreement shall have no effect upon, nor shall it operate as a waiver of, the Developer's obligations to comply with the provisions of Section 5 c (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 DPD's approval of the Plans and Specifications) and proof of the General Contractors' and each subcontractor's bonding as required hereunder.

3.07 Progress Reports and Survey Updates; Review of Draw Requests if Lender Financing Except as may be required in Section 10 herein, the Developer shall provide DPD with written quarterly progress reports detailing the status of the Project including, but not limited to: 1) report regarding each sub-contractor's activities; 2) the General Contractors' certification concerning labor standards and prevailing wage requirements; 3) the General Contractors' letter of understanding; 4) labor utilization report; 5) authorization for payroll agent; 6) certified payroll; 7) evidence that MBE/WBE contractor associations have been informed of the Project via written notice and meetings, 8) estimated completion date (with any change in completion date being considered a Change Order, requiring DPD's written approval, subject to the terms of Section 3.04) If the Project or any portion of the Project changes or would change the Survey in a manner that is inconsistent with the approved Plans and Specifications, then the Developer shall promptly provide three (3) copies of an updated Survey to DPD which reflect the improvements made to the Developer Properties. If the Developer enters into Lender Financing, the City shall have the right to review Developer's draw requests, which must be accompanied by customary lien waivers and sworn statements

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

architect shall, at Developer's option, be the inspecting architect engaged by any lender providing Lender Financing for the Project provided that said architect is an independent architect licensed by the State of Illinois.

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. DPD retains the right to approve the maintenance, appearance, color scheme, painting, nature, type, content and design of all barricades.

3.10 Signs and Public Relations. The Developer shall erect a sign of size and style approved by the City in a conspicuous location on the Developer Properties 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 Developer Properties 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 Developer Properties to City utility lines existing on or near the perimeter of the Developer Properties, 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.

SECTION 4. FINANCING

4.01 Total Project Cost and Sources of Funds. The cost of the Project is estimated to be \$286,675,924 and is to be applied in the manner set forth in the Project Budget. Such costs shall be funded solely from Equity (including proceeds from Developer's anticipated sale of City Note A) and/or Lender Financing.

4.02 Developer Funds. Equity and/or Lender Financing shall be used to pay all Project costs, including but not limited to Redevelopment Project Costs and costs of TIF-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 TIF-Eligible Improvements that constitute Redevelopment Project Costs, and shall be paid to the Developer pursuant to the debt service schedules attached to the City Notes described in more detail in Section 4.03(b) hereof or pursuant to the City Funds Direct Payments process set forth in Section 4.03(h) hereof Exhibit C sets forth, by line item, the TIF-Eligible 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 Section 4.03(b)), contingent upon receipt by the City of documentation satisfactory in form and substance to DPD evidencing such cost and its eligibility as a Redevelopment Project Cost.

(b) Sources of City Funds. Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03 and Section 5 hereof, the City hereby agrees to issue City Notes A, B and C to the Developer on the Closing Date, issue City Note D to the Developer simultaneously with the issuance of the Tenant Buildout Certificate of Expenditure, if any, and pay the City Funds Direct Payments to the Developer pursuant to the process set forth in Section 4.03(h) hereof.

Subject to the terms and conditions of this Agreement, the City shall provide City funds from the sources and in the amounts described directly below (the "City Funds") to pay principal of and interest on the four City Notes to reimburse the Developer and to pay the City Funds Direct Payments:

<u>Source of City Funds</u>	<u>Maximum Amount</u>
Available Redevelopment Area Incremental Taxes, Available Project-Generated Incremental Taxes, and Available Domain-Generated Incremental Taxes	the lesser of (i) \$33,243,085, (ii) 11.6% of the actual total Project costs, or (iii) 100% of TIF-Eligible Improvements, plus interest that accrues on the City Notes

(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 each of City Notes A, B and C, on the Closing Date, and for City Note D, on the issuance date, and thereafter for each of City Notes B and C, as Certificates of Expenditure are issued, set the initial principal balance and increase the principal balance as indicated on the following schedule, subject to the maximum amount of each City Note indicated

<u>City Note</u>	<u>Initial Balance, Increases in Balance.</u>	<u>Maximum Amount</u>
Note A (tax-exempt)	the dollar value of all Prior Expenditures (as defined in <u>Section 4.04(a)</u> herein) that are TIF-Eligible Improvements	\$14,000,000
Note B	the sum of (i) the dollar value of all Prior Expenditures that are TIF-Eligible Improvements that have not been taken into account in connection with the increase in balance of Note A, if any, plus (ii) the dollar value of each Certificate of Expenditure issued by the City not taken into account in connection with the increase in balance of Note A	the lesser of (i) \$14,750,000 or (ii) all TIF-Eligible Improvements incurred in connection with the Interim Project
Note C	the sum of (i) the dollar value of all Prior Expenditures that are TIF-Eligible Improvements that have not been taken into account in connection with the increase in balance of Notes A and B, if any, plus (ii) the dollar value of each Certificate of Expenditure issued by the City not taken into account in connection with the increase in balance of Notes A and B and D (if issued)	the lesser of (i) \$1,571,085 or (ii) the actual cost of the CMHDC Sub-Project
Note D*	the dollar value of the Tenant Buildout Certificate of Expenditure	the lesser of (i) \$2,000,000 or (ii) the actual cost of the Tenant Buildout

* (if issued, will be issued simultaneously with the Tenant Buildout Certificate of Expenditure)

provided, however, that the aggregate principal balance of all City Notes shall not exceed the lesser of 11.6% of the actual total Project costs, or 100% of the TIF-Eligible Improvements incurred in connection with the Project.

Interest on the outstanding and unpaid principal of each City Note shall accrue and compound (at the rate set forth in such City Note) at any time the principal balance thereof exceeds zero (\$0). The interest rate for each City Note shall be set at its issuance date (for Notes A, B and C - the Closing Date, and for Note D - the date of issuance of the Tenant Buildout

Certificate of Expenditure) and shall not exceed the following per annum based on a 360 day year

Note A	the interest rate for the AAA 10-Year G O. Bond rate as published by Bloomberg that is in effect on the date of issuance, plus 300 bps, but in no event greater than 8 75%
Note B	the interest rate for the 10-Year Treasury rate as published in the Federal Reserve Statistical Release on the date of issuance, plus 375 bps, but in no event greater than 9 75%
Note C	the interest rate for the 10-Year Treasury rate as published in the Federal Reserve Statistical Release on the date of issuance, plus 375 bps, but in no event greater than 9.75%
Note D, if issued	the interest rate for the 10-Year Treasury rate as published in the Federal Reserve Statistical Release on the date of issuance, plus 300 bps, but in no event greater than 9 00%

Any interest that has accrued under 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 City Note A shall commence on the Closing Date. The payment obligations of the City on each of City Notes B and C shall commence on the date the City delivers the corresponding Completion Certificate to the Developer pursuant to Section 7 hereof. The payment obligation of the City on City Note D shall commence on the date of its issuance. Once a Completion Certificate is issued for City Notes B, C and D, respectively, the Developer shall provide DPD with a Requisition Form (as set forth in Section 4.09 hereof) for payment on that City Note not less than 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 60 days after the Developer delivers the appropriate Requisition Form and any additional required information to DPD), the City agrees to pay on each respective City Note, in the manner and from the City Funds set forth below, the following amounts:

<u>City Note:</u>	<u>Source of City Funds:</u>	<u>Amount of Payment:</u>
Note A	Available Redevelopment Area Incremental Taxes	the amount due on the 10-year debt service schedule attached to the Note, as such schedule may be adjusted from time to time
Note B	Available Redevelopment Area Incremental Taxes	the amount due on the 10-year debt service schedule attached to the Note, as such schedule may be adjusted from time to time
Note C	first from Available Redevelopment Area Incremental Taxes, then from Available Domain-Generated Incremental Taxes, and then from Available Project-Generated Incremental Taxes	first, all Available Redevelopment Area Incremental Taxes remaining after each Note A and Note B payment is made, on an annual basis, if any, then all Available Domain-Generated Incremental Taxes, and then all Available Project-Generated Incremental Taxes remaining after each Note D payment is made, on an annual basis, if any; <u>provided, however,</u> that each City Funds Direct Payment, when due, if any, takes precedence over any payment on this Note C
Note D, if issued	Available Project-Generated Incremental Taxes	the lesser of (i) the amount due on the 5-year debt service schedule attached to the Note, as such schedule may be adjusted from time to time, or (ii) all Available Project-Generated Incremental Taxes remaining after each City Funds Direct Payment is made, on an annual basis

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 various entities comprising the Developer shall have the right to designate which of them shall be the payee thereunder.

The City's obligation to make payments under City Notes A and C shall be vested as of the Closing Date and without right of setoff or other defense to payment (other than insufficiency of Available Redevelopment Area Incremental Taxes), 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 Notes B or D only.

(e) Reduction in Principal of a City Note After Increase to its Maximum Principal Amount.

(i) Subject to Section 18.17, if the Riverwalk Improvements and the Street/Streetscape Improvements have not been completed within eighteen months of the Closing Date (as such time may be extended in accordance with Section 3.04(c)), accrual of interest on the outstanding principal balance of City Note B shall be partially foregone on said anniversary date until the Riverwalk Improvements and the Street/Streetscape Improvements have been completed. The amount to be foregone shall be calculated on a pro rata basis as follows: the total amount of interest under City Note B accruing during the period of such delay shall be multiplied by a fraction, the numerator of which shall be an amount equal to the total remaining estimated cost to complete construction of the Riverwalk Improvements and the Street/Streetscape Improvements from and after such date, and the denominator of which shall be the total final estimated costs for construction of the Riverwalk Improvements and the Street/Streetscape Improvements

(ii) If, upon the expiration of the Commitment Period, it is determined that Developer has not constructed or caused to be constructed (as may be evidenced by the City's issuance of a Certificate of Occupancy) the required number of CHA Replacement Dwelling Units as set forth in Section 8.21(a) and Exhibit B-4, then the principal amount of City Note B shall be reduced by \$128,261 for each CHA Replacement Dwelling Unit which has not been so constructed or, if City Note B has been paid off at the time of the occurrence of this condition, then the Developer shall promptly repay to the City \$128,261 for each CHA Replacement Dwelling Unit which has not been so constructed. Further, if, upon the expiration of the Commitment Period, it is determined that the Developer has not constructed or caused to be constructed the required number of Affordable Dwelling Units as set forth in Section 8.21(a) and Exhibit B-4, then the principal amount of City Note B shall be reduced by \$128,261 for each such Affordable Dwelling Unit which has not been so constructed or, if City Note B has been paid off at the time of the occurrence of this condition, then the Developer shall promptly repay to the City \$128,261 for each Affordable Dwelling Unit which has not been so constructed. The City agrees and acknowledges that, notwithstanding any terms contained in Section 15.02 to the contrary, the reduction in the principal amount of City Note B, or the repayments set forth herein, shall be the City's sole and exclusive remedies for the failure to construct less than the required number of CHA Replacement Dwelling Units and Affordable Dwelling Units as set forth herein.

(iii) In the event Developer achieves an internal rate of return on equity exceeding 30% during the five-year period commencing on the date of issuance of the Interim Completion Certificate, the City shall have the right to reduce the principal amount of City Note B or seek repayment of City Funds previously paid to the Developer in an amount equal to 33.3% of the profits exceeding said 30%; provided, however, that the maximum amount that the City shall have the right to recover pursuant hereto is \$2.75 million, which maximum amount shall decline by 20% in each year during such five-year period (i.e., by \$550,000 each such year) in which the rate had not exceeded 30%. The basis for determining the 30% return on equity shall take into account (A) cash flow, sales proceeds, refinancing proceeds which serve to reduce Developer's Equity as shown on the Project Budget, excess capitalization, etc., and (B) the exclusion of any purchase costs of the Developer Properties (including related soft costs) in excess of \$40.7 million. At the conclusion of the five-year period set forth in this subsection, or upon the transfer or assignment of this Agreement, Developer shall provide to the City, upon the request of the City, a financial statement confirming the elements of return on equity set forth herein

(iv) If, after the issuance of the Tenant Buildout Completion Certificate and Note D (if issued), the Developer does not cause the tenant of the Tenant Buildout space to occupy at least 80,000 square feet thereof for a period of five years following the date of issuance of Note D, then, as the City's sole and exclusive remedy, for the first two years of such noncompliance the City shall suspend payment on Note D and for any noncompliance thereafter the City may cancel Note D.

(f) 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 Redevelopment Area Incremental Taxes, Available Project-Generated Incremental Taxes, Available Domain-Generated 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(f), City Note A may not be prepaid during the period commencing on the Closing Date and ending on the fifth anniversary of the Closing Date.

(g) Unavailability of City Funds. The City is not obligated to pay principal of or interest on the City Notes 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 the City Notes 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.

(h) City Funds Direct Payments. In addition to the issuance of the City Notes as set forth in subsections (b) and (c) above, the City shall make three direct payments of City Funds ("City Funds Direct Payments") to Developer through deposits into the CMHDC Escrow Account (as

such term is defined in Section 8.21(a)(iii) hereof). The source of the City Funds for the City Funds Direct Payments shall be from the Available Redevelopment Area Incremental Taxes, the Available Project-Generated Incremental Taxes, or the Available Domain-Generated Incremental Taxes, in the City's sole discretion. The obligation of each source of City Funds to pay each City Funds Direct Payment, when due, shall be superior to the obligation of each such source to pay City Note C or City Note D, if issued, as set forth in Section 4.03(d) hereof. The City Funds Direct Payments shall be made in the following amounts and on the following dates (or on the next business day thereafter, if such date is not a business day for the City) (a) \$374,000 on the date of the closing on the purchase by CMHDC of the 16 Non-Senior CHA Replacement Dwelling Units comprising Housing Sub-Project 205, (b) \$274,000 one year after the first payment date, and (c) \$274,000 one year after the second payment date; provided, however, that the sum of the aggregate principal balances of all City Notes outstanding as of the date of each City Funds Direct Payment plus the amount of the scheduled City Funds Direct Payment shall not exceed 100% of the TIF-Eligible Improvements incurred in connection with the Project as of that date.

4.04 Treatment of Prior Expenditures; City Fee.

(a) 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 TIF Ordinances and are evidenced by documentation satisfactory to DPD and approved by DPD as satisfying costs covered in the Project Budget shall be considered previously contributed Equity or Lender Financing hereunder (the "Prior Expenditures") DPD shall have the right, in its reasonable discretion, to disallow any such expenditure as a Prior Expenditure. Exhibit I hereto sets forth those expenditures, if any, approved by DPD as of the date hereof as Prior Expenditures. Prior Expenditures made for items other than TIF-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

(b) City Fee Annually, the City may allocate an amount not to exceed twenty percent (20%) of the Incremental Taxes (other than Available Redevelopment Area Incremental Taxes, Available Domain-Generated Incremental Taxes or Available Project-Generated Incremental Taxes) for payment of costs incurred by the City for the administration and monitoring of the Redevelopment Area, including the Project.

4.05 Cost Overruns. If the aggregate cost of the TIF-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 TIF-Eligible Improvements in excess of City Funds and of completing the Project.

4.06 Certificates of Expenditure. Certificates of Expenditure (except with respect to the Tenant Buildout Certificate of Expenditure) shall be issued by the City (provided the Developer

has demonstrated the dollar value test set forth below) approximately 45 days after the Closing Date and every 90 days thereafter until the Maximum Amounts of City Note B and City Note C have been reached. The dollar value of each Certificate of Expenditure shall be set by the City and will equal the amount of Equity and Lender Financing demonstrated, to the reasonable satisfaction of the City, to have been expended by the Developer on the TIF-Eligible Improvements of the Project over and above the amounts of Equity and Lender Financing that have been accounted for in all prior Certificates of Expenditure, pursuant to the preconditions set forth in the paragraphs below.

Not more than one Tenant Buildout Certificate of Expenditure shall be issued by the City (provided the Developer has demonstrated the dollar value test set forth below). The dollar value of the Tenant Buildout Certificate of Expenditure shall be set by the City and will equal the amount of Equity or Lender Financing demonstrated, to the reasonable satisfaction of the City, to have been expended by the Developer on the TIF-Eligible Improvements of the Tenant Buildout, provided that the amount so expended has not been taken into account in any other Certificate of Expenditure, pursuant to the preconditions set forth in the paragraphs below.

Prior to each execution of a Certificate of Expenditure or Tenant Buildout Certificate of Expenditure by the City, the Developer shall demonstrate its progress on the Project by timely submitting to the City a request for execution of a Certificate of Expenditure, which request shall include: (i) documentation (including an owner's sworn statement) regarding Developer's then-current Project expenditures on TIF-Eligible Improvements (including amounts placed in escrow by Developer or at Developer's direction in anticipation of funding future tenant improvements within the Facility, provided such amounts are included in the Project Budget) and executed lien waivers for same, which documentation shall be made satisfactory to DPD in its sole discretion, (ii) progress reports containing the information set forth in Section 8.07 herein, and, if required by said Section, (iii) a plan for correcting any compliance shortfall. Delivery by the Developer to DPD of any request for execution by the City of a Certificate of Expenditure hereunder shall, in addition to the items therein expressly set forth, constitute a certification to the City, as of the date of such request for execution of a Certificate of Expenditure, that:

- (a) the total amount of the request for Certificate of Expenditure represents the actual amount in TIF-Eligible Improvements paid to the General Contractors and/or subcontractors that have performed work on the Project, and/or their payees, or amounts placed in escrow by Developer or at Developer's direction in anticipation of funding future tenant improvements within the Facility, provided such amounts are included in the Project Budget,
- (b) all amounts shown as previous payments on the request for Certificate of Expenditure have been paid to the parties entitled to such payment,
- (c) the Developer has approved all work and materials referenced in the request for Certificate of Expenditure and such work and materials conform to the Plans and

Specifications;

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

(e) the Developer has received no notice and has no knowledge of any liens or claim of lien either filed or threatened against the Developer Properties which have not been cured or insured over except for the Permitted Liens,

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

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

The City may require the Developer to submit further documentation to verify that the matters certified to above are true and correct, and any execution of a Certificate of Expenditure by the City shall be subject to the City's review and approval of such documentation and its satisfaction that such certifications are true and correct; provided, however, that nothing in this sentence shall be deemed to prevent the City from relying on such certifications by the Developer. In addition, the Developer shall have satisfied all other preconditions of execution of a Certificate of Expenditure including, but not limited to, the Bonds, if any, the TIF Ordinances, or this Agreement.

4.07 Conditional Grants. 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. The City Funds are subject to being reimbursed to the City as provided in Section 4.03(e) hereof.

4.08 Cost of Issuance. The Developer shall be responsible for paying all costs relating to the issuance of the City Notes, including costs relating to the opinions described in Section 5 i hereof.

4.09 Requisition Form. After the Closing Date hereof and throughout the earlier of (i) the Term of the Agreement or (ii) the date that City Notes B, C and D (if issued) have been paid in full under this Agreement, the Developer shall provide DPD with a Requisition Form, along with the documentation described therein, in order to request payments under such City Notes.

Such Requisition Form(s) shall contain as part thereof certifications as to employment levels of Full-Time Equivalent employees, continuing operations and compliance generally with this Agreement. Requisition Forms shall not be submitted more than once per calendar year (or as otherwise set forth on the debt service schedules attached to the respective City Notes or as permitted by DPD). The Developer shall meet with DPD at the request of DPD to discuss any Requisition Form(s) delivered to DPD.

4.10 Cost Overruns. If the aggregate cost of the TIF-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 TIF-Eligible Improvements in excess of City Funds and of completing the Project.

SECTION 5. CONDITIONS PRECEDENT

Prior to the Closing Date, the following conditions shall have been completed, approved or complied with to the City's satisfaction:

- a. Project Budget. A Project Budget in accordance with the provisions of Section 3.03 hereof
- b. Plans and Specifications. The Plans and Specifications in accordance with the provisions of Section 3.02 hereof
- c. Other Governmental Approvals. Evidence of having secured all necessary approvals and permits for the portions of the Project that have commenced as of the Closing Date or are immediately pending commencement following the Closing Date, including those regarding environmental remediation, if any, as may be required by any state, federal, or local statute, ordinance or regulation.
- d. Financing; Construction Escrow. Proof that the Developer has Lender Financing, if any, and Equity 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. Unless otherwise agreed to by the City, any liens against the Developer Properties in existence at the Closing Date have been subordinated to certain encumbrances of the City as provided in Section 8 18 herein pursuant to a Subordination Agreement, in a form acceptable to the City and attached as Exhibit Q and made a part hereof, executed on or prior to the Closing Date, which is to be recorded, at the expense of the Developer, with the Office of the Recorder of

Deeds of Cook County The Developer has delivered to DPD a copy of the construction Escrow Agreement entered into by the Developer.

e. Title; Easements; Leases, Management Arrangements

i. A copy of the Title Policy or a date-down thereof for the Developer Properties, dated as of the Closing Date, certified by the Title Company, showing the Developer as the named insured. The Title Policy contains only those title exceptions listed as Permitted Liens on Exhibit G hereto and evidences the recording of this Agreement pursuant to the provisions of Section 8 18 hereof. The Title Policy also shall contain an owner's comprehensive endorsement and satisfactory endorsements regarding zoning (3.0 or modified 3 1 with parking), contiguity, location, access and survey. The Developer has provided to DPD, on or prior to the Closing Date, certified copies of all easements, ground leases, operating leases and encumbrances of record with respect to the Developer Properties not addressed, to DPD's satisfaction, by the Title Policy and any endorsements thereto.

ii. A copy of all easements (including, but not limited to, the perpetual non-exclusive public use easements affecting the Riverwalk site and parcel set forth on Exhibit B-1 hereto), ground leases, synthetic leases, commercial tenancy leases, and management arrangements entered into or proposed to be entered into directly or indirectly by Developer in connection with the Developer Properties or the Facility

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

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

- g Surveys. The Developer has furnished the City with three (3) copies of the Survey
- h Insurance The Developer, at its own expense, has insured the Developer Properties in accordance with Section 12 hereof, and has delivered certificates required pursuant to Section 12 hereof evidencing the required coverages to DPD
- 1. Opinion of the Developer's Counsel
 - 1. On the Closing Date, the Developer has furnished the City with an opinion of counsel, substantially in the form attached hereto as Exhibit J, with such changes as required by or acceptable to Corporation Counsel. If 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 Exhibit J hereto, Developer affirms that such opinions were obtained by the Developer from its general corporate counsel.
 - ii. On the Closing Date, the City has received from Foley & Lardner, bond counsel, an opinion regarding the tax-exempt status and enforceability of City Note A, in form and substance acceptable to Corporation Counsel.
- j. Evidence of Prior Expenditures. The Developer has provided evidence satisfactory to DPD in its sole discretion of the Prior Expenditures in accordance with the provisions of Section 4.04(a) hereof.
- k Financial Statements. The Developer (including the separate entities) has provided Financial Statements to DPD for its three most recent fiscal years, and the most recent unaudited interim Financial Statements
- l. Employment; MBE/WBE; City Residency; Prevailing Wage. Documentation with respect to current employment matters on the Project and a progress report containing the current information requested under Section 8.07 herein.
- m. Environmental. The Developer has provided DPD with copies of that certain phase I environmental audit completed with respect to the Developer Properties and any phase II environmental audit with respect to the Developer Properties 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.
- n. Organizational Documents; Economic Disclosure Statement. The Developer (including its separate entities) 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 regarding the Developer, and all additional Economic Disclosure Statements required thereunder, each on the City's then-current form, and each dated as of the Closing Date.

- o Litigation. The Developer has provided to Corporation Counsel and DPD 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.
- p Appraisal. The Developer has provided any existing appraisals described in Section 5(s) and Section 8.21(a) below hereof
- q. Estimated Project Budget. The Developer has provided the final estimated Project Budget, with detailed documentation including quantity calculations (i.e., take-offs). The documentation shall include separate sub-budgets for the Street/Streetscape Improvements and for the Riverwalk Improvements.
- r. Estimated Number of Dwelling Units to be Constructed. The Developer has updated the information provided on Exhibit B-5 by providing the then current estimated number of Dwelling Units to be constructed in PD 447, including separate sub-totals of estimated Non-Senior Affordable Dwelling Units, Non-Senior Dwelling Units, Non-Senior CHA Replacement Dwelling Units, Senior Dwelling Units, Senior Affordable Dwelling Units and Senior CHA Replacement Dwelling Units
- s Documents Concerning Residential Parcels. Copies of all then executed land sale or lease documents for those Controlled Properties on which Housing Sub-Projects will be undertaken, including the property appraisals for same (as more fully described in Section 8.21(a) below); evidence (in the form of a Developer certification) that the third party developer thereof has the financial ability to satisfy the Housing Sub-Project(s) to be undertaken on the applicable Controlled Property and can meet the established time-frames for conveyance of such units to CHA and income-qualified buyers, respectively; copies of any then existing signed acknowledgments from third party developers evidencing their understanding of the CHA replacement housing and affordable housing covenants and that their failure to comply will result in reduction of City Funds to Developer or a repayment by Developer to City of part or all of the City Funds. In

furtherance of the foregoing, delivery to the City of an executed land/sale contract with the Housing Covenant (as defined in Section 8 21(a)(ii) below) attached shall constitute sufficient evidence of the certification of said third party developer's financial ability to satisfy the Housing Sub-Project(s) to be undertaken on the applicable Controlled Property within the established time frame.

- t. Park Space Dedication The Developer has provided proof to the satisfaction of the Park District of conveying or having caused to be conveyed to the Park District the open space described in Open Space Sub-Project 206 In connection with the foregoing, such conveyance may occur through escrow at Closing
- u. Agreement with General Contractors. The copy of the executed agreement with the General Contractors and other documents set forth in Section 6 herein.
- v. Rent Roll, Proof of Uses A certified rent roll or similar document establishing that at least 35% of the Leasable Square Feet in the Facility have been leased to tenants meeting the Basic Use and/or Retail Use requirements set forth in Section 8.06 hereof.
- w. MOPD Approval. Evidence that the City's Mayor's Office for People with Disabilities ("MOPD") has reviewed and approved the Plans and Specifications.
- x. Local Job Training Program. Evidence that the local job training program set forth the Public Benefits Program (and as described in Section 8.20 hereof) has been established and is operational
- y. Summer Internship Program. Evidence that the summer internship program set forth the Public Benefits Program (and as described in Section 8.20 hereof) has been established and is operational.
- z. Site B.2 Disclaimer. If required in the reasonable discretion of the City, evidence reasonably satisfactory to bond counsel that the owners of Site B.2 as shown on the Site Map (Exhibit B-5) disclaim any intention to apply for tax increment financing assistance with respect to any redevelopment thereof to the extent necessary to permit interest on City Note A to be exempt from federal taxation.

SECTION 6. AGREEMENTS WITH CONTRACTORS

6.01 Bid Requirement for General Contractor and Subcontractors

(a) The Developer has selected the General Contractors. Prior to entering into any agreement having a face value of \$250,000 or more with a subcontractor, the Developer shall

solicit, or shall cause the General Contractors to solicit, bids from qualified contractors eligible to do business with the City of Chicago, and shall submit all bids received to DPD for its inspection and written approval

(i) For the TIF-Eligible Improvements, the Developer shall select or shall cause the General Contractors to select the subcontractor submitting the lowest responsible bid (as determined by Developer) who can complete the Project in a timely manner. If the Developer or the General Contractors select any subcontractor submitting other than the lowest responsible bid for the TIF-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 TIF-Eligible Improvements, if the Developer or the General Contractors select any subcontractor who has not submitted the lowest responsible bid (as determined by Developer), 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.

The Developer shall submit copies of the Construction Contracts to DPD in accordance with Section 6.02 below. Photocopies of all subcontracts entered or to be entered into in connection with the TIF-Eligible Improvements shall be provided to DPD within five (5) business days of the execution thereof. The Developer shall ensure that the General Contractors shall not (and shall cause the General Contractors to ensure that the subcontractors shall not) begin work on the Project until the Plans and Specifications have been approved by DPD and all requisite permits have been obtained

(b) The fee of the General Contractors proposed to be paid during the Construction Contracts (exclusive of General Conditions) shall not exceed 10% of the total amount of the Construction Contracts. Except as explicitly stated in this paragraph, all other provisions of Section 6.01(a) shall apply, including but not limited to the requirement that the General Contractors shall solicit competitive bids from all subcontractors

6.02 Construction Contracts The Developer shall deliver to DPD copies of any Construction Contracts certified by the Developer as being true and accurate, 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 Contractors be bonded for its payment by sureties having an AA rating or better using a bond in the form attached as 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 Contractors and each subcontractor to agree to the provisions of Section 10 hereof, provided, however, that the contracting, hiring and testing requirements associated with the MBE/WBE and City resident obligations in Section 10 shall be applied on an aggregate basis and the failure of the General Contractors to require each subcontractor to satisfy, or the failure of any one subcontractor to satisfy, such obligations shall not result in a default or a termination of this Agreement or require payment of the City resident hiring shortfall amount so long as such Section 10 obligations are satisfied on an aggregate basis.

6.05 Other Provisions. In addition to the requirements of this Section 6, the Construction Contracts 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, subject to the exception in Section 6.04), Section 10.03 (MBE/WBE Requirements, as applicable, subject to the exception in Section 6.04), Section 12 (Insurance) and Section 14.01 (Books and Records) hereof. Photocopies of all contracts or subcontracts entered or to be entered into in connection with the TIF-Eligible Improvements shall be provided to DPD within five (5) business days of the execution thereof.

SECTION 7. COMPLETION OF REHABILITATION

7.01 Issuance of Completion Certificates. DPD shall issue to the Developer, in the form attached hereto as Exhibit S, not more than four Certificates, each one corresponding to the completion of particular parts of the Project or Additional Projects (“Applicable Part”) as set forth below, and each in recordable form. Issuance of each Completion Certificate shall be in response to Developer’s written request

<u>Name of Completion Certificate:</u>	<u>Applicable Parts:</u>
CMHDC Subproject Completion Certificate	the CMHDC Sub-Project
Interim Completion Certificate	the Interim Project
Tenant Buildout Completion Certificate	the Tenant Buildout Sub-Project, if completed
Final Completion Certificate	(i) the completion of all of the Project and the Additional Projects; or (ii) upon express approval of issuance from DPD

No Completion Certificate shall be issued unless DPD is satisfied that the Developer has fulfilled all of the following obligations that pertain to the Completion Certificate being

requested.

<u>Obligation</u>	<u>Applicable Completion Certificate(s)</u>
Completion of the Applicable Part in accordance with Recital D and <u>Section 3.01</u> hereof and the Plans and Specifications pertaining to that Applicable Part, and within the time period set forth in <u>Section 3.01</u> hereof pertaining to that Applicable Part (subject to force majeure as set forth in <u>Section 18.17</u> hereof)	Each
Received evidence of compliance with building permit requirements as is acceptable to DPD	Each
Met or exceeded all MBE/WBE requirements	Interim; Tenant Buildout; Final
Submitted proof that the amount of TIF-Eligible Improvements made or incurred for the Applicable Part equals or exceeds the issuance value proposed for the corresponding Note	Each
Submitted proof that the amount of Equity and/or Lender Financing expended for the Applicable Part equals or exceeds the issuance value proposed for the corresponding Note	Each
Met or exceeded all prevailing wage requirements of this Agreement	Interim, Tenant Buildout; Final
Met or exceeded all City residency hiring requirements	Interim; Tenant Buildout; Final (subject, however, to the alternative next below)
Paid the City the full monetary penalty for failure to meet the City residency requirements of this Agreement if those requirements have not been met when measured across all completed Applicable Parts	Final
Fulfillment of all progress reports requirements set forth in <u>Section 8.07</u> hereof for the Applicable Part	Interim; Tenant Buildout; Final

Fulfilled each part of the public benefits program requirements set forth in Exhibit N hereof, if any, that was to have been fulfilled on or before the date of the Completion Certificate Interim; Final

The representations and warranties of this Agreement are true and correct and the Developer is in compliance with all covenants contained herein Each

The Developer has received no notice and has no knowledge of any liens or claim of lien either filed or threatened against the Developer Properties which have not been cured or insured over except for the Permitted Liens Each

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 Each

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

Any Completion Certificate may be declared the Final Completion Certificate by the City pursuant to the conditions set forth in Section 3.01 hereof.

7.02 Effect of Issuance of Completion Certificate; Continuing Obligations. The issuance of a Completion Certificate or the Final Completion Certificate pursuant to Section 7.01 relates only to the construction or rehabilitation of a part or all of the Project or the Additional Projects and, upon such 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.

In addition, the date of issuance of a particular Completion Certificate shall be the date that the City shall be obligated to commence payment of the debt service of the corresponding City Note indicated below, with such debt service obligation to be paid pursuant to the debt service schedule attached to the corresponding City Note.

<u>Issuance of this Completion Certificate.</u>	<u>Triggers the Payment Obligation for this Corresponding City Note:</u>
CMHDC Subproject Completion Certificate	City Note C
Interim Completion Certificate	City Note B
Tenant Buildout Completion Certificate	City Note D
Final Completion Certificate	n/a

After the issuance of a Completion Certificate, 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 Completion 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, 8.06, 8.14 and 8.21 as covenants that run with the land are the only covenants in this Agreement intended to be binding upon any transferee of the Developer Properties (including an assignee as described in the following sentence) throughout the Project. The other executory terms of this Agreement that remain after the issuance of a Completion 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, except with respect to City Notes A and C;

(b) the right (but not the obligation) to complete those TIF-Eligible Improvements that are public improvements, and to pay for the costs of such TIF-Eligible Improvements (including interest costs) out of City Funds or other City monies. In the event the aggregate cost of completing such TIF-Eligible Improvements exceeds the amount of City Funds available pursuant to Section 4.03, the Developer shall reimburse the City for all reasonable costs and expenses incurred by the City in completing such TIF-Eligible Improvements in excess of the available City Funds; and

(c) the right to seek reimbursement of the City Funds from the Developer, except with respect to City Notes A and C.

7.04 Notice of Expiration of Term of Agreement. Upon the expiration of the Term of the Agreement, DPD 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. DEVELOPER'S COVENANTS/REPRESENTATIONS/WARRANTIES

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 comprised of three Delaware limited liability companies, each of which is duly organized, validly existing, qualified to do business in its state of organization and 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) prior to the issuance of the Interim Completion Certificate the Developer will not sell, transfer or convey all or any portion of the Developer Properties without the City's consent. If Developer provides notice to the City of a proposed sale, transfer or conveyance and the City fails to object to such sale, transfer or conveyance within twenty business (20) days of receipt of such notice, such sale, transfer or conveyance shall be deemed approved.

Subsequent to issuance of the Interim Completion Certificate and prior to the earlier to occur of (i) two years after the issuance of the Interim Completion Certificate or (ii) three years after the Closing Date, Developer will not sell, transfer or convey all or any portion of the Developer Properties without the City's consent provided that the City hereby agrees to consent to any sale, transfer or conveyance to an Acceptable Purchaser of the Developer Properties in one or more transactions (including, without limitations, transfers to tenants of the Developer Properties). If Developer provides notice to the City of a proposed sale, transfer or conveyance and the City fails to object to such sale, transfer or conveyance within twenty (20) business days of receipt of such notice, such sale, transfer or conveyance shall be deemed approved This

section does not apply to commercial leases entered into in the ordinary course of business or financing obtained by Developer or the foreclosure of any such financing by the lender thereof, it being acknowledged that Developer shall have the right to enter into commercial leases in the ordinary course of business for all or any portion of the Developer Properties on such terms as are determined by Developer, and Developer's rights and restrictions (if any) with respect to financing are governed by the provisions of Section 16

(e) the Developer is now and, until the earlier to occur of the expiration of the Term of this Agreement and the date, if any, on which Developer has no further interest in the Project, 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 earlier to occur of (i) two years after the issuance of the Interim Completion Certificate, or (ii) three years after the Closing Date, the Developer (and each of its constituent entities) shall not do any of the following without the prior written consent of DPD: (1) be a party to any merger, liquidation or consolidation (except by and among Eport 600 Riverwalk Owner, L.L.C. and Eport 600 Property Owner, L.L.C.), (2) subject to Section 8.01(d) above, sell or otherwise dispose of all or substantially all of its assets or any portion of the Developer Properties (including but not limited to any fixtures or equipment now or hereafter attached thereto) except in the ordinary course of business; (3) enter into any transaction outside the ordinary course of the Developer's business (including, but not limited to, any transaction involving Eport 600 Riverwalk Owner, L.L.C. gaining purposes other than owning the Riverwalk parcel set forth on Exhibit B-1, dedicating an easement over the entire parcel to public use, and creating the riverwalk as set forth on Exhibit B-2); (4) assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity (except that Eport 600, L.L.C. may do so for Eport 600 Riverwalk Owner, L.L.C. or Eport 600 Property Owner,

L.L.C.) 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 the Interim Completion Certificate, shall not, without the prior written consent of the Commissioner of DPD, allow the existence of any liens against the Developer Properties (or improvements thereon) other than the Permitted Liens, or incur any indebtedness, secured or to be secured by the Developer Properties (or improvements thereon) or any fixtures now or hereafter attached thereto, except Lender Financing disclosed in the Project Budget, provided, however, that nothing in this Section 8.01(k) shall be construed to prohibit the granting of easements and other similar recordable interests and liens in the Developer Properties necessary or desirable for the redevelopment of the Project and the Additional Projects; and

(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.

8.02 Covenant to Redevelop Upon DPD's approval of the Project Budget, the 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 Developer Properties in accordance with this Agreement and all Exhibits attached hereto, the TIF Ordinances, the Plans and Specifications, Project Budget and all amendments thereto, and all federal, state and local laws, ordinances (including PD 447), rules, regulations, executive orders and codes applicable to the Project, the Developer Properties 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 the Final Completion 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

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 TIF-Eligible Improvements as provided in this Agreement.

8.05 Other 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 TIF-Eligible Improvements (the "Bonds"); provided, however, that any such amendments shall not have a material adverse effect on the Developer or

the Project, and further provided, that the payment obligations relating to any such Bonds shall be subordinate to the City's obligations hereunder with respect to payments under City Note A or the proceeds of such Bonds shall, subject to Section 4.03(f), be used to fully retire City Note A. The City hereby covenants and agrees that it shall not issue any Bonds unless, in connection therewith, City Note A is paid in full. 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; Uses of Developer Properties

(a) During the period from the Closing Date to the date that is two years after the issuance of the Interim Completion Certificate, Developer shall establish or cause to be established not fewer than 750 FTEs within the Project. The City acknowledges that the Developer shall have the right to seek, at any point during such time period, City testing of this requirement and the City further acknowledges that such determination is a one-time test only. Subsequent to the initial one-time creation of 750 FTEs and throughout the Commitment Period, Developer's sole obligation with respect to job creation and retention shall be, where commercially reasonable or feasible in connection with market conditions and the employment needs of tenants at the Facility (all as determined in Developer's reasonable judgment), to encourage tenants and other commercial entities at the Facility, in the aggregate, to maintain, in the aggregate, not fewer than 750 FTEs; provided, however, that the failure to maintain such number of FTEs subsequent to the initial establishment thereof shall in no event be deemed a Developer default hereunder. In no event shall Developer have any other or further obligations with respect to job creation or retention.

(b) Subject to any superseding conditions upon use of the Facility specifically set forth in PD 447, the Developer shall have the following rights and obligations in connection with uses at the Facility:

(i) As a condition to the issuance of the Interim Completion Certificate, and as part of the Interim Project, Developer shall cause at least 400,000 of Leasable Square Feet to be occupied with Basic Uses; provided, however, that the Commissioner of DPD shall approve (not to be unreasonably withheld or delayed) a change in the definition of Basic Use (i.e., the component uses thereof) if, due to market conditions, the Developer fails to maintain occupancy of not less than 80% of Leasable Square Feet of the Facility with Basic Uses on average during any rolling 18-month period during this period;

(ii) Not later than the date that is two years after the issuance of the Interim Completion Certificate, Developer shall cause at least 700,000 of Leasable Square Feet to be occupied with Basic Uses, provided, however, that the Commissioner of DPD shall approve (not to be unreasonably withheld or delayed) a change in the definition of Basic

Use (i.e., the component uses thereof) if, due to market conditions, the Developer fails to maintain occupancy of not less than 80% of Leasable Square Feet of the Facility with Basic Uses on average during any rolling 18-month period during this period,

(iii) Retail Uses shall be permitted at the Facility without limitation as to the minimum or maximum amount of Leasable Square Feet (other than as may otherwise conflict with the Basic Use requirement above),

(iv) Limited Uses may not exceed 20% of the Leasable Square Feet,

(v) Parking Uses shall be established only in the portions of the Facility that are designated for parking uses on the Plans and Specifications unless otherwise approved by the Commissioner of DPD (which approval shall not be unreasonably withheld or denied);

(vi) Other Uses of all portions of the Facility that are not a Basic Use, Retail Use, Limited Use or Parking Use shall be permitted to the extent they do not conflict with the remaining terms of this Section 8.06(b) and without limitation as to the minimum or maximum amount of Leasable Square Feet (other than as may otherwise conflict with the Basic Use requirement above);

(vii) No Prohibited Use shall be allowed without the prior approval of the Commissioner of DPD.

The foregoing use restrictions and obligations shall remain in place during the Commitment Period; thereafter, uses on the Developer Properties shall only be required to comply with the terms of PD 447.

In conjunction with Developer's filing of a Requisition Form, the Developer shall deliver to the City written reports detailing current compliance with the requirements of this subsection (b). If any such report indicates a failure to comply with the requirements of this subsection (b), the Developer shall concurrently deliver a plan to DPD comprehensively outlining the actions to be taken by the Developer to correct the non-compliance. Further, if such report indicates that the Developer has failed, on average during the course of a calendar year, to comply with the minimum square footage Basic Use requirement above, then Developer will have a period of 12 months to cure such non-compliance, and if such non-compliance has not been cured after such 12-month cure period, then payments under City Note B will be suspended and interest will not accrue until Developer demonstrates that the Facility is once again in compliance with said Basic Use requirement. Further, any year during which Developer is not on average in compliance with the minimum square footage Basic Use requirement shall not count towards the ten year period set forth herein. The City shall have the right to withhold the final payment due under City Note B until the expiration of said ten (10) year period if such final payment would otherwise occur prior thereto.

The Developer shall also deliver to the City a copy of each lease entered into directly or indirectly by the Developer at the Facility which is to be counted in the 700,000 Leasable Square Foot Basic Use requirement that includes any portion of the time from the date of issuance of the Interim Completion Certificate through the tenth anniversary of the issuance thereof. Each such lease must run for a term of at least five years unless otherwise approved by the Commissioner of DPD (such approval not be unreasonably withheld or delayed)

(c) The covenants set forth in this Section 8.06 shall run with the land and be binding upon any transferee of any applicable portion of the Developer Properties.

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 Contractors and each subcontractor to abide by, the terms set forth in Section 10 hereof, provided, however, that the contracting, hiring and testing requirements associated with the MBE/WBE and City resident obligations in Section 10 shall be applied on an aggregate basis and the failure of the General Contractors to require each subcontractor to satisfy or the failure of any one subcontractor to satisfy, such obligations shall not result in a default or a termination of this Agreement or require payment of the City resident hiring shortfall amount so long as such Section 10 obligations are satisfied on an aggregate basis. 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 when the Project is 25%, 50%, 70% and 100% completed (based on the amount of expenditures incurred in relation to the Project Budget). If any such reports indicate a failure to comply, the Developer shall concurrently deliver a plan to DPD which shall outline, to DPD's satisfaction, the manner in which the Developer shall correct any shortfall

8.08 Employment Profile. Subject to the terms and conditions of Section 6.04 hereof, the Developer shall submit, and contractually obligate and cause the General Contractors or any subcontractor to submit, to DPD, from time to time, statements of its employment profile upon DPD's request.

8.09 Prevailing Wage. The Developer covenants and agrees to pay, and to contractually obligate and cause the General Contractors 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 Contractors to evidence compliance with this Section 8.09.

8.10 Arms-Length Transactions Unless DPD has given its prior written consent with respect thereto, no Affiliate of 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 TIF-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 DPD's request, prior to any such disbursement.

8.11 Conflict of Interest. Pursuant to Section 5/11-74 4-4(n) of the Act, 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 Developer Properties 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 Developer Properties or any other aspect of the Project.

8.13 Financial Statements. Upon the request of DPD, the Developer shall obtain and provide to DPD Financial Statements for the Developer's fiscal year ended 2002 and, until the earlier to occur of the expiration of the Term of this Agreement and the date, if any, on which Developer has no further interest in the Project, the Developer shall obtain and provide to DPD Financial Statements for each fiscal year thereafter. In addition, until the earlier to occur of the expiration of the Term of this Agreement and the date, if any, on which Developer has no further interest in the Project, the Developer shall submit unaudited financial statements as soon as reasonably practical following the close of each such fiscal year and for such other periods as DPD may request

8.14 Insurance The Developer, at its own expense, shall comply with all provisions of Section 12 hereof. This covenant shall run with the land and be binding upon any transferee.

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 Developer Properties 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 Developer Properties 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 DPD, within thirty (30) days of DPD's request, official receipts from the appropriate entity, or other proof satisfactory to DPD, 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 Developer Properties (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 DPD's sole option, to furnish a good and sufficient bond or other security satisfactory to DPD in such form and amounts as DPD 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 Developer Properties 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 DPD 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 Developer Properties 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 Developer Properties. 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 Developer Properties 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 the Subordination Agreement set forth in Exhibit O shall be executed and recorded. The Developer shall pay all fees and charges incurred in connection with any such recordings. Upon making the recordings, the Developer shall immediately transmit to the City executed originals of this Agreement and the Subordination Agreement showing the dates and recording numbers of record.

8.19 Real Estate Provisions

(a) Governmental Charges.

(i) Payment of Governmental Charges. Subject to subsection (ii) below, 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 Developer Properties 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 Developer Properties 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 Developer Properties 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 Developer Properties. 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 DPD of the Developer's intent to contest or object to a Governmental Charge and, unless, at DPD's sole option,

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

(B) the Developer furnishes a good and sufficient bond or other security satisfactory to DPD in such form and amounts as DPD 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 Developer Properties 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 or contest any Governmental Charge or to obtain discharge of the same, the Developer shall advise

DPD thereof in writing, at which time DPD may, but shall not be obligated to, and without waiving or releasing any obligation or liability of the Developer under this Agreement, in DPD's sole discretion, make such payment, or any part thereof, or obtain such discharge and take any other action with respect thereto which DPD deems advisable. All sums so paid by DPD, if any, and any expenses, if any, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto, shall be promptly disbursed to DPD 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 Public Benefits Programs. For a period of five years following the Closing Date, the Developer shall undertake or, if already under way on the Closing Date, shall continue to undertake, the two public benefits programs as described on Exhibit N. 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.

8.21 Additional Projects. The Developer shall undertake or cause to be undertaken the Additional Projects on the Controlled Properties and certain public streets, alleys and rights of way as follows.

(a) The Developer has commenced to undertake or caused to undertake and/or shall undertake or cause to be undertaken the Housing Sub-Projects in accordance with the following terms, conditions and covenants:

(i) The Housing Sub-Projects are intended to be undertaken on the Controlled Properties by third party developers. Prior to the closing on any land sale contract to such third party developers which occurs after the Closing Date, or on the Closing Date for those land sales which occurred prior thereto, Developer must provide to DPD (A) evidence (in the form of a Developer certification) that such third party developer has the wherewithal to satisfy the Housing Sub-Project for the applicable Controlled Property, (B) to the extent in the Developer's possession or reasonably available to the Developer, a copy of the executed land sale contract along with an appraisal prepared by someone holding the professional designation of Member of the Appraisal Institute confirming the fair market value of the applicable Controlled Property (and in arriving at such determination, such appraisal must reflect the effect on the value of such Controlled Property of the Affordable Dwelling Units and CHA Replacement Dwelling Units to be constructed thereon) and (C) a signed acknowledgment from such third party developer of the covenant to undertake the Housing Sub-Project for the applicable Controlled Property and the City's right to enforce the same, as described in the Housing Covenant. In furtherance of the foregoing, delivery to the City of an executed land/sale contract with the Housing Covenant (as defined in Section 8.21(a)(ii) below) attached shall constitute sufficient evidence of the certification of said third party developer's financial ability to

satisfy the Housing Sub-Project(s) to be undertaken on the applicable Controlled Property within the established time frame

(ii) Developer will cause a covenant to be recorded against each applicable Controlled Property, except for the Controlled Property shown on Exhibit B-3 as "Domain Condominium," containing substantially the terms set forth in Sections 6, 7 and 11 of Exhibit Q attached hereto (the "Housing Covenant"); provided, however, that for the Controlled Property known as "Domain Condominium," the Housing Covenant shall not be recorded against the entire property but a deed restriction shall be recorded at the Initial Sale of each designated Affordable Dwelling Unit restricting the resale of each such Unit for a period of five years to a person or family whose annual income does not exceed 120% 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 Housing Covenant will establish the specific obligation to construct Affordable Dwelling Units and CHA Replacement Dwelling Units applicable to such Controlled Property and will further provide for the City's right (in addition to the Developer's right) to enforce the same. The Housing Covenant shall additionally provide that (A) each Affordable Dwelling Unit must maintain its status as "affordable" housing for not less than five years from the date of the Initial Sale thereof and (B) CHA Replacement Dwelling Units constructed on such Controlled Property shall be sold or leased to the CHA, it being understood that the CHA shall be solely responsible for securing tenants or subtenants for such Dwelling Units. Except as set forth in subsection (iii) below, Developer, upon the recording of the Housing Covenant, shall have no further obligations or liabilities in connection with the construction of Affordable Dwelling Units and CHA Replacement Dwelling Units on the applicable Controlled Property, and the City shall assert any other remedies with respect to such matters solely against third party developers or third party purchasers who violate the Housing Covenant.

(iii) Notwithstanding anything in this Section 8.21(a) to the contrary, the Developer and the City, as applicable, shall undertake the following in connection with Housing Sub-Project 205:

(A) the Developer shall construct or cause to be constructed the 16 Non-Senior CHA Replacement Dwelling Units comprising Housing Sub-Project 205 within six months after the Closing Date and make the same available for sale to the City or to a party to be designated by the City;

(B) Upon request by the City, the Developer shall convey or cause to be conveyed to the City or to the party designated by the City the 16 Non-Senior CHA Replacement Dwelling Units comprising Housing Sub-Project 205;

(C) on the Closing Date, or as soon thereafter as convenient, the City and Developer shall establish an escrow account ("CMHDC Escrow Account") at

Chicago Title and Trust Company or a mutually agreed alternative, pursuant to a form substantially similar to that attached as Exhibit T hereto, for the purpose of funding the Developer's financial obligation to CMHDC; and

(D) within 15 days of each of the City's payments to the Developer into the CMHDC Escrow Account as set forth in Section 4.03 hereof, the Developer shall pay or cause to be paid to CMHDC out of the CMHDC Escrow Account: (a) \$374,000 on the date of the closing on the purchase by CMHDC of the 16 Non-Senior CHA Replacement Dwelling Units comprising Housing Sub-Project 205, (b) \$274,000 one year after the first payment date, and (c) \$274,000 one year after the second payment date

(iv) Incremental Taxes may not be used to subsidize the cost to develop the Affordable Dwelling Units. The Developer, for itself or any third party developer, may create, or cause to be created, a private mechanism to subsidize the Affordable Dwelling Units, which mechanism may include the placing of a subordinate lien on the applicable Affordable Dwelling Unit in an amount not to exceed the difference between the actual cost to construct such Affordable Dwelling Unit (as determined in accordance with the formula referenced in subsection (vi) below) and the actual cost at which such Affordable Dwelling Unit is sold to income qualified buyers. Such lien may accrue simple interest at a rate per annum that is set at the time of the lien pursuant to good faith negotiations by the City and Developer. Such lien may provide that, during the first five years from the date of the Initial Sale thereof, each Affordable Dwelling Unit may only be sold to another income qualified buyer. Such liens may further provide that, between five and ten years after said Initial Sale, if the applicable Affordable Dwelling Unit is sold to another income qualified buyer, such lien will remain in place until the completion of the tenth year upon which it will become due and payable. However if, within this time period, said Affordable Dwelling Unit is sold to a buyer who is not income qualified, then the respective third party developer's lien may be exercised at the time of sale.

(v) Incremental Taxes (other than Available Incremental Taxes) may be used to subsidize the cost of the CHA Replacement Units. The Developer acknowledges that the use of such funds for the construction of such CHA Replacement Dwelling Units is subject to the requirements of the underlying TIF Redevelopment Plan and bond documents. The City will determine such assistance on a case-by-case basis. If such third party developers seek and receive TIF assistance, then the applicable portion of their construction budgets attributable solely to the costs of the CHA Replacement Units (determined by the portion of the project receiving TIF assistance) will be subject to the standard types of City requirements including, but not be limited to, MBE/WBE, prevailing wage, and City residency, it being acknowledged that no such requirement shall otherwise be applicable to the Controlled Properties in the absence of such assistance, and it being further understood that the applicable third party developer may satisfy such standard City requirements over other portions of its construction (i.e., not

solely over the construction of the CHA Replacement Units) as long as the minimum applicable percentages are otherwise satisfied

(vi) The formula set forth in Exhibit R will be used to determine the eligible costs associated with any public subsidy to support the development of CHA Replacement Dwelling Units should a third party developer request such assistance and such assistance is determined to be warranted as set forth in subsection (v) above. Additionally, this formula will serve as the formula for the “affordable housing lien” discussed in subsection (iv) above.

(b) The Open Space Sub-Projects shall be undertaken in accordance with the terms of this Section 8.21(b) and Exhibit B-4.

(i) The Open Space Sub-Projects identified as Items 207 and 208 on Exhibit B-4 are intended to be undertaken on the applicable Controlled Property by third party developers to which Developer expects to cause to be conveyed all or most of the Controlled Properties.

(ii) Prior to the closing on any land sale contract to a third party developer of Site H as designated on Exhibit B-3, Developer must provide to DPD evidence (in the form of a Developer certification) that such third party developer has the wherewithal to satisfy the Open Space Sub-Project for Site H.

(c) In order to allow DPD to track the Developer’s status of satisfaction of the requirements pertaining to the Housing Sub-Projects and the Open Space Sub-Projects, the Developer shall, throughout the Commitment Period upon DPD’s request, provide DPD with updates to the information provided on Exhibit B-5. Such updates shall include the total number of Dwelling Units to be constructed on the applicable Controlled Properties and shall break out the number of Non-Senior Affordable Dwelling Units, Non-Senior CHA Replacement Dwelling Units, Senior Affordable Dwelling Units and Senior CHA Replacement Dwelling Units and shall also include updated information regarding the Open Space Sub-Projects.

(d) The covenants set forth in this Section 8.21 shall run with the land and be binding upon any transferee.

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 Completion Certificate) shall be in effect throughout the Term of the Agreement.

Those covenants specifically described at Sections 8.02, 8.06, 8.14 and 8.21 as covenants

that run with the land are the only covenants in this Agreement intended to be binding upon any transferee of the Developer Properties (including an assignee as described in the following sentence) throughout the Term of the Agreement (or as otherwise specified in the relevant subsection) notwithstanding the issuance of a Completion Certificate (except for Section 8.02); provided, that upon the issuance of a Completion Certificate, the other executory terms of this Agreement 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.

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 Developer Properties (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:

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

rates of pay or other forms of compensation, and selection for training, including apprenticeship. Each Employer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this nondiscrimination clause. In addition, the Employers, in all solicitations or advertisements for employees, shall state that all qualified applicants shall receive consideration for employment without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income.

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

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

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

(e) Each Employer shall include the foregoing provisions of subparagraphs (a) through (d) in every contract entered into in connection with the Project, and shall require inclusion of these provisions in every subcontract entered into by any subcontractors, and every agreement with any Affiliate operating on the Developer Properties, 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 Contractors and shall cause the General Contractors 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 50 percent of the total worker hours worked by persons on the site of the Project shall be performed by actual residents of the City); provided, however, that in addition to complying with this percentage, the Developer, its General Contractors 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 Contractors and each subcontractor shall provide for the maintenance of adequate employee residency records to show that actual Chicago residents are employed on the Project. Each Employer shall maintain copies of personal documents supportive of every Chicago employee's actual record of residence.

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

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

At the direction of DPD, affidavits and other supporting documentation will be required of the Developer, the General Contractors 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 Contractors 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

non-compliance, it is agreed that 1/20 of 1 percent (0.0005) of the aggregate hard construction costs set forth in the Project budget undertaken by Developer (and specifically excluding any tenant improvements that are not undertaken by Developer) (the product of 0005 x such aggregate hard construction costs) (as the same shall be evidenced by approved contract value for the actual contracts) shall be surrendered by 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 Contractors 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 The Developer's MBE/WBE 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 Contractors to agree that, during the Project:

a. Consistent with the findings which support the Minority-Owned and Women-Owned Business Enterprise Procurement Program (the "MBE/WBE" Program"), Section 2-92-420 et seq., Municipal Code of Chicago, and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, and as qualified by, the provisions of this Section 10.03, during the course of the Project, at least the following percentages of the MBE/WBE Budget as set forth on Exhibit H-2 attached hereto and made a part hereof (as these budgeted amounts may be reduced to reflect decreased actual costs) shall be expended for contract participation by MBEs or WBEs:

- i. At least 25 percent by MBEs.
- ii. At least 5 percent by WBEs.

provided, however, that if the Developer does not achieve these MBE/WBE requirements in connection with the Sub-Projects for City Note A (e.g., construction of the riverwalk and roadway improvements), then those requirements will be reallocated into proportionately increased MBE/WBE requirements for the Sub-Projects for City Note B, and the Developer must

demonstrate full compliance with said increased MBE/WBE budget as an express condition to the City issuing the Interim Completion Certificate for City Note B.

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" as such terms are defined in Section 2-92-420, Municipal Code of Chicago

c. Consistent with Section 2-92-440, Municipal Code of Chicago, the Developer's MBE/WBE commitment may be achieved in part by the Developer's status as an MBE or WBE (but only to the extent of any actual work performed on the Project by the Developer), or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of (i) the MBE or WBE participation in such joint venture or (ii) the amount of any actual work performed on the Project by the MBE or WBE), by the Developer utilizing a MBE or a WBE as a General Contractor (but only to the extent of any actual work performed on the Project by the General Contractors), by subcontracting or causing the General Contractors to subcontract a portion of the Project to one or more MBEs or WBEs, or by the purchase of materials used in the Project from one or more MBEs or WBEs, or by any combination of the foregoing. Those entities which constitute both a MBE and a WBE shall not be credited more than once with regard to the Developer's MBE/WBE commitment as described in this Section 10.03. The Developer or the General Contractors may meet all or part of this commitment through credits received pursuant to Section 2-92-530 of the Municipal Code of Chicago for the voluntary use of MBEs or WBEs in its activities and operations other than the Project

d. The Developer shall deliver quarterly reports to DPD during the Project describing its efforts to achieve compliance with this MBE/WBE commitment. Such reports shall include inter alia the name and business address of each MBE and WBE solicited by the Developer or the General Contractors to work on the Project, and the responses received from such solicitation, the name and business address of each MBE or WBE actually involved in the Project, a description of the work performed or products or services supplied, the date and amount of such work, product or service, and such other information as may assist DPD in determining the Developer's compliance with this MBE/WBE commitment. DPD has access to the Developer's books and records, including, without limitation, payroll records, books of account and tax returns, and records and books of account in accordance with Section 14 of this Agreement, on five (5) business days' notice, to allow the City to review the Developer's compliance with its commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the Project.

e. Upon the disqualification of any MBE or WBE General Contractor or subcontractor, if such status was misrepresented by the disqualified party, the Developer shall be obligated to discharge or cause to be discharged the disqualified General Contractor or subcontractor and, if possible, identify and engage a qualified MBE or WBE as a replacement For purposes of this

Subsection (e), the disqualification procedures are further described in Section 2-92-540, Municipal Code of Chicago

f. Any reduction or waiver of the Developer's MBE/WBE commitment as described in this Section 10.03 shall be undertaken in accordance with Section 2-92-450, Municipal Code of Chicago.

g. Prior to the commencement of the Project, the Developer, the General Contractors and all major subcontractors shall be required to meet with the monitoring staff of DPD with regard to the Developer's compliance with its obligations under this Section 10.03. During this meeting, the Developer shall demonstrate to DPD its plan to achieve its obligations under this Section 10.03, the sufficiency of which shall be approved by DPD. During the Project, the Developer shall submit the documentation required by this Section 10.03 to the monitoring staff of DPD, including the following: (i) subcontractor's activity report; (ii) contractor's certification concerning labor standards and prevailing wage requirements; (iii) contractor letter of understanding; (iv) monthly utilization report; (v) authorization for payroll agent; (vi) certified payroll; (vii) evidence that MBE/WBE contractor associations have been informed of the Project via written notice and hearings; and (viii) evidence of compliance with job creation/job retention requirements. Failure to submit such documentation on a timely basis, or a determination by DPD, upon analysis of the documentation, that the Developer is not complying with its obligations hereunder shall, upon the delivery of written notice to the Developer, be deemed an Event of Default hereunder. 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 Contractors (other than payments of principal and interest under City Notes A or C), or (3) seek any other remedies against the Developer available at law or in equity.

SECTION 11. ENVIRONMENTAL MATTERS

The Developer hereby represents and warrants to the City that the Developer has conducted environmental studies sufficient to conclude that the Project may be constructed, completed and operated in accordance with all Environmental Laws and this Agreement and all Exhibits attached hereto, the 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 all or any

portion of the Developer Properties or Controlled Properties, or (ii) any liens against the Developer Properties or Controlled Properties 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 Developer Properties or the Controlled Properties

SECTION 12. INSURANCE

The Developer shall provide and maintain, or cause to be provided, at the Developer's or General Contractors' own expense, as applicable, 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 Employers Liability Insurance

Workers Compensation and Employers Liability Insurance, as prescribed by applicable law covering all employees who are to provide a service under this Agreement and Employers Liability coverage with limits of not less than \$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 \$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, non-contributory basis for any liability arising directly or indirectly from the work.

(b) Construction

(i) Workers Compensation and Employers Liability Insurance

Workers Compensation and Employers Liability Insurance, as prescribed by applicable law covering all employees who are to provide a service under this Agreement and Employers Liability coverage with limits of not less than \$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 \$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 General Contractors shall provide Automobile Liability Insurance with limits of not less than \$2,000,000 per occurrence for bodily injury and property damage. The City of Chicago is to be named as an additional insured on a primary, non-contributory bases.

(iv) Railroad Protective Liability Insurance

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

(v) Builders Risk Insurance

When the General Contractors undertake any construction, including improvements, betterments, and/or repairs, the General Contractors 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 \$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, the General Contractors' Pollution Liability shall be provided with limits of not less than \$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, non-contributory 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 Developer Properties. The City of Chicago is to be named an additional insured on a primary, non-contributory basis.
- (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 Developer Properties. Coverage extensions shall include business interruption/loss of rents, flood and

boiler and machinery, if applicable The City of Chicago is to be named an additional insured on a primary, non-contributory basis.

(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 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 or General Contractors pursuant to the requirements of subsections (a) or (b) of this Section 12, as applicable.

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 or General Contractors' liabilities and responsibilities specified within the Agreement documents or by law.

The Developer expressly understands and agrees that the Developer's or General Contractors' 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 or General Contractors 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 Contractors, and all subcontractors to provide the insurance required herein or Developer may provide the coverages for the General Contractors, 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 Contractors or any subcontractor desires additional coverages, the Developer, General Contractors 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 the General Contractors, subcontractors or materialmen in connection with the TIF-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 or any agents, employees, contractors or persons acting under the control or at the request of the Developer or any Affiliate; 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 shall survive the termination of this Agreement.

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 Developer Properties during normal business hours for the Term of the Agreement.

SECTION 15. DEFAULT AND REMEDIES

15.01 Events of Default. The occurrence of any one or more of the following events, subject to the provisions of Section 15.03, shall constitute an "Event of Default" by 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 Developer Properties, 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 for the liquidation or reorganization of the Developer, or alleging that the Developer is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of the Developer's debts, whether under the United States Bankruptcy Code or under any other state or federal law, now or hereafter existing for the relief of debtors, or the commencement of any analogous statutory or non-statutory proceedings involving the Developer; provided, however, that if such commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such proceedings are not dismissed within 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 that prevents the fulfillment of any obligation of this Agreement and 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

(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) any prohibited sale, lease or transfer of ownership interests in the Developer Properties in violation of Section 8 01 hereof without the prior written consent of the City.

For purposes of Section 15 01(j) hereof, a person with a material interest in the Developer

(or any entity comprising the Developer) is one owning in excess of 10% of the Developer's membership interests (or of the membership interests of any entity comprising the Developer)

15.02 Remedies Upon the occurrence of an Event of Default, the City may terminate this Agreement and all related agreements, and may suspend payment 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 C. 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 Cure Period.

(a) 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.

(b) In the event the Developer shall fail to perform a non-monetary covenant which the Developer is required to perform under this Agreement, 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; provided, further, that there shall be no cure period under this Section 15.03 with respect to the Developer's failure to comply with the requirements of Section 8.06 hereof.

SECTION 16. MORTGAGING OF THE PROJECT

16.01 Existing Mortgage; New Mortgage. All mortgages or deeds of trust in place as of the date hereof with respect to the Developer Properties or any portion thereof are listed on Exhibit G hereto (including but not limited to mortgages made prior to or on the date hereof in connection with Lender Financing) and are referred to herein as the "Existing Mortgages." Any mortgage or deed of trust that the Developer may hereafter elect to execute and record or permit to be recorded against the Developer Properties or any portion thereof is referred to herein as a "New Mortgage."

16.02 New Mortgage Prior to Issuance of Interim Completion Certificate No New Mortgage shall be executed with respect to the Developer Properties or any portion thereof prior

to the issuance by the City to the Developer of the Interim Completion Certificate without the prior written consent of the Commissioner of DPD.

16 03 New Mortgage Following the Issuance of Interim Completion Certificate.

Following the issuance by the City to the Developer of the Interim Completion Certificate, Developer shall have the absolute and unconditional right, without the consent of the City at any time and from time to time during the remainder of the Term, to: (1) execute and deliver one or more New Mortgages encumbering all or any portion of the Developer Properties; or (2) assign (absolutely or as collateral security) any or all of Developer's rights under this Agreement to any Mortgagee. Following the issuance of the Interim Completion Certificate, there shall be no limit on the amount of any obligation secured by a New Mortgage; the purpose for which the proceeds of any such financing may be applied; the nature or character of any Mortgagee, the subsequent assignment, transfer, or hypothecation of any New Mortgage; the creation of participation or syndication interests in or to, or the securitization of, any New Mortgage, or any Mortgagee's exercise of any rights or remedies against Developer under any New Mortgage, including, without limitation, the realization of any Foreclosure Event. Any New Mortgage may secure construction, permanent, monetary, non-monetary, purchase-money, single-asset, multi-property, dollar, nondollar, recourse, nonrecourse, general corporate, or any other financing or obligations of any kind whatsoever.

Following the issuance of the Interim Completion Certificate and thereafter for the remaining Term of the Agreement:

(a) Developer's making of a New Mortgage shall not be deemed to constitute an assignment or transfer of the Developer Properties, nor shall any Mortgagee, as such, or in the exercise of its rights under this Agreement, be deemed to be an assignee, transferee, or mortgagee in possession of the Developer Properties so as to require such Mortgagee, as such, to assume or otherwise be obligated to perform any of Developer's obligations under this Agreement. Notwithstanding anything to the contrary herein, no transfer of all or a portion of the Developer Properties or any part thereof pursuant to a Foreclosure Event, or any transfer of any or all of the Developer properties by any Mortgagee or designee of Mortgagee after a Foreclosure Event, shall be subject to the City's consent or otherwise limited or prohibited by the terms hereof. This paragraph does not limit the liability of any successor to Developer (excluding any Mortgagee that acquires title to all or any portion of the Developer Properties by a foreclosure or deed in lieu of foreclosure after a default under a Mortgage).

(b) In the event that any Mortgagee shall succeed to the Developer's interest in the Developer Properties or any portion thereof pursuant to any Foreclosure Event, and in conjunction therewith elects in its own discretion to accept 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 shall have 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 New Mortgage or an Existing Mortgage does not elect in its own discretion to expressly accept an assignment of the Developer's interest hereunder, such party shall be entitled to no rights and benefits under this Agreement (other than payments under City Notes A or C if such party is the assignee of such note) and, notwithstanding anything to the contrary contained herein, such party shall be bound only by those provisions set forth in Sections 8.02, 8.06, 8.14 and 8.21 of this Agreement, which are expressly described as covenants running with the land and, with respect to Sections 8.02, 8.14 and 8.21 and the performance of the Street/Streetscape Improvements, shall be obligated hereunder only with respect to the portion of the Developer Properties acquired by such Mortgagee. Under no circumstances shall such Mortgagee be required to indemnify the City under Sections 11 or 13 hereof except with respect to any portion of the Developer Properties acquired by such Mortgagee.

16.04 Default Provisions. Notwithstanding anything to the contrary in this Agreement, if Developer has executed an Existing Mortgage or at any time or from time to time executes an Existing Mortgage or a New Mortgage, then neither the City nor Developer shall, without each respective Mortgagee's prior consent, amend or modify this Agreement. If an Event of Default occurs under this Agreement, then, as to each Existing Mortgage or New Mortgage executed by Developer

(a) If the City gives any notice of default to Developer, then the City shall at the same time (and by a means permitted by this Agreement) give a copy of such notice to all Mortgagees. Any such notice shall describe in reasonable detail the alleged default or other event allegedly entitling the City to exercise any rights or remedies of the City.

(b) Any Mortgagee may at any time exercise any or all rights or remedies of Developer under this Agreement, including Developer's rights to give any notices under this Agreement. Any exercise of such rights, and any giving of such a notice, by any Mortgagee, shall be as effective as if done by Developer. So long as such Mortgagee's cure rights under this Agreement have not expired: (A) a Mortgagee may exercise any rights of Developer even if Developer is in default under this Agreement; and (B) for purposes of this paragraph, wherever this Agreement conditions Developer's exercise of any right upon the nonexistence of a default, such condition shall be deemed satisfied.

(c) Any Mortgagee shall have the right, but not the obligation, to perform any obligation of Developer's under this Agreement and to cure any default. The City shall accept performance by or at the instigation of a Mortgagee in fulfillment of Developer's obligations, for the account of Developer and with the same force and effect as if performed by Developer, provided that such performance is rendered within the cure period that applies to a Mortgagee

under this Agreement

(d) If any default occurs, then any Mortgagee may take (if such Mortgagee so elects in its sole discretion) whichever of the actions set forth below shall apply to such default

(i) In the case of any default that a Mortgagee can reasonably cure without obtaining possession of the Developer Properties, Mortgagee may at its option, within a period consisting of Developer's cure period for such default plus 30 days: (1) advise the City of Mortgagee's intention to take all reasonable steps necessary to cure such default, and (2) commence and diligently prosecute to completion the cure of such default, provided that if such default cannot reasonably be cured during the aforementioned cure period, Mortgagee shall have such additional period as may be reasonably required to diligently prosecute such cure to completion.

(ii) In the case of any default that a Mortgagee cannot reasonably cure without possession of the Developer Properties, Mortgagee shall be entitled (but not required) to do the following

(A) At any time during the cure period (if any) that applies to Developer plus 30 days, Mortgagee may initiate proceedings and (subject to any stay in any bankruptcy proceedings affecting Developer, or any injunction, so long as such stay or injunction has not been lifted) then diligently prosecute the same to completion (which prosecution may extend beyond the aforementioned cure period), to obtain possession of the Developer Properties.

(B) Upon obtaining possession of the Developer Properties (whether before or after the expiration of any cure period that otherwise applies), Mortgagee (or any successor to such Mortgagee) shall then be entitled (but not required) to proceed with reasonable diligence to cure such defaults as are then reasonably susceptible of being cured by such mortgagee, within 60 days after such Mortgagee or successor shall have obtained possession of the Developer Properties, provided that if such default cannot reasonably be cured during such 60-day period, Mortgagee or such successor shall have such additional period as may be reasonably required to cure such default with reasonable diligence

A Mortgagee shall not be required to continue to exercise its cure rights or otherwise proceed to obtain or to exercise possession of the Developer Properties if and when the default that such Mortgagee was attempting to cure shall have been cured. Upon such cure and the cure of any other defaults in accordance with this Agreement, this Agreement shall continue in full force and effect as if no default(s) had occurred. Unless a Mortgagee has succeeded to the Developer's interest in the Developer Properties, if a Mortgagee has commenced its cure rights, such Mortgagee may abandon or discontinue such cure at any time, without liability to the City.

Mortgagee's exercise of cure rights shall not, of itself, be deemed an assumption of this Agreement in whole or in part

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, IL 60602 Attention: Commissioner
With Copies To:	City of Chicago Department of Law Finance and Economic Development Division 121 North LaSalle Street, Room 600 Chicago, IL 60602
If to the Developer	Centrum Properties, Inc 225 West Hubbard Street Chicago, Illinois 60610 Attention Arthur Slaven, John McLinden and Mary Koberstein
With Copies to:	Angelo Gordon & Co , L P. 245 Park Avenue, 26 th Floor New York, NY 10167 Attention Andrew Jacobs

Taconic Investment Partners LLC
1500 Broadway, Suite 1020
New York, NY 10036
Attention Charles R. Bendit

Amerimar Enterprises, Inc
210 West Rittenhouse Square, Suite 1900
Philadelphia, PA 19103
Attention: Gerald Marshall

Piper Rudnick
203 North LaSalle Street - Suite 1800
Chicago, Illinois 60601
Attention: David L. Reifman and Richard F. Klawiter

Solomon and Weinberg, LLP
70 East 55th Street, 21st Floor
New York, NY 10022
Attention: Craig H. Solomon and Gary S. Kleinman

Duval & Stachenfeld LLP
300 East 42^d Street, 3^d Floor
New York, NY 10017
Attention: Bruce M. Stachenfeld

Such addresses may be changed by notice to the other parties given in the same manner provided above. Any notice, demand, or request sent pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon dispatch. Any notice, demand or request sent pursuant to clause (c) shall be deemed received on the day immediately following deposit with the overnight courier and any notices, demands or requests sent pursuant to subsection (d) shall be deemed received two (2) business days following deposit in the mail.

SECTION 18. MISCELLANEOUS

18.01 Amendment. This Agreement and the Exhibits attached hereto may not be amended or modified without the prior written consent of the parties hereto; provided, however, that the City, in its sole discretion, may amend, modify or supplement Exhibit D hereto without the consent of any party hereto.

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 TIF Ordinances and/or the the Bond Ordinance, if any, 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, DPD or the Commissioner, or any matter is to be to the City's, DPD's or the Commissioner's satisfaction, unless specifically stated to the contrary, such approval, consent or satisfaction shall be made, given or determined by the City, DPD or the Commissioner in writing and in the reasonable discretion thereof. The Commissioner or other person designated by the Mayor of the City shall act for the City or DPD in making all approvals, consents and determinations of satisfaction, granting the Completion Certificate or otherwise administering this Agreement for the City. In furtherance of the foregoing, the terms of this Agreement may be modified administratively by the Commissioner of DPD without the same being deemed an amendment to this Agreement provided that the Commissioner of DPD has determined that such modification is minor, appropriate and consistent with the terms and conditions of this Agreement and the purposes underlying the provisions hereof

18.15 Assignment. Prior to the earlier to occur of (i) two years after the issuance of an Interim Completion Certificate, or (ii) three years after the Closing Date, 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 set forth in Section 8.01(d) hereof. 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 Sections 8.19 and 8.21 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. 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 WARN Act, the Developer shall, in addition to the notice required under the WARN Act, provide at the same time a copy of the WARN Act notice to the Governor of the State, the Speaker and Minority Leader of the House of Representatives of the State, the President and minority Leader of the Senate of State, and the Mayor of each municipality where 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.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

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

EPORT 600, L.L.C., a Delaware limited liability company

By. AG Asset Manager, Inc , its manager

By _____

Its: _____

EPORT 600 RIVERWALK OWNER, L.L.C., a Delaware limited liability company

By. Eport 600, L L.C , its managing member

By AG Asset Manager, Inc , its manager

By _____

Its: _____

EPORT 600 PROPERTY OWNER, L.L.C., a Delaware limited liability company


By: Eport 600, L L C., its managing member

By AG Asset Manager, Inc., its manager

By _____

Its: _____

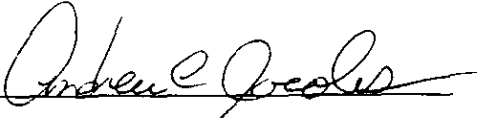
CITY OF CHICAGO

By:  _____
Commissioner
Department of Planning and Development

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

EPORT 600, L.L.C., a Delaware limited liability company

By AG Asset Manager, Inc , its manager

By 

Its VICE PRESIDENT

EPORT 600 RIVERWALK OWNER, L.L.C., a Delaware limited liability company

By Eport 600, L L C , its managing member

By AG Asset Manager, Inc , its manager

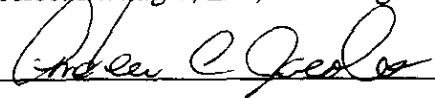
By 

Its VICE PRESIDENT

EPORT 600 PROPERTY OWNER, L.L.C., a Delaware limited liability company

By Eport 600, L L C , its managing member

By AG Asset Manager, Inc , its manager

By 

Its VICE PRESIDENT

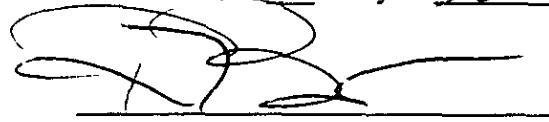
CITY OF CHICAGO

By _____
Commissioner
Department of Planning and Development

STATE OF ILLINOIS)
) ss
COUNTY OF COOK)

I, Randall T Butts, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Alicia Morzuc Gay, 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 18 th day of December, 2004.



Notary Public

My Commission Expires _____



SEAL

STATE OF NEW YORK)
) ss
COUNTY OF KINGS)

I, Scott Berning, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Andrew Jacobs, personally known to me to be the Vice President of Eport 600, L L C , a Delaware limited liability company (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 Managing Member 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 18th day of December, 2003



Notary Public

My Commission Expires March 3, 2007

(SEAL)

SCOTT M. BERNING
Notary Public, State of New York
No. 01BE6087995
Qualified in Kings County
Commission Expires March 3, 2007

STATE OF NEW YORK)
) ss
COUNTY OF KINGS)

I, Scott Berning, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Andrew Jacobs, personally known to me to be the Vice President of Eport 600 Riverwalk Owner, L L C , a Delaware limited liability company (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 Managing Member 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 18th day of December, 2003



Notary Public

My Commission Expires March 3, 2007


(SEAL)

SCOTT M BERNING
Notary Public, State of New York
No 01BE6087995
Qualified in Kings County
Commission Expires March 3, 2007

STATE OF NEW YORK)
) ss
COUNTY OF KINGS)

I, Scott Berning, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Andrew Jacobs, personally known to me to be the Vice President of Eport 600 Property Owner, L L C , a Delaware limited liability company (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 Managing Member 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 18th day of December, 2003



Notary Public

My Commission Expires March 3, 2007

(SEAL)

SCOTT M. BERNING
Notary Public, State of New York
No. 01BE6087995
Qualified in Kings County
Commission Expires March 3, 2007

A

EXHIBIT A

Redevelopment Area

[see attached]

Legal Description Of Project Boundary.

All that part of Sections 4 and 9 in Township 39 North, Range 14 East of the Third Principal Meridian, bounded and described as follows:

beginning at the point of intersection of the west line of North Larrabee Street with the north line of West Chicago Avenue; thence east along said north line of West Chicago Avenue to the northerly extension of the west line of Lot 4 in Block 1 in Higgins, Law & Company's Addition in Section 9, Township 39 North, Range 14 East of the Third Principal Meridian, said west line being also the east line of North Sedgwick Street; thence south along said northerly extension and along the east line of North Sedgwick Street to the south line of West Superior Street; thence west along said south line of West Superior Street to the east line of North Hudson Avenue; thence south along said east line of North Hudson Avenue to the south line of Lot 14 in Block 7 in said Higgins, Law & Company's Addition, said south line of Lot 14 being also the north line of the alley south of West Superior Street; thence east along said north line of the alley south of West Superior Street to the northerly extension of the east line of Lot 22 in said Block 7 in Higgins, Law & Company's Addition; thence south along said northerly extension and the east line of Lot 22 in Block 7 in Higgins, Law & Company's Addition to the north line of West Huron Street; thence east along said north line of West Huron Street to the east line of North Orleans Street; thence south along said east line of North Orleans Street to the south line of West Erie Street; thence west along said south line of West Erie Street to the southerly extension of the east line of Lot 28 in Block 10 in aforesaid Higgins, Law & Company's Addition, said east line of Lot 28 being also the west line of North Sedgwick Street; thence north along said southerly extension and the west line of North Sedgwick Street to the north line of Lot 28 in Block 10 in Higgins, Law & Company's Addition, said north line of Lot 28 being also the south line of the alley north of West Erie Street; thence west along said south line of the alley north of West Erie Street to the east line of Lot 22 in said Block 10 in Higgins, Law & Company's Addition; thence south along said east line of Lot 22 in Block 10 in Higgins, Law & Company's Addition to the north line of West Erie Street; thence west along said north line of West Erie Street to the east line of Lot 18 in said Block 10 in Higgins, Law & Company's Addition; thence north along said east line of Lot 18 in Block 10 in Higgins, Law & Company's Addition, to the north line thereof, said north line of Lot 18 being also the south line of the alley north of West Erie Street; thence west along said south line of the alley north of West Erie Street and along the westerly extension thereof to the west line of North Hudson

Avenue; thence north along said west line of North Hudson Avenue to the south line of West Huron Street; thence west along said south line of West Huron Street to the west line of North Kingsbury Street; thence north along said west line of North Kingsbury Street to the south line of West Superior Street; thence west along said south line of West Superior Street to the east line of North Larrabee Street; thence south along said east line of North Larrabee Street to the north line of West Erie Street; thence east along said north line of West Erie Street to the northerly extension of a line parallel with the east line of Lot 4 in Block 1 in the Assessor's Division of that part, south of West Erie Street and east of the Chicago River, of the east half of the northwest quarter of Section 9, Township 39 North, Range 14 East of the Third Principal Meridian, and 140.50 feet east of the east line of North Kingsbury Street, said line being the east line of the parcel of property bearing Permanent Index Number 17-09-127-001; thence south along said northerly extension and the east line of the parcel of property bearing Permanent Index Number 17-09-127-001 to the south line of said Lot 4; thence east along said south line of Lot 4 to the northerly extension of the west line of Lot 29 in Young's Subdivision of part of the "Kingsbury Tract" in the east half of the northwest quarter of Section 9, Township 39 North, Range 14 East of the Third Principal Meridian lying east of the Chicago River; thence south along said northerly extension of the west line of Lot 29 in Young's Subdivision to the north line of said Lot 29; thence east along said north line of Lot 29 and along the north line of Lot 28 in said Young's Subdivision to the east line of said Lot 28; thence south along said east line of Lot 28 in Young's Subdivision of part of the "Kingsbury Tract" and along the southerly extension thereof to the south line of West Ontario Street; thence west along said south line of West Ontario Street to the northeasterly line of North Kingsbury Street; thence southeasterly along said northeasterly line of North Kingsbury Street to the north line of West Ohio Street; thence westerly along a straight line to the northeast corner of that part of Block 3 in the Assessor's Division of that part, south of West Erie Street, and east of the Chicago River, of the east half of the northwest quarter of Section 9, Township 39 North, Range 14 East of the Third Principal Meridian, bearing Permanent Index Number 17-09-126-012; thence west along the north line of said part of Block 3 in the Assessor's Division bearing Permanent Index Number 17-09-126-012 to the easterly dock line of the north branch of the Chicago River; thence northerly along said easterly dock line of the north branch of the Chicago River to the south line of West Chicago Avenue; thence west along said south line of West Chicago Avenue to the southerly extension of the east line of Lot 5 in Block 99 in Elston's Addition to Chicago in Section 4, Township 39 North, Range 14 East of the Third Principal Meridian; thence north along said southerly extension and the east line of Lot 5 in Block 99 in Elston's Addition to Chicago in Section 4, Township 39 North, Range 14 East of the Third Principal Meridian and along the northerly extension thereof to the southerly line of Lot 10 in Block 98 in said Elston's Addition to Chicago, said southerly line of Lot 10 being also the northerly dock line of the north branch of the Chicago River; thence easterly along said northerly dock line

of the north branch of the Chicago River to the westerly dock line of the North Branch Canal; thence northerly along said westerly dock line of the North Branch Canal to the southwesterly extension of the southeasterly line of Lot 10 in Block 96 in aforesaid Elston's Addition to Chicago; thence northeasterly along said southwesterly extension and the southeasterly line of Lot 10 in Block 96 in said Elston's Addition to Chicago to the southwesterly line of North Kingsbury Street; thence southeasterly along said southwesterly line of North Kingsbury Street to the west line of North Larrabee Street; thence south along said west line of North Larrabee Street to the point of beginning at the north line of West Chicago Avenue; all in the City of Chicago, Cook County, Illinois.

Street Location Of The Chicago/Kingsbury Area.

The Area is generally bounded by West Hobbie Street and West Chicago Avenue on the north; by West Erie and West Ohio Streets on the south; by North Orleans and North Sedgwick Streets on the east; and by the north branch of the Chicago River and the North Branch Canal on the west.

B

EXHIBIT B-1

Developer Properties

Descriptions and Legal Descriptions

- South Catalog Building and its parcel (all except Riverwalk site and parcel)

600 West Chicago Avenue (Site E.2 on Site Map (Exhibit B-6 herein))

- North Catalog Building and its parcel (River Level through Level 5, inclusive except Riverwalk site and parcel)

900 North Kingsbury Avenue (South portion of Site E.1. on Site Map (Exhibit B-6 herein))

- Garage Building site and its parcel (all except [**describe portion owned by non-Affiliate**] Riverwalk site and parcel)

950 North Kingsbury Avenue (North portion of Site E.1. on Site Map (Exhibit B-6 herein))

- Riverwalk site and its parcel (all)

Separate parcels, consisting of portions of the river level and first-floor level of 600 West Chicago Avenue, 900 North Kingsbury Avenue and 950 North Kingsbury Avenue, all adjacent to the Chicago River, including easements over certain three-foot wide parcels adjacent to the Chicago River that are owned in fee by MW-CPAG Marina Holdings, L.L.C. (River-side portions of Sites E.2 and E.1 on Site Map (Exhibit B-6 herein))

[see legal descriptions and easements attached]

B

TIF REDEVELOPMENT AGREEMENT
LEGAL DESCRIPTIONS

EPORT 600 PROPERTY OWNER PARCELS
SITES E-1 AND PART OF E-2

SOUTH CATALOGUE BUILDING AND RIVER THROUGH 5TH LEVELS OF NORTH CATALOGUE BUILDING

[Note: Parcels 3, 4 and 5 comprise the R-2, 3 – 4, and the 5th Floor levels of portions of the NCAT. These PINs are a result of a tax division of PIN 17-04-300-007. The 007 PIN initially included the NCAT and extended further north to include the area where the 950 N. Kingsbury parking garage is located. A Tax Division Petition of the 007 PIN was filed in 2000 for 2001 Taxes payable in 2002]

PARCEL 3. (Northern Catalog Building)

THAT PART OF LOT 23 TOGETHER WITH LOTS 24, 25, 26 IN BLOCK 96, IN ELSTON'S ADDITION TO CHICAGO, LYING EAST OF DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER, A SUBDIVISION IN THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, TOGETHER WITH THE NORTHEASTERLY HALF OF THE VACATED NORTH BRANCH STREET LYING BETWEEN THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE NORTH BRANCH OF THE CHICAGO RIVER, LYING BELOW AN ELEVATION OF 52 00 FEET, CITY OF CHICAGO DATUM, AND BOUNDED AND DESCRIBED AS FOLLOWS BEGINNING ON THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AT A POINT 504 17 FEET NORTHWESTERLY OF THE INTERSECTION OF SAID SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE WEST LINE OF NORTH LARRABEE STREET, BEING ALSO THE CENTER LINE OF THE VACATED NORTH BRANCH STREET, THENCE NORTHWESTERLY, ALONG SAID SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET, 312 67 FEET TO THE EXTENSION NORTHEASTERLY OF THE NORTHWESTERLY FACE OF 5 CONCRETE COLUMNS, THENCE SOUTHWESTERLY AT AN ANGLE OF 89 DEGREES, 49 MINUTES, 14 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, AND ALONG SAID NORTHWESTERLY FACE, 105 08 FEET TO THE NORTHERLY EXTENSION OF THE WEST FACE OF A BRICK WALL, THENCE SOUTHEASTERLY, ALONG THE WESTERLY FACE OF SAID BRICK WALL, AT AN ANGLE OF 90 DEGREES, 18 MINUTES, 00 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, A DISTANCE OF 1.67 FEET TO THE NORTHWESTERLY FACE OF A 1 00 FOOT BRICK WALL; THENCE SOUTHWESTERLY, ALONG THE NORTHWESTERLY FACE OF A 1.00 FOOT BRICK WALL, PERPENDICULAR TO THE LAST DESCRIBED LINE, A DISTANCE OF 145 64 FEET, TO THE NORTHEASTERLY DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER, THENCE SOUTHEASTERLY, AT AN ANGLE OF 97 DEGREES, 42 MINUTES, 19 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE AND ALONG SAID NORTHEASTERLY DOCK LINE, 105 62 FEET, THENCE TO THE CENTER LINE OF SAID VACATED NORTH BRANCH STREET, THENCE SOUTHEASTERLY AT AN ANGLE OF 120 DEGREES, 04 MINUTES, 05 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, AND ALONG SAID CENTERLINE, 335 74 FEET TO THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET, AND THE POINT OF BEGINNING

P.I.N 17-04-300-023-0000

AND

PARCEL 4 (Northern Catalog Building)

THAT PART OF LOT 23 TOGETHER WITH LOTS 24, 25, 26 IN BLOCK 96, IN ELSTON'S ADDITION TO CHICAGO, LYING EAST OF DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER, A SUBDIVISION IN THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, TOGETHER WITH THE NORTHEASTERLY HALF OF THE VACATED NORTH BRANCH STREET LYING BETWEEN THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE NORTH BRANCH OF THE CHICAGO RIVER, LYING ABOVE AN ELEVATION OF 52.00 FEET AND LYING BELOW AN ELEVATION OF 77 00 FEET, CITY OF CHICAGO DATUM, AND BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING ON THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AT A POINT 504 17 FEET NORTHWESTERLY OF THE INTERSECTION OF SAID SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE WEST LINE OF NORTH LARRABEE STREET, BEING ALSO THE CENTER LINE OF THE VACATED NORTH BRANCH STREET; THENCE NORTHWESTERLY, ALONG SAID SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET, 312.67 FEET TO THE EXTENSION NORTHEASTERLY OF THE NORTHWESTERLY FACE OF 5 CONCRETE COLUMNS, THENCE SOUTHWESTERLY AT AN ANGLE OF 89 DEGREES, 49 MINUTES, 14 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, AND ALONG SAID NORTHWESTERLY FACE, 105.08 FEET TO THE NORTHERLY EXTENSION OF THE WEST FACE OF A BRICK WALL; THENCE SOUTHEASTERLY, ALONG THE WESTERLY FACE OF SAID BRICK WALL, AT AN ANGLE OF 90 DEGREES, 18 MINUTES, 00 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, A DISTANCE OF 1.67 FEET TO THE NORTHWESTERLY FACE OF A 1 00 FOOT BRICK WALL, THENCE SOUTHWESTERLY, ALONG THE NORTHWESTERLY FACE OF A 1 00 FOOT BRICK WALL, PERPENDICULAR TO THE LAST DESCRIBED LINE, A DISTANCE OF 145 64 FEET, TO THE NORTHEASTERLY DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER, THENCE SOUTHEASTERLY, AT AN ANGLE OF 97 DEGREES, 42 MINUTES, 19 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE AND ALONG SAID NORTHEASTERLY DOCK LINE, 105.62 FEET; THENCE TO THE CENTER LINE OF SAID VACATED NORTH BRANCH STREET; THENCE SOUTHEASTERLY AT AN ANGLE OF 120 DEGREES, 04 MINUTES, 05 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, AND ALONG SAID CENTERLINE, 335.74 FEET TO THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET, AND THE POINT OF BEGINNING.

P I.N. 17-04-300-024-0000

AND

PARCEL 5 (Northern Catalog Building)

THAT PART OF LOT 23 TOGETHER WITH LOTS 24, 25, 26 IN BLOCK 96, IN ELSTON'S ADDITION TO CHICAGO, LYING EAST OF DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER, A SUBDIVISION IN THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, TOGETHER WITH THE NORTHEASTERLY HALF OF THE VACATED NORTH BRANCH STREET LYING BETWEEN THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE NORTH BRANCH OF THE CHICAGO RIVER, LYING

ABOVE AN ELEVATION OF 77 00 FEET AND LYING BELOW AN ELEVATION OF 89 50 FEET, CITY OF CHICAGO DATUM, AND BOUNDED AND DESCRIBED AS FOLLOWS BEGINNING ON THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AT A POINT 504 17 FEET NORTHWESTERLY OF THE INTERSECTION OF SAID SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE WEST LINE OF NORTH LARRABEE STREET, BEING ALSO THE CENTER LINE OF THE VACATED NORTH BRANCH STREET, THENCE NORTHWESTERLY, ALONG SAID SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET, 312.67 FEET TO THE EXTENSION NORTHEASTERLY OF THE NORTHWESTERLY FACE OF 5 CONCRETE COLUMNS, THENCE SOUTHWESTERLY AT AN ANGLE OF 89 DEGREES, 49 MINUTES, 14 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, AND ALONG SAID NORTHWESTERLY FACE, 105 08 FEET TO THE NORTHERLY EXTENSION OF THE WEST FACE OF A BRICK WALL; THENCE SOUTHEASTERLY, ALONG THE WESTERLY FACE OF SAID BRICK WALL, AT AN ANGLE OF 90 DEGREES, 18 MINUTES, 00 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, A DISTANCE OF 1.67 FEET TO THE NORTHWESTERLY FACE OF A 1 00 FOOT BRICK WALL, THENCE SOUTHWESTERLY, ALONG THE NORTHWESTERLY FACE OF A 1 00 FOOT BRICK WALL, PERPENDICULAR TO THE LAST DESCRIBED LINE, A DISTANCE OF 145.64 FEET, TO THE NORTHEASTERLY DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER, THENCE SOUTHEASTERLY, AT AN ANGLE OF 97 DEGREES, 42 MINUTES, 19 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE AND ALONG SAID NORTHEASTERLY DOCK LINE, 105 62 FEET, THENCE TO THE CENTER LINE OF SAID VACATED NORTH BRANCH STREET, THENCE SOUTHEASTERLY AT AN ANGLE OF 120 DEGREES, 04 MINUTES, 05 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, AND ALONG SAID CENTERLINE, 335 74 FEET TO THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET, AND THE POINT OF BEGINNING.

P.I N 17-04-300-025-0000

AND

[Note: Parcels 6, 7 and 8 are the result of a division of PIN 17-04-300-020-0000 which was created out of PIN 17-04-300-008-0000. Parcels 6, 7 and 8 comprise the R-2, 3 – 4, and the 5th Floor levels of certain portions of the NCAT.]

PARCEL 6 (Northern Catalog Building)

THAT PART OF LOTS 1, 2, 3, AND 4 IN ELSTON'S ADDITION TO CHICAGO, LYING EAST OF DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER, A SUBDIVISION IN THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, TOGETHER WITH THE SOUTHWESTERLY HALF OF THE VACATED NORTH BRANCH STREET LYING BETWEEN THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE NORTH BRANCH OF THE CHICAGO RIVER, LYING BELOW AN ELEVATION OF 52.00, CITY OF CHICAGO DATUM, AND BOUNDED AND DESCRIBED AS FOLLOWS BEGINNING ON THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AT A POINT 415.68 FEET NORTHWESTERLY OF THE INTERSECTION OF SAID SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE WEST LINE OF NORTH LARRABEE STREET, BEING ALSO THE EXTENSION NORTHEASTERLY OF THE CENTERLINE OF A 1 00 FOOT BRICK WALL; THENCE NORTHWESTERLY, ALONG SAID SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET, 88 49 FEET TO THE CENTER LINE OF SAID VACATED NORTH BRANCH STREET, THENCE NORTHWESTERLY AT AN ANGLE OF 127 DEGREES, 53 MINUTES, 38 SECONDS TO

THE RIGHT WITH THE LAST DESCRIBED LINE, AND ALONG SAID CENTER LINE, 335 74 FEET, TO THE NORTHEASTERLY DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER; THENCE SOUTHEASTERLY, AT AN ANGLE OF 59 DEGREES, 55 MINUTES, 55 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE AND ALONG SAID NORTHEASTERLY DOCK LINE, 35 99 FEET, THENCE CONTINUING ALONG SAID NORTHEASTERLY DOCK LINE, AT AN ANGLE OF 173 DEGREES, 36 MINUTES, 50 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 252 69 FEET, THENCE CONTINUING ALONG SAID NORTHEASTERLY DOCK LINE, AT AN ANGLE OF 176 DEGREES, 02 MINUTES, 23 SECONDS TO RIGHT WITH THE LAST DESCRIBED LINE, 2 15 FEET, SOUTHEASTERLY AT AN ANGLE OF 122 DEGREES, 31 MINUTES, 41 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 9 55 FEET TO THE CENTERLINE OF A 1.00 FOOT BRICK WALL, THENCE NORTHEASTERLY AT AN ANGLE OF 149 DEGREES, 54 MINUTES, 45 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, AND ALONG SAID CENTERLINE, 267 99 FEET TO THE SOUTHWESTERLY LINE OF NORTH KINGSBURY AND POINT OF BEGINNING

P.I.N 17-04-300-027-0000

AND

PARCEL 7 (Northern Catalog Building)

THAT PART OF LOTS 1, 2, 3, AND 4 IN ELSTON'S ADDITION TO CHICAGO, LYING EAST OF DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER, A SUBDIVISION IN THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, TOGETHER WITH THE SOUTHWESTERLY HALF OF THE VACATED NORTH BRANCH STREET LYING BETWEEN THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE NORTH BRANCH OF THE CHICAGO RIVER, LYING ABOVE AN ELEVATION OF 52 00 FEET AND LYING BELOW AN ELEVATION OF 77.00 FEET, CITY OF CHICAGO DATUM, AND BOUNDED AND DESCRIBED AS FOLLOWS. BEGINNING ON THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AT A POINT 415 68 FEET NORTHWESTERLY OF THE INTERSECTION OF SAID SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE WEST LINE OF NORTH LARRABEE STREET, BEING ALSO THE EXTENSION NORTHEASTERLY OF THE CENTERLINE OF A 1.00 FOOT BRICK WALL, THENCE NORTHWESTERLY, ALONG SAID SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET, 88 49 FEET TO THE CENTER LINE OF SAID VACATED NORTH BRANCH STREET, THENCE NORTHWESTERLY AT AN ANGLE OF 127 DEGREES, 53 MINUTES, 38 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, AND ALONG SAID CENTER LINE, 335 74 FEET, TO THE NORTHEASTERLY DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER; THENCE SOUTHEASTERLY, AT AN ANGLE OF 59 DEGREES, 55 MINUTES, 55 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE AND ALONG SAID NORTHEASTERLY DOCK LINE, 35.99 FEET, THENCE CONTINUING ALONG SAID NORTHEASTERLY DOCK LINE, AT AN ANGLE OF 173 DEGREES, 36 MINUTES, 50 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 252.69 FEET, THENCE CONTINUING ALONG SAID NORTHEASTERLY DOCK LINE, AT AN ANGLE OF 176 DEGREES, 02 MINUTES, 23 SECONDS TO RIGHT WITH THE LAST DESCRIBED LINE, 2.15 FEET; SOUTHEASTERLY AT AN ANGLE OF 122 DEGREES, 31 MINUTES, 41 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 9.55 FEET TO THE CENTERLINE OF A 1.00 FOOT BRICK WALL; THENCE NORTHEASTERLY AT AN ANGLE OF 149 DEGREES, 54 MINUTES, 45 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, AND ALONG SAID CENTERLINE, 267.99 FEET TO THE SOUTHWESTERLY LINE OF NORTH KINGSBURY AND POINT OF BEGINNING.

P I N 17-04-300-028-0000

AND

PARCEL 8. (Northern Catalog Building)

THAT PART OF LOTS 1, 2, 3, AND 4 IN ELSTON'S ADDITION TO CHICAGO, LYING EAST OF DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER, A SUBDIVISION IN THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, TOGETHER WITH THE SOUTHWESTERLY HALF OF THE VACATED NORTH BRANCH STREET LYING BETWEEN THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE NORTH BRANCH OF THE CHICAGO RIVER, LYING ABOVE AN ELEVATION OF 77 00 FEET AND LYING BELOW AN ELEVATION OF 89 50 FEET, CITY OF CHICAGO DATUM, AND BOUNDED AND DESCRIBED AS FOLLOWS BEGINNING ON THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AT A POINT 415 68 FEET NORTHWESTERLY OF THE INTERSECTION OF SAID SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE WEST LINE OF NORTH LARRABEE STREET, BEING ALSO THE EXTENSION NORTHEASTERLY OF THE CENTERLINE OF A 1 00 FOOT BRICK WALL, THENCE NORTHWESTERLY, ALONG SAID SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET, 88 49 FEET TO THE CENTER LINE OF SAID VACATED NORTH BRANCH STREET, THENCE NORTHWESTERLY AT AN ANGLE OF 127 DEGREES, 53 MINUTES, 38 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, AND ALONG SAID CENTER LINE, 335 74 FEET, TO THE NORTHEASTERLY DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER, THENCE SOUTHEASTERLY, AT AN ANGLE OF 59 DEGREES, 55 MINUTES, 55 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE AND ALONG SAID NORTHEASTERLY DOCK LINE, 35.99 FEET; THENCE CONTINUING ALONG SAID NORTHEASTERLY DOCK LINE, AT AN ANGLE OF 173 DEGREES, 36 MINUTES, 50 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 252 69 FEET, THENCE CONTINUING ALONG SAID NORTHEASTERLY DOCK LINE, AT AN ANGLE OF 176 DEGREES, 02 MINUTES, 23 SECONDS TO RIGHT WITH THE LAST DESCRIBED LINE, 2.15 FEET, SOUTHEASTERLY AT AN ANGLE OF 122 DEGREES, 31 MINUTES, 41 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 9 55 FEET TO THE CENTERLINE OF A 1.00 FOOT BRICK WALL, THENCE NORTHEASTERLY AT AN ANGLE OF 149 DEGREES, 54 MINUTES, 45 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, AND ALONG SAID CENTERLINE, 267.99 FEET TO THE SOUTHWESTERLY LINE OF NORTH KINGSBURY AND POINT OF BEGINNING

P.I.N 17-04-300-029-0000

AND

[Note: Parcels 9, 10 and 11 are the result of a division of PIN 17-04-300-018-0000 which was created out of PIN 17-04-300-008-0000. Parcels 9, 10 and 11 comprise the R-2, 3 - 4, and the 5th Floor levels of certain portions of the NCAT.]

PARCEL 9. (Northern Catalog Building)

THAT PART OF LOT 5, LYING EAST OF THE DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER IN ASSESSORS PLAT OF LOTS 5 AND 6 IN BLOCK 95 OF ELSTON'S ADDITION TO CHICAGO, SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD

PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, AND LYING BELOW AN ELEVATION of 52 00 FEET, CITY OF CHICAGO DATUM, AND BOUNDED AND DESCRIBED AS FOLLOWS BEGINNING ON THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AT A POINT 415 68 FEET NORTHWESTERLY OF THE INTERSECTION OF SAID SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE WEST LINE OF NORTH LARRABEE STREET, BEING ALSO THE EXTENSION NORTHEASTERLY OF THE CENTERLINE OF A 1 00 FOOT BRICK WALL, THENCE SOUTHWESTERLY, AT AN ANGLE OF 89 DEGREES, 55 MINUTES, 12 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE ALONG SAID CENTER LINE OF SAID 1 00 FOOT BRICK WALL, A DISTANCE OF 267 99 FEET TO THE POINT OF BEGINNING, THENCE NORTHWESTERLY AT AN ANGLE OF 149 DEGREES, 54 MINUTES, 45 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 9 55 FEET TO THE NORTHEASTERLY DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER, THENCE SOUTHEASTERLY ALONG SAID DOCK LINE, AT AN ANGLE OF 57 DEGREES, 28 MINUTES, 19 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE AND ALONG SAID NORTHEASTERLY DOCK LINE, 4.79 FEET TO THE EXTENSION SOUTHWESTERLY OF THE CENTER LINE OF SAID 1 00 FOOT BRICK WALL, THENCE NORTHEASTERLY AT AN ANGLE OF 92 DEGREES, 26 MINUTES, 26 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, AND ALONG SAID CENTERLINE, 8 06 FEET TO THE POINT OF BEGINNING.

AND

P I N 17-04-300-031-0000

AND

PARCEL 10. (Northern Catalog Building)

THAT PART OF LOT 5, LYING EAST OF THE DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER IN ASSESSORS PLAT OF LOTS 5 AND 6 IN BLOCK 95 OF ELSTON'S ADDITION TO CHICAGO, SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, AND LYING ABOVE AN ELEVATION of 52 00 FEET, AND BELOW AN ELEVATION OF 77 00 FEET, CITY OF CHICAGO DATUM, AND BOUNDED AND DESCRIBED AS FOLLOWS BEGINNING ON THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AT A POINT 415.68 FEET NORTHWESTERLY OF THE INTERSECTION OF SAID SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE WEST LINE OF NORTH LARRABEE STREET, BEING ALSO THE EXTENSION NORTHEASTERLY OF THE CENTERLINE OF A 1 00 FOOT BRICK WALL, THENCE SOUTHWESTERLY, AT AN ANGLE OF 89 DEGREES, 55 MINUTES, 12 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE ALONG SAID CENTER LINE OF SAID 1.00 FOOT BRICK WALL, A DISTANCE OF 267 99 FEET TO THE POINT OF BEGINNING; THENCE NORTHWESTERLY AT AN ANGLE OF 149 DEGREES, 54 MINUTES, 45 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 9 55 FEET TO THE NORTHEASTERLY DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER; THENCE SOUTHEASTERLY ALONG SAID DOCK LINE, AT AN ANGLE OF 57 DEGREES, 28 MINUTES, 19 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE AND ALONG SAID NORTHEASTERLY DOCK LINE, 4.79 FEET TO THE EXTENSION SOUTHWESTERLY OF THE CENTER LINE OF SAID 1.00 FOOT BRICK WALL, THENCE NORTHEASTERLY AT AN ANGLE OF 92 DEGREES, 26 MINUTES, 26 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, AND ALONG SAID CENTERLINE, 8.06 FEET TO THE POINT OF BEGINNING

P.I.N 17-04-300-032-0000

AND

PARCEL 11 (Northern Catalog Building)

THAT PART OF LOT 5, LYING EAST OF THE DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER IN ASSESSORS PLAT OF LOTS 5 AND 6 IN BLOCK 95 OF ELSTON'S ADDITION TO CHICAGO, SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, AND LYING ABOVE AN ELEVATION OF 77.00 FEET, AND BELOW AN ELEVATION OF 89.50 FEET, CITY OF CHICAGO DATUM, AND BOUNDED AND DESCRIBED AS FOLLOWS BEGINNING ON THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AT A POINT 415.68 FEET NORTHWESTERLY OF THE INTERSECTION OF SAID SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE WEST LINE OF NORTH LARRABEE STREET, BEING ALSO THE EXTENSION NORTHEASTERLY OF THE CENTERLINE OF A 1.00 FOOT BRICK WALL, THENCE SOUTHWESTERLY, AT AN ANGLE OF 89 DEGREES, 55 MINUTES, 12 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE ALONG SAID CENTER LINE OF SAID 1.00 FOOT BRICK WALL, A DISTANCE OF 267.99 FEET TO THE POINT OF BEGINNING, THENCE NORTHWESTERLY AT AN ANGLE OF 149 DEGREES, 54 MINUTES, 45 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 9.55 FEET TO THE NORTHEASTERLY DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER; THENCE SOUTHEASTERLY ALONG SAID DOCK LINE, AT AN ANGLE OF 57 DEGREES, 28 MINUTES, 19 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE AND ALONG SAID NORTHEASTERLY DOCK LINE, 4.79 FEET TO THE EXTENSION SOUTHWESTERLY OF THE CENTER LINE OF SAID 1.00 FOOT BRICK WALL; THENCE NORTHEASTERLY AT AN ANGLE OF 92 DEGREES, 26 MINUTES, 26 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, AND ALONG SAID CENTERLINE, 8.06 FEET TO THE POINT OF BEGINNING.

P I N 17-04-300-033-0000

AND

PARCEL 12 (Southern Catalog Building)

THAT PART OF LOTS 2, 3 AND 4 LYING EAST OF THE DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER IN BLOCK 95 OF ELSTON'S ADDITION TO CHICAGO, IN SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, BOUNDED AND DESCRIBED AS FOLLOWS BEGINNING AT THE SOUTHEAST CORNER OF LOT 4, THENCE NORTHWESTERLY ALONG THE NORTHEASTERLY LINES OF SAID LOTS 4, 3 AND 2, A DISTANCE OF 155.14 FEET TO A POINT ON THE NORTHEASTERLY LINE OF SAID LOT 2, THENCE SOUTHWESTERLY ALONG A LINE FORMING AN ANGLE OF 89 DEGREES 55 MINUTES 12 SECONDS FROM SOUTHEAST TO SWATHWEST WITH THE LAST DESCRIBED SOUTHWESTERLY LINE, SAID LINE ALSO BEING THE CENTERLINE OF A 12 INCH THICK BRICK WALL AND THE EXTENSION THEREOF, A DISTANCE OF 267.99 FEET TO THE SOUTH LINE OF LOT 4, THENCE EAST ALONG THE SOUTH LINE OF LOT 4, A DISTANCE OF 309.47 FEET TO THE POINT OF BEGINNING

P I N 17-04-300-019-0000

AND

[NOTE: Parcel 13 was created out of the 17-04-300-008 PIN]

PARCEL 13 (Southern Catalog Building)

THAT PART OF LOTS 5 AND 6, LYING EAST OF THE DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER IN BLOCK 95 OF ELSTON'S ADDITION TO CHICAGO, IN SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, BOUNDED AND DESCRIBED AS FOLLOWS BEGINNING AT THE SOUTHEAST CORNER OF SAID LOT 6, THENCE NORTH ALONG THE EAST LINE OF SAID LOTS 6 AND 5, BEING ALSO THE WEST LINE OF LARRABEE STREET, A DISTANCE OF 330.60 FEET TO THE INTERSECTION WITH THE SOUTHWESTERLY LINE OF N KINGSBURY STREET, THENCE NORTHWESTERLY ALONG SAID SOUTHWESTERLY LINE, BEING ALSO THE NORTHEASTERLY LINE OF SAID LOT 5, A DISTANCE OF 260.55 FEET TO A POINT ON THE NORTHEAST CORNER OF LOT 5; THENCE WESTERLY ALONG THE NORTH LINE OF LOT 5, A DISTANCE OF 309.47 FEET, THENCE SOUTHWESTERLY ON AN ANGLE TO THE LEFT OF 30 DEGREES 05 MINUTES 15 SECONDS, A DISTANCE OF 8.06 FEET TO SAID DOCK LINE; THENCE SOUTHEASTERLY ALONG SAID DOCK LINE, A DISTANCE OF 174.59 FEET TO A BEND, THENCE SOUTHEASTERLY ALONG SAID DOCK LINE, A DISTANCE 207.60 FEET TO A BEND, THENCE SOUTHEASTERLY ALONG SAID DOCK LINE, A DISTANCE OF 231.32 FEET TO THE SOUTH LINE OF SAID LOT 6, BEING ALSO THE NORTH LINE OF W. CHICAGO AVENUE, THENCE EAST ALONG SAID LINE, A DISTANCE OF 203.28 FEET TO THE POINT OF BEGINNING, EXCEPTING THEREFROM THE EAST 32 FEET OF LOT 5 AND THE EAST 50 FEET OF LOT 6

P.I.N. 17-04-300-017-0000

AND

PARCEL 14 (Southern Catalog Building)

THAT PART OF LOT 5 IN BLOCK 95 IN ELSTON'S ADDITION TO CHICAGO, SITUATED IN THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING ON THE SOUTH LINE OF LOT 5 AT A POINT 32.0 FEET WEST OF THE SOUTHEAST CORNER THEREOF AND RUNNING; THENCE NORTH PARALLEL WITH AND 32.0 FEET WEST OF THE EAST LINE OF SAID LOT, A DISTANCE OF 158.12 FEET TO THE SOUTHWESTERLY LINE OF HAWTHORNE AVENUE, THENCE SOUTHEASTERLY ALONG THE SOUTHWEST LINE OF HAWTHORNE AVENUE, A DISTANCE OF 64.0 FEET TO THE EAST LINE OF SAID LOT 5, THENCE SOUTH ALONG SAID EAST LINE OF SAID LOT 5, A DISTANCE OF 102.70 FEET TO THE SOUTHEAST CORNER THEREOF; AND THENCE WEST ALONG THE SOUTH LINE OF SAID LOT 5, A DISTANCE OF 32.0 FEET TO THE PLACE OF BEGINNING IN COOK COUNTY, ILLINOIS

P.I.N PART OF 17-04-501-002-0000

AND

PARCEL 15 (Southern Catalog Building)

THAT EAST 50 FEET OF LOT 6 IN BLOCK 95 IN ELSTON'S ADDITION TO CHICAGO, BEING A PORTION OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

P.I.N. PART OF 17-04-501-002-0000

BUT EXCEPTING FROM THE AFORESAID PARCELS 3, 6 AND 9, THE PROPERTY BOUNDED AND DESCRIBED AS FOLLOWS [THIS EXCEPTS THE LEGAL DESCRIPTION OF THE RIVERWALK OUT FROM THE LEGAL DESCRIPTION OF THE R-2 LEVELS OF THE NORTHERN CATALOGUE BUILDING. NO TAX DIVISION HAS BEEN FILED WITH RESPECT TO THIS SEPARATE LEGAL DESCRIPTION, I.E. THE RIVERWALK DOES NOT HAVE A SEPARATE PIN]

THAT PART OF LOTS 1, 2, 3, 4 AND 5 IN BLOCK 95 LYING EAST OF THE DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER TOGETHER WITH LOTS 24, 25, 26 AND A PART OF LOT 23, IN BLOCK 96, LYING EAST OF THE DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER TOGETHER WITH VACATED BRANCH STREET LYING EAST OF THE DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER IN ELSTON'S ADDITION TO CHICAGO, IN SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING ABOVE AN ELEVATION OF 4 00 FEET (BEING THE FINISHED SURFACE OF THE RIVER WALK) AND BELOW AN ELEVATION OF 17 25 FEET, CITY OF CHICAGO DATUM, BOUNDED AND DESCRIBED AS FOLLOWS COMMENCING ON THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AT A POINT 816.84 FEET NORTHWESTERLY OF THE INTERSECTION OF SAID SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE WEST LINE OF NORTH LARRABEE STREET, THAT POINT BEING ALSO THE EXTENSION NORTHEASTERLY OF THE NORTHWESTERLY FACE OF FIVE CONCRETE COLUMNS, THENCE SOUTHWESTERLY WITH AN ANGLE OF 89 DEGREES, 49 MINUTES, 14 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, AND ALONG SAID NORTHWESTERLY FACE, 104 87 FEET TO THE NORTHERLY EXTENSION OF THE WEST FACE OF A BRICK WALL; THENCE SOUTHEASTERLY, ALONG THE WESTERLY FACE OF SAID BRICK WALL, AT AN ANGLE OF 90 DEGREES, 18 MINUTES, 00 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, A DISTANCE OF 1.53 FEET TO THE NORTHWESTERLY FACE OF A 1 00 FOOT BRICK WALL, THENCE SOUTHWESTERLY, ALONG SAID NORTHWESTERLY FACE, PERPENDICULAR TO THE LAST DESCRIBED LINE 124 71 FEET TO THE WEST FACE OF A WALL, AND THE POINT OF BEGINNING, THENCE SOUTHEASTERLY ALONG SAID WEST, FACE BEING ON A LINE FORMING AN ANGLE OF 89 DEGREES, 52 MINUTES, 22 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 123.29 FEET TO A POINT TO BE REFERRED TO AS POINT "A"; THENCE FOLLOWING THE FACE OF THE WALL, NORTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 1.38 FEET TO A BEND POINT IN SAID WALL, THENCE SOUTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 50.58 FEET; THENCE SOUTHWESTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 13.37 FEET, THENCE SOUTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 225.89 FEET TO THE CENTER LINE OF A 1 00 FOOT BRICK WALL (SAID POINT BEING 241.58 FEET WEST OF THE WEST LINE OF NORTH KINGSBURY STREET);

THENCE SOUTHWESTERLY, ALONG SAID CENTERLINE AND ITS EXTENSION, BEING A LINE FORMING AN ANGLE TO THE LEFT WITH THE LAST DESCRIBED LINE OF 90 DEGREES, 04 MINUTES, 48 SECONDS, 34 00 FEET TO THE DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER TO A POINT TO BE REFERRED TO AS POINT "B"; THENCE NORTHWESTERLY, ALONG SAID DOCK LINE, BEING A LINE FORMING AN ANGLE OF 92 DEGREES, 05 MINUTES, 27 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 8 08 FEET TO A BEND POINT, SAID BEND POINT TO BE REFERRED TO AS POINT "C", THENCE NORTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 176 DEGREES, 11 MINUTES, 31 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 252 49 FEET TO A BEND POINT, THENCE NORTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 173 DEGREES, 39 MINUTES, 01 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 140 75 FEET TO THE NORTH FACE AND ITS EXTENSION OF A BRICK WALL, THENCE NORTHEASTERLY 19.53 FEET TO THE POINT OF BEGINNING,

ALSO

THAT PART OF SAID LOTS LYING ABOVE AN ELEVATION OF 17 25 FEET AND BELOW AN ELEVATION OF 35 00 FEET, CITY OF CHICAGO DATUM, DESCRIBED AS FOLLOWS, COMMENCING AT THE AFORESAID POINT OF BEGINNING, THENCE SOUTHEASTERLY, ALONG A LINE 123.29 FEET TO THE AFORESAID POINT "A" AND POINT OF BEGINNING, THENCE NORTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 1.38 FEET TO A BEND POINT IN SAID WALL, THENCE SOUTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 50 58 FEET, THENCE SOUTHWESTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 17.20 FEET; THENCE SOUTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 89 05 FEET, THENCE SOUTHWESTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 5 33 FEET, THENCE SOUTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 15 50 FEET, THENCE SOUTHWESTERLY, 21 91 FEET TO THE AFORESAID NORTHEASTERLY DOCK LINE, THENCE NORTHWESTERLY, ALONG SAID NORTHEASTERLY DOCK LINE, BEING A LINE FORMING AN ANGLE OF 88 DEGREES, 21 MINUTES, 46 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 139.14 FEET TO A BEND POINT; THENCE NORTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 173 DEGREES, 39 MINUTES, 01 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 60.50 FEET, THENCE NORTHEASTERLY, ALONG A LINE FORMING AN ANGLE OF 97 DEGREES, 59 MINUTES, 14 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 15.26 FEET; THENCE SOUTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 43 87 FEET; THENCE NORTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 15.42 FEET TO THE AFORESAID POINT "A" AND POINT OF BEGINNING,

ALSO

THAT PART OF SAID LOTS LYING ABOVE AN ELEVATION OF 17 25 FEET AND BELOW AN ELEVATION OF 35 00 FEET, CITY OF CHICAGO DATUM, DESCRIBED AS FOLLOWS; BEGINNING AT THE AFORESAID POINT "B"; THENCE NORTHWESTERLY, 8.08 FEET TO THE AFORESAID POINT "C", THENCE NORTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 176 DEGREES, 11 MINUTES, 31 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, AND ALONG THE AFORESAID NORTHEASTERLY DOCK LINE, 50 45 FEET; THENCE NORTHEASTERLY, ALONG A LINE FORMING AN ANGLE OF 91 DEGREES, 38 MINUTES, 14 SECONDS TO THE LEFT

WITH THE LAST DESCRIBED LINE, 29 04 FEET, THENCE SOUTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 58 46 FEET TO THE CENTERLINE AND ITS EXTENSION OF THE AFORESAID BRICK WALL, THENCE SOUTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 90 DEGREES, 04 MINUTES, 48 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 30 17 FEET TO THE POINT OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS

BUT EXCEPTING FROM THE AFORESAID PARCELS 12 AND 13, THE PROPERTY BOUNDED AND DESCRIBED AS FOLLOWS: [NOTE: THIS EXCEPTS THE RIVERWALK OUT FROM THE SCAT]

THAT PART OF LOTS 4, 5 AND 6 IN BLOCK 95 IN ELSTON'S ADDITION TO CHICAGO, IN SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING EAST OF THE DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER, LYING ABOVE AN ELEVATION OF 4 00 FEET (BEING THE FINISHED SURFACE OF THE RIVER WALK) AND BELOW AN ELEVATION OF 17.25 FEET, CITY OF CHICAGO DATUM, BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE WEST FACE OF A WALL AND THE NORTH RIGHT OF WAY LINE OF CHICAGO AVENUE, BEING A POINT 172 37 FEET WEST OF THE WEST LINE OF NORTH LARRABEE STREET; THENCE NORTHERLY, ALONG SAID WEST FACE AND ITS EXTENSION, BEING A LINE FORMING AN ANGLE OF 90 DEGREES, 38 MINUTES, 47 SECONDS TO THE LEFT WITH SAID NORTH RIGHT OF WAY LINE, 55 46 FEET TO A BEND POINT; THENCE NORTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 135 DEGREES, 00 MINUTES, 00 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 24 75 FEET TO A BEND POINT; THENCE NORTHERLY, ALONG A LINE FORMING AN ANGLE OF 135 DEGREES, 00 MINUTES, 00 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 87.15 FEET TO A BEND POINT; THENCE NORTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 135 DEGREES, 00 MINUTES, 00 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 24.75 FEET TO A BEND POINT, THENCE NORTHERLY, ALONG A LINE FORMING AN ANGLE OF 135 DEGREES, 00 MINUTES, 00 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 57 11 FEET TO A BEND POINT; THENCE NORTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 149 DEGREES, 29 MINUTES, 58 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 58.09 FEET TO A BEND POINT, THENCE SOUTHWESTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 8.58 FEET TO A BEND POINT; THENCE NORTHWESTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 122 50 FEET TO A BEND POINT, SAID POINT TO BE REFERRED TO AS POINT "A", THENCE SOUTHWESTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 9.08 FEET TO A BEND POINT, SAID POINT TO BE REFERRED TO AS POINT "B"; THENCE NORTHWESTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 211 72 FEET TO THE CENTER LINE OF A 1 00 FOOT BRICK WALL (SAID POINT BEING 245 00 FEET WEST OF THE WEST LINE OF NORTH KINGSBURY STREET AS MEASURED ALONG SAID CENTERLINE BEING A LINE FORMING AN ANGLE OF 89 DEGREES, 55 MINUTES, 12 SECONDS FROM SOUTHEAST TO SOUTHWEST WITH THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AT A POINT ON SAID SOUTHWESTERLY LINE 415.69 FEET, AS MEASURED ALONG SAID SOUTHWESTERLY LINE, NORTHWESTERLY FROM ITS INTERSECTION WITH THE WEST LINE OF NORTH LARRABEE STREET), THENCE SOUTHWESTERLY, ALONG SAID CENTERLINE AND ITS EXTENSION, BEING A LINE FORMING AN ANGLE OF 90 DEGREES, 08 MINUTES,

23 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 30 58 FEET TO THE NORTHEASTERLY DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER, THENCE SOUTHEASTERLY, ALONG SAID DOCK LINE, AT AN ANGLE OF 87 DEGREES, 54 MINUTES, 34 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 181.53 FEET, THENCE CONTINUING SOUTHEASTERLY, ALONG SAID NORTHEASTERLY DOCK LINE AT AN ANGLE OF 178 DEGREES, 39 MINUTES, 02 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 200 22 FEET, THENCE CONTINUING, SOUTHEASTERLY, ALONG SAID NORTHEASTERLY DOCK LINE AT AN ANGLE OF 154 DEGREES, 49 MINUTES, 20 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 231 02 FEET TO THE NORTH LINE OF CHICAGO AVENUE, THENCE EASTERLY, ALONG SAID NORTH LINE, 32 28 FEET TO THE POINT OF BEGINNING,

ALSO

THAT PART OF SAID LOTS 4, 5 AND 6, LYING ABOVE AN ELEVATION OF 17 25 FEET AND BELOW AN ELEVATION OF 35.00 FEET, CITY OF CHICAGO DATUM, BOUNDED AND DESCRIBED AS FOLLOWS: COMMENCING AT THE INTERSECTION OF THE NORTHEASTERLY DOCK LINE OF THE CHICAGO RIVER AND THE NORTH LINE OF CHICAGO AVENUE (SAID POINT BEING 204 65 FEET WEST OF THE WEST LINE OF LARRABEE STREET), THENCE NORTHWESTERLY, ALONG SAID DOCK LINE, 17 54 FEET TO THE NORTH FACE AND ITS EXTENSION OF A WALL AND THE POINT OF BEGINNING, THENCE EASTERLY, ALONG SAID NORTH FACE, BEING ON A LINE FORMING AN ANGLE OF 81 DEGREES, 22 MINUTES, 38 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 25 91 FEET TO THE WEST FACE OF A WALL, THENCE NORTHERLY, ALONG SAID WEST FACE, PERPENDICULAR TO THE LAST DESCRIBED LINE, 46 76 FEET TO A BEND POINT, THENCE NORTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 135 DEGREES, 00 MINUTES, 00 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 12.02 FEET TO A BEND POINT, THENCE NORTHERLY, ALONG A LINE FORMING AN ANGLE OF 135 DEGREES, 00 MINUTES, 00 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 87.15 FEET TO A BEND POINT, THENCE NORTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 135 DEGREES, 00 MINUTES, 00 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 24 75 FEET TO A BEND POINT, THENCE NORTH, ALONG A LINE FORMING AN ANGLE OF 135 DEGREES, 00 MINUTES, 00 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 57.11 FEET TO A BEND POINT; THENCE NORTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 149 DEGREES, 29 MINUTES, 58 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 58.09 FEET TO A BEND POINT, THENCE SOUTHWESTERLY, ALONG THE FACE OF A WALL AND ITS EXTENSION, PERPENDICULAR TO THE LAST DESCRIBED LINE, 33 23 FEET TO THE AFORESAID NORTHEASTERLY DOCK LINE; THENCE SOUTHEASTERLY, ALONG SAID DOCK LINE AT AN ANGLE OF 86 DEGREES, 42 MINUTES, 00 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 47 09 FEET TO A BEND POINT, THENCE SOUTHEASTERLY, ALONG A LINE FORMING AN ANGLE OF 154 DEGREES, 49 MINUTES, 20 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 213.48 FEET TO THE POINT OF BEGINNING,

ALSO

THAT PART OF SAID LOTS 4, 5 AND 6, LYING ABOVE AN ELEVATION OF 17 25 FEET AND BELOW AN ELEVATION OF 35.00 FEET, CITY OF CHICAGO DATUM, BOUNDED

AND DESCRIBED AS FOLLOWS COMMENCING AT THE AFORESAID POINT "A", THENCE SOUTHWESTERLY 9 08 FEET TO THE AFORESAID POINT "B" AND THE POINT OF BEGINNING, THENCE NORTHWESTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 105 00 FEET, THENCE SOUTHWESTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 26 92 FEET TO THE AFORESAID NORTHEASTERLY DOCK LINE, THENCE SOUTHEASTERLY, ALONG A LINE FORMING AN ANGLE OF 88 DEGREES, 02 MINUTES, 57 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 74 66 FEET, THENCE SOUTHEASTERLY, ALONG A LINE FORMING AN ANGLE OF 178 DEGREES, 39 MINUTES, 02 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 30 43 FEET, THENCE NORTHEASTERLY, ALONG A LINE FORMING AN ANGLE OF 93 DEGREES, 18 MINUTES, 00 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 22 63 FEET TO THE POINT OF BEGINNING,

ALSO

THAT PART OF SAID LOTS 4, 5 AND 6, LYING ABOVE AN ELEVATION OF 17 25 FEET AND BELOW AN ELEVATION OF 35.00 FEET, CITY OF CHICAGO DATUM, BOUNDED AND DESCRIBED AS FOLLOWS COMMENCING AT THE AFORESAID POINT "A"; THENCE SOUTHWESTERLY 9 08 FEET TO THE AFORESAID POINT "B", THENCE NORTHWESTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 157.50 FEET TO THE POINT OF BEGINNING, THENCE CONTINUING NORTHWESTERLY, ALONG THE PROJECTION OF THE LAST DESCRIBED LINE, 54 22 FEET TO THE CENTER LINE OF THE AFORESAID 1.0 BRICK WALL, THENCE SOUTHWESTERLY, ALONG SAID CENTERLINE AND ITS EXTENSION, BEING A LINE FORMING AN ANGLE OF 90 DEGREES, 08 MINUTES, 23 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 30 58 FEET TO THE AFORESAID NORTHEASTERLY DOCK LINE, THENCE SOUTHEASTERLY, ALONG A LINE FORMING AN ANGLE OF 87 DEGREES, 54 MINUTES, 34 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 54.33 FEET, THENCE NORTHEASTERLY, ALONG A LINE FORMING AN ANGLE OF 91 DEGREES, 57 MINUTES, 14 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 28 71 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

B

EPORT 600 PROPERTY OWNER PARCELS
(CONTINUED)

CERTAIN LEVELS OF 950 KINGSBURY PARKING GARAGE AND A 7.58' STRIP OF LAND EAST OF THE 950 PARKING GARAGE

[NOTE: The 950 N. Kingsbury Parking Garage was originally part of the 17-04-300-007 PIN. The garage is now the 17-04-300-022 PIN. The 022 PIN includes the Riverwalk behind the garage and the "Domain Balcony Parcel" and a portion of the 950 parking garage now owned by River Village Lofts. A tax division to separate the Eport 600 Property Owner parcels from the Eport 600 Riverwalk Owner parcels and the Domain Balcony parcel and the River Village Lofts parcel has not been filed.

River Village Lofts has recorded a Declaration of Condominium creating 78 parking condominium units out of their space in the garage. The act of recording that Declaration starts the process of creating separate PINs for those parking units.

The Domain Balcony parcel is part of Domain condominium. Certain terraces and balconies on the north end of Domain are located in the Domain Balcony Parcel. The Domain Condominium Declaration was recorded in July, 2002 and has been amended several times. When all the residential condominium units in Domain that are located on the north side of Domain are legally in the condominium, individual PINs will be generated for those units. Those PINs will include the terraces and balconies located in the Domain Balcony Parcel since they are limited common elements appurtenant to those residential units.]

TRACT 1 A TRACT OF LAND BEING THAT PART OF LOTS 21, 22 AND 23, IN BLOCK 96 IN ELSTON'S ADDITION TO CHICAGO, A SUBDIVISION IN THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, LYING BETWEEN THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE NORTH BRANCH OF THE CHICAGO RIVER, BOUNDED AND DESCRIBED AS FOLLOWS: COMMENCING ON THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AT A POINT 816.84 FEET NORTHWESTERLY OF THE INTERSECTION OF SAID SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE WEST LINE OF NORTH LARRABEE STREET, SAID POINT BEING ALSO THE EXTENSION NORTHEASTERLY OF THE NORTHWESTERLY FACE OF FIVE (5) CONCRETE COLUMNS, THENCE SOUTHWESTERLY, AT AN ANGLE OF 89 DEGREES, 49 MINUTES, 14 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, AND ALONG SAID NORTHWESTERLY FACE, 7.58 FEET TO THE POINT OF BEGINNING, THENCE CONTINUING SOUTHWESTERLY, ALONG THE LAST DESCRIBED LINE, 97.29 FEET TO THE NORTHERLY EXTENSION OF THE WEST FACE OF A BRICK WALL, THENCE SOUTHEASTERLY, ALONG THE WESTERLY FACE OF SAID BRICK WALL, AT AN ANGLE OF 90 DEGREES, 18 MINUTES, 00 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, A DISTANCE OF 1.53 FEET TO THE NORTHWESTERLY FACE OF A 100 FOOT BRICK WALL, THENCE SOUTHWESTERLY, ALONG SAID NORTHWESTERLY FACE, PERPENDICULAR TO THE LAST DESCRIBED LINE, A DISTANCE OF 117.38 FEET; THENCE NORTHWESTERLY AT AN ANGLE OF 90 DEGREES, 14 MINUTES, 41 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE 24.82 FEET, THENCE NORTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 8.07 FEET, THENCE NORTHWESTERLY AT AN ANGLE OF 100 DEGREES, 07 MINUTES, 04 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 95.18 FEET;

THENCE NORTHEASTERLY AT AN ANGLE OF 100 DEGREES, 00 MINUTES, 00 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 190.13 FEET, TO A POINT 7.58 FEET SOUTHWESTERLY OF THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET THENCE SOUTHEASTERLY, ALONG A LINE PARALLEL WITH SAID SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET, 116.99 FEET TO THE POINT OF BEGINNING; EXCEPTING FROM SAID TRACT THAT PART BOUNDED AND DESCRIBED AS FOLLOWS AND LYING BELOW THE ELEVATIONS, CITY OF CHICAGO DATUM, HEREIN DESCRIBED, BEGINNING AT THE NORTHEASTERLY CORNER OF SAID TRACT AT AN ELEVATION OF 33.08 FEET; THENCE WESTERLY, ALONG THE NORTHERLY LINE OF SAID TRACT, A SLOPE DISTANCE OF 190.35 FEET TO A POINT HAVING AN ELEVATION OF 23.92 FEET; THENCE SOUTHEASTERLY, AT AN ANGLE OF 100 DEGREES, 00 MINUTES, 00 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, A SLOPE DISTANCE OF 59.43 FEET TO A POINT HAVING AN ELEVATION OF 22.12 FEET; THENCE NORTHEASTERLY, ALONG A LINE 58.50 FEET SOUTHEASTERLY OF AND PARALLEL WITH THE NORTHERLY LINE OF SAID TRACT OF LAND, A SLOPE DISTANCE OF 200.85 FEET TO A POINT HAVING AN ELEVATION OF 35.00 FEET, SAID POINT BEING ON THE NORTHEASTERLY LINE OF SAID TRACT OF LAND, THENCE NORTHWESTERLY A SLOPE DISTANCE OF 58.53 FEET TO THE POINT OF BEGINNING; ALSO EXCEPTING THAT PART OF SAID TRACT OF LAND BOUNDED AND DESCRIBED AS FOLLOWS AND LYING BELOW THE ELEVATIONS, CITY OF CHICAGO DATUM, HEREIN DESCRIBED; BEGINNING AT THE INTERSECTION OF THE NORTHEASTERLY LINE OF SAID TRACT OF LAND AND THE SOUTHEASTERLY LINE OF THE NORTHWESTERLY 58.50 FEET OF SAID TRACT OF LAND AT AN ELEVATION OF 12.00 FEET; THENCE SOUTHWESTERLY, ALONG THE SOUTHEASTERLY LINE OF THE NORTHWESTERLY 58.50 FEET OF SAID TRACT OF LAND, A SLOPE DISTANCE OF 200.88 FEET TO A POINT HAVING AN ELEVATION OF 25.33 FEET; THENCE SOUTHEASTERLY AT AN ANGLE OF 100 DEGREES, 00 MINUTES, 00 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, A SLOPE DISTANCE OF 35.86 FEET TO A POINT HAVING AN ELEVATION OF 22.92 FEET, THENCE SOUTHWESTERLY, AT AN ANGLE OF 100 DEGREES, 07 MINUTES, 04 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 8.07 FEET TO A POINT HAVING AN ELEVATION OF 22.92 FEET, THENCE SOUTHEASTERLY, AT RIGHT ANGLES TO THE LAST DESCRIBED LINE, 24.82 FEET TO THE SOUTHEASTERLY LINE OF SAID TRACT OF LAND AT AN ELEVATION OF 22.92 FEET; THENCE NORTHEASTERLY, ALONG SAID SOUTHEASTERLY LINE, A SLOPE DISTANCE OF 117.55 FEET TO A BEND POINT IN SAID SOUTHEASTERLY LINE AT AN ELEVATION OF 16.68 FEET; THENCE NORTHWESTERLY, ALONG THE WESTERLY FACE AND ITS EXTENSION OF A BRICK WALL, 1.53 FEET TO A POINT ON THE SOUTHERLY LINE OF SAID TRACT OF LAND, AT AN ELEVATION OF 16.68 FEET; THENCE NORTHEASTERLY, ALONG SAID SOUTHERLY LINE, A SLOPE DISTANCE OF 97.43 FEET TO A POINT ON THE NORTHEASTERLY LINE OF SAID TRACT OF LAND AT AN ELEVATION OF 11.50 FEET; THENCE NORTHWESTERLY, A SLOPE DISTANCE OF 58.49 FEET TO THE POINT OF BEGINNING; ALSO EXCEPTING THAT PART OF SAID TRACT OF LAND BOUNDED AND DESCRIBED AS FOLLOWS AND LYING BELOW THE ELEVATIONS, CITY OF CHICAGO DATUM, HEREIN DESCRIBED, COMMENCING AT THE INTERSECTION OF THE NORTHEASTERLY LINE OF SAID TRACT OF LAND AND THE SOUTHEASTERLY LINE OF THE NORTHWESTERLY 58.50 FEET OF SAID TRACT OF LAND, THENCE SOUTHWESTERLY, ALONG THE SOUTHEASTERLY LINE OF THE NORTHWESTERLY 58.50 FEET, A DISTANCE OF 140.51 FEET TO A POINT HAVING AN ELEVATION OF 31.40 FEET AND THE POINT OF BEGINNING; THENCE CONTINUING SOUTHWESTERLY, ALONG THE LAST DESCRIBED LINE, A SLOPE DISTANCE OF 60.40 FEET TO A POINT HAVING AN ELEVATION OF 35.33 FEET; THENCE SOUTHWESTERLY AT AN ANGLE OF 100 DEGREES, 00 MINUTES, 00 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, A SLOPE DISTANCE OF 19.85 FEET TO A POINT HAVING AN ELEVATION OF 34.01 FEET; THENCE NORTHEASTERLY, AT

AN ANGLE OF 80 DEGREES, 00 MINUTES, 00 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, A SLOPE DISTANCE OF 60 33 FEET TO A POINT HAVING AN ELEVATION OF 31.21 FEET, THENCE NORTHEASTERLY A SLOPE DISTANCE OF 19 80 FEET TO THE POINT OF BEGINNING, ALSO EXCEPTING FROM SAID TRACT OF LAND THAT PART LYING ABOVE AN ELEVATION OF 102.17 FEET OF THE NORTHEASTERLY 49 83 FEET, THAT PART LYING ABOVE AN ELEVATION OF 105 33 FEET OF THE SOUTHWESTERLY 66 00 FEET OF THE NORTHEASTERLY 115 83 FEET AND THAT PART LYING ABOVE AN ELEVATION OF 102 17 FEET EXCEPTING THE NORTHEASTERLY 115 83 FEET OF SAID TRACT OF LAND

[Following is the legal description of a 7.58 strip of land east of the garage, owned by Eport 600 Property Owner, L.L.C.]

TRACT 3 THE EASTERLY 7.58 FEET OF THE FOLLOWING TRACT OF LAND: THAT PART OF LOTS 21, 22 AND 23, IN BLOCK 96 IN ELSTON'S ADDITION TO CHICAGO, A SUBDIVISION IN THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, LYING BETWEEN THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE NORTH BRANCH OF THE CHICAGO RIVER, BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING ON THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AT A POINT 816.84 FEET NORTHWESTERLY OF THE INTERSECTION OF SAID SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE WEST LINE OF NORTH LARRABEE STREET, SAID POINT BEING ALSO THE EXTENSION NORTHEASTERLY OF THE NORTHWESTERLY FACE OF FIVE (5) CONCRETE COLUMNS; THENCE SOUTHWESTERLY, AT AN ANGLE OF 89 DEGREES, 49 MINUTES, 14 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, AND ALONG SAID NORTHWESTERLY FACE, 104.87 FEET TO THE NORTHERLY EXTENSION OF THE WEST FACE OF A BRICK WALL; THENCE SOUTHEASTERLY, ALONG THE WESTERLY FACE OF SAID BRICK WALL, AT AN ANGLE OF 90 DEGREES, 18 MINUTES, 00 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, A DISTANCE OF 1 53 FEET TO THE NORTHWESTERLY FACE OF A 1 00 FOOT BRICK WALL, THENCE SOUTHWESTERLY, ALONG SAID NORTHWESTERLY FACE, PERPENDICULAR TO THE LAST DESCRIBED LINE, A DISTANCE OF 117.38 FEET; THENCE NORTHWESTERLY AT AN ANGLE OF 90 DEGREES, 14 MINUTES, 41 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE 24.82 FEET, THENCE NORTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 8.07 FEET; THENCE NORTHWESTERLY AT AN ANGLE OF 100 DEGREES, 07 MINUTES, 04 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 95 18 FEET, THENCE NORTHEASTERLY AT AN ANGLE OF 100 DEGREES, 00 MINUTES, 00 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 197.61 FEET, TO THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET; THENCE SOUTHEASTERLY, ALONG SAID SOUTHWESTERLY LINE, 116 96 FEET TO THE POINT OF BEGINNING.

TRACT 1 AND TRACT 3 ARE PART OF P I N.

17-04-300-022-0000

B

EPORT 600 RIVERWALK OWNER PARCELS
SITES E-1 AND E-2

(Note: following legal descriptions pertain to the Riverwalk levels in the South and North Catalogue building and the strip of Riverwalk land west of the 950 Kingsbury parking garage.)

PARCEL 1 (Southern Catalog Building)

THAT PART OF LOTS 4, 5 AND 6 IN BLOCK 95 IN ELSTON'S ADDITION TO CHICAGO, IN SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING EAST OF THE DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER, LYING ABOVE AN ELEVATION OF 4 00 FEET (BEING THE FINISHED SURFACE OF THE RIVER WALK) AND BELOW AN ELEVATION OF 17.25 FEET, CITY OF CHICAGO DATUM, BOUNDED AND DESCRIBED AS FOLLOWS BEGINNING AT THE INTERSECTION OF THE WEST FACE OF A WALL AND THE NORTH RIGHT OF WAY LINE OF CHICAGO AVENUE, BEING A POINT 172.37 FEET WEST OF THE WEST LINE OF NORTH LARRABEE STREET; THENCE NORTHERLY, ALONG SAID WEST FACE AND ITS EXTENSION, BEING A LINE FORMING AN ANGLE OF 90 DEGREES, 38 MINUTES, 47 SECONDS TO THE LEFT WITH SAID NORTH RIGHT OF WAY LINE, 55.46 FEET TO A BEND POINT, THENCE NORTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 135 DEGREES, 00 MINUTES, 00 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 24.75 FEET TO A BEND POINT, THENCE NORTHERLY, ALONG A LINE FORMING AN ANGLE OF 135 DEGREES, 00 MINUTES, 00 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 87.15 FEET TO A BEND POINT; THENCE NORTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 135 DEGREES, 00 MINUTES, 00 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 24.75 FEET TO A BEND POINT, THENCE NORTHERLY, ALONG A LINE FORMING AN ANGLE OF 135 DEGREES, 00 MINUTES, 00 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 57.11 FEET TO A BEND POINT, THENCE NORTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 149 DEGREES, 29 MINUTES, 58 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 58.09 FEET TO A BEND POINT, THENCE SOUTHWESTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 8.58 FEET TO A BEND POINT; THENCE NORTHWESTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 122.50 FEET TO A BEND POINT, SAID POINT TO BE REFERRED TO AS POINT "A"; THENCE SOUTHWESTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 9.08 FEET TO A BEND POINT, SAID POINT TO BE REFERRED TO AS POINT "B", THENCE NORTHWESTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 211.72 FEET TO THE CENTER LINE OF A 1 00 FOOT BRICK WALL (SAID POINT BEING 245.00 FEET WEST OF THE WEST LINE OF NORTH KINGSBURY STREET AS MEASURED ALONG SAID CENTERLINE BEING A LINE FORMING AN ANGLE OF 89 DEGREES, 55 MINUTES, 12 SECONDS FROM SOUTHEAST TO SOUTHWEST WITH THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AT A POINT ON SAID SOUTHWESTERLY LINE 415.69 FEET, AS MEASURED ALONG SAID SOUTHWESTERLY LINE, NORTHWESTERLY FROM ITS INTERSECTION WITH THE WEST LINE OF NORTH LARRABEE STREET), THENCE SOUTHWESTERLY, ALONG SAID CENTERLINE AND ITS EXTENSION, BEING A LINE FORMING AN ANGLE OF 90 DEGREES, 08 MINUTES, 23 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 30.58 FEET TO THE NORTHEASTERLY DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER, THENCE SOUTHEASTERLY, ALONG SAID DOCK LINE, AT AN ANGLE OF 87 DEGREES, 54 MINUTES, 34 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 181.53 FEET, THENCE CONTINUING SOUTHEASTERLY, ALONG SAID NORTHEASTERLY DOCK LINE AT AN ANGLE OF 178 DEGREES, 39 MINUTES, 02 SECONDS

TO THE RIGHT WITH THE LAST DESCRIBED LINE, 200 22 FEET, THENCE CONTINUING, SOUTHEASTERLY, ALONG SAID NORTHEASTERLY DOCK LINE AT AN ANGLE OF 154 DEGREES, 49 MINUTES, 20 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 231 02 FEET TO THE NORTH LINE OF CHICAGO AVENUE, THENCE EASTERLY, ALONG SAID NORTH LINE, 32.28 FEET TO THE POINT OF BEGINNING,

ALSO THAT PART OF SAID LOTS 4, 5 AND 6, LYING ABOVE AN ELEVATION OF 17 25 FEET AND BELOW AN ELEVATION OF 35.00 FEET, CITY OF CHICAGO DATUM, BOUNDED AND DESCRIBED AS FOLLOWS COMMENCING AT THE INTERSECTION OF THE NORTHEASTERLY DOCK LINE OF THE CHICAGO RIVER AND THE NORTH LINE OF CHICAGO AVENUE (SAID POINT BEING 204 65 FEET WEST OF THE WEST LINE OF LARRABEE STREET), THENCE NORTHWESTERLY, ALONG SAID DOCK LINE, 17 54 FEET TO THE NORTH FACE AND ITS EXTENSION OF A WALL AND THE POINT OF BEGINNING, THENCE EASTERLY, ALONG SAID NORTH FACE, BEING ON A LINE FORMING AN ANGLE OF 81 DEGREES, 22 MINUTES, 38 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 25.91 FEET TO THE WEST FACE OF A WALL; THENCE NORTHERLY, ALONG SAID WEST FACE, PERPENDICULAR TO THE LAST DESCRIBED LINE, 46.76 FEET TO A BEND POINT, THENCE NORTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 135 DEGREES, 00 MINUTES, 00 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 12 02 FEET TO A BEND POINT, THENCE NORTHERLY, ALONG A LINE FORMING AN ANGLE OF 135 DEGREES, 00 MINUTES, 00 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 87.15 FEET TO A BEND POINT, THENCE NORTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 135 DEGREES, 00 MINUTES, 00 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 24 75 FEET TO A BEND POINT; THENCE NORTH, ALONG A LINE FORMING AN ANGLE OF 135 DEGREES, 00 MINUTES, 00 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 57 11 FEET TO A BEND POINT; THENCE NORTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 149 DEGREES, 29 MINUTES, 58 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 58 09 FEET TO A BEND POINT, THENCE SOUTHWESTERLY, ALONG THE FACE OF A WALL AND ITS EXTENSION, PERPENDICULAR TO THE LAST DESCRIBED LINE, 33.23 FEET TO THE AFORESAID NORTHEASTERLY DOCK LINE; THENCE SOUTHEASTERLY, ALONG SAID DOCK LINE AT AN ANGLE OF 86 DEGREES, 42 MINUTES, 00 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 47 09 FEET TO A BEND POINT; THENCE SOUTHEASTERLY, ALONG A LINE FORMING AN ANGLE OF 154 DEGREES, 49 MINUTES, 20 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 213 48 FEET TO THE POINT OF BEGINNING,

ALSO: THAT PART OF SAID LOTS 4, 5 AND 6, LYING ABOVE AN ELEVATION OF 17.25 FEET AND BELOW AN ELEVATION OF 35 00 FEET, CITY OF CHICAGO DATUM, BOUNDED AND DESCRIBED AS FOLLOWS COMMENCING AT THE AFORESAID POINT "A"; THENCE SOUTHWESTERLY 9.08 FEET TO THE AFORESAID POINT "B" AND THE POINT OF BEGINNING; THENCE NORTHWESTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 105.00 FEET; THENCE SOUTHWESTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 26 92 FEET TO THE AFORESAID NORTHEASTERLY DOCK LINE; THENCE SOUTHEASTERLY, ALONG A LINE FORMING AN ANGLE OF 88 DEGREES, 02 MINUTES, 57 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 74.66 FEET; THENCE SOUTHEASTERLY, ALONG A LINE FORMING AN ANGLE OF 178 DEGREES, 39 MINUTES, 02 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 30 43 FEET; THENCE NORTHEASTERLY, ALONG A LINE FORMING AN ANGLE OF 93 DEGREES, 18 MINUTES, 00 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 22.63 FEET TO THE POINT OF BEGINNING,

ALSO THAT PART OF SAID LOTS 4, 5 AND 6, LYING ABOVE AN ELEVATION OF 17 25 FEET AND BELOW AN ELEVATION OF 35.00 FEET, CITY OF CHICAGO DATUM, BOUNDED AND DESCRIBED AS FOLLOWS COMMENCING AT THE AFORESAID POINT "A", THENCE SOUTHWESTERLY 9 08 FEET TO THE AFORESAID POINT "B"; THENCE NORTHWESTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 157 50 FEET TO THE POINT OF BEGINNING, THENCE CONTINUING NORTHWESTERLY, ALONG THE PROJECTION OF THE LAST DESCRIBED LINE, 54 22 FEET TO THE CENTER LINE OF THE AFORESAID 1.0 BRICK WALL; THENCE SOUTHWESTERLY, ALONG SAID CENTERLINE AND ITS EXTENSION, BEING A LINE FORMING AN ANGLE OF 90 DEGREES, 08 MINUTES, 23 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 30.58 FEET TO THE AFORESAID NORTHEASTERLY DOCK LINE; THENCE SOUTHEASTERLY, ALONG A LINE FORMING AN ANGLE OF 87 DEGREES, 54 MINUTES, 34 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 54 33 FEET, THENCE NORTHEASTERLY, ALONG A LINE FORMING AN ANGLE OF 91 DEGREES, 57 MINUTES, 14 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 28.71 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PART OF PINs 17-04-300-017-0000, 17-04-300-019-0000

AND

PARCEL 2 (Northern Catalog Building):

THAT PART OF LOTS 1, 2, 3, 4 AND 5 IN BLOCK 95 LYING EAST OF THE DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER TOGETHER WITH LOTS 24, 25, 26 AND A PART OF LOT 23, IN BLOCK 96, LYING EAST OF THE DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER TOGETHER WITH VACATED BRANCH STREET LYING EAST OF THE DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER IN ELSTON'S ADDITION TO CHICAGO, IN SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING ABOVE AN ELEVATION OF 4 00 FEET (BEING THE FINISHED SURFACE OF THE RIVER WALK) AND BELOW AN ELEVATION OF 17 25 FEET, CITY OF CHICAGO DATUM, BOUNDED AND DESCRIBED AS FOLLOWS COMMENCING ON THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AT A POINT 816.84 FEET NORTHWESTERLY OF THE INTERSECTION OF SAID SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE WEST LINE OF NORTH LARRABEE STREET, THAT POINT BEING ALSO THE EXTENSION NORTHEASTERLY OF THE NORTHWESTERLY FACE OF FIVE CONCRETE COLUMNS; THENCE SOUTHWESTERLY WITH AN ANGLE OF 89 DEGREES, 49 MINUTES, 14 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, AND ALONG SAID NORTHWESTERLY FACE, 104 87 FEET TO THE NORTHERLY EXTENSION OF THE WEST FACE OF A BRICK WALL, THENCE SOUTHEASTERLY, ALONG THE WESTERLY FACE OF SAID BRICK WALL, AT AN ANGLE OF 90 DEGREES, 18 MINUTES, 00 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, A DISTANCE OF 1 53 FEET TO THE NORTHWESTERLY FACE OF A 1 00 FOOT BRICK WALL, THENCE SOUTHWESTERLY, ALONG SAID NORTHWESTERLY FACE, PERPENDICULAR TO THE LAST DESCRIBED LINE 124.71 FEET TO THE WEST FACE OF A WALL, AND THE POINT OF BEGINNING; THENCE SOUTHEASTERLY ALONG SAID WEST, FACE BEING ON A LINE FORMING AN ANGLE OF 89 DEGREES, 52 MINUTES, 22 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 123.29 FEET TO A POINT TO BE REFERRED TO AS POINT "A"; THENCE FOLLOWING THE FACE OF THE WALL, NORTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 1.38 FEET TO A BEND POINT IN SAID WALL; THENCE SOUTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 50.58 FEET; THENCE SOUTHWESTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 13.37 FEET; THENCE SOUTHEASTERLY, PERPENDICULAR

TO THE LAST DESCRIBED LINE, 225 89 FEET TO THE CENTER LINE OF A 1 00 FOOT BRICK WALL (SAID POINT BEING 241 58 FEET WEST OF THE WEST LINE OF NORTH KINGSBURY STREET), THENCE SOUTHWESTERLY, ALONG SAID CENTERLINE AND ITS EXTENSION, BEING A LINE FORMING AN ANGLE TO THE LEFT WITH THE LAST DESCRIBED LINE OF 90 DEGREES, 04 MINUTES, 48 SECONDS, 34 00 FEET TO THE DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER TO A POINT TO BE REFERRED TO AS POINT "B". THENCE NORTHWESTERLY, ALONG SAID DOCK LINE, BEING A LINE FORMING AN ANGLE OF 92 DEGREES, 05 MINUTES, 27 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 8 08 FEET TO A BEND POINT, SAID BEND POINT TO BE REFERRED TO AS POINT "C". THENCE NORTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 176 DEGREES, 11 MINUTES, 31 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 252 49 FEET TO A BEND POINT, THENCE NORTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 173 DEGREES, 39 MINUTES, 01 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 140 75 FEET TO THE NORTH FACE AND ITS EXTENSION OF A BRICK WALL; THENCE NORTHEASTERLY 19 53 FEET TO THE POINT OF BEGINNING,

ALSO: THAT PART OF SAID LOTS LYING ABOVE AN ELEVATION OF 17.25 FEET AND BELOW AN ELEVATION OF 35.00 FEET, CITY OF CHICAGO DATUM, DESCRIBED AS FOLLOWS; COMMENCING AT THE AFORESAID POINT OF BEGINNING, THENCE SOUTHEASTERLY, ALONG A LINE 123 29 FEET TO THE AFORESAID POINT "A" AND POINT OF BEGINNING, THENCE NORTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 1 38 FEET TO A BEND POINT IN SAID WALL, THENCE SOUTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 50 58 FEET, THENCE SOUTHWESTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 17 20 FEET; THENCE SOUTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 89 05 FEET, THENCE SOUTHWESTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 5.33 FEET, THENCE SOUTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 15 50 FEET, THENCE SOUTHWESTERLY, 21 91 FEET TO THE AFORESAID NORTHEASTERLY DOCK LINE; THENCE NORTHWESTERLY, ALONG SAID NORTHEASTERLY DOCK LINE, BEING A LINE FORMING AN ANGLE OF 88 DEGREES, 21 MINUTES, 46 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 139 14 FEET TO A BEND POINT, THENCE NORTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 173 DEGREES, 39 MINUTES, 01 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 60 50 FEET, THENCE NORTHEASTERLY, ALONG A LINE FORMING AN ANGLE OF 97 DEGREES, 59 MINUTES, 14 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 15 26 FEET, THENCE SOUTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 43.87 FEET; THENCE NORTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 15 42 FEET TO THE AFORESAID POINT "A" AND POINT OF BEGINNING,

ALSO: THAT PART OF SAID LOTS LYING ABOVE AN ELEVATION OF 17 25 FEET AND BELOW AN ELEVATION OF 35 00 FEET, CITY OF CHICAGO DATUM, DESCRIBED AS FOLLOWS, BEGINNING AT THE AFORESAID POINT "B", THENCE NORTHWESTERLY, 8.08 FEET TO THE AFORESAID POINT "C", THENCE NORTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 176 DEGREES, 11 MINUTES, 31 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, AND ALONG THE AFORESAID NORTHEASTERLY DOCK LINE, 50.45 FEET; THENCE NORTHEASTERLY, ALONG A LINE FORMING AN ANGLE OF 91 DEGREES, 38 MINUTES, 14 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 29.04 FEET, THENCE SOUTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 58.46 FEET TO THE CENTERLINE AND ITS EXTENSION OF THE AFORESAID BRICK WALL; THENCE SOUTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 90 DEGREES, 04 MINUTES, 48

SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 30 17 FEET TO THE POINT OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS

BUT LESS AND EXCEPT FROM THE AFORESAID PARCELS 1 AND 2 THE WESTERN THREE (3) FEET OF PARCELS 1 AND 2 [Note: This exception takes out the "Marina" parcel from the Riverwalk parcel]

PART OF PINs 17-04-300-023-0000, 17-04-300-027-0000 and 17-04-300-031-0000

Legal Description of Eport Riverwalk Owner Strip of land behind 950 Kingsbury garage

THAT PART OF LOTS 21, 22 AND 23 IN BLOCK 96 IN ELSTON'S ADDITION TO CHICAGO, A SUBDIVISION IN THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, LYING BETWEEN THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE NORTH BRANCH OF THE CHICAGO RIVER, BOUNDED AND DESCRIBED AS FOLLOWS: COMMENCING ON THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AT A POINT 816.84 FEET NORTHWESTERLY OF THE INTERSECTION OF SAID SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE WEST LINE OF NORTH LARRABEE STREET, SAID POINT BEING ALSO THE EXTENSION NORTHEASTERLY OF THE NORTHWESTERLY FACE OF FIVE (5) CONCRETE COLUMNS; THENCE SOUTHWESTERLY, AT AN ANGLE OF 89 DEGREES, 49 MINUTES, 14 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, AND ALONG SAID NORTHWESTERLY FACE 104.87 FEET TO THE NORTHERLY EXTENSION OF THE WEST FACE OF THE BRICK WALL, THENCE SOUTHEASTERLY ALONG THE WESTERLY FACE OF SAID BRICK WALL, AT AN ANGLE OF 90 DEGREES, 18 MINUTES, 00 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, A DISTANCE OF 1 53 FEET TO THE NORTHWESTERLY FACE OF A 1 00 FOOT BRICK WALL, THENCE SOUTHWESTERLY, ALONG SAID NORTHWESTERLY FACE, PERPENDICULAR TO THE LAST DESCRIBED LINE, A DISTANCE OF 117.38 FEET TO THE POINT OF BEGINNING, THENCE CONTINUING SOUTHWESTERLY ALONG THE LAST DESCRIBED LINE 26.86 FEET TO THE NORTHEASTERLY DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER; THENCE NORTHWESTERLY AT AN ANGLE OF 82 DEGREES, 08 MINUTES, 24 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, AND ALONG SAID NORTHEASTERLY DOCK LINE, 0 99 FEET; THENCE CONTINUING ALONG SAID DOCK LINE, AT AN ANGLE OF 178 DEGREES, 24 MINUTES, 38 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 119.19 FEET, THENCE NORTHEASTERLY AT AN ANGLE OF 99 DEGREES, 34 MINUTES, 36 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, A DISTANCE OF 31 44 FEET; THENCE SOUTHEASTERLY AT AN ANGLE OF 80 DEGREES, 00 MINUTES, 00 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, A DISTANCE OF 95 18 FEET, THENCE SOUTHWESTERLY AT AN ANGLE OF 100 DEGREES, 07 MINUTES, 04 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 8 07 FEET, THENCE SOUTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 24.82 FEET TO THE POINT OF BEGINNING.

BUT LESS AND EXCEPT FROM THE AFORESAID PARCEL THE WESTERN THREE (3) FEET OF SUCH PARCEL

PART OF PIN 17-04-300-022-0000

B

**EXCERPTS FROM THE DOCUMENT GRANTING AN
EASEMENT FROM
MW-CPAG MARINA HOLDINGS, L.L.C. TO
EPORT 600 RIVERWALK OWNER, L.L.C.
OVER A MARINA PARCEL RUNNING ADJACENT TO
THE CHICAGO RIVER AND
ADJACENT TO THE RIVERWALK SITE**

**AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS,
RESTRICTIONS AND EASEMENTS AND OPERATING AGREEMENT**

THIS AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS AND OPERATING AGREEMENT is made and entered into as of the 15th day of October, 2002 (the "Effective Date"), by and among EPORT 600 PROPERTY OWNER, L.L.C., a Delaware limited liability company ("Eport") (in its capacity as owner of the Owner A Property (as hereinafter defined)), DOMAIN OWNER, L.L.C., a Delaware limited liability company ("Domain") (in its capacity as partial owner of the Owner B Property (as hereinafter defined)), MW-CPAG HOLDINGS, L.L.C., a Delaware limited liability company ("MW-CPAG") (in its capacity as owner of the Owner C Property (as hereinafter defined)), EPORT 600 RIVERWALK OWNER, L.L.C., a Delaware limited liability company ("Eport Riverwalk Owner") (in its capacity as owner of the Owner D Property (as hereinafter defined)), MW-CPAG MARINA HOLDINGS, L.L.C., a Delaware limited liability company ("Marina") (in its capacity as owner of the Owner E Property (as hereinafter defined)) and DOMAIN CONDOMINIUM ASSOCIATION, an Illinois not-for-profit corporation ("Domain Condo") (in its capacity as the condominium association for a portion of the Owner B Property)

. . .

6.2 Grant of Easements The following Easements in favor of the Owner D Property are hereby granted

. . .

(k) Riverwalk.

. . .

(ii) Owner E hereby grants in favor of Owner D and the general public a non-exclusive easement for ingress and egress for Persons in, over, on, across and through the Owner E Property to permit access to and from the Riverwalk. Owner D acknowledges and agrees that it is currently intended that the Owner D Property be renovated and developed by Owner D to become a Riverwalk and if such Riverwalk is not constructed as contemplated by Section 27 then this Easement shall be limited to providing access to and from the retail facilities and/or restaurants located in the Owner A Catalog Building but which are adjacent to and/or abut the Owner D Property and providing emergency exit and access through the Owner E Property from the Owner D Property.

(iii) Owner E hereby grants to Owner D an exclusive easement on, over and across such portion of the Owner E Property on which all or any portion of the Riverwalk is constructed pursuant to the Riverwalk Plans and/or Marina Plans for the use, construction, replacement and Maintenance of the Riverwalk (it being acknowledged that (x) portions of the Riverwalk may be constructed on the Owner E Property as contemplated by the Riverwalk Plans and/or Marina Plans and (y) Owner D shall be responsible for the Maintenance of the Riverwalk as set forth in Section 9 1).

MW-CPAG MARINA HOLDINGS, L.L.C.

RIVERWALK SITE EASEMENT PARCEL

THE WESTERN THREE (3) FEET OF [THE RIVERWALK] THE FOLLOWING PARCEL 1, PARCEL 2 and PARCEL 3

PARCEL 1 (Southern Catalog Building).

THAT PART OF LOTS 4, 5 AND 6 IN BLOCK 95 IN ELSTON'S ADDITION TO CHICAGO, IN SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING EAST OF THE DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER, LYING ABOVE AN ELEVATION OF 4 00 FEET (BEING THE FINISHED SURFACE OF THE RIVER WALK) AND BELOW AN ELEVATION OF 17.25 FEET, CITY OF CHICAGO DATUM, BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE WEST FACE OF A WALL AND THE NORTH RIGHT OF WAY LINE OF CHICAGO AVENUE, BEING A POINT 172.37 FEET WEST OF THE WEST LINE OF NORTH LARRABEE STREET, THENCE NORTHERLY, ALONG SAID WEST FACE AND ITS EXTENSION, BEING A LINE FORMING AN ANGLE OF 90 DEGREES, 38 MINUTES, 47 SECONDS TO THE LEFT WITH SAID NORTH RIGHT OF WAY LINE, 55 46 FEET TO A BEND POINT, THENCE NORTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 135 DEGREES, 00 MINUTES, 00 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 24.75 FEET TO A BEND POINT, THENCE NORTHERLY, ALONG A LINE FORMING AN ANGLE OF 135 DEGREES, 00 MINUTES, 00 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 87.15 FEET TO A BEND POINT; THENCE NORTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 135 DEGREES, 00 MINUTES, 00 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 24.75 FEET TO A BEND POINT; THENCE NORTHERLY, ALONG A LINE FORMING AN ANGLE OF 135 DEGREES, 00 MINUTES, 00 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 57 11 FEET TO A BEND POINT; THENCE NORTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 149 DEGREES, 29 MINUTES, 58 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 58.09 FEET TO A BEND POINT, THENCE SOUTHWESTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 8.58 FEET TO A BEND POINT; THENCE NORTHWESTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 122 50 FEET TO A BEND POINT, SAID POINT TO BE REFERRED TO AS POINT "A"; THENCE SOUTHWESTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 9 08 FEET TO A BEND POINT, SAID POINT TO BE REFERRED TO AS POINT "B"; THENCE NORTHWESTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 211.72 FEET TO THE CENTER LINE OF A 1 00 FOOT BRICK WALL (SAID POINT BEING 245.00 FEET WEST OF THE WEST LINE OF NORTH KINGSBURY STREET AS MEASURED ALONG SAID CENTERLINE BEING A LINE FORMING AN ANGLE OF 89 DEGREES, 55 MINUTES, 12 SECONDS FROM SOUTHEAST TO SOUTHWEST WITH THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AT A POINT ON SAID SOUTHWESTERLY LINE 415 69 FEET, AS MEASURED ALONG SAID SOUTHWESTERLY LINE, NORTHWESTERLY FROM ITS INTERSECTION WITH THE WEST LINE OF NORTH LARRABEE STREET), THENCE SOUTHWESTERLY, ALONG SAID CENTERLINE AND ITS EXTENSION, BEING A LINE FORMING AN ANGLE OF 90 DEGREES, 08 MINUTES, 23 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 30.58 FEET TO THE NORTHEASTERLY DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER, THENCE SOUTHEASTERLY, ALONG SAID DOCK LINE, AT AN ANGLE OF 87 DEGREES, 54 MINUTES, 34 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 181.53 FEET; THENCE CONTINUING SOUTHEASTERLY, ALONG SAID NORTHEASTERLY DOCK LINE AT AN ANGLE OF 178 DEGREES, 39 MINUTES, 02 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 200 22 FEET, THENCE CONTINUING,

SOUTHEASTERLY, ALONG SAID NORTHEASTERLY DOCK LINE AT AN ANGLE OF 154 DEGREES, 49 MINUTES, 20 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 231.02 FEET TO THE NORTH LINE OF CHICAGO AVENUE, THENCE EASTERLY, ALONG SAID NORTH LINE, 32 28 FEET TO THE POINT OF BEGINNING,

ALSO THAT PART OF SAID LOTS 4, 5 AND 6, LYING ABOVE AN ELEVATION OF 17 25 FEET AND BELOW AN ELEVATION OF 35 00 FEET, CITY OF CHICAGO DATUM, BOUNDED AND DESCRIBED AS FOLLOWS COMMENCING AT THE INTERSECTION OF THE NORTHEASTERLY DOCK LINE OF THE CHICAGO RIVER AND THE NORTH LINE OF CHICAGO AVENUE (SAID POINT BEING 204 65 FEET WEST OF THE WEST LINE OF LARRABEE STREET); THENCE NORTHWESTERLY, ALONG SAID DOCK LINE, 17.54 FEET TO THE NORTH FACE AND ITS EXTENSION OF A WALL AND THE POINT OF BEGINNING, THENCE EASTERLY, ALONG SAID NORTH FACE, BEING ON A LINE FORMING AN ANGLE OF 81 DEGREES, 22 MINUTES, 38 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 25.91 FEET TO THE WEST FACE OF A WALL; THENCE NORTHERLY, ALONG SAID WEST FACE, PERPENDICULAR TO THE LAST DESCRIBED LINE, 46.76 FEET TO A BEND POINT; THENCE NORTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 135 DEGREES, 00 MINUTES, 00 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 12.02 FEET TO A BEND POINT, THENCE NORTHERLY, ALONG A LINE FORMING AN ANGLE OF 135 DEGREES, 00 MINUTES, 00 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 87.15 FEET TO A BEND POINT, THENCE NORTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 135 DEGREES, 00 MINUTES, 00 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 24.75 FEET TO A BEND POINT, THENCE NORTH, ALONG A LINE FORMING AN ANGLE OF 135 DEGREES, 00 MINUTES, 00 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 57 11 FEET TO A BEND POINT; THENCE NORTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 149 DEGREES, 29 MINUTES, 58 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 58.09 FEET TO A BEND POINT, THENCE SOUTHWESTERLY, ALONG THE FACE OF A WALL AND ITS EXTENSION, PERPENDICULAR TO THE LAST DESCRIBED LINE, 33.23 FEET TO THE AFORESAID NORTHEASTERLY DOCK LINE, THENCE SOUTHEASTERLY, ALONG SAID DOCK LINE AT AN ANGLE OF 86 DEGREES, 42 MINUTES, 00 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 47 09 FEET TO A BEND POINT; THENCE SOUTHEASTERLY, ALONG A LINE FORMING AN ANGLE OF 154 DEGREES, 49 MINUTES, 20 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 213.48 FEET TO THE POINT OF BEGINNING,

ALSO THAT PART OF SAID LOTS 4, 5 AND 6, LYING ABOVE AN ELEVATION OF 17.25 FEET AND BELOW AN ELEVATION OF 35 00 FEET, CITY OF CHICAGO DATUM, BOUNDED AND DESCRIBED AS FOLLOWS COMMENCING AT THE AFORESAID POINT "A", THENCE SOUTHWESTERLY 9.08 FEET TO THE AFORESAID POINT "B" AND THE POINT OF BEGINNING; THENCE NORTHWESTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 105.00 FEET; THENCE SOUTHWESTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 26.92 FEET TO THE AFORESAID NORTHEASTERLY DOCK LINE; THENCE SOUTHEASTERLY, ALONG A LINE FORMING AN ANGLE OF 88 DEGREES, 02 MINUTES, 57 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 74.66 FEET; THENCE SOUTHEASTERLY, ALONG A LINE FORMING AN ANGLE OF 178 DEGREES, 39 MINUTES, 02 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 30.43 FEET; THENCE NORTHEASTERLY, ALONG A LINE FORMING AN ANGLE OF 93 DEGREES, 18 MINUTES, 00 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 22.63 FEET TO THE POINT OF BEGINNING,

ALSO THAT PART OF SAID LOTS 4, 5 AND 6, LYING ABOVE AN ELEVATION OF 17 25 FEET AND BELOW AN ELEVATION OF 35 00 FEET, CITY OF CHICAGO DATUM, BOUNDED AND DESCRIBED AS FOLLOWS COMMENCING AT THE AFORESAID POINT "A", THENCE SOUTHWESTERLY 9 08 FEET TO THE AFORESAID POINT "B", THENCE NORTHWESTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 157 50 FEET TO THE POINT OF BEGINNING, THENCE CONTINUING NORTHWESTERLY, ALONG THE PROJECTION OF THE LAST DESCRIBED LINE, 54.22 FEET TO THE CENTER LINE OF THE AFORESAID 1 0 BRICK WALL; THENCE SOUTHWESTERLY, ALONG SAID CENTERLINE AND ITS EXTENSION, BEING A LINE FORMING AN ANGLE OF 90 DEGREES, 08 MINUTES, 23 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 30 58 FEET TO THE AFORESAID NORTHEASTERLY DOCK LINE, THENCE SOUTHEASTERLY, ALONG A LINE FORMING AN ANGLE OF 87 DEGREES, 54 MINUTES, 34 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 54 33 FEET; THENCE NORTHEASTERLY, ALONG A LINE FORMING AN ANGLE OF 91 DEGREES, 57 MINUTES, 14 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 28 71 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS

PART OF PINs 17-04-300-017-0000, 17-04-300-019-0000

AND

PARCEL 2 (Northern Catalog Building)

THAT PART OF LOTS 1, 2, 3, 4 AND 5 IN BLOCK 95 LYING EAST OF THE DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER TOGETHER WITH LOTS 24, 25, 26 AND A PART OF LOT 23, IN BLOCK 96, LYING EAST OF THE DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER TOGETHER WITH VACATED BRANCH STREET LYING EAST OF THE DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER IN ELSTON'S ADDITION TO CHICAGO, IN SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING ABOVE AN ELEVATION OF 4 00 FEET (BEING THE FINISHED SURFACE OF THE RIVER WALK) AND BELOW AN ELEVATION OF 17.25 FEET, CITY OF CHICAGO DATUM, BOUNDED AND DESCRIBED AS FOLLOWS. COMMENCING ON THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AT A POINT 816 84 FEET NORTHWESTERLY OF THE INTERSECTION OF SAID SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE WEST LINE OF NORTH LARRABEE STREET, THAT POINT BEING ALSO THE EXTENSION NORTHEASTERLY OF THE NORTHWESTERLY FACE OF FIVE CONCRETE COLUMNS, THENCE SOUTHWESTERLY WITH AN ANGLE OF 89 DEGREES, 49 MINUTES, 14 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, AND ALONG SAID NORTHWESTERLY FACE, 104 87 FEET TO THE NORTHERLY EXTENSION OF THE WEST FACE OF A BRICK WALL; THENCE SOUTHEASTERLY, ALONG THE WESTERLY FACE OF SAID BRICK WALL, AT AN ANGLE OF 90 DEGREES, 18 MINUTES, 00 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, A DISTANCE OF 1.53 FEET TO THE NORTHWESTERLY FACE OF A 1.00 FOOT BRICK WALL, THENCE SOUTHWESTERLY, ALONG SAID NORTHWESTERLY FACE, PERPENDICULAR TO THE LAST DESCRIBED LINE 124.71 FEET TO THE WEST FACE OF A WALL, AND THE POINT OF BEGINNING, THENCE SOUTHEASTERLY ALONG SAID WEST, FACE BEING ON A LINE FORMING AN ANGLE OF 89 DEGREES, 52 MINUTES, 22 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 123.29 FEET TO A POINT TO BE REFERRED TO AS POINT "A"; THENCE FOLLOWING THE FACE OF THE WALL, NORTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 1 38 FEET TO A BEND POINT IN SAID WALL; THENCE SOUTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 50.58 FEET, THENCE SOUTHWESTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 13 37 FEET, THENCE SOUTHEASTERLY, PERPENDICULAR

TO THE LAST DESCRIBED LINE, 225.89 FEET TO THE CENTER LINE OF A 100 FOOT BRICK WALL (SAID POINT BEING 241.58 FEET WEST OF THE WEST LINE OF NORTH KINGSBURY STREET), THENCE SOUTHWESTERLY, ALONG SAID CENTERLINE AND ITS EXTENSION, BEING A LINE FORMING AN ANGLE TO THE LEFT WITH THE LAST DESCRIBED LINE OF 90 DEGREES, 04 MINUTES, 48 SECONDS, 34.00 FEET TO THE DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER TO A POINT TO BE REFERRED TO AS POINT "B", THENCE NORTHWESTERLY, ALONG SAID DOCK LINE, BEING A LINE FORMING AN ANGLE OF 92 DEGREES, 05 MINUTES, 27 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 8.08 FEET TO A BEND POINT, SAID BEND POINT TO BE REFERRED TO AS POINT "C", THENCE NORTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 176 DEGREES, 11 MINUTES, 31 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 252.49 FEET TO A BEND POINT; THENCE NORTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 173 DEGREES, 39 MINUTES, 01 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 140.75 FEET TO THE NORTH FACE AND ITS EXTENSION OF A BRICK WALL, THENCE NORTHEASTERLY 19.53 FEET TO THE POINT OF BEGINNING,

ALSO THAT PART OF SAID LOTS LYING ABOVE AN ELEVATION OF 17.25 FEET AND BELOW AN ELEVATION OF 35.00 FEET, CITY OF CHICAGO DATUM, DESCRIBED AS FOLLOWS, COMMENCING AT THE AFORESAID POINT OF BEGINNING; THENCE SOUTHEASTERLY, ALONG A LINE 123.29 FEET TO THE AFORESAID POINT "A" AND POINT OF BEGINNING; THENCE NORTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 1.38 FEET TO A BEND POINT IN SAID WALL, THENCE SOUTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 50.58 FEET; THENCE SOUTHWESTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 17.20 FEET, THENCE SOUTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 89.05 FEET; THENCE SOUTHWESTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 5.33 FEET, THENCE SOUTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 15.50 FEET, THENCE SOUTHWESTERLY, 21.91 FEET TO THE AFORESAID NORTHEASTERLY DOCK LINE, THENCE NORTHWESTERLY, ALONG SAID NORTHEASTERLY DOCK LINE, BEING A LINE FORMING AN ANGLE OF 88 DEGREES, 21 MINUTES, 46 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 139.14 FEET TO A BEND POINT; THENCE NORTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 173 DEGREES, 39 MINUTES, 01 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 60.50 FEET, THENCE NORTHEASTERLY, ALONG A LINE FORMING AN ANGLE OF 97 DEGREES, 59 MINUTES, 14 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 15.26 FEET, THENCE SOUTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 43.87 FEET, THENCE NORTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 15.42 FEET TO THE AFORESAID POINT "A" AND POINT OF BEGINNING,

ALSO: THAT PART OF SAID LOTS LYING ABOVE AN ELEVATION OF 17.25 FEET AND BELOW AN ELEVATION OF 35.00 FEET, CITY OF CHICAGO DATUM, DESCRIBED AS FOLLOWS, BEGINNING AT THE AFORESAID POINT "B"; THENCE NORTHWESTERLY, 8.08 FEET TO THE AFORESAID POINT "C", THENCE NORTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 176 DEGREES, 11 MINUTES, 31 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, AND ALONG THE AFORESAID NORTHEASTERLY DOCK LINE, 50.45 FEET, THENCE NORTHEASTERLY, ALONG A LINE FORMING AN ANGLE OF 91 DEGREES, 38 MINUTES, 14 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 29.04 FEET; THENCE SOUTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 58.46 FEET TO THE CENTERLINE AND ITS EXTENSION OF THE AFORESAID BRICK WALL, THENCE SOUTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 90 DEGREES, 04 MINUTES, 48

SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 30 17 FEET TO THE POINT OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS

PART OF PINs. 17-04-300-023-0000, 17-04-300-027-0000 and 17-04-300-031-0000

PARCEL 3 (Riverwalk behind the 950 N Kingsbury Parking Garage)

THAT PART OF LOTS 21, 22 AND 23 IN BLOCK 96 IN ELSTON'S ADDITION TO CHICAGO, A SUBDIVISION IN THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, LYING BETWEEN THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE NORTH BRANCH OF THE CHICAGO RIVER, BOUNDED AND DESCRIBED AS FOLLOWS. COMMENCING ON THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AT A POINT 816 84 FEET NORTHWESTERLY OF THE INTERSECTION OF SAID SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE WEST LINE OF NORTH LARRABEE STREET, SAID POINT BEING ALSO THE EXTENSION NORTHEASTERLY OF THE NORTHWESTERLY FACE OF FIVE (5) CONCRETE COLUMNS, THENCE SOUTHWESTERLY, AT AN ANGLE OF 89 DEGREES, 49 MINUTES, 14 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, AND ALONG SAID NORTHWESTERLY FACE 104 87 FEET TO THE NORTHERLY EXTENSION OF THE WEST FACE OF THE BRICK WALL, THENCE SOUTHEASTERLY ALONG THE WESTERLY FACE OF SAID BRICK WALL, AT AN ANGLE OF 90 DEGREES, 18 MINUTES, 00 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, A DISTANCE OF 1.53 FEET TO THE NORTHWESTERLY FACE OF A 1.00 FOOT BRICK WALL; THENCE SOUTHWESTERLY, ALONG SAID NORTHWESTERLY FACE, PERPENDICULAR TO THE LAST DESCRIBED LINE, A DISTANCE OF 117 38 FEET TO THE POINT OF BEGINNING, THENCE CONTINUING SOUTHWESTERLY ALONG THE LAST DESCRIBED LINE 26 86 FEET TO THE NORTHEASTERLY DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER, THENCE NORTHWESTERLY AT AN ANGLE OF 82 DEGREES, 08 MINUTES, 24 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, AND ALONG SAID NORTHEASTERLY DOCK LINE, 0.99 FEET; THENCE CONTINUING ALONG SAID DOCK LINE, AT AN ANGLE OF 178 DEGREES, 24 MINUTES, 38 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 119 19 FEET; THENCE NORTHEASTERLY AT AN ANGLE OF 99 DEGREES, 34 MINUTES, 36 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, A DISTANCE OF 31.44 FEET, THENCE SOUTHEASTERLY AT AN ANGLE OF 80 DEGREES, 00 MINUTES, 00 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, A DISTANCE OF 95.18 FEET, THENCE SOUTHWESTERLY AT AN ANGLE OF 100 DEGREES, 07 MINUTES, 04 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 8 07 FEET, THENCE SOUTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 24 82 FEET TO THE POINT OF BEGINNING

PART OF PIN 17-04-300-022-0000

B

EXHIBIT B-2

Project Description, including all Project Sub-Projects

Facility

- 101 South Catalog Building (all except river's edge of River Level) _
Rehabilitation into various mixed-use retail, telecommunications warehouse and traditional office/commercial, all within the parameters of PD 447
- 102 North Catalog Building (River Level through Level 3, inclusive, except river's edge of River Level)
Rehabilitation into various mixed-use retail, telecommunications warehouse and traditional office/commercial, all within the parameters of PD 447

Related Parking

- 103 North Catalog Building (Levels 4 and 5, inclusive)
Rehabilitation into an approximately 640-space parking garage, all of which are reserved for tenants at the Facility; provided, however, that Developer may satisfy all or any portion of this requirement in the parking garage located on Site B.1, in which event such remaining non-parking portions of Levels 4 and 5 of the North Catalog Building may be used for other uses permitted in PD 447.
- 104 Garage Building (all, except river's edge of River Level)
Rehabilitation into an approximately 479-space parking garage, of which 400 are reserved for tenants at the Facility

Riverwalk Improvements

- 105 South Catalog Building (river's edge of River Level)
Create an open-air riverwalk arcade out of existing inside space at River Level, and create signage for the public at all entrance points thereto, all within the parameters of PD 447

Recording a covenant or easement running with the land that permanently or perpetually dedicates or otherwise perpetually reserves the riverwalk open space

for public use pursuant to PD 447. Such covenant or easement shall additionally obligate the Developer or its successors and assigns (e.g., an association of owners and/or tenants) to maintain the Riverwalk Improvements at no cost to the City, shall contain an indemnification of the City relating to the public use of the Riverwalk Improvements and shall provide that the Riverwalk Improvements must remain open to the public during normal Chicago Park District hours (i.e., during the same hours that comparable improvements which may be owned by the Chicago Park District would be open to the public).

106 North Catalog Building (river's edge of River Level)

Create an open-air riverwalk arcade out of existing inside space at River Level, and create signage for the public at all entrance points thereto, all within the parameters of PD 447.

Recording a covenant or easement running with the land that permanently or perpetually dedicates or otherwise perpetually reserves the riverwalk open space for public use pursuant to PD 447. Such covenant or easement shall additionally obligate the Developer, or its successors and assigns (e.g., an association of owners and/or tenants) to maintain the Riverwalk Improvements at no cost to the City, shall contain an indemnification of the City relating to the public use of the Riverwalk Improvements, and shall provide that the Riverwalk Improvements must remain open to the public during normal Chicago Park District hours (i.e., during the same hours that comparable improvements which may be owned by the Chicago Park District would be open to the public).

107 Garage Building (river's edge of River Level)

Create an open-air riverwalk arcade at River Level, and create signage for the public at all entrance points thereto, all within the parameters of PD 447.

Recording a covenant or easement running with the land that permanently or perpetually dedicates the open space for public use pursuant to PD 447. Such covenant or easement shall additionally obligate the Developer, or its successors and assigns (e.g., an association of owners and/or tenants) to maintain the Riverwalk Improvements at no cost to the City, shall contain an indemnification of the City relating to the public use of the Riverwalk Improvements and shall provide that the Riverwalk Improvements must remain open to the public during normal Chicago Park District hours (i.e., during the same hours that comparable improvements which may be owned by the Chicago Park District would be open to the public).

Total of Riverwalk Improvements is estimated to be approximately 66,000 square feet (approximately 1.52 acres).

In addition, DPD shall have the right to approve the exterior appearance, including materials, of retail/tenant improvements and the exterior corridor and plaza improvements, along the area of the Riverwalk. Such improvements must be consistent with the requirements of PD 447 (e.g., finishes, quality, etc.)

Street/Streetscape Improvements

All of the following is to be performed within the parameters of PD 447

- 108 Curb-to-curb roadway and median streetscape improvements along Chicago Avenue between the Chicago River on the west and Hudson Street on the east
- 109 Curb-to-curb roadway improvements to Larrabee Street, and accompanying streetscape improvements on the west side of Larrabee Street, between Chicago Avenue on the south and Kingsbury Street on the north
- 110 Curb-to-curb roadway improvements to Kingsbury Street and accompanying streetscape improvements on the west side of Kingsbury Street, between Larrabee Street on the south and Oak Street on the north
- 111 Curb-to-curb roadway improvements to Oak Street (between Crosby Street and Kingsbury Street)
- 112 Curb-to-curb roadway improvements to Hobbie Street (between Crosby Street and Kingsbury Street) With regard to Hobbie Street, should its completion precede the development of adjacent parcels, the Developer acknowledges responsibility for repairing any damage to the street that may result from the development of adjacent parcels within PD 447
- 113 Existing Riverwalk Under East Side of Chicago Avenue Bridge

Rehabilitate existing facilities to be consistent with quality of work elsewhere along riverwalk, and create signage for the public at all entrance points thereto

All other street and streetscape projects that are undertaken by Developer, if any, on or within the Controlled Properties shall also be performed within the parameters of PD 447, but such matters are not part of the Project.

Tenant Buildout

114 The buildout of certain tenant improvements within the Facility as and to the extent agreed by the Developer and DPD

B

EXHIBIT B-3

Controlled Properties

Descriptions and Legal Descriptions

- Office Tower and its parcel, solely with respect to the TIF disclaimer

Site B.2 on Site Map

- Parkland and other land within Site H

Site H on Site Map

- Parkland and other land within Site C.2, primarily for dedication of open space, and otherwise only with respect to inclusion for a total number of dwelling units

Site C.2 on Site Map

- Domain Condominium, consisting approximately of Level 6 and above of the North Catalog Building on Site E 1

Site E 1 on Site Map

- Site I

Site I on Site Map

- Site G

Site G on Site Map

- Site B.1, solely in the event it is redeveloped for residential use

Site B 1 on Site Map

- Site A.1

Site A 1 on Site Map

[see legal descriptions attached]

MW-CPAG TOWER HOLDINGS, L.L.C.
SITE B-2

LOTS 1 TO 10, BOTH INCLUSIVE, LOTS 15 TO 28, BOTH INCLUSIVE, AND THE EAST 19-3/4 FEET OF LOT 11 IN BLOCK 4 IN HIGGINS, LAW AND COMPANY'S ADDITION TO CHICAGO, LOTS 1 TO 4, BOTH INCLUSIVE, IN THE SUBDIVISION OF THE WEST 4-1/4 FEET OF LOT 11 AND ALL OF LOTS 12, 13 AND 14 IN BLOCK 4 IN HIGGINS, LAW AND COMPANY'S ADDITION TO CHICAGO, AND ALL OF THE EAST AND WEST VACATED ALLEY IN BLOCK 4 IN BLOCK 4 IN HIGGINS, LAW AND COMPANY'S ADDITION TO CHICAGO, ALL IN SECTION 9, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

P I.N 17-09-114-013-0000, 17-09-114-014-0000, 17-09-114-015-0000

RIVER VILLAGE TOWNHOMES, LLC
SITE H-SOUTH (PART OF)

[Note: Legal description includes North Park]

PARCEL 1 A TRACT OF LAND BEING A PART OF LOT 4 IN MARSHALL AND OTHERS SUBDIVISION OF LOTS 11 TO 17, BOTH INCLUSIVE, IN BLOCK 96 IN ELSTONS ADDITION TO CHICAGO TOGETHER WITH LOTS 18 TO 20 AND A PART OF LOT 21--IN BLOCK 96 IN ELSTONS ADDITION TO CHICAGO IN SECTION 4, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, BEING FURTHER DESCRIBED AS FOLLOWS COMMENCING ON THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AT A POINT 816.84 FEET NORTHWESTERLY OF THE INTERSECTION OF SAID SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE WEST LINE OF NORTH LARRABEE STREET, SAID POINT BEING ALSO THE EXTENSION OF THE NORTHWESTERLY FACE OF FIVE (5) CONCRETE COLUMNS, THENCE NORTHWESTERLY, ALONG THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET, 184.02 FEET TO THE POINT OF BEGINNING, THENCE CONTINUING NORTHWESTERLY, ALONG THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET, 228.90 FEET, THENCE SOUTHWESTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 41.17 FEET, THENCE SOUTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 2.00 FEET; THENCE SOUTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 94 DEGREES, 10 MINUTES, 58 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 45.25 FEET, THENCE NORTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 85 DEGREES, 49 MINUTES, 02 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 2.00 FEET, THENCE SOUTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 93 DEGREES, 34 MINUTES, 45 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 36.18 FEET, THENCE NORTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 172 DEGREES, 49 MINUTES, 48 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 47.29 FEET TO THE NORTHEASTERLY DOCK LINE OF THE CHICAGO RIVER, THENCE SOUTHEASTERLY, ALONG SAID DOCK LINE, BEING A LINE FORMING AN ANGLE OF 90 DEGREES, 28 MINUTES, 31 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 309.66 FEET, THENCE NORTHEASTERLY, ALONG A LINE PERPENDICULAR TO THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET DRAWN FROM A POINT 67.05 FEET SOUTHEASTERLY OF THE POINT OF BEGINNING, BEING A LINE FORMING AN ANGLE OF 78 DEGREES, 46 MINUTES, 32 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 30.59 FEET, THENCE NORTHWESTERLY, ALONG A LINE 30.00 FEET NORTHEASTERLY OF AND PARALLEL WITH THE AFORESAID DOCK LINE, BEING A LINE FORMING AN ANGLE OF 101 DEGREES, 13 MINUTES, 28 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 71.09 FEET, THENCE SOUTHEASTERLY, ALONG A LINE FORMING AN ANGLE OF 92 DEGREES, 41 MINUTES, 57 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 18.06 FEET TO A LINE DRAWN PERPENDICULAR TO THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET FROM THE POINT OF BEGINNING; THENCE NORTHEASTERLY, ALONG SAID PERPENDICULAR LINE, 166.86 FEET TO THE POINT OF BEGINNING, EXCEPTING THEREFROM THE WESTERLY 3.00 FEET, IN COOK COUNTY, ILLINOIS

PINs PART OF 17-04-300-006-0000
PART OF 17-04-300-021-0000

PARCEL 2 THAT PART OF LOT 1 AND VACATED ALLEY LYING NORTHWESTERLY OF SAID LOT 1 IN OWNERS RESUBDIVISION OF BLOCK 92 IN ELSTONS ADDITION TO CHICAGO IN SECTION 4, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS BEGINNING AT THE SOUTHWEST CORNER OF SAID LOT 1, THENCE NORTHWESTERLY, ALONG THE SOUTHWESTERLY LINE OF LOT 1, BEING THE NORTHEASTERLY LINE OF NORTH KINGSBURY STREET, 323.79 FEET; THENCE NORTHEASTERLY, AT RIGHT ANGLES TO THE LAST DESCRIBED LINE, 134.54 FEET, THENCE SOUTHEASTERLY, AT RIGHT ANGLES TO THE LAST DESCRIBED LINE, 87.35 FEET, THENCE NORTHEASTERLY, AT RIGHT ANGLES TO THE LAST DESCRIBED LINE, 49.00 FEET, THENCE NORTHWESTERLY, AT RIGHT ANGLES TO THE LAST DESCRIBED LINE, 5.30 FEET, THENCE NORTHEASTERLY, AT RIGHT ANGLES TO THE LAST DESCRIBED LINE, 87.00 FEET TO THE NORTHEASTERLY LINE OF SAID LOT 1, BEING THE SOUTHWESTERLY LINE OF NORTH CROSBY STREET, THENCE SOUTHEASTERLY, ALONG SAID SOUTHWESTERLY LINE, 241.89 FEET TO THE SOUTHEAST CORNER OF SAID LOT 1, BEING THE NORTHWESTERLY LINE OF WEST OAK STREET; THENCE SOUTHWESTERLY, ALONG SAID NORTHWESTERLY LINE, 270.55 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PIN· PART OF 17-04-316-007-0000

4

RIVER VILLAGE LOFTS, LLC
SITE H-SOUTH (PART OF)

PARCEL 1: (Land on which the loft condominium is being constructed)

A TRACT OF LAND BEING A PART OF LOTS 19, 20 AND 21 IN BLOCK 96 IN ELSTONS ADDITION TO CHICAGO IN SECTION 4, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, BEING FURTHER DESCRIBED AS FOLLOWS COMMENCING ON THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AT A POINT 816 84 FEET NORTHWESTERLY OF THE INTERSECTION OF SAID SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE WEST LINE OF NORTH LARRABEE STREET, SAID POINT BEING ALSO THE EXTENSION OF THE NORTHWESTERLY FACE OF FIVE (5) CONCRETE COLUMNS, THENCE NORTHWESTERLY, ALONG THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET, 116.97 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING NORTHWESTERLY, ALONG SAID SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET, 67 05 FEET, THENCE SOUTHWESTERLY, AT RIGHT ANGLES TO THE LAST DESCRIBED LINE, 166.86 FEET, THENCE SOUTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 171 DEGREES, 28 MINUTES, 29 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 18.06 FEET TO A LINE DRAWN 30.00 FEET NORTHEASTERLY OF AND PARALLEL WITH THE NORTHEASTERLY DOCK LINE OF THE CHICAGO RIVER, SAID PARALLEL LINE FORMING AN ANGLE OF 92 DEGREES, 41 MINUTES, 57 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, THENCE SOUTHEASTERLY, ALONG SAID PARALLEL LINE, 71.09 FEET TO A LINE PERPENDICULAR TO THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET DRAWN FROM THE POINT OF BEGINNING, BEING A LINE FORMING AN ANGLE OF 78 DEGREES, 46 MINUTES, 32 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 198 56 FEET TO THE POINT OF BEGINNING

PIN 17-04-300-021-0000

PARCEL 2 (The portion of the 950 Kingsbury parking garage now owned by River Village Lofts, a Declaration of Condominium was recorded covering 78 parking spaces, 14 of those spaces were deeded back to MW-CPAG Holdings, L L C (spaces 61 through 70 inclusive and 75 through 78 inclusive))

UNITS GU-1 THROUGH GU-60, INCLUSIVE, AND GU-71 THROUGH GU-74, INCLUSIVE, IN THE RIVER VILLAGE LOFTS CONDOMINIUM AS DELINEATED ON A SURVEY OF THE FOLLOWING DESCRIBED REAL ESTATE: PART OF A TRACT OF LAND BEING THAT PART OF LOTS 21, 22 AND 23, IN BLOCK 96 IN ELSTON'S ADDITION TO CHICAGO, A SUBDIVISION IN THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS WHICH SURVEY IS ATTACHED AS EXHIBIT "D" TO THE DECLARATION OF CONDOMINIUM RECORDED OCTOBER____ 2002 AS DOCUMENT NO 21128852 AND AS AMENDED FROM TIME TO TIME, TOGETHER WITH THEIR UNDIVIDED PERCENTAGE INTEREST IN THE COMMON ELEMENTS, ALL IN COOK COUNTY, ILLINOIS.

P I.N , 17-04-300-022-0000 (PART OF)

MW-CPAG HOLDINGS, L.L.C.
SITE H-NORTH

[Note: Under Contract to River Village Townhomes, L.L.C.; tentative closing scheduled in June, 2003]

PARCEL 3 A TRACT OF LAND BEING LOTS 1, 2, 3 AND A PART OF LOT 4 IN MARSHALL AND OTHERS SUBDIVISION OF LOTS 11 TO 17, BOTH INCLUSIVE, IN BLOCK 96 IN ELSTONS ADDITION TO CHICAGO IN SECTION 4, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, BEING FURTHER DESCRIBED AS FOLLOWS. COMMENCING ON THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AT A POINT 816 84 FEET NORTHWESTERLY OF THE INTERSECTION OF SAID SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE WEST LINE OF NORTH LARRABEE STREET, SAID POINT BEING ALSO THE EXTENSION OF THE NORTHWESTERLY FACE OF FIVE (5) CONCRETE COLUMNS, THENCE NORTHWESTERLY, ALONG THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET, 412.92 FEET TO THE POINT OF BEGINNING, THENCE SOUTHWESTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 41 17 FEET; THENCE SOUTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 2 00 FEET; THENCE SOUTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 94 DEGREES, 10 MINUTES, 58 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 45 25 FEET, THENCE NORTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 85 DEGREES, 49 MINUTES, 02 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 2 00 FEET, THENCE SOUTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 93 DEGREES, 34 MINUTES, 45 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 36 18 FEET; THENCE NORTHWESTERLY, ALONG A LINE FORMING AN ANGLE OF 172 DEGREES, 49 MINUTES, 48 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 47 29 FEET TO THE NORTHEASTERLY DOCK LINE OF THE CHICAGO RIVER, THENCE NORTHWESTERLY, ALONG SAID DOCK LINE, BEING A LINE FORMING AN ANGLE OF 89 DEGREES, 31 MINUTES, 29 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 72.35 FEET, THENCE CONTINUING ALONG SAID DOCK LINE AT AN ANGLE OF 173 DEGREES, 37 MINUTES, 20 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 130.52 FEET TO THE NORTHWESTERLY LINE OF LOT 1 IN SAID MARSHALL AND OTHERS SUBDIVISION, THENCE NORTHEASTERLY, ALONG SAID NORTHWESTERLY LINE, 143 76 FEET TO THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET, THENCE SOUTHEASTERLY, ALONG SAID SOUTHWESTERLY LINE, 209 00 FEET TO THE POINT OF BEGINNING, EXCEPTING THEREFROM THE WESTERLY 3 00 FEET, IN COOK COUNTY, ILLINOIS.

PINS: PART OF 17-04-300-006-0000
17-04-300-004-0000
17-04-300-005-0000

PARCEL 4 THAT PART OF LOTS 1, 2, 3 AND 4 ALONG WITH THE VACATED ALLEYS IN OWNERS RESUBDIVISION OF BLOCK 92 IN ELSTONS ADDITION TO CHICAGO IN SECTION 4, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS. COMMENCING AT THE SOUTHWEST CORNER OF SAID LOT 1; THENCE NORTHWESTERLY, ALONG THE SOUTHWESTERLY LINE OF LOT 1, BEING THE NORTHEASTERLY LINE OF NORTH KINGSBURY STREET, 323.79 FEET TO THE POINT OF BEGINNING; THENCE NORTHEASTERLY, AT RIGHT ANGLES TO THE LAST DESCRIBED LINE, 134 54 FEET, THENCE SOUTHEASTERLY, AT RIGHT ANGLES TO THE LAST DESCRIBED LINE, 87.35 FEET, THENCE NORTHEASTERLY, AT RIGHT ANGLES TO THE

LAST DESCRIBED LINE, 49 00 FEET, THENCE NORTHWESTERLY, AT RIGHT ANGLES TO THE LAST DESCRIBED LINE, 5 30 FEET; THENCE NORTHEASTERLY, AT RIGHT ANGLES TO THE LAST DESCRIBED LINE, 87 00 FEET TO THE NORTHEASTERLY LINE OF SAID LOT 1, BEING THE SOUTHWESTERLY LINE OF NORTH CROSBY STREET, THENCE NORTHWESTERLY, ALONG SAID SOUTHWESTERLY LINE, 210 03 FEET TO THE NORTHEAST CORNER OF LOT 2 AFORESAID, BEING THE SOUTHEASTERLY LINE OF WEST HOBBIE STREET, THENCE SOUTHWESTERLY, ALONG SAID SOUTHEASTERLY LINE, 270.55 FEET TO THE NORTHWEST CORNER OF LOT 4 AFORESAID, BEING THE NORTHEASTERLY LINE OF NORTH KINGSBURY STREET, THENCE SOUTHEASTERLY, ALONG SAID NORTHEASTERLY LINE, 128 13 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

P I N PART OF 17-04-316-007-0000
17-04-316-008-0000
17-04-316-009-0000
17-04-316-005-0000

MW-CPAG HOLDINGS, L.L.C.
SITE C-2

LOTS 19 TO 23, BOTH INCLUSIVE, AND A PART OF LOT 18 IN BLOCK 81 LYING EAST AND ADJOINING THE EAST DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER AS NOW LOCATED, IN RUSSEL MATHER AND ROBERTS' SECOND ADDITION TO CHICAGO, BEING A SUBDIVISION OF THAT PART OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 9, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING EAST OF THE NORTH BRANCH OF THE CHICAGO RIVER

TOGETHER WITH LOTS 19 TO 23, BOTH INCLUSIVE, AND A PART OF LOT 18 IN BLOCK 82 (EXCEPT THE EAST 30 00 FEET OF SAID LOTS USED AS ROBERTS STREET), IN RUSSELL, MATHER AND ROBERTS' SECOND ADDITION TO CHICAGO, BEING A SUBDIVISION OF THAT PART OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 9, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING EAST OF THE NORTH BRANCH OF THE CHICAGO RIVER,

TOGETHER WITH THE STRIP OF LAND 66.00 FEET IN WIDTH LYING BETWEEN THE AFORESAID LOTS 19 TO 23, BOTH INCLUSIVE, AND A PART OF LOT 18 IN SAID BLOCK 81 AND SAID LOTS 19 TO 23, BOTH INCLUSIVE, AND A PART OF LOT 18 IN SAID BLOCK 82 WHICH STRIP, FORMERLY KNOWN AS ROBERTS STREET, CONSTITUTES ALL OF THE LAND LYING BETWEEN SAID LOTS IN BLOCK 81 AND SAID LOTS IN BLOCK 82, ALL IN SAID RUSSELL, MATHER AND ROBERTS' SECOND ADDITION TO CHICAGO, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE WEST LINE OF N LARRABEE STREET AND THE NORTH LINE OF W. ERIE STREET; THENCE NORTH ALONG SAID WEST LINE OF N LARRABEE STREET, A DISTANCE OF 206 14 FEET TO A POINT 85 18 FEET SOUTH OF THE INTERSECTION OF THE WESTERLY EXTENSION OF THE NORTH LINE OF W. HURON STREET AND THE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE WEST AT AN ANGLE OF 90 DEGREES 37 MINUTES 04 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, A DISTANCE OF 216.63 FEET TO THE EASTERLY DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER

THENCE SOUTH ALONG SAID EASTERLY DOCK LINE AT AN ANGLE OF 85 DEGREES 32 MINUTES 13 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, A DISTANCE OF 32 01 FEET, THENCE CONTINUING SOUTH ALONG SAID EASTERLY DOCK LINE AT AN ANGLE OF 175 DEGREES 56 MINUTES 24 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, A DISTANCE OF 23 87 FEET, THENCE CONTINUING SOUTH ALONG SAID EASTERLY DOCK LINE AT AN ANGLE OF 175 DEGREES 42 MINUTES 26 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, A DISTANCE OF 53.50 FEET; THENCE CONTINUING SOUTHEASTERLY ALONG SAID EASTERLY DOCK LINE AT AN ANGLE OF 149 DEGREES 00 MINUTES 44 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, A DISTANCE OF 118.95 FEET TO THE WESTERLY EXTENSION OF THE NORTH LINE OF W ERIE STREET, THENCE EAST ALONG SAID WESTERLY EXTENSION AT AN ANGLE OF 125 DEGREES 15 MINUTES 12 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, A DISTANCE OF 140 28 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

P.I.N. PART OF 17-09-113-006-0000

B

DOMAIN OWNER, L.L.C.
DOMAIN CONDOMINIUM
PART OF SITE E-1

[NOTE: There are four underlying PINs for Domain Condominium. They are in the process of being further divided as a result of recording the Declaration of Condominium. First individual bills are anticipated for tax year 2003 payable in 2004]

PARCEL 1

THAT PART OF LOT 23 TOGETHER WITH LOTS 24, 25, 26 IN BLOCK 96, IN ELSTON'S ADDITION TO CHICAGO, LYING EAST OF DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER, A SUBDIVISION IN THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, TOGETHER WITH THE NORTHEASTERLY HALF OF THE VACATED NORTH BRANCH STREET LYING BETWEEN THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE NORTH BRANCH OF THE CHICAGO RIVER, LYING ABOVE AN ELEVATION OF 89.50 FEET, CITY OF CHICAGO DATUM, AND BOUNDED AND DESCRIBED AS FOLLOWS BEGINNING ON THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AT A POINT 504.17 FEET NORTHWESTERLY OF THE INTERSECTION OF SAID SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE WEST LINE OF NORTH LARRABEE STREET, BEING ALSO THE CENTER LINE OF THE VACATED NORTH BRANCH STREET, THENCE NORTHWESTERLY, ALONG SAID SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET, 312 67 FEET TO THE EXTENSION NORTHEASTERLY OF THE NORTHWESTERLY FACE OF 5 CONCRETE COLUMNS, THENCE SOUTHWESTERLY AT AN ANGLE OF 89 DEGREES, 49 MINUTES, 14 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, AND ALONG SAID NORTHWESTERLY FACE, 105 08 FEET TO THE NORTHERLY EXTENSION OF THE WEST FACE OF A BRICK WALL, THENCE SOUTHEASTERLY, ALONG THE WESTERLY FACE OF SAID BRICK WALL, AT AN ANGLE OF 90 DEGREES, 18 MINUTES, 00 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, A DISTANCE OF 1.67 FEET TO THE NORTHWESTERLY FACE OF A 1 00 FOOT BRICK WALL, THENCE SOUTHWESTERLY, ALONG THE NORTHWESTERLY FACE OF A 1 00 FOOT BRICK WALL, PERPENDICULAR TO THE LAST DESCRIBED LINE, A DISTANCE OF 145.64 FEET, TO THE NORTHEASTERLY DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER; THENCE SOUTHEASTERLY, AT AN ANGLE OF 97 DEGREES, 42 MINUTES, 19 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE AND ALONG SAID NORTHEASTERLY DOCK LINE, 105.62 FEET; THENCE TO THE CENTER LINE OF SAID VACATED NORTH BRANCH STREET, THENCE SOUTHEASTERLY AT AN ANGLE OF 120 DEGREES, 04 MINUTES, 05 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, AND ALONG SAID CENTERLINE, 335 74 FEET TO THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET, AND THE POINT OF BEGINNING

P.I.N 17-04-300-026-0000 [NOTE: THIS WAS FORMERLY PART OF THE 007 PIN)

AND

PARCEL 2

THAT PART OF LOTS 1, 2, 3, AND 4 IN ELSTON'S ADDITION TO CHICAGO, LYING EAST OF DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER, A SUBDIVISION IN THE

WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, TOGETHER WITH THE SOUTHWESTERLY HALF OF THE VACATED NORTH BRANCH STREET LYING BETWEEN THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE NORTH BRANCH OF THE CHICAGO RIVER, LYING ABOVE AN ELEVATION OF 89 50 FEET, CITY OF CHICAGO DATUM, AND BOUNDED AND DESCRIBED AS FOLLOWS BEGINNING ON THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AT A POINT 415 68 FEET NORTHWESTERLY OF THE INTERSECTION OF SAID SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE WEST LINE OF NORTH LARRABEE STREET, BEING ALSO THE EXTENSION NORTHEASTERLY OF THE CENTERLINE OF A 1 00 FOOT BRICK WALL, THENCE NORTHWESTERLY, ALONG SAID SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET, 88 49 FEET TO THE CENTER LINE OF SAID VACATED NORTH BRANCH STREET, THENCE NORTHWESTERLY AT AN ANGLE OF 127 DEGREES, 53 MINUTES, 38 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, AND ALONG SAID CENTER LINE, 335 74 FEET, TO THE NORTHEASTERLY DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER; THENCE SOUTHEASTERLY, AT AN ANGLE OF 59 DEGREES, 55 MINUTES, 55 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE AND ALONG SAID NORTHEASTERLY DOCK LINE, 35 99 FEET, THENCE CONTINUING ALONG SAID NORTHEASTERLY DOCK LINE, AT AN ANGLE OF 173 DEGREES, 36 MINUTES, 50 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 252 69 FEET; THENCE CONTINUING ALONG SAID NORTHEASTERLY DOCK LINE, AT AN ANGLE OF 176 DEGREES, 02 MINUTES, 23 SECONDS TO RIGHT WITH THE LAST DESCRIBED LINE, 2 15 FEET, SOUTHEASTERLY AT AN ANGLE OF 122 DEGREES, 31 MINUTES, 41 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 9 55 FEET TO THE CENTERLINE OF A 1 00 FOOT BRICK WALL, THENCE NORTHEASTERLY AT AN ANGLE OF 149 DEGREES, 54 MINUTES, 45 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, AND ALONG SAID CENTERLINE, 267.99 FEET TO THE SOUTHWESTERLY LINE OF NORTH KINGSBURY AND POINT OF BEGINNING

PIN 17-04-300-030-0000 [NOTE: THIS WAS FORMERLY PART OF THE 020 PIN THAT WAS CREATED FROM THE DIVISION OF THE 008 PIN]

AND

PARCEL 3

THAT PART OF LOT 5, LYING EAST OF THE DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER IN ASSESSORS PLAT OF LOTS 5 AND 6 IN BLOCK 95 OF ELSTON'S ADDITION TO CHICAGO, SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, AND LYING ABOVE AN ELEVATION of 89.50 FEET, CITY OF CHICAGO DATUM, AND BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING ON THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AT A POINT 415.68 FEET NORTHWESTERLY OF THE INTERSECTION OF SAID SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE WEST LINE OF NORTH LARRABEE STREET, BEING ALSO THE EXTENSION NORTHEASTERLY OF THE CENTERLINE OF A 1.00 FOOT BRICK WALL, THENCE SOUTHWESTERLY, AT AN ANGLE OF 89 DEGREES, 55 MINUTES, 12 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE ALONG SAID CENTER LINE OF SAID 1.00 FOOT BRICK WALL, A DISTANCE OF 267 99 FEET TO THE POINT OF BEGINNING, THENCE NORTHWESTERLY AT AN ANGLE OF 149 DEGREES, 54 MINUTES, 45 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 9.55 FEET TO THE NORTHEASTERLY DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER; THENCE SOUTHEASTERLY ALONG SAID DOCK LINE, AT AN ANGLE OF 57 DEGREES, 28 MINUTES, 19 SECONDS TO

THE RIGHT WITH THE LAST DESCRIBED LINE AND ALONG SAID NORTHEASTERLY DOCK LINE, 4.79 FEET TO THE EXTENSION SOUTHWESTERLY OF THE CENTER LINE OF SAID 1 00 FOOT BRICK WALL; THENCE NORTHEASTERLY AT AN ANGLE OF 92 DEGREES, 26 MINUTES, 26 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, AND ALONG SAID CENTERLINE, 8 06 FEET TO THE POINT OF BEGINNING

P.I.N 17-04-300-034-0000 [NOTE: THIS PARCEL WAS FORMERLY PART OF THE 018 PIN, WHICH IS A DIVISION OF THE FORMER 008 PIN]

AND

PARCEL 4. A TRACT OF LAND BEING THAT PART OF LOTS 21, 22 AND 23, IN BLOCK 96 IN ELSTON'S ADDITION TO CHICAGO, A SUBDIVISION IN THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, LYING BETWEEN THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE NORTH BRANCH OF THE CHICAGO RIVER, BOUNDED AND DESCRIBED AS FOLLOWS COMMENCING ON THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AT A POINT 816.84 FEET NORTHWESTERLY OF THE INTERSECTION OF SAID SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET AND THE WEST LINE OF NORTH LARRABEE STREET, SAID POINT BEING ALSO THE EXTENSION NORTHEASTERLY OF THE NORTHWESTERLY FACE OF FIVE (5) CONCRETE COLUMNS, THENCE SOUTHWESTERLY, AT AN ANGLE OF 89 DEGREES, 49 MINUTES, 14 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, AND ALONG SAID NORTHWESTERLY FACE, 7.58 FEET TO THE POINT OF BEGINNING, THENCE CONTINUING SOUTHWESTERLY, ALONG THE LAST DESCRIBED LINE, 97 29 FEET TO THE NORTHERLY EXTENSION OF THE WEST FACE OF A BRICK WALL, THENCE SOUTHEASTERLY, ALONG THE WESTERLY FACE OF SAID BRICK WALL, AT AN ANGLE OF 90 DEGREES, 18 MINUTES, 00 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, A DISTANCE OF 1.53 FEET TO THE NORTHWESTERLY FACE OF A 1 00 FOOT BRICK WALL, THENCE SOUTHWESTERLY, ALONG SAID NORTHWESTERLY FACE, PERPENDICULAR TO THE LAST DESCRIBED LINE, A DISTANCE OF 117 38 FEET, THENCE NORTHWESTERLY AT AN ANGLE OF 90 DEGREES, 14 MINUTES, 41 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE 24 82 FEET; THENCE NORTHEASTERLY, PERPENDICULAR TO THE LAST DESCRIBED LINE, 8.07 FEET, THENCE NORTHWESTERLY AT AN ANGLE OF 100 DEGREES, 07 MINUTES, 04 SECONDS TO THE RIGHT WITH THE LAST DESCRIBED LINE, 95.18 FEET; THENCE NORTHEASTERLY AT AN ANGLE OF 100 DEGREES, 00 MINUTES, 00 SECONDS TO THE LEFT WITH THE LAST DESCRIBED LINE, 190 13 FEET, TO A POINT 7.58 FEET SOUTHWESTERLY OF THE SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET; THENCE SOUTHEASTERLY, ALONG A LINE PARALLEL WITH SAID SOUTHWESTERLY LINE OF NORTH KINGSBURY STREET, 116.99 FEET TO THE POINT OF BEGINNING, EXCEPTING FROM SAID TRACT OF LAND THAT PART LYING BELOW AN ELEVATION OF 102.17 FEET OF THE NORTHEASTERLY 49 83 FEET, THAT PART LYING BELOW AN ELEVATION OF 105.33 FEET OF THE SOUTHWESTERLY 66.00 FEET OF THE NORTHEASTERLY 115.83 FEET AND THAT PART LYING BELOW AN ELEVATION OF 102 17 FEET EXCEPTING THE NORTHEASTERLY 115 83 FEET OF SAID TRACT OF LAND

P.I.N PART OF 17-04-300-022-0000

RIVER VILLAGE TOWNHOMES SOUTH, LLC
SITE I

PARCEL 1

LOTS 1, 2, 3, 4, 5, 6, 7, 8 AND 9 (EXCEPTING FROM SAID LOT 9 THE EASTERLY 10 FEET DEDICATED FOR ALLEY) THE NORTH ½ OF LOT 15 ALSO LOTS 16, 17, 18, 19, 20 AND 21 (EXCEPTING FROM SAID LOT 21 THE SOUTHERLY 20 FEET OF THE NORTHERLY 45 FEET DEDICATED FOR ALLEY), LOTS 22, 23 AND 24, ALSO ALL OF VACATED ALLEY LYING EASTERLY OF LOTS 5 TO 8, ALL IN BLOCK 94 IN ELSTON'S ADDITION TO CHICAGO, IN SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

PINS PART OF 17-04-322-005-0000
PART OF 17-04-322-019-0000
17-04-322-012-0000

PARCEL 2

ALL OF THE NORTHEASTERLY AND SOUTHWESTERLY 20 FOOT PUBLIC ALLEY DEDICATED AND RECORDED IN THE OFFICE OF THE RECORDER OF DEEDS OF COOK COUNTY, ILLINOIS MAY 3, 1917 AS DOCUMENT 6103152 BEING THE SOUTHEASTERLY 20 FEET OF THE NORTHWESTERLY 45 FEET OF LOT 21 IN BLOCK 94 OF ELSTONS ADDITION TO CHICAGO IN SECTION 4 AND SECTION 5, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ALSO ALL OF THE NORTHWESTERLY AND SOUTHEASTERLY 20 FOOT PUBLIC ALLEY LYING NORTHEASTERLY OF AND ADJOINING THE NORTHEASTERLY LINE OF LOTS 1 TO 4, BOTH INCLUSIVE, LYING SOUTHWESTERLY OF AND ADJOINING THE SOUTHWESTERLY LINE OF LOTS 21 TO 24, BOTH INCLUSIVE, AND LYING NORTHWESTERLY OF AND ADJOINING A LINE DRAWN FROM THE SOUTHEASTERLY CORNER OF SAID LOT 21, ALL IN BLOCK 94 OF ELSTON'S ADDITION TO CHICAGO, AFORESAID, IN COOK COUNTY, ILLINOIS

PIN PART OF 17-04-322-019-0000
PART OF 17-04-322-005-0000

PARCEL 3

THE SOUTH 1/2 OF LOT 15 IN BLOCK 94 IN ELSTON'S ADDITION TO CHICAGO IN THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

PINS 17-04-322-013-0000

KINGSBURY LARRABEE, LLC
SITE G

PARCEL 3

LOTS 10, 11, 12 and 13 IN BLOCK 94 IN ELSTON'S ADDITION TO CHICAGO IN THE SOUTHWEST ¼ OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS

P I N s 17-04-322-014-0000
17-04-322-015-0000
PART OF 17-04-322-016-0000

PARCEL 4

COMMENCING AT A POINT WHERE THE EAST LINE OF KINGSBURY (HAWTHORNE STREET) INTERSECTS THE WEST LINE OF LARRABEE STREET; THENCE NORTH ALONG THE WEST LINE OF LARRABEE STREET, 12.96 FEET FOR A POINT OF BEGINNING OF THE LAND TO BE DESCRIBED; THENCE WESTERLY AT RIGHT ANGLES TO THE WEST LINE OF LARRABEE STREET 8 00 FEET TO A POINT ON THE EAST LINE OF KINGSBURY (HAWTHORNE STREET), THENCE NORTHWESTERLY ALONG THE EASTERLY LINE OF KINGSBURY (HAWTHORNE STREET) 75 85 FEET, THENCE EASTERLY AND AT RIGHT ANGLES TO THE WEST LINE OF LARRABEE STREET 46.91 FEET TO A POINT, THENCE SOUTHERLY ALONG THE WEST LINE OF LARRABEE STREET 65 00 FEET TO THE POINT OF BEGINNING, BEING A PART OF BLOCK 94 IN ELSTON'S ADDITION TO CHICAGO IN THE SOUTHWEST ¼ OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

P I N S PART OF 17-04-322-016-0000

MW-CPAG GARAGE HOLDINGS, L.L.C.
SITE B-1

PARCEL 2(A) (Northern Portion)

THAT PART OF PETER HUGEL'S SUBDIVISION AND OF J.L WILSON'S ADDITION, BEING A SUBDIVISION OF LOT 11 IN SAID PETER HUGEL'S SUBDIVISION AND OF MACKUBIN'S SUBDIVISION, ALL IN THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS

BEGINNING AT THE SOUTHEAST CORNER OF LOT 1 IN PETER HUGEL'S SUBDIVISION AFORESAID, SAID POINT BEING ON THE NORTH LINE OF WEST CHICAGO AVENUE; THENCE WEST ALONG THE NORTH LINE OF WEST CHICAGO AVENUE TO THE SOUTHWEST CORNER OF LOT 10 IN J.L WILSON'S ADDITION AFORESAID, SAID POINT BEING ON THE EAST LINE OF NORTH LARRABEE STREET AS APPEARS ON THE PLAT OF PETER HUGEL'S SUBDIVISION AFORESAID, THENCE NORTH ALONG THE EAST LINE OF SAID NORTH LARRABEE STREET TO THE NORTHWEST CORNER OF LOT 13 IN PETER HUGEL'S SUBDIVISION AFORESAID, THENCE EAST ALONG THE NORTH LINE OF LOT 13 IN PETER HUGEL'S SUBDIVISION AFORESAID TO ITS INTERSECTION WITH THE WEST LINE OF THE ALLEY AS SHOWN BY THE PLAT OF SAID ALLEY RECORDED ON SEPTEMBER 22, 1910, AS DOCUMENT 4630739, THENCE SOUTH ALONG THE WEST LINE OF SAID ALLEY AND SAID WEST LINE EXTENDED SOUTH TO THE NORTH LINE OF LOT 6 IN PETER HUGEL'S SUBDIVISION AFORESAID, THENCE EAST ALONG THE NORTH LINE OF LOTS 6,5,4,3,2 AND 1 IN PETER HUGEL'S SUBDIVISION AFORESAID TO THE NORTHEAST CORNER OF LOT 1 IN PETER HUGEL'S SUBDIVISION AFORESAID; THENCE SOUTH ALONG THE EAST LINE OF LOT 1 IN PETER HUGEL'S SUBDIVISION AFORESAID TO THE POINT OF BEGINNING (EXCEPT THAT PART LYING WEST AND SOUTHWESTERLY OF THE FOLLOWING DESCRIBED LINE: BEGINNING ON THE EAST LINE OF NORTH LARRABEE STREET AFORESAID AT A POINT WHICH IS 409 FEET NORTH FROM THE SOUTHWEST CORNER OF LOT 10 IN J.L WILSON'S ADDITION AFORESAID AND THE NORTHEAST CORNER OF SAID NORTH LARRABEE STREET AND WEST CHICAGO AVENUE AND RUNNING, THENCE SOUTHEASTWARDLY ALONG A STRAIGHT LINE, A DISTANCE OF 120.37 FEET TO A POINT WHICH IS 8 FEET MEASURED PERPENDICULARLY EAST FROM THE EAST LINE OF NORTH LARRABEE STREET AFORESAID AND THE WEST LINE OF LOT 12 IN PETER HUGEL'S SUBDIVISION AFORESAID; THENCE SOUTH ALONG A LINE WHICH IS 8 FEET MEASURED PERPENDICULARLY EAST FROM AND PARALLEL WITH THE EAST LINE OF NORTH LARRABEE STREET AFORESAID A DISTANCE OF 224.86 FEET AND; THENCE SOUTHEASTWARDLY ALONG THE ARC OF A CIRCLE, CONVEX TO THE SOUTHWEST TANGENT TO THE LAST DESCRIBED STRAIGHT LINE, AND HAVING A RADIUS OF 65 FEET, A DISTANCE OF 101.24 FEET TO A POINT OF TANGENT WITH THE NORTH LINE OF WEST CHICAGO AVENUE, BEING ALSO THE SOUTH LINE OF LOTS 7 TO 10 IN J.L. WILSON'S ADDITION AFORESAID, SAID POINT OF TANGENT BEING 72.14 FEET EAST FROM THE SOUTHWEST CORNER OF LOT 10 IN J.L WILSON'S ADDITION AFORESAID), ALL IN COOK COUNTY, ILLINOIS

EXCEPTING THEREFROM THAT PART THEREOF LYING SOUTH OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT THE NORTHEAST CORNER OF LOT 1 IN PETER HUGEL'S SUBDIVISION AFORESAID; THENCE WESTERLY ALONG THE NORTH LINE OF LOTS

1,2,3,4,5, AND PART OF 6 FOR A DISTANCE OF 143.37 FEET TO THE WEST LINE EXTENDED OF AFORESAID ALLEY, THENCE SOUTHERLY ALONG SAID WEST ALLEY LINE EXTENDED, FOR A DISTANCE OF 2 72 FEET, THENCE WESTERLY, FOR A DISTANCE OF 127 00 FEET TO THE WEST LINE OF LOT 10 IN J L WILSON'S ADDITION AFORESAID, AT A POINT 117 44 FEET NORTH OF THE SOUTHWEST CORNER OF SAID LOT 10, BEING THE TERMINUS OF SAID LINE.

PINS 17-04-324-029-0000
17-04-324-030-0000
17-04-324-032-0000
17-04-324-036-0000
17-04-324-097-0000
PART OF 17-04-324-080-0000
PART OF 17-04-324-098-0000

PARCEL 2(B) (Southern Portion)

THAT PART OF PETER HUGEL'S SUBDIVISION AND OF J.L. WILSON'S ADDITION, BEING A SUBDIVISION OF LOT 11 IN SAID PETER HUGEL'S SUBDIVISION AND OF MACKUBIN'S SUBDIVISION, ALL IN THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS

BEGINNING AT THE SOUTHEAST CORNER OF LOT 1 IN PETER HUGEL'S SUBDIVISION AFORESAID, SAID POINT BEING ON THE NORTH LINE OF WEST CHICAGO AVENUE, THENCE WEST ALONG THE NORTH LINE OF WEST CHICAGO AVENUE TO THE SOUTHWEST CORNER OF LOT 10 IN J L WILSON'S ADDITION AFORESAID, SAID POINT BEING ON THE EAST LINE OF NORTH LARRABEE STREET AS APPEARS ON THE PLAT OF PETER HUGEL'S SUBDIVISION AFORESAID, THENCE NORTH ALONG THE EAST LINE OF SAID NORTH LARRABEE STREET TO THE NORTHWEST CORNER OF LOT 13 IN PETER HUGEL'S SUBDIVISION AFORESAID, THENCE EAST ALONG THE NORTH LINE OF LOT 13 IN PETER HUGEL'S SUBDIVISION AFORESAID TO ITS INTERSECTION WITH THE WEST LINE OF THE ALLEY AS SHOWN BY THE PLAT OF SAID ALLEY RECORDED ON SEPTEMBER 22, 1910, AS DOCUMENT 4630739, THENCE SOUTH ALONG THE WEST LINE OF SAID ALLEY AND SAID WEST LINE EXTENDED SOUTH TO THE NORTH LINE OF LOT 6 IN PETER HUGEL'S SUBDIVISION AFORESAID, THENCE EAST ALONG THE NORTH LINE OF LOTS 6, 5, 4, 3, 2, AND 1 IN PETER HUGEL'S SUBDIVISION AFORESAID TO THE NORTHEAST CORNER OF LOT 1 IN PETER HUGEL'S SUBDIVISION AFORESAID, THENCE SOUTH ALONG THE EAST LINE OF LOT 1 IN PETER HUGEL'S SUBDIVISION AFORESAID TO THE POINT OF BEGINNING (EXCEPT THAT PART LYING WEST AND SOUTHWESTERLY OF THE FOLLOWING DESCRIBED LINE: BEGINNING ON THE EAST LINE OF NORTH LARRABEE STREET AFORESAID AT A POINT WHICH IS 409 FEET NORTH FROM THE SOUTHWEST CORNER OF LOT 10 IN J.L. WILSON'S ADDITION AFORESAID AND THE NORTHEAST CORNER OF SAID NORTH LARRABEE STREET AND WEST CHICAGO AVENUE RUNNING; THENCE SOUTHEASTWARDLY ALONG A STRAIGHT LINE, A DISTANCE OF 120 37 FEET TO A POINT WHICH IS 8 FEET MEASURED PERPENDICULARLY EAST FROM THE EAST LINE OF NORTH LARRABEE STREET AFORESAID AND THE WEST LINE OF LOT 12 IN PETER HUGEL'S SUBDIVISION AFORESAID; THENCE SOUTH ALONG A LINE WHICH IS 8 FEET MEASURED PERPENDICULARLY EAST FROM AND PARALLEL WITH THE EAST LINE OF NORTH LARRABEE STREET AFORESAID A DISTANCE OF 224.86 FEET AND, THENCE SOUTHEASTWARDLY ALONG THE ARC OF A CIRCLE, CONVEX TO THE SOUTHWEST

TANGENT TO THE LAST DESCRIBED STRAIGHT LINE, AND HAVING A RADIUS OF 65 FEET, A DISTANCE OF 101.24 FEET TO A POINT OF TANGENT WITH THE NORTH LINE OF WEST CHICAGO AVENUE, BEING ALSO THE SOUTH LINE OF LOTS 7 TO 10 IN J L WILSON'S ADDITION AFORESAID, SAID POINT OF TANGENT BEING 72 14 FEET EAST FROM THE SOUTHWEST CORNER OF LOT 10 IN J L WILSON'S ADDITION AFORESAID), ALL IN COOK COUNTY, ILLINOIS

EXCEPTING THEREFROM THAT PART THEREOF LYING NORTH OF THE FOLLOWING DESCRIBED LINE

BEGINNING AT THE NORTHEAST CORNER OF LOT 1 IN PETER HUGEL'S SUBDIVISION AFORESAID, THENCE WESTERLY ALONG THE NORTH LINE OF LOTS 1, 2, 3, 4, 5, AND PART OF 6 FOR A DISTANCE OF 143.37 FEET TO THE WEST LINE EXTENDED OF AFORESAID ALLEY, THENCE SOUTHERLY ALONG SAID WEST ALLEY LINE EXTENDED, FOR A DISTANCE OF 2 72 FEET, THENCE WESTERLY, FOR A DISTANCE OF 127 00 FEET TO THE WEST LINE OF LOT 10 IN J L WILSON'S ADDITION AFORESAID, AT A POINT 117 44 FEET NORTH OF THE SOUTHWEST CORNER OF SAID LOT 10, BEING THE TERMINUS OF SAID LINE

PINS PART OF 17-04-324-080-0000
PART OF 17-04-324-098-0000

FOURTH PRESBYTERIAN CHURCH OF CHICAGO
SITE A-1 EAST

PARCEL 1.

LOTS 1 TO 5, BOTH INCLUSIVE, ALSO THE EAST 18 FEET OF LOT 6 AND THE SOUTH 18 FEET OF THAT PART OF LOT 6, LYING WEST OF THE EAST 18 FEET THEREOF IN CHARLES J HULL'S SUBDIVISION OF 9 ½ ACRES IN THE EAST ½ OF THE SOUTHWEST ¼ OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

PARCEL 2

ALL OF THE 18 FOOT VACATED ALLEY, LYING NORTH OF AND ADJOINING TO LOTS 1 TO 5, BOTH INCLUSIVE IN BLOCK 11 IN DELAVAN'S ADDITION TO CHICAGO IN THE EAST ½ OF THE SOUTHEAST ¼ OF THE SOUTHWEST ¼ OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 3

LOTS 1 TO 5, BOTH INCLUSIVE, IN BLOCK 11 IN DELAVAN'S ADDITION TO CHICAGO IN THE EAST ½ OF THE SOUTHEAST ¼ OF THE SOUTHWEST ¼ OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PINs	17-04-330-067-0000
	17-04-330-069-0000
	17-04-330-070-0000
	17-04-330-072-0000

MW-CPAG HOLDINGS, L.L.C.
SITE A-1 WEST

[Note: Under Contract to be sold to Chicago Cambridge, L.P.]

PARCEL 1

LOTS 111, 112, 113, 114 AND 115 IN CHARLES J HULL'S SUBDIVISION OF 9 ½ ACRES IN THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN

PINS 17-04-325-114-0000
17-04-325-115-0000

PARCEL 2

THE SOUTH 120.00 FEET OF LOT 116 IN CHARLES J HULL'S SUBDIVISION OF 9 ½ ACRES IN THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN

PINs 17-04-325-062-0000

PARCEL 3

THE SOUTH 120.00 FEET OF LOT 17 IN PETER HUGEL AND OTHER'S SUBDIVISION IN THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

PINS 17-04-325-061-0000

EXHIBIT B-4

Additional Project Descriptions, including all Additional Projects Sub-Projects

Housing Sub-Projects

201 Sites E 1, G, H and I

Develop, or cause to be developed, such number of Non-Senior Affordable Dwelling Units equal to the greater of i) 65 or ii) 10% of all Non-Senior Dwelling Units, in a manner that results in their reasonable distribution across these parcels (for example and as a goal, but subject to modification by Developer or its transferees and/or assignees in actual distribution, 29 on Site E.1, 18 on Site H, 12 on Site I, and 10 on Site G)

Construct, or cause to be constructed, the Non-Senior Affordable Dwelling Units to be located on such Site generally on a pro rata basis with the other Non-Senior Dwelling Units on such Site

202 Sites E 1, G, H and I

Develop, or cause to be developed, such number of Non-Senior CHA Replacement Dwelling Units equal to the greater of i) 65 or ii) 10% of all Non-Senior Dwelling Units, in a manner that results in their reasonable distribution across these parcels (for example and as a goal, but subject to modification by Developer or its transferees and/or assignees in actual distribution, 16 on Site E.1, 25 on Site H, 19 on Site I, and 10 on Site G)

Construct, or cause to be constructed, the Non-Senior CHA Replacement Dwelling Units to be located on a given Site generally on a pro rata basis with the other Non-Senior Dwelling Units on such Site.

[Note that Sub-Project 205, below, is a subset of this Sub-Project 202]

203 Site A.1

One of:

(a) Develop, or cause to be developed, 100 Senior Dwelling Units, of which 50 shall be Senior Affordable Dwelling Units and 50 shall be Senior CHA Replacement Dwelling Units; provided, however, that up to an additional 40 Senior Dwelling Units may be (but shall not be required to be) developed which

are not Senior Affordable Dwelling Units or Senior CHA Replacement Dwelling units;

(b) if a financing structure for (a) above is not substantially in place as of the Closing Date, develop, or cause to be developed, Non-Senior Affordable Dwelling Units equal to not less than 20% of all Dwelling Units developed on the parcel; or

(c) if approved by and in the sole discretion of the Commissioner of DPD, any use for this Site A.1 as set forth in PD 447

204 In the event Site B.1 is ever redeveloped for a residential use, then, in addition to the foregoing requirements, of the total number of Dwelling Units constructed thereon, 10% shall be CHA Replacement Dwelling Units and 10% shall be Affordable Dwelling Units

205 within Level 6 and above of North Catalog Building [Domain Project] on Site E.1

Convey or cause to be conveyed 16 Non-Senior CHA Replacement Dwelling Units (from Sub-Project 202) to Chicago Metropolitan Housing Development Corporation ("CMHDC") in the manner set forth in Section 8 21(a)(iii) hereof, and pay or cause to be paid \$922,000 to CMHDC, in the amounts and in the manner set forth in Section 8 21(a)(iii) hereof.

[Note that this Sub-Project 205 is a subset of Sub-Project 202, above]

Open Space Sub-Projects

206 Site C.2

As of Closing Date, provide proof of conveying or having caused to be conveyed at least 40,000 square feet of open space to Chicago Park District pursuant to PD 447

207 Site H

Create or cause to be created at least 35,000 contiguous square feet of open space pursuant to PD 447

Recording a covenant or easement running with the land that permanently or perpetually dedicates or otherwise perpetually reserves such open space for public use pursuant to PD 447

Paying or causing to be paid the open space impact fees set forth in PD 447

Such open space need only be created and such impact fees need be paid only in connection with and at the time of the development of Site H, whether such development is undertaken by Developer or by a third party, because the creation of such open space and payment of such impact fees are an integral part of Part II planned development approvals under PD 447 and a condition to the issuance of applicable building permits for development of Site H. Accordingly, at Developer's option, Developer shall be deemed to have satisfied its obligations under this Sub-Project 207 by the recording of a covenant against Site H memorializing such open space creation and impact fee payment obligations and providing the City with a right to enforce such obligations

208 Within the balance of PD 447

Create or cause to be created, pursuant to prior review and approval by DPD, at least 87 square feet of open space (in addition to the open space created pursuant to sub-projects 206 and 207) for each Dwelling Unit constructed within PD 447 that exceeds the first 1,621 Dwelling Units constructed, if any, excluding from the 1,621 count all Dwelling Units to be located on Sites B.1 and B.2

Recording a covenant or easement running with the land that permanently or perpetually dedicates or otherwise perpetually reserves any such open space for public use pursuant to PD 447

Paying or causing to be paid the open space impact fees set forth in PD 447

Such open space need only be created and such impact fees need be paid only in connection with and at the time of the development of the applicable Site, it being acknowledged and understood that the creation of such open space and payment of such impact fees are an integral part of Part II planned development approvals under PD 447 and a condition to the issuance of applicable building permits for development of the applicable Site.

B

EXHIBIT B-5

Projected Estimated Total of Dwelling Units

Site	Housing Covenant Parcel	PD Maximum Units	Maximum Dwelling Units	CHA Units	Affordable Units
A-1 East	Yes	100 of 225 (with West)	(100 if ever developed for residential use; this site is proposed community center)	None. Site is proposed community center. If residential constructed, 10% required	None. Site is proposed community center. If residential constructed, 10% required
A-1 West	Yes	125 of 225 (with East)	125 for Senior Housing Facility (developer requesting MW-CPAG to allocate additional units to this parcel to develop 140 units maximum, including 40 market rate)	50 Senior (if developed with residential uses)	50 Senior (if developed with residential uses)
B-1	Yes	165	None of record	10% (if developed with residential uses)	10% (if developed with residential uses)
E-1	Yes	300	None of record. 292 units under construction	16	29 - all certified by Housing
G	Yes	96	100	10 10% required	10 10% required
H	Yes	256	180	25 - 4 in condominium, 21 in townhomes	18 - all certified by Housing

I	Yes	225	120	19	12
Subtotal		1,267	692 non-senior 125 senior 817*	70 non-senior 50 senior 120*	69 non-senior 50 senior 119*

* Does not include unit projections for A-1 East (community center) or B-1.

B

EXHIBIT B-6

Site Map

[see attached]

PD #447

CITY OF CHICAGO
RICHARD M. DALEY
MAYOR
DEPARTMENT OF PLANNING
AND DEVELOPMENT
ALICIA MAZZINI BRIGG
COMMISSIONER



Hobbe St

Larrabee St

Oak St

Site H

Site I

Site E.1

Site G

Site E.2

Site B.1

Site A.1

Locust St

Chicago Av

Site D

Site B.2

Site A.2

Superior St

Site C.1

Site A.3

Huron St

Site C.2

Erie St

Legend

-  PD #447
-  Chicago/Kingsbury TIF

C

EXHIBIT C

TIF-Eligible Improvements

<u>Cost</u>	<u>Estimated Amount</u>
Rehabilitation Costs	\$82,629,806
Riverwalk and Roadways	\$15,235,853
Property Assembly Costs	\$40,783,630
Interest Cost (estimate of eligible costs on \$110,000,000 loan)	\$5,000,000
Architectural and Engineering	\$3,804,175
Riverwalk and Roadways Soft Costs	\$1,347,792
TOTAL	\$148,801,256

Other costs as may be permitted to be reimbursed pursuant to 65 ILCS 5/11-74.4-3.

Notwithstanding the total of TIF-Eligible Improvements described above, the assistance to be provided by the City is limited to the amount set forth in Section 4.03 herein.

D

EXHIBIT D

Redevelopment Plan

[see attached]

SECTION 8. Effective Date. This ordinance shall be in full force and effect immediately upon its passage.

[Exhibit "E" referred to in this ordinance printed on page 28762 of this Journal.]

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

Exhibit "A".
(To Ordinance)

*Chicago/Kingsbury Tax Increment Financing
Redevelopment Project And Plan.*

I.

Introduction.

This document is to serve as a redevelopment plan for an area that is located in the River North neighborhood of the City of Chicago (the "City") approximately one (1) mile northwest of the central business district (the "Loop"). The irregularly-shaped area is located along the Chicago River and is generally bounded on the north by Hobbie Street and Chicago Avenue; on the south by Erie and Ohio Streets; on the east by Orleans and Sedgwick Streets; and on the west by the north branch of the Chicago River and the North Branch Canal. This area is subsequently referred to in this document as the Chicago/Kingsbury Tax Increment Financing Redevelopment Project Area (the "Project Area"). The Project Area is regionally accessible by the Kennedy (I-90) and Edens/Dan Ryan (I-94) expressways, the Chicago Transit Authority's Brown and Purple elevated rail lines and the Chicago River.

The River North neighborhood of the Near North Community Area first developed as a manufacturing and warehouse district with only modest areas of housing and support commercial along its "inland" edges -- a development pattern reflected in the Project Area. As manufacturing has declined in the central City, however, much industrial loft space in River North has become obsolete and, in some cases, has been converted or replaced by residential and commercial uses. Parts of River North

have also come to be recognized for art galleries, historically and architecturally significant buildings, and shopping and entertainment destinations.

The Project Area is a key component of the River North neighborhood, but has been developed and expanded over the years on an ad hoc basis with no comprehensive approach. It consists of a mixture of building types, sizes, conditions and uses. The Project Area contains numerous obsolete and vacant buildings, vacant lots and deteriorating properties. Dominating the Project Area are the buildings and properties historically associated with the retail, office, warehouse and catalog distribution operations of the Montgomery Ward company. These buildings include nearly two million six hundred thousand (2,600,000) square feet of essentially vacant space along the Chicago River that housed the Montgomery Ward catalog business. This represents eighty-five percent (85%) of the total square feet of building area within the Project Area. Aware of the Project Area's strategic and potentially valuable location, as well as the special issues involved in adaptively redeveloping such large vacant buildings, the City recognizes the need to redevelop this area on a coordinated and comprehensive basis. Recent planning efforts which address the Project Area include the *Draft Near North Redevelopment Initiative*, 1997; *Chicago River Urban Design Guidelines*, 1990; *River North Urban Design Guidelines*, 1989; *Guidelines for Transit-Supportive Development*, Chicago Transit Authority (the "C.T.A."), 1996; and the *Mayor's Parking Task Force Report*, City of Chicago, 1997 and these documents form the basis for many of the recommendations presented in this Redevelopment Plan.

Located within the Project Area is the historically significant Montgomery Ward Catalog Building on the north side of Chicago Avenue along the Chicago River. Construction of this building was completed in 1908 -- offering one of the earliest examples in the City of what is now regarded as the Chicago-style window as well as one of the first large-scale examples of steel-reinforced concrete construction in the United States. This building has been substantially vacant for over ten (10) years (currently ninety-seven percent (97%) vacant) as the catalog operations were phased out and eventually relocated in 1980. Adaptive reuse of this building by private investment alone is impeded by the sheer magnitude of the building comprising approximately two million two hundred thousand (2,200,000) square feet and the substantial investment required to convert the building for one (1) or more uses. The City recognizes that both the Catalog Building's size and historic significance raise special and expensive challenges to its reuse.

Another historically significant building within the Project Area is the Montgomery Ward Merchandise Building (built in 1928) that is located along the North Branch of the Chicago River, south of Chicago Avenue and bears the notable Spirit of Progress statue atop its tower. This approximately three hundred sixty thousand (360,000) square foot building has been nearly half vacant for the last ten (10) years and is currently one hundred percent (100%) vacant. Essentially, the building is an

empty shell, obsolete in its design, space and mechanical system. Obsolete design, coupled with years of deferred maintenance, require significant investment and rehabilitation to adapt the building for a marketable use and to attract tenants.

Despite its close proximity to major transportation arteries of the Near North Community Area, the Project Area has suffered from an absence of private investment, general neglect of its building stock, and continuing deterioration of the public infrastructure. Sidewalks are cracked and crumbling, streets and alleys show decay and disrepair, vacant lots are overgrown and misused, and the majority of buildings show signs of deterioration and general lack of upkeep and maintenance.

While surrounding areas of River North have experienced healthy development of residential units, as well as retail and commercial office space, the Project Area is an obstacle to further expansion of such development trends due to the configuration, scale and degree of obsolescence of the Montgomery Ward complex which makes reuse options improbable without extraordinary efforts.

Much of the Project Area remains zoned primarily for industrial, yet both land costs and use trends indicate such zoning classifications are unsuitable for portions of the Project Area. Recent development trends in the River North area have focused on conversion of light industrial lofts to commercial or residential space. In addition, the Chicago Housing Authority Cabrini Green housing project complex (directly to the north and east of the Project Area) is being redeveloped under a concept of a more balanced, mixed-income residential community.

The Project Area, consisting of twelve (12) full and partial blocks, is dominated by several blocks historically owned by Montgomery Ward. Two (2) of these blocks are surface parking lots and three (3) blocks are improved by buildings of architectural prominence -- the Montgomery Ward Office Tower, Merchandise Building and Catalog Buildings. The Montgomery Ward Merchandise and Catalog Buildings have been designated as a National Historic Landmark for their significance in the history of retail merchandising and architecture. The Commission on Chicago Landmarks is considering whether to recommend designation of the buildings as Chicago landmarks to the City Council.

As mentioned above, the Montgomery Ward Merchandise and Catalog Buildings, although structurally sound, present extraordinary obstacles to redevelopment of the area. Due to functional and economic obsolescence, the buildings will require complete rehabilitation to bring them up to modern standards for any adaptive reuse. Such activity has not taken place despite a residential and office building boom in the central area in the last several years. In light of the significant costs and the evident lack of private sector activity, City intervention is critical to bring redevelopment into the realm of feasibility.

Without the designation of the Project Area as a T.I.F. District, the area will most likely continue on its current path, with the building stock continuing its gradual deterioration, property values remaining stagnant or declining, thereby presenting a negative influence on surrounding properties and blocking the potential for a cohesive and continuous neighborhood of successfully mixed residential, retail and commercial developments.

With the aid of Tax Increment Financing ("T.I.F."), however, the potential for comprehensive redevelopment in the Project Area is improved. T.I.F. can enable redevelopment that may restore this area to a healthier economic status. The benefits of such redevelopment of the Project Area are numerous and significant, and the exceptional opportunities include the following:

- Enhancement of the overall economic base and well-being of the Project Area.
- Adaptive reuse and rehabilitation of the Merchandise and Catalog Buildings, enabling two (2) of Chicago's historically significant structures to be conserved and put into active use.
- Substantial additions and improvements to river walkways and amenities, recreational facilities and open space.
- Streetscape improvements designed to promote a pedestrian-friendly neighborhood and to establish an identity for the district.
- Creation of a continuous stretch of well-developed and integrated mixed-use neighborhoods in the Near North Community Area.
- Substantial job creation.

Recognizing the Project Area's importance as an integral part of the Near North Community Area and as a vital link to the other neighboring communities of the central area, the City is taking a proactive step toward the economic renaissance of the Project Area. The City seeks to stabilize and provide cohesion to this portion of the Near North Community Area by supporting residential, business, retail and open space expansion. It seeks to encourage private investment and development activity through the use of tax increment financing.

As part of its strategy to encourage managed growth and stimulate private investment within the Project Area, the City engaged Trkla, Pettigrew, Allen & Payne, Inc. ("T.P.A.P.") to assist the City in studying whether the Project Area of approximately forty-nine and two-tenths (49.2) acres qualifies as a "conservation

area" or a "blighted area" under the Illinois Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-3). The Project Area, described in more detail below as well as in the accompanying Eligibility Study, has not been subject to growth and development through investment by private enterprise and is not reasonably expected to be developed without the efforts and leadership of the City.

While small-scale or piecemeal redevelopment efforts might occur in limited portions of the Project Area, the size of several of the existing buildings within the Project Area, coupled with the extensive obsolescence, vacancies and long-term deferred physical maintenance of most of the existing buildings, are likely to preclude the revitalization of the Project Area on a scale sufficient to return the Project Area to a long-term sound condition without the intervention of the City.

The City believes that the Project Area should be revitalized on a coordinated, comprehensive and planned basis consistent with the highest quality standards of design and construction for which the central area is known and to ensure continuity with the revitalization program of the larger Near North Community Area. A coordinated and comprehensive redevelopment effort will allow the City and other taxing districts to work cooperatively to prepare for the increased service demands that may arise from the conversion of underutilized land and buildings to more intensive uses. Such a comprehensive redevelopment plan will also encourage job training to prepare residents of surrounding and nearby neighborhoods for newly created job opportunities anticipated within the Project Area.

A.

Chicago/Kingsbury Tax Increment Financing Redevelopment Project Area.

The Project Area contains twenty-one (21) buildings and encompasses a total of approximately forty-nine and two-tenths (49.2) acres and is adjacent to the Near North T.I.F. Redevelopment Area. Of the total forty-nine and two-tenths (49.2) acres, approximately forty percent (40%) is devoted to streets and alley rights-of-way and a portion of the Chicago River and sixty percent (60%) is available land area within blocks. All blocks in the Project Area but one (1) are improved with buildings or surface parking lots. For a map depicting the boundaries and legal description of the Project Area, see Section II, Legal Description and Project Boundary.

The Project Area as a whole contains a mix of office, warehouse, commercial and residential buildings all varying in height and size. Ninety-five percent (95%) (or twenty (20)) of the twenty-one (21) total buildings are over thirty-five (35) years old.

The Project Area is characterized by aging infrastructure, deteriorated site development, obsolescent buildings, and vacant and underutilized buildings. Significant to the Project Area are the former Montgomery Ward Catalog and Merchandise Buildings located on both sides of Chicago Avenue along the Chicago River. These buildings contain over two million six hundred thousand (2,600,000) square feet of space, but have sustained significant vacancies over ten (10) years. While portions of these buildings are generally suitable for many redevelopment opportunities, the overall size, large rehabilitation expenses, obsolescence of layout, and long-term deferred physical maintenance of the buildings are likely to seriously limit redevelopment efforts that may occur through private investment.

The considerable physical assets of the Project Area include the following features:

- Convenient access to and from the I-90/I-94 interstate highway system. The entrance/exit at Ontario/Ohio Street is located just east of the Project Area's southern boundary.
- C.T.A. Rapid Transit Station for the Brown and Purple Lines is within six (6) blocks of the majority of the Project Area, located on Chicago Avenue between Orleans and Franklin Streets.
- The Loop is located within walking distance of the Project Area, which makes the area attractive for new commercial and residential development.
- The Chicago River provides a navigable waterway and an opportunity for riveredge amenities and community open spaces along the river.
- Several C.T.A. bus lines serve the Project Area.

Although the Project Area enjoys strong locational assets, the Project Area is likely to stagnate without reinvestment as infrastructure remains in disrepair and several existing properties remain vacant due to deterioration and obsolescence.

The Project Area on the whole has not been subject to growth and development through investment by private enterprise. Evidence of this lack of growth and development is detailed in Section VI and summarized below.

- A significant number of buildings within the Project Area are vacant or underutilized. In particular, the former Montgomery Ward Merchandise and Catalog Buildings, although architecturally significant, have been virtually vacant for over ten (10) years, which represents over two million six hundred thousand (2,600,000) square feet of underdeveloped space. The Catalog Building is approximately ninety-seven percent (97%) vacant,

six hundred thousand (2,600,000) square feet of underdeveloped space. The Catalog Building is approximately ninety-seven percent (97%) vacant, the south section of the Catalog Building is one hundred percent (100%) vacant and the Merchandise Building is one hundred percent (100%) vacant. These vacancies are evidence of the lack of growth and development within the Project Area. Moreover, the sheer bulk of these buildings present extraordinary cost impediments to redevelopment.

- Numerous buildings show signs of obsolescence, deterioration and excessive vacancies. Moreover, several buildings have excessive land coverage and an irregular or inaccessible layout, which complicates redevelopment options.
- Several portions of the Project Area's infrastructure need to be repaired or replaced, including curbs, gutters, street lighting, alleys and sidewalks.
- Over the time period 1994 through June, 1999 no new buildings were built in the Project Area. In this same time period, only three (3) of the twenty-one (21) buildings in the Project Area indicated building improvement permit activity totaling approximately Five Hundred Fifty Thousand Dollars (\$550,000) (one (1) building accounted for Five Hundred Three Thousand Dollars (\$503,000)).
- The growth rate of the total Equalized Assessed Valuation ("E.A.V.") of the Project Area has lagged behind that of the balance of the City for three (3) of the last five (5) calendar years for which information is available (1993 to 1998). For these three (3) years (1994/1995, 1995/1996, 1996/1997) the rate of growth of the Project Area total E.A.V. was less than the Consumer Price Index for All Urban Consumers (C.P.I.-U.) for the United States and the C.P.I.-U. Chicago region.⁽¹⁾

(1) The Consumer Price Index (C.P.I.) is a measure of the average change over time in the prices paid by urban consumers for a fixed market basket of consumer goods and services. The broadest, most comprehensive C.P.I. is the "C.P.I. for All Urban Consumers for the U.S. City Average for All Items, 1982-84" (C.P.I.-U.) and is based on the expenditures reported by almost all urban residents and represents about eighty percent (80%) of the total United States population. The C.P.I. data are also published for metropolitan areas which measure how much prices have changed over time for a given area. The C.P.I. is the most widely used measure of price change for application in escalation agreements for payments such as rental contracts, collective bargaining agreements, alimony, child support payments, et cetera.

- Between 1993 and 1998, the Assessed Value (the "A.V.") of the Project Area increased from Sixteen Million Six Hundred Forty-four Thousand Forty-one Dollars (\$16,644,041) to Seventeen Million Eight Hundred Ninety-two Thousand Seven Hundred Fifty-four Dollars (\$17,892,754), an increase of One Million Two Hundred Forty-eight Thousand Seven Hundred Thirteen Dollars (\$1,248,713) or seven and five-tenths percent (7.5%) (average annual rate of one and five-tenths percent (1.5%)). Over this same period, the A.V. of the City as a whole increased by sixteen and three-tenths percent (16.3%) (average annual rate of three and one-tenth percent (3.1%)).
- Between 1993 and 1998, the E.A.V. of the Project Area increased from Thirty-five Million Six Hundred Twenty-nine Thousand Eight Hundred Ninety-nine Dollars (\$35,629,899) to Thirty-nine Million Four Thousand Four Hundred Fourteen Dollars (\$39,004,414), an increase of Three Million Three Hundred Seventy-four Thousand Five Hundred Fifteen Dollars (\$3,374,515) or nine and five-tenths percent (9.5%) (average annual rate of one and eight-tenths percent (1.8%)). Over this same period, the E.A.V. of the City as a whole increased by eighteen and four-tenths percent (18.4%) (average annual rate of three and four-tenths percent (3.4%)).

Without a comprehensive and area-wide effort by the City to promote investment, the Project Area will not likely be subject to sound growth and development through private investment. In spite of existing plans and City programs that support the rehabilitation and improvement of the Project Area, minimal new construction and private investment has occurred there. Most of the Project Area developed more than eighty (80) years ago on a parcel-by-parcel basis without the benefit of community planning guidelines and standards. Today, much of the Project Area is characterized by obsolescence, deterioration, structures below minimum code standards, excessive vacancies, deleterious land-use or layout, excessive land coverage, and an overall lack of community planning.

B. Tax Increment Financing.

In January, 1977, Tax Increment Financing ("T.I.F.") was authorized by the Illinois General Assembly through passage of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, et seq., as amended (the "Act"). The Act provides a means for municipalities, after the approval of a redevelopment plan and project, to redevelop blighted, conservation or industrial park conservation areas and to finance eligible "redevelopment project costs" with incremental property tax revenues. "Incremental Property Tax" or "Incremental Property Taxes" are derived

from the increase in the current E.A.V. of real property within the redevelopment project area over and above the "Certified Initial E.A.V." of such real property. Any increase in E.A.V. is then multiplied by the current tax rate which results in Incremental Property Taxes. A decline in current E.A.V. does not result in a negative Incremental Property Tax.

To finance redevelopment project costs, a municipality may issue obligations secured by Incremental Property Taxes to be generated within the project area. In addition, a municipality may pledge towards payment of such obligations any part or any combination of the following: (a) net revenues of all or part of any redevelopment project; (b) taxes levied and collected on any or all property in the municipality; (c) the full faith and credit of the municipality; (d) a mortgage on part or all of the redevelopment project; or (e) any other taxes or anticipated receipts that the municipality may lawfully pledge.

Tax increment financing does not generate tax revenues by increasing tax rates; it generates revenues by allowing the municipality to capture, for a certain number of years, the new tax revenues produced by the enhanced valuation of properties resulting from the municipality's redevelopment program, improvements and activities, various redevelopment projects, and the reassessment of properties. Under T.I.F., all taxing districts continue to receive property taxes levied on the initial valuation of properties within the redevelopment project area. Additionally, taxing districts can receive distributions of excess Incremental Property Taxes when annual Incremental Property Taxes received exceed principal and interest obligations for that year and redevelopment project costs necessary to implement the redevelopment plan have been paid. Taxing districts also benefit from the increased property tax base after redevelopment project costs and obligations are paid.

C. The Redevelopment Plan For The Chicago/Kingsbury Tax Increment Financing Redevelopment Project Area.

As evidenced in Section VI, the Project Area as a whole has not been subject to growth and development through private investment. Furthermore, it is not reasonable to expect that the Project Area as a whole will be redeveloped without the use of T.I.F.

T.P.A.P. has prepared the Chicago/Kingsbury Tax Increment Financing Redevelopment Project and Plan (the "Redevelopment Plan") and the related Eligibility Study with the understanding that the City would rely on (i) the findings and conclusions of the Redevelopment Plan and the related eligibility study in proceeding with the designation of the Redevelopment Plan, and (ii) the fact that T.P.A.P. has obtained the necessary information so that the Redevelopment Plan and

the related eligibility study will comply with the Act.

This Redevelopment Plan has been formulated in accordance with the provisions of the Act and is intended to guide improvements and activities within the Project Area in order to stimulate private investment in the Project Area. The goal of the City, through implementation of this Redevelopment Plan, is that the entire Project Area be revitalized on a comprehensive and planned basis to ensure that private investment in rehabilitation and new development occurs:

1. on a coordinated rather than piecemeal basis to ensure that land use, access and circulation, parking, public services and urban design are functionally integrated and meet present-day principles and standards; and
2. on a reasonable, comprehensive and integrated basis to ensure that the factors of blight and conservation are eliminated; and
3. within a reasonable and defined time period so that the Project Area may contribute productively to the economic vitality of the City.

Redevelopment of the Project Area will constitute a large and complex endeavor, and presents challenges and opportunities commensurate with its scale. The success of this redevelopment effort will depend to a large extent on the cooperation between the private sector and agencies of local government. Adoption of this Redevelopment Plan enables the implementation of a comprehensive program for redevelopment of the Project Area. Through this Redevelopment Plan, the City will serve as the central force for directing the assets and energies of the private sector to ensure a unified and cooperative public-private redevelopment effort.

This Redevelopment Plan sets forth the overall "Redevelopment Project" to be undertaken to accomplish the City's above-stated goal. During implementation of the Redevelopment Project, the City may, from time to time: (i) undertake or cause to be undertaken public improvements and activities; and (ii) enter into redevelopment agreements and intergovernmental agreements with private or public entities to construct, rehabilitate, renovate or restore private improvements on one (1) or several parcels (items (i) and (ii) are collectively referred to as "Redevelopment Projects").

This Redevelopment Plan specifically describes the Project Area and summarizes the conservation area factors which qualify the Project Area as a "conservation area" as defined in the Act.

Successful implementation of this Redevelopment Plan requires that the City utilize Incremental Property Taxes and other resources in accordance with the Act to stimulate the comprehensive and coordinated development of the Project Area. Only through the utilization of T.I.F. will the Project Area develop on a comprehensive and coordinated basis, thereby eliminating the existing and threatened blight and conservation area conditions which have limited development of the Project Area by the private sector.

The use of Incremental Property Taxes will permit the City to direct, implement and coordinate public improvements and activities to stimulate private investment within the Project Area. These improvements, activities and investments will benefit the City, its residents and all taxing districts having jurisdiction over the Project Area. These anticipated benefits include:

- *The enhancement of the economic base arising from new development and the rehabilitation of existing buildings.*
- *An increased sales tax base resulting from new and existing retail development.*
- *An increase in construction, business, retail, commercial and other full-time employment opportunities for existing and future residents of the City.*
- *The construction of an improved system of roadways, utilities and other infrastructure that better serves existing businesses and adequately accommodates desired new development.*
- *Preservation of historic buildings.*

II.

Legal Description And Project Boundary.

The boundaries of the Project Area have been drawn to include only those contiguous parcels of real property and improvements substantially benefited by the proposed Redevelopment Project to be undertaken as part of this Redevelopment Plan. The boundaries of the Project Area are shown in Figure 1, Project Area Boundary, and are generally described below:

the Project Area is generally bounded on the north by Hobbie Street and Chicago Avenue; on the south by Erie and Ohio Streets; on the east by Kingsbury Street, Hudson Avenue, Orleans Street and Sedgwick Street; and on the west by the north branch of the Chicago River and the North Branch Canal.

The boundaries of the Project Area are legally described in (Sub)Exhibit I at the end of this report.

III.

Eligibility Conditions.

The results summarized in this section are more fully described in a separate report which presents the definition, application and extent of the conservation and blight factors in the Project Area. The report, prepared by T.P.A.P., is entitled "Chicago/Kingsbury Redevelopment Project Area Tax Increment Financing Eligibility Study" and is attached as (Sub)Exhibit IV to this Redevelopment Plan.

A. Summary Of Project Area Eligibility.

Based upon surveys, inspections and analyses of the Project Area, the Project Area qualifies as a "conservation area" within the requirements of the Act. Fifty percent (50%) or more of the buildings in the Project Area have an age of thirty-five (35) years or more, and the Project Area is characterized by the presence of a combination of three (3) or more of the conservation factors listed and defined in the Act, rendering the Project Area detrimental to the public safety, health and welfare of the citizens of the City. The Project Area is not yet a blighted area, but it may become a blighted area. Specifically,

- Of the twenty-one (21) buildings in the Project Area, twenty (20) buildings (ninety-five percent (95%)) are thirty-five (35) years of age or older.
- Of the remaining thirteen (13) factors set forth in the Act for conservation areas, nine (9) factors are found to be present.
- Eight (8) factors found to be present are found to be present to a major extent and are reasonably distributed throughout the Project Area. These factors include: obsolescence, deterioration, excessive vacancies, structures below minimum code standards, excessive land coverage and

overcrowding of structures and community facilities, deleterious land-use or layout, declining or lagging growth rate of total equalized assessed valuation, and lack of community planning.

- One (1) factor is found to be present to a limited extent -- environmental remediation.
- All blocks within the Project Area show the presence of conservation factors.
- The Project Area includes only real property and improvements thereon substantially benefitted by the proposed redevelopment project improvements.

B. Surveys And Analyses Conducted.

The conservation factors found to be present in the Project Area are based upon surveys and analyses conducted by T.P.A.P.. The surveys and analyses conducted for the Project Area include:

1. exterior survey of the condition and use of each building;
2. detailed interior surveys of the Montgomery Ward buildings;
3. field survey of environmental conditions, covering streets, sidewalks, curbs and gutters, lighting, traffic, parking facilities, landscaping, fences and walls and general property maintenance;
4. analysis of the existing uses within the Project Area and their relationships to the surroundings;
5. comparison of current land-use to current zoning ordinance and the current zoning map;
6. analysis of origin and current platting and building size and layout;
7. analysis of vacant portions of the area and buildings;
8. analysis of building floor area and site coverage;
9. analysis of building permits issued for the Project Area from January 1, 1993 to June 9, 1999;

10. analysis of building code violations for the Project Area from August, 1998;
11. review of previously prepared plans, studies and data;
12. analysis of Cook County Assessor records for assessed valuations and equalization factors for tax parcels in the Project Area for assessment years 1993 to 1998; and
13. Clayton Group Services, Inc., Environmental Consultants Report, April, 1999.

IV.

Redevelopment Goals And Objectives.

Comprehensive and coordinated area-wide investment in new public and private improvements and facilities is essential for the successful redevelopment of the Project Area and the elimination of conditions that have impeded redevelopment of the Project Area in the past. Redevelopment of the Project Area will benefit the City through improvements in the physical environment, an increased tax base and additional employment opportunities.

This section identifies the general goals and objectives adopted by the City for redevelopment of the Project Area. Section V presents more specific objectives for development and design within the Project Area and the redevelopment activities that the City plans to undertake to achieve the goals and objectives presented in this section.

A. General Goals.

Listed below are the general goals adopted by the City for redevelopment of the Project Area. These goals provide overall focus and direction for this Redevelopment Plan.

1. An improved quality of life in the Project Area and the surrounding community.
2. Elimination of the influences and manifestations of physical and economic deterioration and obsolescence within the Project Area.

3. An environment which will contribute more positively to the health, safety and general welfare of the Project Area and the surrounding community.
4. An environment which will preserve or enhance the value of properties, some of which are architecturally significant, within and adjacent to the Project Area.
5. An enhanced economic climate for the City and other taxing districts having jurisdiction over the Project Area.
6. The retention and enhancement of sound and viable existing businesses and industries within the Project Area.
7. The attraction of new business, commercial, retail and residential development and the creation of new job opportunities within the Project Area.
8. Employment of residents within the Project Area and within the adjacent communities in jobs in the Project Area and in adjacent redevelopment project areas.

B. Redevelopment Objectives.

Listed below are the redevelopment objectives which will guide planning decisions regarding redevelopment within the Project Area.

1. Reduce or eliminate those conditions that qualify the Project Area as a conservation area. These conditions are described in detail in (Sub)Exhibit IV to this Redevelopment Plan.
2. Strengthen the economic well-being of the Project Area.
3. Assemble or encourage the assembly of land into parcels of appropriate shape and sufficient size for redevelopment in accordance with this Redevelopment Plan.
4. Create an environment that stimulates private investment in the upgrading and expansion of existing businesses and the construction of new business, residential, retail and commercial facilities.

5. Encourage visually attractive buildings, rights-of-way, public parks and open spaces and encourage high standards of design, including a range of riveredge enhancements, amenities and facilities that provide significant water-related recreational opportunities.
6. Rehabilitate and enhance historically significant buildings, some of which have special needs due to their sheer size, within the Project Area.
7. Promote a pedestrian-friendly environment with ground-level retail, streetscape improvement, public art, outdoor seating and landscaped setback areas where appropriate.
8. Incorporate public transit amenities and otherwise promote use of transit and bicycles through design of new and rehabilitation of existing facilities and roads.
9. Provide ramps, elevators and other amenities that improve access for people with disabilities.
10. Ensure that housing units affordable to a variety of income levels, including low- and very low-income households, are built within the Project Area to create mixed-income communities.
11. Provide improvements and facilities in proper relationship to the projected demand for such facilities and in accordance with present-day design standards for such facilities.
12. Provide incentives to encourage business retention, building rehabilitation, and new development.
13. Establish job readiness and job training programs to provide residents within the surrounding adjacent communities with the skills necessary to secure jobs in the Project Area and in adjacent redevelopment project areas.
14. Secure commitments from employers in the Project Area and adjacent redevelopment project areas to interview graduates of the Project Area's job readiness and job training programs.
15. Create new job opportunities for City residents utilizing first source hiring programs and appropriate job training programs.

16. Encourage the development of day care centers and services that support the needs of Project Area businesses and employees.
17. Provide opportunities for women and minority businesses to share in the redevelopment of the Project Area.
18. Encourage safe, efficient and convenient transportation routes and access, including promoting pedestrian access wherever possible.
19. Create adequate off-street parking to meet existing and anticipated requirements in the Project Area.

V.

Redevelopment Project.

This section presents the Redevelopment Project anticipated to be undertaken by the City and by private entities on behalf of the City in furtherance of this Redevelopment Plan. Several previous plans and policies, including the *Near North Redevelopment Initiative*, 1997; *Chicago River Urban Design Guidelines*, 1990; *River North Urban Design Guidelines*, 1989; *Guidelines for Transit-Supportive Development*, Chicago Transit Authority (the "C.T.A."), 1996; and the *Mayor's Parking Task Force Report*, City of Chicago, 1997, have been reviewed and form the basis for many of the recommendations presented in this Redevelopment Plan.

The Redevelopment Project described in this Redevelopment Plan and pursuant to the Act includes: a) the overall redevelopment concept, b) the land-use plan, c) improvement and development recommendations for planning subareas, d) development and design objectives, e) a description of redevelopment improvements and activities, f) estimated redevelopment project costs, g) a description of sources of funds to pay estimated redevelopment project costs, h) a description of obligations that may be issued and i) identification of the most recent E.A.V. of properties in the Project Area and an estimate of future E.A.V.

A. Overall Redevelopment Concept.

The Project Area should be redeveloped as a cohesive and distinctive mixed-use district with commercial and residential uses that restore vitality to this part of the Near North Community Area and provide links to adjacent communities. It should consist of residential and business uses offering a range of site development

opportunities, including: a range of mixed-income, multi-family and single-family residential uses; commercial uses that provide contemporary office space; retail and restaurant businesses that serve and support surrounding neighborhoods and employment centers; and a range of public facilities, open spaces and pedestrian amenities. The river's edge should be improved and enhanced with walkways, open space and other amenities. To implement this plan, viable existing businesses should be retained and enhanced, and new business, residential and retail development should be undertaken in the existing vacant or underutilized properties within the Project Area.

The entire Project Area should be marked by improvements in safety and infrastructure, retention and expansion of jobs and businesses, new business and residential development, and enhancement of the area's overall image and appearance. Improvement projects should include: the rehabilitation and reuse of existing office, warehouse and commercial buildings, several of which require special attention due to their enormous size; new office, residential and commercial construction; street and infrastructure improvements; creation of open space, riveredge amenities, landscaping and other appearance enhancements; creation of adequate off-street parking facilities and improvements that encourage use of public transit, bicycles and pedestrian access; and the provision of new amenities which both businesses and residents expect to find in a contemporary mixed-use urban neighborhood.

The Project Area should have good accessibility and should be served by a street system and public transportation facilities that provide safe and convenient access to and circulation within the Project Area.

The Project Area should be characterized by cohesive urban design features that organize and provide focus to the Project Area, including pedestrian and streetscape amenities which link business centers, retail, residential development, community facilities, open spaces and the riverfront. Individual developments should also be compatible with the overall character of the Project Area. The Project Area should be designed to promote continuity with, and pedestrian access to, the adjacent areas outside of the Redevelopment Area. The height of new buildings should be compatible with the predominant low- to mid-rise character of the area. New projects within the Redevelopment Project Area should be planned to help to integrate the Cabrini-Green housing development with adjacent properties. This can be accomplished through the inclusion of housing units that are affordable to a variety of income levels, including low- and very low-income households, within residential developments and the construction of new buildings that relate to the scale of the Cabrini row homes.

The Project Area should respect architecturally and historically significant buildings of the Project Area as well as the City's traditional Near North Community

Area form which is characterized by a grid pattern of streets with buildings facing the street and located at or very near the front property line.

B. Land-Use Plan.

Figure 2 presents the Land-Use Plan that will be in effect upon adoption of this Redevelopment Plan.

The Project Area's strategic location in close proximity to the Loop, the River North Area and the Kennedy/Dan Ryan Expressways creates an environment generally suitable for a mix of land uses, including: office, industrial, retail, business, residential, entertainment, institutional uses, community facilities and open space.

Several key factors have contributed to the appropriateness of the mixed-use district within the Project Area and are listed below.

1. Proximity to the expressways, numerous C.T.A. bus routes, a C.T.A. elevated station and the Loop has made the Project Area attractive for residential development as well as office and retail developments.
2. Retail, entertainment, restaurants and open spaces are requisites for creating a viable urban neighborhood and attracting residents and office tenants. In addition, such uses will complement the existing art galleries, restaurants and entertainment sites found in the adjacent areas of River North.

The combination of all of the above uses creates a viable urban district full of energy and life, enabling a smooth transition between the densely developed Near North Community Area and the less dense Near West Side. A mixed-use district will build upon the established character of River North in order to provide gradual transitions from the central city functions to surrounding neighborhoods. The density of development within the Project Area (floor area ratios and minimum lot area) should reflect that of areas adjacent to it to ensure compatibility and smooth flow of traffic.

The Land-Use Plan highlights numerous opportunities for mixed-use improvement, enhancement and new development within the Project Area. The Plan is focused on maintaining and enhancing sound and viable existing businesses, and promoting new business and residential development at selected locations.

Recommended land-use strategies for specific subareas are presented in the following section of this Redevelopment Plan.

All development should comply with the Redevelopment Plan objectives set forth in Section IV above, the Chicago Zoning Ordinance, the Chicago Landmarks Ordinance and all other relevant City ordinances and development guidelines

C. Planning Subareas.

The Project Area has been subdivided into six (6) subareas, each of which would be suitable for a different mix of uses and intensity of development, and each of which warrants a different approach to improvement and redevelopment (See Figure 3).

It should be emphasized that the boundaries of these subareas and the specification of uses within the subareas are for guidance only, and are subject to refinement and modification as a part of the City's planned development process.

Key recommendations for individual subareas are highlighted below. More specific development and design objectives for the Project Area are presented in a following section of this Redevelopment Plan.

Subarea A.

Subarea A encompasses two (2) areas within the Project Area. The first (1st) area is located at the northern end of the Project Area, and is generally bounded by Hobbie Street on the north, the North Branch Canal on the west, Chicago Avenue on the south and Kingsbury Street on the east. The existing use in this area is the former Montgomery Ward Catalog Building. The second (2nd) area is located in the northwest portion of the Project Area, and is generally bounded by the North Branch of the Chicago River on the north and east, on the west by a north/south line approximately three hundred (300) feet west of the point where the west side of the Chicago River intersects Chicago Avenue and Chicago Avenue on the south. The area is vacant and used for surface parking.

The first (1st) area is anchored by the Catalog Building which has been predominantly vacant for over ten (10) years (currently ninety-seven percent (97%) vacant). This architecturally significant building offers approximately two million two hundred thousand (2,200,000) square feet of space that is available for reuse or redevelopment. Because of the sheer magnitude of this property, it is recommended that the building be redeveloped as a mixed-use development since no single use is likely to effectively utilize the available space. In this mixed-use framework, a number of uses would be appropriate for the building and the area including: conventional office, high technology and

telecommunications office, retail, residential and entertainment. A publicly accessible riverwalk should be included along the length of this subarea.

Office and/or open space or light industrial and/or open space uses are recommended for the second (2nd) area of Subarea A. Convenient access to Chicago Avenue, the location along the River, and adjacent land uses make the area particularly attractive for office and light industrial development. Access to and from the development area should be strategically located to provide efficient ingress and egress to the site while maintaining the flow of traffic along the Chicago Avenue arterial. Open space and riveredge amenities should be integrated into development of this area.

Subarea B.

Subarea B is generally bounded by Chicago Avenue on the north, the North Branch of the Chicago River on the west, Erie Street on the south, and Larrabee Street on the east. The existing use in this area is the architecturally significant former Montgomery Ward Merchandise Building and the corporate park and surface parking. Given the location along the River, Subarea B is best suited for multi-family residential developments that could include ground floors dedicated to retail or restaurant uses (particularly outdoor opportunities) that are compatible with Chicago River development guidelines. The subarea should include amenities that support the residential development and complement the riverfront location which could include walkways, open space and recreational uses. Overall enhancement of the riveredge amenities in this subarea should be encouraged, including a riverwalk along the length of the subarea and streetscaping that provides distinctive visual links and access to the River.

Subarea C.

Subarea C encompasses the block containing the Montgomery Ward Corporate Office Tower, and is bounded by Chicago Avenue on the north, Larrabee Street on the west, Superior Street on the south, and Kingsbury Street on the east.

The Montgomery Ward Corporate Office Tower is identified as a separate subarea because Montgomery Ward is in the process of a corporate reorganization and is consolidating operations to this building. Any new development in the subarea should be mixed-use in nature with an emphasis on office and commercial with ground floor retail and restaurants.

Subarea D.

Subarea D encompasses the area generally bounded by Chicago Avenue on the north, Huron Street on the south, Kingsbury Street on the west and Hudson Avenue on the east. The two (2) blocks of Subarea D are currently dedicated to surface parking and have strong potential for redevelopment. Consistent with the overall mixed-use nature of the Project Area, Subarea D should be redeveloped for a range of residential uses (multi-family, townhouses, et cetera) and commercial and retail uses and amenities that are compatible with and contribute to the character of the Project Area neighborhood. Ground floor retail, commercial or lobby uses should be provided on Chicago Avenue. Streetscape enhancements would be especially important for complementing the residential development and creating a soft, cohesive link to the riverfront and blocks with commercial uses. Access, to and from the development area should be strategically located to provide efficient ingress and egress to the site while maintaining the flow of traffic along the Chicago Avenue arterial.

Subarea E.

Subarea E encompasses two (2) planning areas; the first (1st) area is vacant land and is generally bounded by Erie Street on the north, the North Branch of the Chicago River on the west, the I-94/I-90 expressway ramp on the south, and Kingsbury Street on the east. As additional residential development occurs within and near the Project Area, open space, recreation and community facilities will be needed to serve the growing residential population. The vacant portion of Subarea E along the River (west of Kingsbury) should be developed for some of these uses -- particularly park space, riveredge walkways and riveredge development that links the area to the north and south walkways. Multi-family residential development could be considered for a portion of this area. Streetscape enhancements and infrastructure improvements that link developments within the Project Area to the open space and community facilities should be encouraged.

The second (2nd) area of this subarea includes several parcels wrapping around the corners between Erie and Ontario along Kingsbury. The area currently contains vacant parcels and should be redeveloped for multi-family housing with ground floor retail that is consistent with other residential housing proposed in the Project Area.

Subarea F.

Subarea F is irregularly shaped and is located in the eastern portion of the Project Area. It is generally bounded by Chicago Avenue on the north, Erie Street on the south, Hudson Avenue on the west, and Sedgwick and Orleans Streets on the east.

The area is a mixed-use area with primarily business, retail and office, but also includes a few small residential buildings and a City of Chicago administrative building. Among the mix of restaurants and small businesses within low- and mid-rise buildings are several vacant parcels. Many properties within Subarea F are in poor condition and contain marginal uses. These properties should be redeveloped as new small-scale offices, retail establishments, community facilities, restaurants, and parking as needed. This type of development should serve as a smooth visual and functional transition between the established River North artist and gallery area directly to the east and the residential/commercial developments proposed for the Project Area subareas to the west and along the River. New facilities and uses in this location would also be easily accessible to adjacent existing and planned residential areas in the Near North Tax Increment Financing Redevelopment Area.

D. Development And Design Objectives.

Listed below are the specific Development and Design Objectives which will assist the City in directing and coordinating public and private improvement and investment within the Project Area in order to achieve the general goals and objectives identified in Section IV of this Redevelopment Plan.

The Development and Design Objectives are intended to help attract a variety of desirable uses such as new commercial and residential development; foster a consistent and coordinated development pattern; and create an attractive urban identity for the Project Area.

a) Land-Use.

- Promote comprehensive, area-wide redevelopment of the Project Area as a planned mixed-use district, allowing a wide range of business, residential, retail, services and public uses.
- Promote business retention and new employment development throughout the Project Area.

- Encourage the clustering of similar and supporting commercial uses to promote cumulative attraction
- Promote convenient retail and service uses that can provide for the day-to-day needs of nearby residents, employees and business patrons.

b) Building And Site Development.

- Preserve buildings with historic and architectural value.
- Where feasible, repair and rehabilitate buildings in poor condition.
- Where rehabilitation is not feasible, demolish deteriorated buildings to allow for new development.
- Ensure that construction standards are established in order to prevent adverse environmental impacts to the Chicago River.
- Ensure that demolition and rehabilitation activities include environmental surveys and abatement, particularly for asbestos and lead-based paint where appropriate.
- Reuse vacant buildings in serviceable condition for new businesses, residential uses or mixed-use development.
- Ensure that the design, bulk and massing of new buildings is compatible with the surrounding building context.
- Locate building service and loading areas away from front entrances and major streets, where possible.
- Encourage parking, service, loading and support facilities that can be shared by multiple businesses and/or converted residential loft buildings with no on-site parking.
- Encourage retail, entertainment and restaurants on the first (1st) floor of buildings to create a pedestrian-oriented environment.
- Improve the design and appearance of commercial storefronts, including facade treatment, color, materials, awnings and canopies and commercial signage.

c) **Transportation And Infrastructure.**

- **Ensure safe and convenient access to and circulation within the Project Area for pedestrians, bicyclists, autos, trucks and public transportation.**
- **Provide well-defined, safe pedestrian connections between developments within the Project Area and nearby destinations.**
- **Promote the development of river edge amenities and provide a continuous pedestrian corridor along the river.**
- **Alleviate traffic congestion along arterial routes through limited driveways, shared loading zones, efficient bus stop spacing and traffic management improvements.**
- **Promote "transit-friendly" developments that incorporate transit facilities into their design. Improve the street surface conditions, street lighting and traffic signalization.**
- **Improve the street surface conditions, street lighting and traffic signalization.**
- **Improve existing bus stop waiting areas and shelters, and ensure convenient location of new waiting areas and shelters, where appropriate.**
- **Upgrade public utilities and infrastructure as required.**

d) **Parking.**

- **Ensure that all commercial and retail businesses and residential developments are served by an adequate supply of conveniently located parking.**
- **Ensure construction of an adequate supply of off-street parking by encouraging the larger new developments to construct spaces in excess of their projected needs. These excess spaces will then capture overflow from street parking at peak periods.**
- **Maintain curb parking on selected streets to serve the retail and commercial businesses.**

- Promote shared parking through cooperative arrangements between businesses which would permit existing parking lots to be used by neighboring businesses during off-peak periods.
- Ensure that parking structures are attractively designed and adequately maintained, and meet the standards of the City's new parking garage structure ordinance and that surface parking lots are adequately landscaped.
- Promote the use of ground floor space within parking structures for retail or service businesses.

e) Urban Design.

- Provide distinctive design features, including special landscaping, signage, decorative pavements and fountains at the major entryways into the Project Area and along major street corridors.
- Provide new pedestrian-scale lighting in areas with intense pedestrian activity.
- Provide accent lighting where space permits.
- Promote high quality and harmonious architectural and landscape design within the mixed-use district.
- Enhance the appearance of the Project Area by landscaping all streets.
- Clean up vacant land and, where possible, use vacant lots for open space or pocket parks.
- Promote the development of public art at selected locations.
- Conform building height, density and other design elements to the requirements of the planned development for the area (Commercial-Manufacturing Planned Development Number 447).

f) Open Space And Landscaping.

- Promote the development of new public parks and shared open spaces within the Project Area, including tot lots, recreational areas, courtyards, eating areas, et cetera.

- Promote a continuous landscaped open space area or covered, open air riverwalk within existing buildings along the river corridor.
- Promote the use of landscaping and attractive fencing to screen dumpsters, waste collection areas, loading areas and the perimeter of parking lots and other vehicular use areas.
- Ensure that all open spaces are designed, landscaped and lighted to achieve a high level of security.
- Ensure that all landscaping and design materials comply with the City of Chicago Landscape Ordinance.
- Provide amenities and facilities to expand and encourage recreational use of the River.
- Ensure that open space is provided according to the specifications set forth in the planned development for the area (Commercial-Manufacturing Planned Development Number 447).

E. Redevelopment Improvements And Activities.

The City proposes to achieve its redevelopment goals and objectives for the Project Area through the use of public financing techniques including, but not limited to, tax increment financing, to undertake some or all of the activities and improvements authorized under the Act, including the activities and improvements described below. The City also maintains the flexibility to undertake additional activities and improvements authorized under the Act, if the need for activities or improvements change as redevelopment occurs in the Project Area.

The City may enter into redevelopment agreements or intergovernmental agreements with public or private entities for the furtherance of this Redevelopment Plan to construct, rehabilitate, renovate or restore improvements or facilities public or private facilities on one (1) or several parcels or for any other lawful purpose.

Redevelopment agreements may contain terms and provisions which are more specific than the general principles set forth in this Redevelopment Plan and which include affordable housing requirements as described below.

It is City policy to require that developers who receive T.I.F. assistance for market-rate housing set aside twenty percent (20%) of the units to meet affordability criteria established by the City's Department of Housing. Generally, this means the affordable for-sale units should be priced at a level that is affordable to persons earning no more than one hundred twenty percent (120%) of the area median

income, and affordable rental units should be affordable to persons earning no more than eighty percent (80%) of the area median income. Additionally, it is the City's desire to include housing that is affordable to a variety of income levels, including low- and very low-income households, as part of development within the Project Area.

1. **Property Assembly.**

Property acquisition and land assembly by the private sector in accordance with this Redevelopment Plan will be encouraged by the City. To meet the goals and objectives of this Redevelopment Plan, the City may acquire and assemble property throughout the Project Area. Land assemblage by the City may be by purchase, exchange, donation, lease, eminent domain or through the Tax Reactivation Program and may be for the purpose of: (a) sale, lease or conveyance to private developers; or (b) sale, lease, conveyance or dedication for the construction of public improvements or facilities. Furthermore, the City may require written redevelopment agreements with developers before acquiring any properties. As appropriate, the City may devote acquired property to temporary uses until such property is scheduled for disposition and development.

In connection with the City exercising its power to acquire real property, including the exercise of the power of eminent domain, under the Act in implementing the Redevelopment Plan, the City will follow its customary procedures of having each such acquisition recommended by the Community Development Commission (or any successor commission) and authorized by the City Council of the City. Acquisition of such real property as may be authorized by the City Council does not constitute a change in the nature of this Redevelopment Plan.

The City may demolish improvements, remove and grade soils and prepare sites with soils and materials suitable for new construction. Clearance and demolition will, to the greatest extent possible, be timed to coincide with redevelopment activities so that tracts of land do not remain vacant for extended periods and so that the adverse effects of clearance activities may be minimized.

The City may (a) acquire any historic structure (whether a designated City or State landmark or listed on or eligible for listing on the National Register of Historic Places); (b) demolish any non-historic feature of such structure; and (c) incorporate any historic structure or historic feature into a development on the subject property or adjoining property.

2. **Relocation.**

Relocation assistance may be provided in order to facilitate redevelopment of portions of the Project Area and to meet other City objectives. Businesses or households legally occupying properties to be acquired by the City may be provided with relocation advisory and financial assistance as determined by the City.

3. **Provision Of Public Works Or Improvements.**

The City may provide public improvements and facilities that are necessary to service the Project Area in accordance with this Redevelopment Plan and the comprehensive plan for development of the City as a whole. Public improvements and facilities may include, but are not limited to, the following:

a) **Streets And Utilities.**

A range of individual roadway, utility and related improvement projects, from repair and resurfacing to major construction or reconstruction.

b) **Parks, Open Space And Recreational Facilities.**

Improvements to existing or future parks, river walkways, open spaces, public plazas and recreational facilities, including the construction of pedestrian walkways, stairways, lighting, landscaping and general beautification improvements may be provided for the use of the general public.

c) **Transportation Infrastructure.**

Improvements and/or expansion of existing C.T.A. transit stations, bus stops, bicycle lanes, and bicycle locking stations to support the increased demand resulting from future development within the Project Area.

4. **Rehabilitation Of Existing Buildings.**

The rehabilitation of buildings that are basically sound and/or historically significant.

5. **Job Training And Related Educational Programs.**

Separate or combined programs designed to increase the skills of the labor force to meet employers' hiring needs and to take advantage of the employment opportunities within the Project Area.

6. **Day Care Services.**

Development of day care services and centers within the Redevelopment Project Area for children of employees of Redevelopment Project Area businesses.

7. **Taxing Districts Capital Costs.**

The City may reimburse all or a portion of the costs incurred by certain taxing districts in the furtherance of the objectives of this Redevelopment Plan.

8. **Interest Subsidies.**

Funds may be provided to redevelopers for a portion of interest costs incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that:

- (a) such costs are to be paid directly from the special tax allocation fund established pursuant to the Act;
- (b) such payments in any one (1) year may not exceed thirty percent (30%) of the annual interest costs incurred by the redeveloper with respect to the redevelopment project during that year;
- (c) if there are not sufficient funds available in the special tax allocation fund to make the payment, then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund;
- (d) the total of such interest payments paid pursuant to the Act may not exceed thirty percent (30%) of the total (i) costs paid or incurred by a redeveloper for a redevelopment project plus (ii) redevelopment project costs excluding any property assembly costs

and any relocation costs incurred by the City pursuant to the Act, and

- (e) up to seventy-five percent (75%) of the interest cost incurred by a redeveloper for the financing of rehabilitated or new housing units for low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act.

9. Affordable Housing.

Funds may be provided to developers for up to fifty percent (50%) of the cost of construction, renovation and/or rehabilitation of all low- and very low-income housing units (for ownership or rental) as defined in Section 3 of the Illinois Affordable Housing Act. If the units are part of a residential redevelopment project that includes units not affordable to low- and very low-income households, only the low- and very low-income units shall be eligible for benefits under the Act.

10. Analysis, Administration, Studies, Surveys, Legal, Et Cetera.

Under contracts that will run for three (3) years or less, the City may undertake or engage professional consultants, engineers, architects, attorneys, et cetera, to conduct various analyses, studies, surveys, administration or legal services to establish, implement and manage this Redevelopment Plan.

F. Redevelopment Project Costs.

The various redevelopment expenditures which are eligible for payment or reimbursement under the Act are reviewed below. Following this review is a list of estimated redevelopment project costs which are deemed to be necessary to implement this Redevelopment Plan (the "Redevelopment Project Costs").

1. Eligible Redevelopment Project Costs.

Redevelopment project costs include the sum total of all reasonable or necessary costs incurred, estimated to be incurred, or incidental to this Redevelopment Plan pursuant to the Act. Such costs may include, without limitation, the following:

- a) costs of studies, surveys, development of plans and specifications, implementation and administration of the redevelopment plan including but not limited to, staff and professional service costs for architectural, engineering, legal, financial, planning or other services, provided that no charges for professional services are based on a percentage of the tax increment collected;
- b) the cost of marketing sites within the area to prospective businesses, developers and investors;
- c) property assembly costs, including but not limited to, acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, site preparation, site improvements that serve as an engineered barrier addressing ground level or below ground environmental contamination, including, but not limited to parking lots and other concrete or asphalt barriers, and the clearing and grading of land;
- d) costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings, fixtures, and leasehold improvements; and the cost of replacing an existing public building if pursuant to the implementation of a redevelopment project the existing public building is to be demolished to use the site for private investment or devoted to a different use requiring private investment;
- e) costs of the construction of public works or improvements;
- f) costs of job training and retraining projects including the cost of "welfare to work" programs implemented by businesses located within the redevelopment project area and such proposals should feature a community-based training program which ensures maximum reasonable opportunities for residents of the Near North Community Area with particular attention to the needs of those residents who have previously experienced inadequate employment opportunities and development of job-related skills including residents of public and other subsidized housing and people with disabilities;
- g) financing costs including, but not limited to, all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued thereunder including interest accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for a period not exceeding thirty-six (36) months following completion and including reasonable reserves related thereto;

- h) to the extent the municipality by written agreement accepts and approves the same, all or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the redevelopment plan and project;
- i) relocation costs to the extent that a municipality determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or state law;
- j) payment in lieu of taxes as defined in the Act;
- k) costs of job training, retraining, advanced vocational education or career education, including but not limited to, courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one (1) or more taxing districts, provided that such costs: (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in a redevelopment project area; and (ii) when incurred by a taxing district or taxing districts other than the municipality, are set forth in a written agreement by or among the municipality and the taxing district or taxing districts, which agreement describes the program to be undertaken including but not limited to, the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 3-37, 3-38, 3-40, and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of the School Code;
- l) interest costs incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that:
 - 1. such costs are to be paid directly from the special tax allocation fund established pursuant to the Act;
 - 2. such payments in any one (1) year may not exceed thirty percent (30%) of the annual interest costs incurred by the redeveloper with regard to the redevelopment project during that year;

3. if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this provision, then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund;
 4. the total of such interest payments paid pursuant to the Act may not exceed thirty percent (30%) of the total: (i) cost paid or incurred by the redeveloper for such redevelopment project plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by a municipality pursuant to the Act; and
 5. up to seventy-five percent (75%) of the interest cost incurred by a redeveloper for the financing of rehabilitated or new housing units for low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act.
- m) unless explicitly provided in the Act, the cost of construction of new privately-owned buildings shall not be an eligible redevelopment project cost;
- n) an elementary, secondary or unit school district's increased costs attributable to assisted housing units will be reimbursed as provided in the Act;
- o) up to fifty percent (50%) of the cost of construction, renovation and/or rehabilitation of all low- and very low-income housing units (for ownership or rental) as defined in Section 3 of the Illinois Affordable Housing Act. If the units are part of a residential redevelopment project that includes units not affordable to low- and very low-income households, only the low- and very low-income units shall be eligible for benefits under the Act; and
- p) the cost of day care services for children of employees from low-income families working for businesses located within the redevelopment project area and all or a portion of the cost of operation of day care centers established by redevelopment project area businesses to serve employees from low-income families working in businesses located in the redevelopment project area. For the purposes of this paragraph, "low-income families" means families whose annual income does not exceed eighty percent (80%) of the City, county or regional median income as determined from time to time by the United States Department of Housing and Urban Development.

If a special service area has been established pursuant to the Special Service Area Tax Act, 35 ILCS 235/0.01, et seq., then any tax increment revenues derived from the tax imposed pursuant to the Special Service Area Tax Act may be used within the redevelopment project area for the purposes permitted by the Special Service Area Tax Act as well as the purposes permitted by the Act.

2. Estimated Redevelopment Project Costs.

A range of redevelopment activities and improvements will be required to implement this Redevelopment Plan. The activities and improvements and their estimated costs are set forth in (Sub)Exhibit II of this Redevelopment Plan. All estimates are based on 1999 dollars. Funds may be moved from one (1) line item to another or to an eligible cost category described in this Plan.

Redevelopment Project Costs described in this Redevelopment Plan are intended to provide an upper estimate of expenditures. Within this upper estimate, adjustments may be made in line items without amending this Redevelopment Plan.

G. Sources Of Funds To Pay Redevelopment Project Costs.

Funds necessary to pay for Redevelopment Project Costs and secure municipal obligations issued for such costs are to be derived primarily from Incremental Property Taxes. Other sources of funds which may be used to pay for Redevelopment Project Costs or secure municipal obligations are land disposition proceeds, state and federal grants, investment income, private financing and other legally permissible funds the City may deem appropriate. The City may incur Redevelopment Project Costs which are paid for from funds of the City other than incremental taxes, and the City may then be reimbursed for such costs from incremental taxes. Also, the City may permit the utilization of guarantees, deposits and other forms of security made available by private sector developers. Additionally, the City may utilize revenues, other than State sales tax increment revenues, received under the Act from one (1) redevelopment project area for eligible costs in another redevelopment project area that is either contiguous to, or is separated only by a public right-of-way from, the redevelopment project area from which the revenues are received. The City may incur Redevelopment Project Costs which are paid from funds of the City other than incremental taxes, and the City may then be reimbursed from such costs from incremental taxes.

The Project Area is contiguous to the Near North Tax Increment Financing Redevelopment Project Area and may, in the future, be contiguous or separated by only a public right-of-way to other redevelopment project areas created under the Act. The City may utilize net incremental property taxes received from the Project

Area to pay eligible redevelopment project costs, or obligations issued to pay such costs, in other contiguous redevelopment project areas or project areas separated only by a public right-of-way, and vice versa. The amount of revenue from the Project Area made available to support such contiguous redevelopment project areas or those separated only by a public right-of-way, when added to all amounts used to pay eligible Redevelopment Project Costs within the Project Area, shall not at any time exceed the total Redevelopment Project Costs described in this Redevelopment Plan.

The Project Area may become contiguous to, or be separated only by a public right-of-way from, redevelopment project areas created under the Industrial Jobs Recovery Law (65 ILCS 5/11-74.6-1, et seq.). If the City finds that the goals, objectives and financial success of such contiguous redevelopment project areas or those separated only by a public right-of-way are interdependent with those of the Project Area, the City may determine that it is in the best interests of the City and in furtherance of the purposes of the Redevelopment Plan that net revenues from the Project Area be made available to support any such redevelopment project areas and vice versa. The City therefore proposes to utilize net incremental revenues received from the Project Area to pay eligible redevelopment project costs (which are eligible under the Industrial Jobs Recovery Law referred to above) in any such areas and vice versa. Such revenues may be transferred or loaned between the Project Area and such areas. The amount of revenue from the Project Area so made available, when added to all amounts used to pay eligible Redevelopment Project Costs within the Project Area or other areas as described in the preceding paragraph, shall not at any time exceed the total Redevelopment Project Costs described in (Sub)Exhibit II of this Redevelopment Plan.

H. Issuance Of Obligations.

The City may issue obligations secured by Incremental Property Taxes pursuant to Section 11-74.4-7 of the Act. To enhance the security of a municipal obligation, the City may pledge its full faith and credit through the issuance of general obligation bonds. Additionally, the City may provide other legally permissible credit enhancements to any obligations issued pursuant to the Act.

The redevelopment project shall be completed, and all obligations issued to finance redevelopment costs shall be retired, no later than December 31st of the year in which the payment to the City treasurer as provided in the Act is to be made with respect to ad valorem taxes levied in the twenty-third (23rd) calendar year following the year in which the ordinance approving the Project Area is adopted (by December 31, 2024). Also, the final maturity date of any such obligations which are issued may not be later than twenty (20) years from their respective dates of issue. One (1) or more series of obligations may be sold at one (1) or more times in order to

implement this Redevelopment Plan. Obligations may be issued on a parity or subordinated basis.

In addition to paying Redevelopment Project Costs, Incremental Property Taxes may be used for the scheduled retirement of obligations, mandatory or optional redemptions, establishment of debt service reserves and bond sinking funds. To the extent that Incremental Property Taxes are not needed for these purposes, any excess Incremental Property Taxes shall then become available for distribution annually to taxing districts having jurisdiction over the Project Area in the manner provided by the Act.

I. Valuation Of The Project Area.

1. Most Recent E.A.V. Of Properties In The Project Area.

The purpose of identifying the most recent equalized assessed valuation ("E.A.V.") of the Project Area is to provide an estimate of the initial E.A.V. which the Cook County Clerk will certify for the purpose of annually calculating the incremental E.A.V. and incremental property taxes of the Redevelopment Project Area. The 1998 E.A.V. of all taxable parcels in the Project Area is approximately Thirty-nine Million Four Thousand Four Hundred Fourteen Dollars (\$39,004,414). This total E.A.V. amount by parcel is summarized in (Sub)Exhibit III. The E.A.V. is subject to verification by the Cook County Clerk. After verification, the final figure shall be certified by the Cook County Clerk, and shall become the Certified Initial E.A.V. from which all incremental property taxes in the Project Area will be calculated by Cook County. If the 1999 E.A.V. shall become available prior to the date of the adoption of the Redevelopment Plan by the City Council, the City may update the Redevelopment Plan by replacing the 1998 E.A.V. with the 1999 E.A.V. without further City Council action.

2. Anticipated Equalized Assessed Valuation.

By the tax year 2023 (collection year 2024) and following roadway and utility improvements, installation of additional and upgraded lighting, improved signage and landscaping, et cetera and substantial completion of potential Redevelopment Projects, the E.A.V. of the Project Area is estimated to range from Two Hundred Thirty-five Million Dollars (\$235,000,000) to Two Hundred Fifty Million Dollars (\$250,000,000). The estimate is based on several key assumptions, including: 1) redevelopment of the Project Area will occur in a timely manner; 2) approximately one million five hundred thousand (1,500,000) to two million (2,000,000) square feet of office/retail space will be constructed or significantly rehabilitated in the Project Area and occupied by 2009; 3) approximately one thousand five hundred (1,500) to one thousand nine hundred (1,900) residential units, one million eight

hundred thousand (1,800,000) to two million two hundred thousand (2,200,000) square feet will be constructed in the Project Area and occupied by 2009; 4) approximately two thousand eight hundred fifty (2,850) private-market parking spaces will be constructed in the Project Area and in use by 2009; 5) approximately three (3) acres will be dedicated to public park land; 6) an estimated annual inflation in E.A.V. of two percent (2%) will be realized through 2023; and 7) the five (5) year average state equalization factor of 2.1437 (tax years 1994 through 1998) is used in all years to calculate estimated E.A.V.

VI.

Lack Of Growth And Development Through Investment By Private Enterprise.

As described in Section III of this Redevelopment Plan, the Project Area as a whole is adversely impacted by the presence of numerous conservation and blight factors, and these factors are reasonably distributed throughout the Project Area. Conservation and blight factors within the Project Area are widespread and represent major impediments to sound growth and development.

The decline of and the lack of private investment in the Project Area are evidenced by the following:

Physical Condition Of The Project Area.

- The Project Area is characterized by age (ninety-six percent (96%) of the buildings are thirty-five (35) years or older), obsolescence, deterioration, structures below minimum code specifications, excessive vacancies, and an overall lack of community planning.
- Several portions of the Project Area's infrastructure (i.e. streets, alleys, curbs and gutters, street lighting and sidewalks) need major repair or replacement.

Lack Of New Construction And Renovation By Private Enterprise.

- Over the time period 1994 through June 1999, no new buildings were built in the Project Area. In this same time period, only three (3) of the twenty-one (21) buildings in the Project Area indicated building improvement permit activity totaling approximately Five Hundred Fifty Thousand

Dollars (\$550,000) (one (1) building accounted for Five Hundred Three Thousand Dollars (\$503,000)).

Lack Of Investment And Growth By Private Enterprise.

- A significant number of buildings within the Project Area are vacant or underutilized. In particular, the former Montgomery Ward Merchandise Building and Catalog Buildings, although architecturally significant, have had significant vacancies for several years, which represents over two million six hundred thousand (2,600,000) square feet of underdeveloped space. The Catalog Building is approximately ninety-seven percent (97%) vacant and the Merchandise Building is one hundred percent (100%) vacant . These vacancies are evidence of the lack of growth and development within the Project Area. Moreover, the sheer bulk of these buildings present extraordinary cost impediments to redevelopment.
- The growth rate of the total Equalized Assessed Valuation ("E.A.V.") of the Project Area has lagged behind that of the balance of the City for three (3) of the last five (5) calendar years for which information is available (1993 to 1998). For these three (3) years 1994/1995, 1995/1996, 1996/1997, the rate of growth of the Project Area total E.A.V. was less than the Consumer Price Index for All Urban Consumers (C.P.I.-U.) for the United States and the C.P.I.-U. Chicago region.
- Between 1993 and 1998, the Assessed Value (the "A.V.") of the Project Area increased from Sixteen Million Six Hundred Forty-four Thousand Forty-one Dollars (\$16,644,041) to Seventeen Million Eight Hundred Ninety-two Thousand Seven Hundred Fifty-four Dollars (\$17,892,754), an increase of One Million Two Hundred Forty-eight Thousand Seven Hundred Thirteen Dollars (\$1,248,713) or seven and five-tenths percent (7.5%) (average annual rate of one and five-tenths percent (1.5%)). Over this same period, the A.V. of the City as a whole increased by sixteen and three-tenths percent (16.3%) (average annual rate of three and one-tenth percent (3.1%)).
- Between 1993 and 1998, the E.A.V. of the Project Area increased from Thirty- five Million Six Hundred Twenty-nine Thousand Eight Hundred Ninety-nine Dollars (\$35,629,899) to Thirty-nine Million Four Thousand Four Hundred Fourteen Dollars (\$39,004,414), an increase of Three Million Three Hundred Seventy-four Thousand Five Hundred Fifteen Dollars (\$3,374,515) or nine and five-tenths percent (9.5%) (average annual rate of one and eight-tenths percent (1.8%)). Over this same period, the E.A.V. of the City as a whole increased by eighteen and four-tenths percent (18.4%) (average annual rate of three and four-tenths

percent (3.4%)).

Impediments To Redevelopment.

- The sheer magnitude of the adaptive reuse component of the Redevelopment Project, particularly in terms of planning and expenses, is a deterrent to private investment. In particular, the former Montgomery Ward Catalog and Merchandise Buildings have over two million six hundred thousand (2,600,000) square feet of available space for redevelopment. Also, within the Project Area there are several other buildings available for adaptive reuse.
- Numerous buildings show signs of obsolescence, deterioration and excessive vacancies.
- Several portions of the Project Area's infrastructure need to be repaired or replaced. Extensive sidewalk, curb, gutter and alley repairs or replacement, street lighting, landscaping and other infrastructure improvements are necessary to transform the Project Area into a pedestrian-friendly environment.
- The architecturally and historically significant former Montgomery Ward Catalog and Merchandise Buildings will require substantial and extraordinary investment to rehabilitate the interior for adaptive reuse.

In summary, the Project Area is not yet a blighted area, but is deteriorating and declining and may become a blighted area. The Project Area on the whole has not been subject to growth and development through investment by private enterprise. The Project Area would not reasonably be anticipated to be developed on a comprehensive and coordinated basis without the intervention of the City and the adoption of this Redevelopment Plan for the Project Area.

VII.

Financial Impact.

Without the adoption of the Redevelopment Plan and T.I.F., the Project Area is not reasonably expected to be redeveloped by private enterprise. In the absence of City-sponsored redevelopment initiatives, there is a prospect that conservation factors will continue to exist and spread, and the Project Area on the whole and adjacent

properties will become less attractive for the maintenance and improvement of existing buildings and sites. In the absence of City-sponsored redevelopment initiatives, erosion of the assessed valuation of property in and outside of the Project Area could lead to a reduction of real estate tax revenue to all taxing districts.

Section V of this Redevelopment Plan describes the comprehensive, area-wide Redevelopment Project proposed to be undertaken by the City to create an environment in which private investment can occur. The Redevelopment Project will be staged over a period of years consistent with local market conditions and available financial resources required to complete the various redevelopment improvements and activities as well as Redevelopment Projects set forth in this Redevelopment Plan. Successful implementation of this Redevelopment Plan is expected to result in new private investment in rehabilitation of buildings and new construction on a scale sufficient to eliminate problem conditions and to return the area to a long-term sound condition.

The Redevelopment Project is expected to have significant short- and long-term positive financial impacts on the taxing districts affected by this Redevelopment Plan. In the short-term, the City's effective use of T.I.F. can be expected to stabilize existing assessed values in the Project Area, thereby stabilizing the existing tax base for local taxing agencies. In the long-term, after the completion of all redevelopment improvements and activities, Redevelopment Projects and the payment of all Redevelopment Project Costs and municipal obligations, the taxing districts will benefit from the enhanced tax base which results from the increase in E.A.V. caused by the Redevelopment Projects.

VIII.

Demand On Taxing District Services.

The following major taxing districts presently levy taxes against properties located within the Project Area:

Cook County. The County has principal responsibility for the protection of persons and property, the provision of public health services and the maintenance of County highways.

Cook County Forest Preserve District. The Forest Preserve District is responsible for acquisition, restoration and management of lands for the purpose of protecting and preserving open space in the City and County for the education, pleasure and recreation of the public.

Metropolitan Water Reclamation District Of Greater Chicago. This district provides the main trunk lines for the collection of waste water from cities, villages and towns, and for the treatment and disposal thereof.

Chicago Community College District 508. This district is a unit of the State of Illinois' system of public community colleges, whose objective is to meet the educational needs of residents of the City and other students seeking higher education programs and services.

Board Of Education Of The City Of Chicago. General responsibilities of the Board of Education include the provision, maintenance and operations of educational facilities and the provision of educational services for kindergarten through twelfth (12th) grade. No public schools are located in or directly adjacent to the Project Area.

Chicago Park District. The Park District is responsible for the provision, maintenance and operation of park and recreational facilities throughout the City and for the provision of recreation programs. There are no parks currently located within the Project Area.

Chicago School Finance Authority. The Authority was created in 1980 to exercise oversight and control over the financial affairs of the Board of Education.

City Of Chicago. The City is responsible for the provision of a wide range of municipal services, including: police and fire protection; capital improvements and maintenance; water supply and distribution; sanitation service; building, housing and zoning codes, et cetera.

City Of Chicago Library Fund. General responsibilities of the Library Fund include the provision, maintenance and operation of the City's library facilities.

In addition to the major taxing districts summarized above, the Chicago Urban Transportation District has taxing jurisdiction over part or all of the Project Area. The Chicago Urban Transportation District (formerly a separate taxing district from the City) no longer extends tax levies, but continues to exist for the purpose of receiving delinquent taxes.

In 1994, the Act was amended to require an assessment of any financial impact of the Project Area on, or any increased demand for services from, any taxing district affected by the Redevelopment Plan and a description of any program to address such financial impacts or increased demand. The City intends to monitor development in the areas and with the cooperation of the other affected taxing districts will attempt to ensure that any increased needs are addressed in connection with any particular development.

A. Impact Of The Redevelopment Project.

The replacement of vacant and underutilized properties with business, residential and other development may cause increased demand for services and/or capital improvements to be provided by the Metropolitan Water Reclamation District, the City of Chicago, the Board of Education and the Chicago Park District. The estimated nature of these increased demands for services on these taxing districts are described below.

Metropolitan Water Reclamation District Of Greater Chicago. The replacement of vacant and underutilized properties with new development may cause increased demand for the services and/or capital improvements provided by the Metropolitan Water Reclamation District.

City Of Chicago. The replacement of vacant and underutilized properties with new development may increase the demand for services and programs provided by the City, including police protection, fire protection, sanitary collection, recycling, et cetera.

Board Of Education. The addition of new households with school-aged children to the Project Area may increase the demand for services and programs provided by the Board of Education. No public schools are located within the boundaries of the Project Area. The nearest public schools are the Chicago Academy of Math, Science and Language High School, the Byrd School, the Franklin School, the Jenner School, the Salazar School and the Schiller School, the closest of which is located approximately one-half ($\frac{1}{2}$) mile outside the boundaries of the Project Area.

The locations of these schools are illustrated in Figure 4, Surrounding Community Facilities.

Chicago Park District. The replacement of vacant and underutilized properties with residential, business and other development may increase the demand for services, programs and capital improvements provided by the Chicago Park District within and adjacent to the Project Area. These public services or capital improvements may include, but are not necessarily limited to, the provision of additional open spaces and recreational facilities by the Chicago Park District. Currently, there are no public parks located within the Project Area. The nearest parks are Stanton Park and Seward Park located approximately one-half ($\frac{1}{2}$) mile north of the Project Area and Eckhart Park located approximately one (1) mile west of the Project Area. The locations of these parks are illustrated in Figure 4, Surrounding Community Facilities.

B. Program To Address Increased Demand For Services Or Capital Improvements.

The following activities represent the City's program to address increased demand for services or capital improvements provided by the impacted taxing districts.

- It is expected that any increase in demand for treatment of sanitary and storm sewage associated with the Project Area can be adequately handled by existing treatment facilities maintained and operated by the Metropolitan Water Reclamation District. Therefore, no special program is proposed for the Metropolitan Water Reclamation District.
- It is expected that any increase in demand for City services and programs associated with the Project Area can be adequately handled by existing City, police, fire protection, sanitary collection and recycling services and programs maintained and operated by the City. Therefore, no special programs are proposed for the City.
- It is expected that the households that may be added to the Project Area will contain few school-aged children and, at this time, no special program is proposed for the Board of Education. The City and the Board of Education, will attempt to ensure that any increased demands for the services and capital improvements provided by the Board of Education are addressed in connection with any particular residential development in the Project Area.
- It is expected that the households and businesses that may be added to the Project Area may generate additional demand for recreational services and programs and may create the need for additional open spaces and recreational facilities operated by the Chicago Park District. The City intends to monitor development in the Project Area and, with the cooperation of the Chicago Park District, will attempt to ensure that any increased demands for the services and capital improvements provided by the Chicago Park District are addressed in connection with any particular residential and business development. One (1) or more open space facilities and riveredge amenities are included in the land-use plan to address the needs of a rapidly expanding residential population and existing and future employees of the Project Area and nearby areas.
- It is expected that any increase in demand for Cook County, Cook County Forest Preserve District, and the Chicago Community College District 508's services and programs associated with the Project Area can be adequately handled by services and programs maintained and operated by these taxing districts. Therefore, at this time, no special programs are proposed for these taxing districts. Should demand increase so that it exceeds

existing service and program capabilities, the City will work with the affected taxing district to determine what, if any, program is necessary to provide adequate services.

(Sub)Exhibit II to this Redevelopment Plan illustrates the allocation of Redevelopment Project Costs.

IX.

Conformity Of The Redevelopment Plan For The Project Area To Land Uses Approved By The Planning Commission Of The City.

This Redevelopment Plan and the Redevelopment Project described herein include land uses which will be approved by the Chicago Plan Commission prior to the adoption of the Redevelopment Plan.

X.

Phasing And Scheduling.

A phased implementation strategy will be utilized to achieve comprehensive and coordinated redevelopment of the Project Area.

It is anticipated that City expenditures for Redevelopment Project Costs will be carefully staged on a reasonable and proportional basis to coincide with Redevelopment Project expenditures by private developers and the receipt of Incremental Property Taxes by the City.

The estimated date for completion of Redevelopment Projects is no later than the year 2023.

XI.*Provisions For Amending This Redevelopment Plan.*

This Redevelopment Plan may be amended pursuant to the Act.

XII.*Commitment To Fair Employment Practices
And Affirmative Action Plan.*

The City is committed to and will affirmatively implement the following principles with respect to this Redevelopment Plan:

- A) The assurance of equal opportunity in all personnel and employment actions, with respect to the Redevelopment Project, including, but not limited to hiring, training, transfer, promotion, discipline, fringe benefits, salary, employment working conditions, termination, et cetera, without regard to race, color, religion, sex, age, handicapped status, national origin, creed or ancestry.
- B) Redevelopers must meet the City's standards for participation of twenty-five percent (25%) Minority Business Enterprises and five percent (5%) Woman Business Enterprises and the City Resident Construction Worker Employment Requirement as required in redevelopment agreements.
- C) This commitment to affirmative action and nondiscrimination will ensure that all members of the protected groups are sought out to compete for all job openings and promotional opportunities.
- D) Redevelopers will meet City standards for the prevailing wage rate as ascertained by the Illinois Department of Labor to all project employees.

The City shall have the right in its sole discretion to exempt certain small businesses, residential property owners and developers from the above.

XIII.*Housing Impact And Related Matters.*

The Project Area contains two (2) mixed-use buildings (a commercial/residential condominium building and an office/residential building) and one (1) multi-family building for a total of seven (7) residential units.

Included in the Plan is the Land-Use Plan (Figure 2). This map indicates three (3) parcels of real property on which there are buildings containing residential units that could be removed if the Plan is implemented in this regard, and that to the extent those units are inhabited, the residents thereof might be displaced.

The number and type of residential buildings in the Project Area potentially affected by the Plan were identified during the building condition and land-use survey conducted as part of the eligibility analysis for the Area. A good faith estimate and determination of the number of residential units within each such building, whether such residential units were inhabited and whether the inhabitants were low-income or very low-income households were based on a number of research and analytical tools including, where appropriate, physical building surveys, data received from data bases maintained by the City's Department of Planning and Development, Cook County tax assessment records or 1990 census data.

Any buildings containing residential units that may be removed and any displacement of residents of inhabited units projected in this Plan are expressly intended to be within the contemplation of the comprehensive program intended or sought to be implemented pursuant to this Plan. To the extent that any such removal or displacement will affect households of low-income and very low-income persons, there shall be provided affordable housing and relocation assistance not less than that which would be provided under the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and the regulations thereunder, including the eligibility criteria. Affordable housing may either be existing or newly constructed housing and the City shall make a good faith effort to ensure that the affordable housing is located in or near the Project Area. For the purposes hereof, "low-income households", "very low-income households" and "affordable housing" shall have the meanings set forth in the Illinois Affordable Housing Act. The City shall make a good faith effort to ensure that this affordable housing is located in or near the Project Area.

Map And Survey Overview.

Based on the Plan's General Land-Use Plan, where compared to the Existing Land-

Use map included as part of (Sub)Exhibit IV herein, there are certain parcels of property currently containing residential uses and units that, if the Plan is implemented in that regard, could result in such buildings being removed. There are seven (7) residential units reflected on the Land-Use Plan map that could be subject to displacement. Of this number, zero (0) are estimated to be occupied by residents classified as low-income, and zero (0) are estimated to be occupied by residents classified as very low-income.

Housing Impact Study.

The Act indicates that if a redevelopment plan would result in the displacement of residents from ten (10) or more inhabited residential units, or if the redevelopment project area contains seventy-five (75) or more inhabited residential units and no certification is made, then the City shall prepare a housing impact study (65 ILCS 5/11-74.4-3(n)(5)). Given that this Redevelopment Plan would not result in the displacement of residents from ten (10) or more inhabited residential units and does not contain seventy-five (75) or more inhabited residential units, the completion of a housing impact study is not required under the Act.

[(Sub)Exhibit I referred to in this Chicago/Kingsbury Tax Increment Financing Redevelopment Project and Plan constitutes Exhibit C to the ordinance and printed on pages 28759 through 28761 of this Journal.]

[Figure 1 referred to in this Chicago/Kingsbury Tax Increment Financing Redevelopment Project and Plan constitutes Exhibit E to the ordinance and printed on page 28762 of this Journal.]

[(Sub)Exhibit III and Figures 2, 3 and 4 referred to in this Chicago/Kingsbury Tax Increment Financing Redevelopment Project and Plan printed on pages 28707 through 28712 of this Journal.]

(Sub)Exhibits II and IV referred to in this Chicago/Kingsbury Tax Increment Financing Redevelopment Project and Plan read as follows:

(Sub)Exhibit II.
(To Chicago/Kingsbury Tax Increment Financing
Redevelopment Project And Plan)

Estimated Redevelopment Project Costs.

Eligible Expense	Estimated Cost
Analysis, Administration, Studies, Surveys, Legal, Marketing, et cetera	\$ 3,250,000
Property Assembly Including Acquisition, Site Preparations and Demolition, Environmental Remediation	9,300,000
Rehabilitation of Existing Buildings, Leasehold Improvements, and Affordable Housing Construction and Rehabilitation Costs	155,000,000
Public Works and Improvements, Including Streets and Utilities, Parks and Open Space, Public Facilities (Schools and Other Public Facilities) ⁽¹⁾	76,750,000

(1) This category may also include paying for or reimbursing (i) an elementary, secondary or unit school districts increased costs attributed to assisted housing units, and (ii) capital costs of taxing districts impacted by the redevelopment of the Project Area. As permitted by the Act, to the extent the City by written agreement accepts and approves the same, the City may pay, or reimburse all, or a portion of a taxing districts capital costs resulting from a redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the Redevelopment Plan.

Eligible Expense	Estimated Cost
Relocation Costs	\$ 2,000,000
Job Training, Retraining, Welfare-to-Work	18,600,000
Day Care Services	9,300,000
Interest Subsidy	<u>6,500,000</u>
TOTAL REDEVELOPMENT COSTS⁽²⁾⁽³⁾:	\$280,700,000

(2) Total Redevelopment Costs exclude any additional financing costs, including any interest expense, capitalized interest and costs associated with optional redemptions. These costs are subject to prevailing market conditions and are in addition to Total Project Costs.

(3) The amount of the Total Redevelopment Costs that can be incurred in the Project Area will be reduced by the amount of redevelopment project costs incurred in contiguous redevelopment project areas, or those separated from the Project Area only by a public right-of-way, that are permitted under the Act to be paid, and are paid, from incremental property taxes generated in the Project Area, but will not be reduced by the amount of redevelopment project costs incurred in the Project Area which are paid from incremental property taxes generated in contiguous redevelopment project areas or those separated from the Project Area only by a public right-of-way.

Additional funding from other sources such as federal, state, county or local grant funds may be utilized to supplement the City's ability to finance Redevelopment Project Costs identified above.

(Sub)Exhibit III.
 (To Chicago/Kingsbury Tax Increment Financing
 Redevelopment Project And Plan)

1998 Equalized Assessed Valuation (E.A.V.) By Tax Parcel
 (Page 1 of 3)

TAX NUMBER	1998 EAV
17-04-300-004-0000	\$78,843
17-04-300-005-0000	\$859
17-04-300-006-0000	\$205,314
17-04-300-007-0000	\$543,133
17-04-300-008-0000	\$4,880,990
17-04-329-003-0000	\$418,833
17-04-501-002-0000	\$81,945
17-09-113-001-0000	\$3,344,987
17-09-113-002-0000	\$571,733
17-09-113-003-0000	\$512
17-09-113-004-0000	\$83,874
17-09-113-005-0000	\$512
17-09-113-006-0000	\$820,270
17-09-113-007-0000	exempt
17-09-113-008-0000	exempt
17-09-114-013-0000	\$7,280,936
17-09-114-014-0000	\$691,606
17-09-114-015-0000	\$2,936,883
17-09-115-010-0000	\$886,807
17-09-115-011-0000	\$885,366
17-09-116-001-0000	\$216,444
17-09-116-002-0000	\$227,161
17-09-116-003-0000	\$210,524
17-09-116-004-0000	\$455,625
17-09-116-005-0000	\$2,866,527
17-09-116-007-0000	exempt
17-09-116-008-0000	\$1,470,539
17-09-119-023-0000	\$1,507,691
17-09-120-015-1001	\$196,191
17-09-120-015-1002	\$55,422
17-09-120-015-1003	\$94,869

*(Sub)Exhibit III.**(To Chicago/Kingsbury Tax Increment Financing
Redevelopment Project And Plan)**1998 Equalized Assessed Valuation (E.A.V.) By Tax Parcel.
(Page 2 of 3)*

17-09-120-015-1004	\$55,311
17-09-120-016-0000	\$234,152
17-09-124-001-0000	\$60,207
17-09-124-002-0000	\$51,422
17-09-124-003-0000	\$51,422
17-09-124-004-0000	\$51,422
17-09-124-005-0000	\$51,422
17-09-124-006-0000	\$51,422
17-09-124-007-0000	\$51,550
17-09-124-008-0000	\$747,704
17-09-124-009-0000	\$799,947
17-09-124-010-0000	\$52,714
17-09-124-011-0000	\$51,422
17-09-124-012-0000	\$51,422
17-09-124-015-0000	\$48,743
17-09-124-016-0000	\$48,743
17-09-124-017-0000	\$48,743
17-09-124-018-0000	\$78,636
17-09-125-001-0000	exempt
17-09-125-002-0000	exempt
17-09-125-003-0000	exempt
17-09-125-004-0000	\$52,291
17-09-125-005-0000	exempt
17-09-125-006-0000	exempt
17-09-125-007-0000	\$211,500
17-09-125-008-0000	\$538,435
17-09-126-001-0000	exempt
17-09-126-002-0000	\$27,624
17-09-126-003-0000	\$85,173
17-09-126-004-0000	\$390,196
17-09-126-008-0000	\$574,175
17-09-126-009-0000	\$16,221
17-09-126-010-0000	\$419,391
17-09-127-001-0000	\$219,254
17-09-127-023-0000	\$191,668
17-09-127-024-0000	\$160,129
17-09-127-025-0000	\$38,092
17-09-214-001-0000	\$54,471

(Sub)Exhibit III.
 (To Chicago/Kingsbury Tax Increment Financing
 Redevelopment Project And Plan)

1998 Equalized Assessed Valuation (E.A.V.) By Tax Parcel.
 (Page 3 of 3)

17-09-214-002-0000	\$54,471
17-09-214-003-0000	\$140,061
17-09-214-004-0000	exempt
17-09-214-005-0000	exempt
17-09-214-006-0000	\$549,753
17-09-214-007-0000	\$229,637
17-09-214-008-0000	\$62,441
17-09-214-009-0000	\$63,710
17-09-214-015-0000	\$82,956
17-09-214-017-0000	\$85,650
17-09-214-018-0000	\$318,915
17-09-500-001-0000	\$270,532
17-09-500-002-0000	\$22,398
17-09-500-003-0000	\$8,247
17-09-500-006-0000	\$102,113
17-09-500-007-0000	\$44,226
17-09-127-023-0000	\$191,668
17-09-127-024-0000	\$160,129
17-09-127-025-0000	\$38,092
Total EAV	\$39,004,414

Figure 2.
(To Chicago/Kingsbury Tax Increment Financing
Redevelopment Project And Plan)

Land-Use Plan

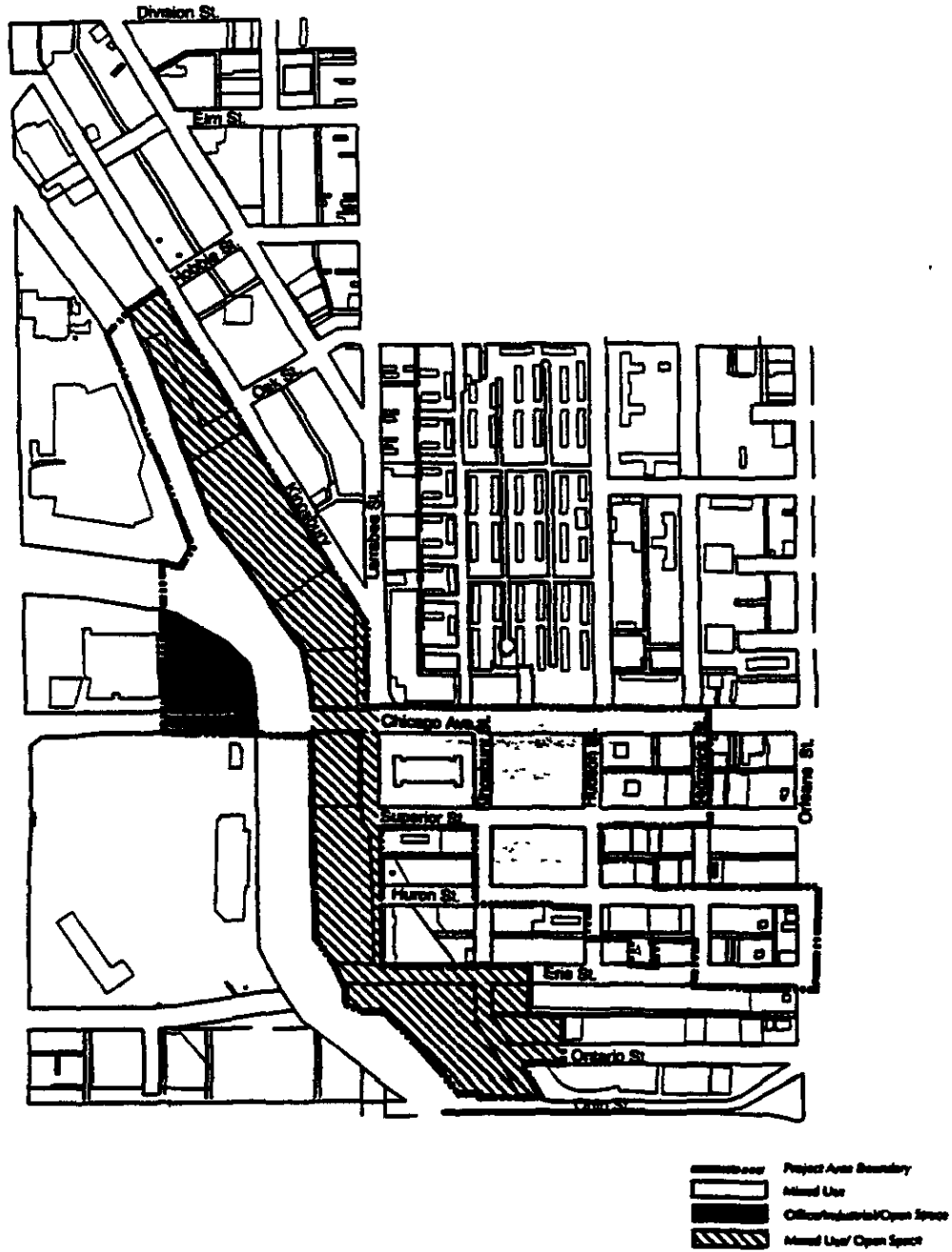


Figure 3.
(To Chicago/Kingsbury Tax Increment Financing
Redevelopment Project And Plan)

Subarea Plan

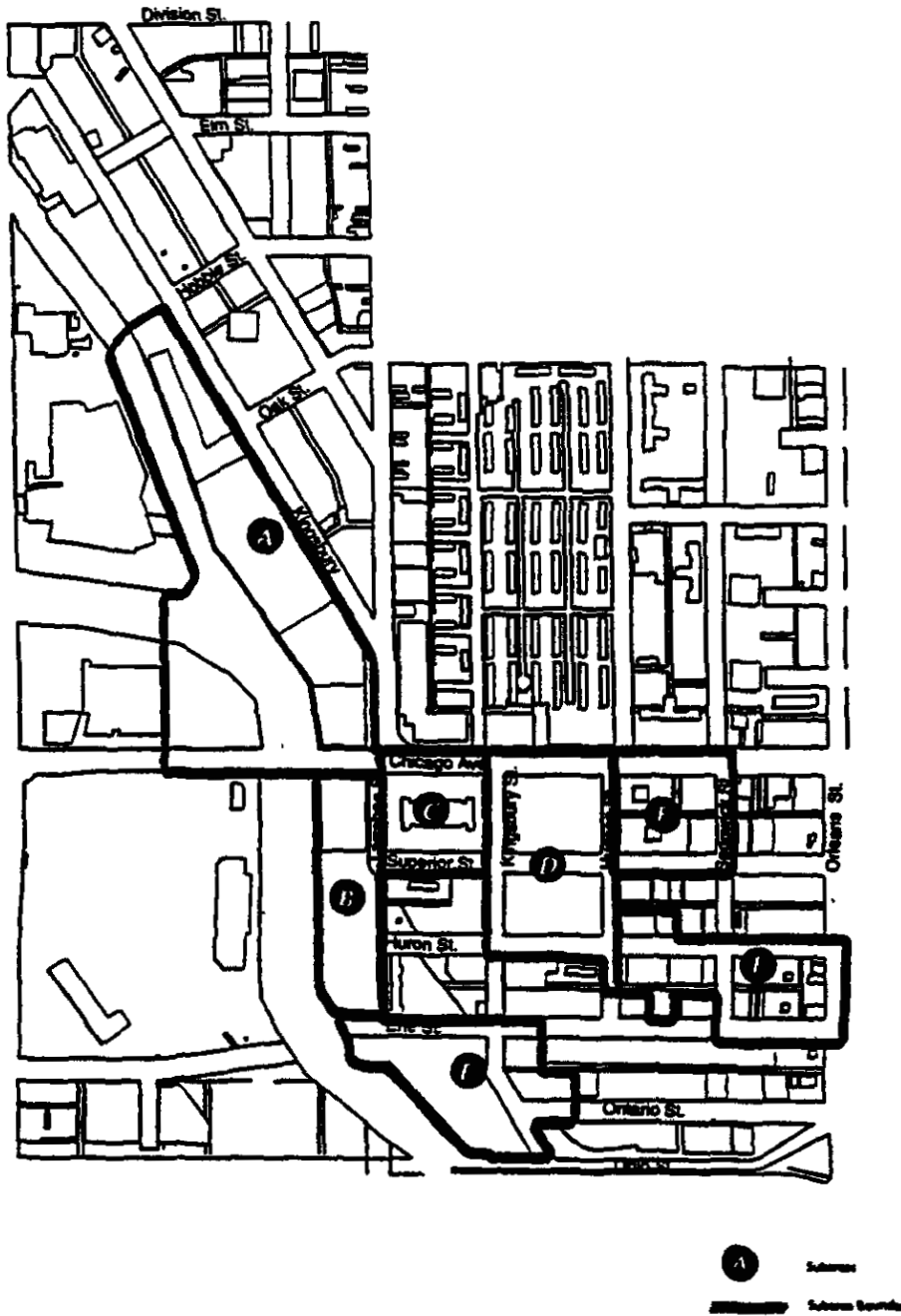
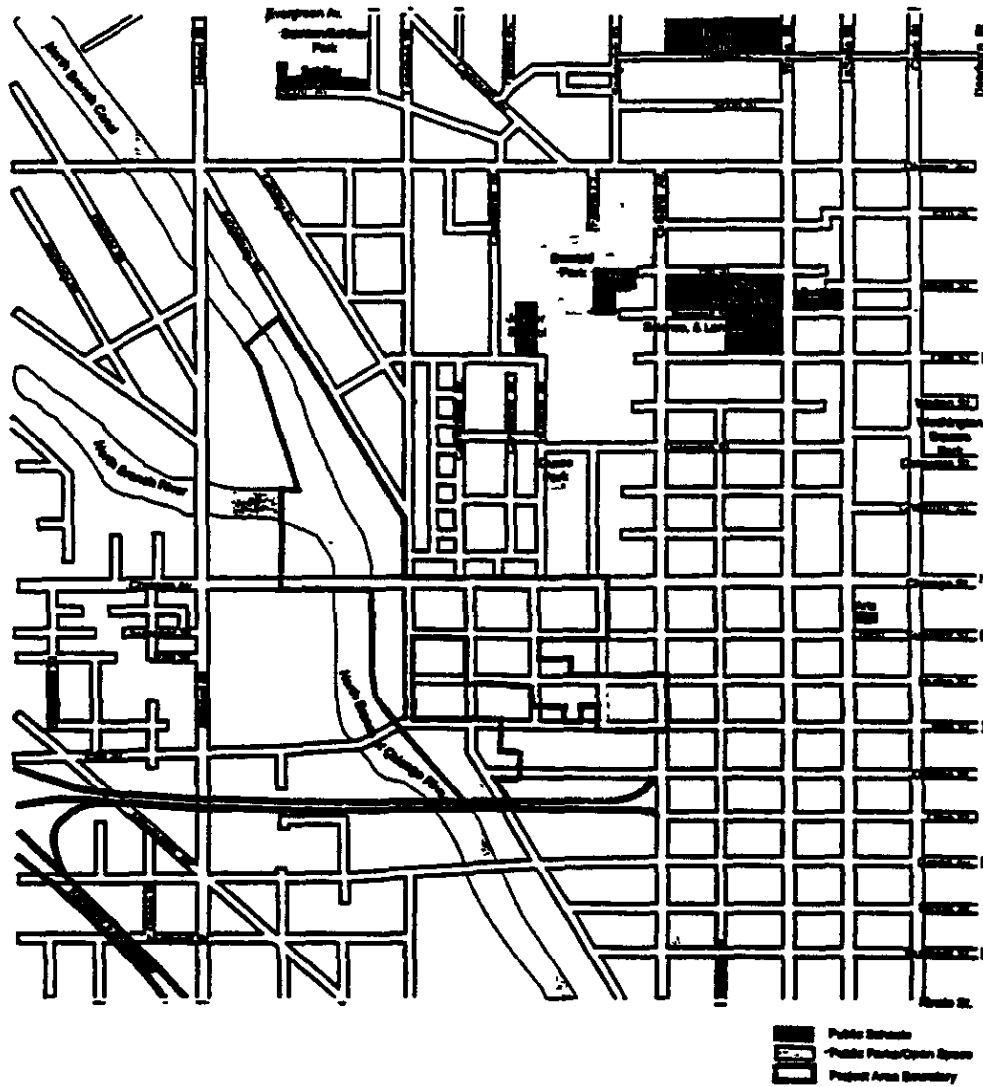


Figure 4.
(To Chicago/Kingsbury Tax Increment Financing
Redevelopment Project And Plan)

Community Facilities.



(Sub)Exhibit IV.
(To Chicago/Kingsbury Tax Increment Financing
Redevelopment Project And Plan)

Eligibility Study.

Executive Summary.

The purpose of this study is to determine whether the Chicago/Kingsbury Tax Increment Financing Redevelopment Project Area (the "Project Area") qualifies for designation as a "conservation area" within the requirements set forth in the Tax Increment Allocation Redevelopment Act (the "Act"). The Act is found in Illinois Compiled Statutes, Chapter 65, Act 5, Section 11-74.4-1, et seq., as amended.

The findings presented in this study are based on surveys and analyses conducted by Trkla, Pettigrew, Allen & Payne, Inc. ("T.P.A.P.") for the Project Area of approximately forty-nine and two-tenths (49.2) acres located within the City of Chicago's Near North Community Area. The Project Area is generally bounded by Hobbie Street and Chicago Avenue on the north, portions of Sedgwick Street and Orleans Street on the east, portions of Ohio Street and Erie Street (east of the Chicago River) on the south, and the North Branch of the Chicago River on the west. The boundaries of the Project Area are shown on Figure 1, Project Area Boundary.

As set forth in the Act, a "redevelopment project area" means an area designated by the municipality which is not less in the aggregate than one and one-half (1½) acres, and in respect to which the municipality has made a finding that there exist conditions which cause the area to be classified as an industrial park conservation area or a blighted area or a conservation area, or a combination of both blighted and conservation areas. The Project Area exceeds the minimum acreage requirements of the Act.

As set forth in the Act, "conservation area" means any improved area within the boundaries of a redevelopment project area located within the territorial limits of the municipality in which fifty percent (50%) or more of the structures in the area have an age of thirty-five (35) years or more. Such an area is not yet a blighted area, but because of a combination of three (3) or more of the following factors, the area is detrimental to the public safety, health, morals or welfare and it may become a blighted area: dilapidation; obsolescence; deterioration; presence of structures below minimum code standards; illegal use of individual structures; excessive vacancies; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land coverage and overcrowding of structures and community facilities; deleterious land-use or layout; lack of community planning; environmental remediation costs (incurred or required);

or a declining or lagging rate of growth in total equalized assessed valuation.

While it may be concluded that the mere presence of the minimum number of the stated factors may be sufficient to make a finding as a conservation area, this evaluation was made on the basis that the conservation area factors must be present to an extent which would lead reasonable persons to conclude that public intervention is appropriate or necessary. Secondly, the distribution of conservation area factors throughout the Project Area must be reasonable so that basically good areas are not arbitrarily found to be conservation areas simply because of proximity to areas which are blighted. This study identifies all existing conservation factors so that reasonable persons can conclude not only that statutory compliance exists, but that public intervention is appropriate and necessary.

On the basis of this approach, the Project Area is eligible as a "conservation area" within the requirements of the Act. Twenty (20) (or ninety-five percent (95%)) of the twenty-one (21) buildings within the Project Area are thirty-five (35) years of age or older. In addition to age, nine (9) of the thirteen (13) qualifying factors required under the Act are present in the Project Area. These factors are reasonably distributed throughout the entire Project Area. The entire Project Area is impacted by and shows the presence of these conservation factors. Finally, the Project Area includes only real property and improvements substantially benefited by the proposed redevelopment project improvements. The extent to which these factors are present in the Project Area is summarized below.

Conservation Area Factors.

1. **Obsolescence.**

Obsolescence as a factor is present to a major extent. Conditions contributing to this factor include the functional and economic obsolescence of existing single-purpose buildings in the Montgomery Ward warehouse buildings and within buildings of limited size and long-term utility, located within blocks throughout major portions of the Project Area. Obsolescence is present to a major extent in six (6) blocks (fifty percent (50%)) and to a limited extent in one (1) block (eight percent (8%)).

2. **Deterioration.**

Deterioration as a factor includes deterioration of buildings, parking areas, loading and service areas, portions of streets and alleys and is present to a major extent in nine (9) blocks (seventy-five percent (75%)) and to a limited extent in two (2) blocks (seventeen percent (17%)).

3. **Structures Below Minimum Code.**

Structures below minimum code requirements as a factor include buildings which are below the minimum legal requirements established by the laws, ordinances and regulations of the City of Chicago. Structures below minimum code standards is present to a major extent in three (3) blocks (twenty-five percent (25%)) and to a limited extent in two (2) blocks (seventeen percent (17%)).

4. **Excessive Vacancies.**

Excessive vacancies include buildings which are either totally vacant or contain vacant floor areas. Excessive vacancies are present to a major extent in five (5) blocks (forty-two percent (42%)) and to a limited extent in one (1) block (eight percent (8%)).

5. **Excessive Land Coverage And Overcrowding Of Structures And Community Facilities.**

Excessive land coverage and overcrowding of structures and community facilities as a factor is present to a major extent and includes buildings which occupy nearly one hundred percent (100%) of the parcels upon which they are located, resulting in limited and confined off-street parking, inadequate service and loading facilities, limited ingress and egress from the site and excessive travel distances between remote parking areas and building entrances. Excessive land coverage is present to a major extent in four (4) blocks (thirty-three percent (33%)) and to a limited extent in one (1) block (eight percent (8%)).

6. **Deleterious Land-Use Or Layout.**

Deleterious land-use or layout as a factor is present to a major extent. The layout of buildings and the relation to adjacent buildings, resulting from improperly sized blocks and parcels, including odd-shaped triangular parcels, or parcels with limited depth which are not compatible with present-day development standards for large industrial or commercial buildings. Deleterious land-use or layout is present to a major extent in four (4) blocks (thirty-three percent (33%)) and to a limited extent in two (2) blocks (seventeen percent (17%)).

7. Lack Of Community Planning.

Lack of community planning as a factor is present to a major extent. The Project Area was developed over eighty (80) years ago without the benefit or guidance at that time of a community plan with reasonable policies and standards for building setbacks, the location and arrangement of off-street parking and for buffering/screening of warehousing uses from adjacent commercial and residential areas.

8. Declining Or Lagging Rate Of Growth Of Total Equalized Assessed Valuation.

The presence of a declining or lagging equalized assessed valuation for the Project Area is present to a major extent. For three (3) of the last five (5) calendar years for which information is available, the rate of growth in the Project Area's total equalized assessed valuation was less than that for the balance of the City of Chicago and less than the increase in the Consumer Price Index for All Urban Consumers for those same three (3) years.

9. Environmental Remediation.

Environmental remediation is present to a major extent in the one (1) block of the Project Area for which information is available. This block, however, comprises well under fifty percent (50%) of the land area in the Project Area; thus environmental remediation is present to a limited extent.

1. Basis For Redevelopment.

The Illinois General Assembly made two (2) key legislative findings in adopting the Act:

1. that there exists in many municipalities within the state blighted and conservation areas; and
2. that the eradication of blighted areas and the treatment and improvement of conservation areas by redevelopment projects are essential to the public interest.

These findings were made on the basis that the presence of blight or conditions which lead to blight are detrimental to the safety, health, welfare and morals of the public.

To ensure that the exercise of these powers is proper and in the public interest, the Act also specifies certain requirements which must be met before a municipality can proceed with implementing a redevelopment project. One (1) of these requirements is that the municipality must demonstrate that a prospective redevelopment project qualifies either as a "blighted area" or as a "conservation area" within the definitions for each set forth in the Act (in Section 11-74.4-3). These definitions are described below.

Eligibility Of A Blighted Area.

A blighted area may be either improved or vacant. If the area is improved (e.g., with industrial, commercial and residential buildings or improvements), a finding may be made that the area is blighted because of the presence of a combination of five (5) or more of the thirteen (13) factors listed and defined in the Act, each of which is a) present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and b) reasonably distributed throughout the improved part of the redevelopment area.

These thirteen (13) factors are listed as follows:

- Dilapidation.
- Obsolescence.
- Deterioration.
- Illegal use of individual structures.
- Presence of structures below minimum code standards.
- Excessive vacancies.
- Lack of ventilation, light or sanitary facilities.
- Inadequate utilities.
- Excessive land coverage and overcrowding of structures and community facilities.
- Deleterious land-use or layout.
- Lack of community planning.

- Environmental remediation costs have been incurred or are required.
- Declining or lagging rate of growth of total equalized assessed valuation.

If the area is vacant, it may be found to be eligible as a blighted area based on the finding that the sound growth of the taxing districts is impaired by one (1) of the following seven (7) criteria each of which is a) present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and b) reasonably distributed throughout the improved part of the redevelopment area. These seven (7) criteria are listed as follows:

- A combination of two (2) or more of the following factors: obsolete platting of the vacant land; diversity of ownership of such land; tax and special assessment delinquencies on such land; deterioration of structures or site improvements in neighboring areas adjacent to the vacant land; environmental remediation costs have been incurred or are required; or a declining or lagging rate of growth (relative to the balance of the municipality or the consumer price index of all urban consumers) of total equalized assessed valuation for three (3) of the last five (5) calendar years.
- The area consists of one (1) or more unused quarries, mines or strip mine ponds.
- The area consists of unused railyards, rail tracks or railroad rights-of-way.
- The area, prior to its designation, is subject to chronic flooding that adversely impacts on real property in the area as certified by a registered professional engineer or appropriate regulatory agency.
- The area consists of an unused or illegal disposal site, containing earth, stone, building debris or similar materials, which were removed from construction, demolition, excavation or dredge sites.
- The area is not less than fifty (50) nor more than one hundred (100) acres and seventy-five percent (75%) of which is vacant, notwithstanding the fact that such area has been used for commercial agricultural purposes within five (5) years prior to the designation of the redevelopment project area, and which area meets at least one (1) of the factors itemized in provision (1) of the subsection (a), and the area has been designated as a town or village center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose.

- The area qualified as a blighted improved area immediately prior to becoming vacant unless there has been substantial private investment in the immediately surrounding area.

Eligibility Of A Conservation Area.

A conservation area is an improved area in which fifty percent (50%) or more of the structures in the area have an age of thirty-five (35) years or more and there is a presence of a combination of three (3) or more of the thirteen (13) factors defined in the Act and listed below. Such an area is not yet a blighted area, but because of a combination of three (3) or more of these factors, the area may become a blighted area.

- Dilapidation.
- Obsolescence.
- Deterioration.
- Illegal use of individual structures.
- Presence of structures below minimum code standards.
- Excessive vacancies.
- Lack of ventilation, light or sanitary facilities.
- Inadequate utilities.
- Excessive land coverage and overcrowding of structures and community facilities.
- Deleterious land-use or layout.
- Lack of community planning.
- Environmental remediation costs have been incurred or are required.
- Declining or lagging rate of growth of total equalized assessed valuation.

For conservation areas, the Act does not describe what constitutes the extent of presence necessary to make a finding that a factor exists. Therefore, reasonable criteria should be developed to support each local finding that an area qualifies as a conservation area. In developing these criteria, the following principles have been applied:

1. the minimum number of factors must be present to a meaningful extent and the presence of each must be documented;
2. for a factor to be found present, it should be present to a meaningful extent so that a local governing body may reasonably find that the factor is clearly present within the intent of the Act; and
3. the factors should be reasonably distributed throughout the redevelopment project area.

It is also important to note that the test of eligibility is based on the conditions of the area as a whole; it is not required that eligibility be established for each and every property in the Project Area.

2. The Project Area.

The Project Area consists of a twelve (12) full and partial block area of approximately forty-nine and two-tenths (49.2) acres including street and alley rights-of-way and a portion of the land underneath the Chicago River. Of the total forty-nine and two-tenths (49.2) acres, nineteen and five-tenths (19.5) acres (thirty-nine and six-tenths percent (39.6%)), is devoted to streets and alleys rights-of-way and a portion of the Chicago River and twenty-nine and seven-tenths (29.7) acres (sixty and three-tenths percent (60.3%)) is available land area within blocks. The dominant activity within the area is the corporate headquarters of Montgomery Ward, consisting of five (5) large vacant warehouse-type buildings along the east side of the Chicago River at Chicago Avenue, and the twenty-six (26) floor Tower Building located on a single block east of the warehouse buildings. Remaining blocks consist of light industrial uses, offices and a variety of mixed commercial activity. Two (2) blocks are used for surface parking only. The Chicago Housing Authority's Cabrini Green public housing complex is located to the east and north of the Project Area. Figure 2, Existing Land-Use identifies the various land uses in the Project Area.

The Project Area is generally bounded by Hobbie Street and Chicago Avenue to the north, an irregular line including portions of Sedgwick Street and Orleans Street to the east, Ohio Street and portions of Erie Street to the south, and the North Branch of the Chicago River and the North Branch Canal on the west. The Montgomery Ward

buildings along the east side of the Chicago River, from Hobbie Street south to Chicago Avenue, consist of four (4) buildings that comprise the Catalog Buildings or "complex" and include a large single-story loading dock "building" at the north end and the nine (9) story Catalog Buildings (including the "Atrium" Office building) running south along the River and fronting Chicago Avenue. The eight (8) story Merchandise Building, including an old enclosed walkway extension on the south that provided access to the former Research and Development Building, is located south of Chicago Avenue along the Chicago River. Currently, due to the consolidation of offices, only the Tower Building is fully occupied. The older Catalog warehouse buildings -- the Atrium, the loading dock and the Merchandise Building -- are used for limited storage and are essentially vacant.

The Montgomery Ward warehouse buildings, including the Catalog Buildings and Merchandise Building contain approximately two million six hundred thousand (2,600,00) square feet of floor area. Total floor area of the Montgomery Ward buildings, including the twenty-six (26) floor Tower Building, exceed three million one hundred thousand (3,100,00) square feet. Catalog Buildings were constructed from 1908 through 1939; the Merchandise Building was built in 1928. The loading dock was constructed in 1962 and the Tower Building was completed in 1972. All buildings are connected at the basement level, including a tunnel under Larrabee Street connecting the Tower Building to the Merchandise Building.

The Montgomery Ward buildings represent a major vacant and underutilized building mass in a very strategic part of the Near North Community Area. In addition to the Montgomery Ward properties, remaining blocks to the east within the Project Area also consist of both large and small warehouse-type buildings with vacancies; small, aged, obsolete and narrow single-purpose buildings with limited potential for expansion or conversion; parcels of limited size and depth; and properties with deferred maintenance. These problems have resulted in excessive vacancies and limited occupancies, indicating the need for significant capital improvements in many properties of the Project Area.

Access to the area is provided principally by Chicago Avenue which crosses the Chicago River in an east/west direction. The Project Area also has convenient access to the I-90/I-94 interstate highway system, which is accessible directly south and east of the Project Area at the Ohio Street and Ontario Street access ramps.

3. Eligibility Survey And Analysis Findings.

An analysis was made of each of the conservation factors listed in the Act to determine whether each or any are present in the Project Area, and if so, to what extent and in what locations. Surveys and analyses conducted by Trkla, Pettigrew, Allen & Payne, Inc. included:

1. exterior survey of the condition and use of all buildings;
2. detailed interior surveys of the Montgomery Ward Buildings;
3. field survey of environmental conditions covering streets, sidewalks, curbs and gutters, lighting, traffic, parking facilities, landscaping, fences and walls, and general property maintenance;
4. analysis of the existing uses within the Project Area and their relationships to the surroundings;
5. comparison of current land-use to current zoning ordinance and the current zoning map;
6. analysis of original and current platting and building size and layout;
7. analysis of vacant portions of the area and buildings;
8. analysis of building floor area and site coverage;
9. analysis of building permits issued for the Project Area from January 1, 1993 to June 9, 1999;
10. analysis of building code violations for the Project Area from August, 1998;
11. review of previously prepared plans, studies and data;
12. analysis of Cook County Assessor records for assessed valuations and equalization factors for tax parcels in the Project Area for assessment years 1993 to 1998; and
13. Clayton Group Services, Inc., Environmental Consultants, January, 2000 Memorandum of Findings of April, 1999 Assessments.

Figures 3 and 4 present copies of the forms used to record building conditions for interior and exterior surveys.

The following statement of findings is presented for each conservation factor listed in the Act. The conditions that exist and the relative extent to which each factor is present are described below.

A factor noted as "not present" indicates either that no information was available or that no evidence could be documented as part of the various surveys and analyses. A

factor noted as "present to a limited extent" indicates that conditions exist which document that the factor is present, but that the distribution or impact of the conservation or blight condition is limited.. Finally, a factor noted as present to a major extent indicates that conditions exist which document that the factor is present throughout major portions of the block, and that the presence of such conditions has a major adverse impact or influence on adjacent and nearby development.

What follows is the summary evaluation of the conservation factors, presented in order of their listing in the Act.

A. Age.

Age is a primary and prerequisite factor in determining an area's qualification for designation as a "conservation" area. Age presumes the existence of problems or limiting conditions resulting from normal and continuous use of structures over a period of years. Since building deterioration and related structural problems can be a function of time, and climate, structures which are thirty-five (35) years or older typically exhibit more problems and require greater maintenance than more recently constructed buildings.

Five (5) of the six (6) Montgomery Ward buildings were constructed during the period 1908 to 1962. Of the total twenty-one (21) buildings within the seven (7) blocks containing buildings, twenty (20) or ninety-five percent (95%), are thirty-five (35) years in age or older.

Conclusion.

The Project Area meets the prerequisite age test for designation as a "conservation area". Nearly all buildings ninety-five percent (95%) within the Project Area exceed thirty-five (35) years in age (the only exception is the Montgomery Ward Tower Building).

Figure 5, Age, illustrates the presence and distribution of all buildings impacted by building age (by block) where more than fifty percent (50%) of the block contains buildings thirty-five (35) years or older in the Project Area. This factor is widely distributed throughout the Project Area.

B. Dilapidation.

As defined in the Act, Dilapidation refers to an advanced state of disrepair or neglect of necessary repairs to the primary structural components of buildings or improvements in such a combination that a documented building condition analysis determines that

major repair is required or the defects are so serious and so extensive that the buildings must be removed.

This section summarizes the process used for assessing building conditions in the Project Area, the standards and criteria used for evaluation, and the findings as to the existence of dilapidation or deterioration of structures. The process, standards and criteria were applied in accordance with the T.P.A.P. Building Condition Survey Manual.

The building condition analysis is based on a thorough interior-exterior inspection of the Montgomery Ward buildings and sites during October, 1998 and exterior surveys of the properties in adjacent blocks during January, May and August of 1999. Noted during the inspection were structural deficiencies in building components and related environmental deficiencies in the Project Area. The Building Condition Survey Forms are shown in Figures 3 and 4.

Building Components Evaluated.

During the field survey, each component of the buildings in the Project Area was examined to determine whether it was in sound condition or had minor, major or critical defects. Building components examined were of two (2) types:

- **Primary Structural.**

These include the basic elements of any building: foundation walls, load-bearing walls and columns, floors, roof and roof structure.

- **Secondary Components.**

These are components generally added to the primary structural components and are necessary parts of the building, including exterior and interior stairs, windows and window units, doors and door units, interior walls, chimneys, and gutters and downspouts.

- **Criteria For Classifying Defects For Building Components.**

Each primary and secondary component was evaluated separately as a basis for determining the overall condition of individual buildings. This evaluation considered the relative importance of specific components within a building and the effect that deficiencies in components will have on the remainder of the building.

Building Component Classifications.

The four (4) categories used in classifying building components and systems and the criteria used in evaluating structural deficiencies are described below:

-- **Sound.**

Building components which contain no defects, are adequately maintained, and require no treatment outside of normal ongoing maintenance.

-- **Deficient -- Requiring Minor Repair.**

Building components which contain defects (loose or missing material or holes and cracks over a limited area) which often may be corrected through the course of normal maintenance. Minor defects have no real effect on either primary or secondary components and the correction of such defects may be accomplished by the owner or occupants, such as pointing masonry joints over a limited area or replacement of less complicated components. Minor defects are not considered in rating a building as structurally substandard.

-- **Deficient -- Requiring Major Repair.**

Building components which contain major defects over a widespread area and would be difficult to correct through normal maintenance. Buildings in the major deficient category would require replacement or rebuilding of components by people skilled in the building trades.

-- **Critical.**

Building components which contain major defects (bowing, sagging or settling to any or all exterior component causing the structure to be out-of-plumb, or broken, loose or missing material and deterioration over a widespread area) so extensive that the cost of repair would be excessive.

Final Building Rating.

After completion of the exterior-interior building condition survey, the structure was placed in one (1) of four (4) categories based on the combination of defects found in various primary and secondary building components. Each final rating is described below:

-- **Sound.**

Sound buildings can be kept in a standard condition with normal maintenance. Buildings so classified have less than one (1) minor defect.

-- **Deficient.**

Deficient buildings contain defects which collectively are not easily correctable and cannot be accomplished in the course of normal maintenance. The classification of major or minor reflects the degree or extent of defects found during the survey of the building.

-- **Minor.**

Buildings classified as deficient -- requiring minor repairs -- have more than one (1) minor defect but less than one (1) major defect.

-- **Major.**

Buildings classified as deficient -- requiring major repairs -- have at least one (1) major defect in one (1) of the primary components or in the combined secondary components, but less than one (1) critical defect.

-- **Substandard.**

Structurally substandard buildings contain defects which are so serious and so extensive that the building must be removed. Buildings classified as structurally substandard have two (2) or more major defects.

"Minor deficient" and "major deficient" buildings are considered to be the same as "deteriorating" buildings as referenced in the Act; "substandard" buildings are the same as "dilapidated" buildings. The words "building" and "structure" are presumed to be interchangeable.

Exterior-Interior Surveys.

The condition of the buildings within the Project Area were determined based on observable components. Based on the degree and distribution of major and minor

defects, the overall condition ratings classify all buildings as either sound, or requiring minor or major repairs.

Conclusion.

Structurally substandard buildings (dilapidation) as a factor does not exist within the Project Area.

C. Obsolescence.

As defined in the Act, "obsolescence" refers to the condition or process of falling into disuse. Structures have become ill-suited for the original use.

These definitions provide the basis for describing the general obsolescence of buildings or site improvements in a proposed redevelopment project area. In making findings with respect to buildings, it is important to distinguish between functional obsolescence, which relates to the physical utility of a structure, and economic obsolescence, which relates to a property's ability to compete in the market place.

-- Functional Obsolescence.

Structures historically have been built for specific uses or purposes. The design, location, height and space arrangement are intended for a specific occupant at a given time. Buildings become obsolescent when they contain characteristics or deficiencies which limit the use and marketability of such buildings after the original use ceases. The characteristics may include loss in value to a property resulting from an inherent deficiency existing from poor design or layout or the improper orientation of the building on its site, which detracts from the overall usefulness or desirability of a property.

-- Economic Obsolescence.

Economic obsolescence is normally a result of adverse conditions which cause some degree of market rejection and, hence, depreciation in market values. Typically, buildings classified as dilapidated and buildings which contain vacant space are characterized by problem conditions which may not be economically curable, resulting in net rental losses and/or depreciation in market value.

Site improvements, including sewer and water lines, public utility lines (gas, electric

and telephone), roadways, parking areas, parking structures, sidewalks, curbs and gutters, lighting, may also evidence obsolescence in terms of their relationship to contemporary development standards for such improvements. Factors of obsolescence may include inadequate utility capacities or outdated designs.

Obsolescence as a factor should be based upon the documented presence and reasonable distribution of buildings and site improvements evidencing such obsolescence.

Obsolete Building Types.

Obsolete buildings contain characteristics or deficiencies which limit their long-term sound use or reuse. Obsolescence in such buildings is typically difficult and expensive to correct. Obsolete building types have an adverse affect on nearby and surrounding development and detract from the physical, functional and economic vitality of the area.

Obsolescence is present within seventeen (17) of the twenty-one (21) buildings in the Project Area. The structures are characterized by conditions which limit their use and marketability according to contemporary standards for either warehouse buildings or commercial use, particularly those suitable for large operations. Obsolescence is evidenced by the following:

Montgomery Ward Buildings.

Obsolescence is present in four (4) of the six (6) buildings and includes the Merchandise Building, south section of the Catalog Building, main portion of the Catalog Building (north of the Atrium Building) and the loading dock. Characteristics which contribute to the obsolescence of these four (4) buildings include:

- Multi-story design with eight (8) and nine (9) story buildings adds to elevator waiting time to move goods vertically up and down many floors. The Merchandise Building contains two (2) large interior light wells which are required to provide natural light to this multi-story building and thereby reduce the available floor area for warehousing or commercial use.
- Due to the age of buildings and the technology at the time of construction, clear floor space without interior walls required many columns for supporting floors -- resulting in "close" column spacing throughout the complex of the four (4) buildings which, in turn, limits the amount of available floor space for current or future commercial use.

- Except for the Merchandise Building, which has new thermo-pane windows, three (3) buildings contain old, metal single-pane windows resulting in excessive heat loss.
- Portions of the complex are "under-elevated" with the south section and main section of the Catalog Building containing a limited number of both freight or passenger elevators.
- *Electrical fixtures and lighting conditions are obsolete. Portions of the complex contain single bulb fixtures with frayed wiring and a limited number of electrical outlets. As a result of these out-dated features, the renovation of the Merchandise Building for office use has required the installation of wire molds along the many interior columns in order to provide receptacles to accommodate modern office needs (primarily computer capacity).*
- Buildings were constructed during different periods resulting in heating, venting and air-conditioning (H.V.A.C.) systems that do not function properly and cannot be zoned efficiently throughout all portions of the complex. The boilers in the Catalog Buildings have reached the end of their service life.
- Maintenance required for the complex is excessive in cost, both for on-going items and for future budgeted improvements.

Buildings In Adjacent Blocks.

Buildings are of limited size in width and depth with small floor plates, and close column spacing resulting in limited open floor areas. Inadequate mechanical systems and inefficient construction result in energy inefficiencies. Many buildings are also single-purpose in nature, including a multi-story warehouse, or are small service buildings with inadequate potential for conversion to other commercial uses. Many buildings also lack provisions for proper loading or service.

Obsolete Site Conditions.

Obsolescence within the sites of the Project Area include the following problems:

- Limited exit and entry points to the existing Montgomery Ward Warehouse Buildings.
- Buildings cover the entire property on which they are located allowing only limited space for loading, service and off-street parking.

- Off-street parking is located in areas of adjacent blocks resulting in extensive travel distance between parking areas and building entrances.
- Parcels of limited width (twenty-four (24) feet) and depth (one hundred (100) feet) with several owners in many blocks inhibit the potential for expansion or land assembly for new development.
- Larrabee Street is only thirty-three (33) feet in right-of-way width and has approximately fifteen (15) feet in pavement width.

Conclusion.

The analysis indicates that obsolescence is present to a major extent in six (6) blocks and to a limited extent in one (1) block of the seven (7) blocks containing buildings.

Blocks in which twenty percent (20%) or more of the buildings or sites are obsolete are indicated as characterized by the presence of obsolescence to a major extent. Blocks in which less than twenty percent (20%) of the buildings or sites are obsolete are indicated as characterized by the presence of obsolescence to a limited extent. Figure 6, Obsolescence, illustrates the presence and extent of obsolescence in the Project Area.

D. Deterioration.

As defined in the Act, "deterioration" refers to, with respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts, and fascia. With respect to surface improvements, the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas evidence deterioration, including, but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces.

Based on the definition given by the Act, deterioration refers to any physical deficiencies or disrepair in buildings or site improvements requiring treatment or repair.

- Deterioration may be evident in basically sound buildings containing minor defects, such as lack of painting, loose or missing materials, or holes and cracks over limited areas. This deterioration can be corrected through normal maintenance.
- Deterioration which is not easily correctable and cannot be accomplished in the course of normal maintenance may also be evident in buildings. Such buildings may be classified as minor deficient or major deficient buildings,

depending upon the degree or extent of defects. This would include buildings with defects in the secondary building components (e.g., doors, windows, porches, gutters and downspouts, fascia materials, et cetera), and defects in primary building components (e.g., foundations, frames, roofs, et cetera), respectively.

Deterioration Of Buildings.

The analysis of building deterioration is based on the survey methodology and criteria described in the preceding section on "Dilapidation". Of the total twenty-one (21) buildings within the Project Area, seventeen (17) are classified as deteriorating. Table 1, Summary of Building Deterioration, summarizes building deterioration within the blocks containing buildings in the Project Area. It should be noted that while defects in the minor deficient buildings were limited, the large size of the Montgomery Ward structures and other multi-story buildings would require significant cost to correct or improve the condition of these structures beyond normal maintenance required in buildings of limited size.

Table 1.

Summary Of Building Conditions.

Building Conditions.

Survey Block Number	Number Of Buildings	Sound	Deteriorated/ Deteriorating	Substandard/ Dilapidated
300/501	4	1	3	0
113/500	1	0	1	0
114	1	0	1	0
116	4	2	2	0
120	1	0	1	0
124	3	0	3	0
125/214	7	1	6	0

Survey Block Number	Number Of Buildings	Sound	Deteriorated/ Deteriorating	Substandard/ Dilapidated
Project Area Total	21	4	17	0
Percent	100%	20%	80%	0%

Montgomery Ward Buildings.

Deterioration is present in five (5) of the six (6) Montgomery Ward buildings. These include the Tower, the Merchandise Building, and the portions of the complex of Catalog buildings. Only the Atrium portion of the Catalog complex is in sound condition. Of the five (5) buildings exhibiting deterioration, three (3) are minor deficient and two (2) are in major deficient condition. Deterioration is present in exterior walls, roofs, windows, ceilings, floors, parapets, portions of interior walls and loading dock overhead doors.

Buildings In Other Project Area Blocks.

Deterioration is present in all seven (7) blocks containing buildings including defects requiring major and minor repairs. Defects and deterioration were noted on visible components including exterior walls, windows, doors, loading docks, porches and steps, fire escapes, portions of foundations and cornices.

Deterioration Of Site Surface Areas, Streets And Alleys.

Field surveys were conducted to identify the condition of parking and surface storage areas, streets and alleys. Deteriorated parking areas include broken asphalt, worn or "alligatored" surface and pot holes, sections of gravel surface and weed growth and debris along the east side and north end of the vacant loading dock and west of the Chicago River along Chicago Avenue. Similar conditions in other Project Area parking lots include the Ward's visitor parking area, south of the Merchandise Building at Superior and Larrabee Streets; the block devoted to parking bordered by Kingsbury Street, Superior Street, Hudson Avenue and Huron Street; and three (3) surface lots in three (3) separate blocks west of Hudson Avenue. Streets with deteriorated pavement include the narrow section of Larrabee Street, from Erie Street to Chicago Avenue and

within the north parking lane of Erie Street, between Kingsbury Street and Hudson Avenue. Alleys with poor, uneven surface conditions and deteriorated pavement exist in the two (2) blocks east of Hudson Avenue, south of Huron Street. The Project Area also contains several sections of uneven, settled and cracked sidewalk along both sides of Chicago Avenue between the Chicago River and Larrabee Street and along the west side of Kingsbury Street, between Huron and Erie Streets.

Conclusion.

Deterioration is present to a major extent throughout the main portions of the Montgomery Ward properties and within the remaining blocks within the Project Area. Deterioration is present to a major extent in nine (9) blocks and to a limited extent in two (2) blocks.

Blocks in which twenty percent (20%) or more of the buildings or site improvements are indicated as characterized by deterioration and, provided that at least ten percent (10%) of all buildings are deteriorating to a major deficient level, indicate the presence of deterioration to a major extent. Blocks in which less than twenty percent (20%) of the buildings or sites show the presence of deterioration and less than ten percent (10%) of all buildings are deteriorating to a major deficient level, indicate that deterioration is present to a limited extent. Figure 7, Deterioration, illustrates the presence and extent of deterioration within the Project Area.

E. Presence Of Structures Below Minimum Code Standards.

As defined in the Act, the "presence of structures below minimum code standards" refers to all structures that do not meet the standards of zoning, subdivision, building, fire and other governmental codes applicable to property, but not including housing and property maintenance codes.

As referenced in the definition above, the principal purposes of governmental codes applicable to properties are to require buildings to be constructed in such a way as to sustain safety of loads expected from the type of occupancy, to be safe for occupancy against fire and similar hazards, and/or to establish minimum standards essential for safe and sanitary habitation. Structures below minimum code are characterized by defects or deficiencies which threaten health and safety.

Montgomery Ward Buildings.

Based on the Eckland Engineering Consultant Report¹, City Department of Buildings Code Inspection Reports, and the T.P.A.P. surveys, the presence of structures below minimum code, as a factor, is present to a degree. However, considering the size of the complex and history of building maintenance and compliance to code violations, this factor may only be present to a moderate extent. Generally, the list of code violations is limited and intentions of compliance have been part of Ward's past policy. Indications are that the City has not completed a detailed code inspection in recent years. Below minimum code items can, however, be considered as a significant problem due to the size of the complex and related cost for compliance. Items or conditions which are not in compliance to the City Building or Maintenance Codes include the following:

- Lack of Americans with Disabilities Act (A.D.A.) provisions in parking areas, access to buildings, and access to washrooms and elevators. The A.D.A. provisions are not required as long as the complex is under a single private owner but would be required under future multi-tenant or public ownership.
- Due to exterior wall conditions, buildings are not in compliance with the Exterior Inspection and Maintenance for Existing Buildings Ordinance of the City. This ordinance addresses exterior wall integrity and indicates a required plan and corrective action for eliminating exterior surface defects. No record of a City inspection or plan for improvements were documented.
- Lack of ground fault intercept (G.F.I.) receptacles near sink locations throughout the complex.
- General defects, holes, cracks, loose material of exterior walls, windows, interior walls and ceilings, and seepage of roofs are below City code requirements for existing buildings.
- Open stud and chicken-wire interior partitions and partitions with open-stud and plywood in portions of the Catalog Building are below the fire-proof ratings required for the type of occupancy and construction of the building.

(1) Property Condition Report: Montgomery Ward Campus, Eckland Consultants, March 4, 1997. Eckland Consultants are an Architectural, Engineering and Environmental consulting firm.

- Lack of sprinkler systems in some portions of the Catalog Complex.
- Flammable storage of wooden shelving in vacant floors of the south portion of the Catalog Complex.
- Brittle, old wiring of single-bulb fixtures in the south portion of the Catalog Complex.
- Inconsistent presence and illumination of exit signs at all exits and stairs.
- Fire extinguishers need to be recharged with an attached tag with recharge date and signature.

The factor of buildings below minimum code standards is present to a moderate extent within the Ward's Complex.

Buildings In Other Project Area Blocks.

Seven (7) buildings in three (3) of the four (4) "non-Ward" blocks exhibited advanced defects on visible exterior components which are below the City's Exterior Inspection and Maintenance Ordinance for Existing Buildings.

Conclusion.

The factor of structures below minimum code standards is present to a major extent in three (3) blocks and to a limited extent in two (2) blocks of the Project Area.

Blocks in which twenty percent (20%) or more of the buildings contain advanced defects are indicated as characterized by the presence of structures below minimum code standards to a major extent. Blocks in which less than twenty percent (20%) of the buildings are below minimum code standards are considered present to a limited extent. Figure 8, Structures Below Minimum Code Standards, illustrates the extent of buildings below minimum code standards in area blocks.

F. Illegal Use Of Individual Structures.

As defined in the Act, "illegal use of individual structures" refers to the use of structures in violation of applicable federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards.

A review of the Chicago Zoning Ordinance indicates that the Project Area is divided into a variety of business, commercial, manufacturing and planned districts and not all of the uses or activity may comply with the requirements of the zoning of the area, however, no illegal uses were noted or documented during the surveys of the Project Area.

Conclusion.

No illegal uses of individual structures were evident from the field surveys conducted.

G. Excessive Vacancies.

As defined in the Act, "excessive vacancies" refers to the presence of buildings that are unoccupied or under-utilized and that represent an adverse influence on the area because of the frequency, extent, or duration of the vacancies.

A review of the Montgomery Ward corporate documents and the survey of all buildings indicate that vacancies are extensive throughout the Project Area. Within the Ward's buildings, the Merchandise Building is one hundred percent (100%) vacant and the Catalog buildings are ninety-seven percent (97%) vacant (the loading dock is one hundred percent (100%) vacant). Only the Tower is substantially occupied. Five (5) of the six (6) buildings eighty-three percent (83%) of the Ward buildings are vacant.

Buildings in other blocks which are either vacant or contain vacant floor areas include an additional nine (9) buildings in five (5) blocks.

Conclusion.

The factor of excessive vacancies exists to a major extent in five (5) blocks and to a limited extent in one (1) block within the Project Area.

Blocks in which twenty percent (20%) or more of the buildings are partially or totally vacant are indicated as characterized by the presence of excessive vacancies to a major extent. Blocks with less than twenty percent (20%) of the buildings partially or totally vacant are characterized by the presence of excessive vacancies to a limited extent. Figure 9, Excessive Vacancies, illustrates the extent of vacancies by block.

H. Lack Of Ventilation, Light Or Sanitary Facilities.

As defined in the Act, lack of ventilation, light, or sanitary facilities refers to the

absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke, or other noxious airborne materials. Inadequate natural light and ventilation means the absence or inadequacy of skylights or windows for interior spaces or rooms and improper window sizes and amounts by room area to window area ratios. Inadequate sanitary facilities refers to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens, and structural inadequacies preventing ingress and egress to and from all rooms and units within a building.

Conclusion.

No conditions of the lack of ventilation, light, or sanitary facilities have been documented as part of the surveys and analyses undertaken within the Project Area.

I. Inadequate Utilities.

As defined in the Act, "inadequate utilities" refers to underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers, water lines, and gas, telephone and electrical services that are shown to be inadequate. Inadequate utilities are those that are: (i) of insufficient capacity to serve the uses in the redevelopment project area, (ii) deteriorated, antiquated, obsolete, or in disrepair, or (iii) lacking within the redevelopment project area.

Conclusion.

While upgrading of the utilities may be required within the Project Area, no conditions of inadequate utilities in place have been documented as part of the surveys and analysis undertaken within the Project Area.

J. Excessive Land Coverage And Overcrowding Of Structures And Community Facilities.

As defined in the Act, "excessive land coverage and overcrowding of structures and community facilities" refers to the over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: the presence of buildings either improperly situated on parcels or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety and the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one (1) or more of the following conditions: insufficient provision for light and air within or around

buildings, increased threat of spread of fire due to the close proximity of buildings, lack of adequate or proper access to a public right-of-way, lack of reasonable required off-street parking, or inadequate provision for loading and service.

Excessive land coverage and overcrowding of structures and community facilities is present within the Project Area. Four (4) of the six (6) Montgomery Ward buildings cover one hundred percent (100%) of the portion of the block on which they are located. Adjacency to the River and the placement of buildings to the edge of the blocks leave no space for loading and service resulting in remote off-street parking (in some cases two (2) blocks away) for employees and visitors. Any future re-use of the Catalog Complex which is a continuous line of large buildings over one thousand six hundred (1,600) feet in length along Kingsbury Street and the Chicago River, would require additional off-street parking. Considering the impact of this factor, a garage structure, while outside of the Project Area, is directly across the street from one-third (1/3) of the buildings of the Catalog Complex. The long-term use of this parking structure is unknown.

Three (3) additional blocks within the Project Area contain buildings which occupy between sixty percent (60%) and one hundred percent (100%) of the lot on which they are located with limited or lack of provisions for proper loading and servicing of buildings (i.e. not blocking sidewalks or the limited number of alleys).

Conclusion.

Excessive land coverage and overcrowding of structures and community facilities is present to a major extent in four (4) blocks and to a limited extent in one (1) of the six (6) blocks containing buildings in the Project Area.

Blocks in which twenty percent (20%) or more of the sites or land area are impacted by excessive land coverage and overcrowding of structures is indicated as characterized by the presence this factor to a major extent. Blocks in which less than twenty percent (20%) of the sites or land area are impacted are indicated as characterized by the presence of excessive land coverage to a limited extent. Figure 10, Excessive Land Coverage and Overcrowding of Structures and Community Facilities illustrates the presence and extent of blocks impacted by this factor within the Project Area.

K. Deleterious Land-Use Or Layout.

As defined in the Act, "deleterious land-use or layout" refers to the existence of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses considered to be noxious, offensive, or unsuitable for the surrounding area.

Based on the definition given above, examples of deleterious layout include evidence of improper or obsolete platting of the land, inadequate street layout, and parcels of inadequate size or shape to meet contemporary development standards. It also includes evidence of improper layout of buildings on parcels and in relation to other buildings.

The present Montgomery Ward Catalog Buildings' configuration consists of a series of large multi-story warehouse buildings located in an elongated form of buildings contiguous to each other without any setback from the Chicago River. The river wall abuts the west wall of these buildings. The lack of even a limited setback from the river side of the complex restricts ingress and egress to only one (1) side along Kingsbury Street, thereby reducing accessibility to the properties.

Additionally, parcels of narrow width, limited depth or irregular shape are located in five (5) blocks within the Project Area. This improper layout inhibits the potential for expansion or assembly of property for future development. One (1) residential building is incompatible with adjacent commercial uses in one (1) block along Orleans Street, south of Huron Street.

Conclusion.

The current layout and configuration of Montgomery Ward buildings, which function as a one (1) company complex, result in poor and limited accessibility to all portions of the buildings. Off-street parking, access, loading and service to many properties throughout the Project Area is limited by total building coverage on sites, narrow parcels and parcels of limited depth. The factor of deleterious land-use or layout is present to a major extent in four (4) blocks and to a limited extent in two (2) blocks of the Project Area.

Blocks in which twenty percent (20%) or more of all properties indicate deleterious land-use or layout are indicated as characterized by the presence of deleterious land-use or layout to a major extent. Blocks in which less than twenty percent (20%) of the properties indicate deleterious land-use or layout are indicated as characterized by the presence of deleterious land-use or layout to a limited extent. Figure 11, Deleterious Land-Use or Layout, illustrates the extent of these conditions in the Project Area.

L. Lack Of Community Planning.

As defined in the Act, "lack of community planning" means that the proposed redevelopment project area was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the municipality of a comprehensive or other community plan or that the plan was not followed at the time of the area's development. This factor must be documented by

evidence of adverse or incompatible land-use relationships, inadequate street layout, improper subdivision, parcels of inadequate shape and size to meet contemporary development standards, or other evidence demonstrating an absence of effective community planning.

No plans or guidelines for private development and land-use had been established by the City around the time the Project Area was developed during the early 1900s. The lack of building and site planning guidelines during the development of the Project Area contributed to some of the problem conditions which characterize the Project Area.

The Project Area, with the limited accessibility to the Ward's buildings, lack of proper building set-backs, surface parking in remote areas of adjacent blocks, blocks with small, narrow parcels or irregularly shaped parcels, would not meet current standards for commercial development.

Conclusion.

Lack of community planning as a factor is present to a major extent in the Project Area.

M. Environmental Remediation.

As defined in the Act, "environmental remediation" means that the area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

A Phase I Environmental Site Assessment Update and Phase II Environmental Assessment for the Catalog Building were completed by Clayton Group Services, Inc., environmental consultants, in April, 1999. Building and site assessments identified four underground storage tanks and associated petroleum-impacted soil; materials containing asbestos inside the building; and lead paint on the exterior of the building in proximity to the Chicago River. These conditions, as well as others that may be identified upon completion of a full assessment of the Montgomery Ward complex, will require remediation as required by the Illinois Environmental Protection Agency and, as such, have been identified as a material impediment to the redevelopment of the property.

Conclusion.

Environmental remediation is present to a major extent in the one (1) block of the Project Area for which information is available. This block however, comprises well under fifty percent (50%) of the land area in the Project Area, thus, environmental remediation is present to a limited extent.

N. Declining Or Lagging Equalized Assessed Valuation.

As defined in the Act, a "declining or lagging equalized assessed valuation" means that the total equalized assessed value of the proposed redevelopment project area has declined for three (3) of the last five (5) calendar years for which information is available or is increasing at an annual rate that is less than the balance of the municipality for three (3) of the last five (5) calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for three (3) of the last five (5) calendar years for which information is available.

Over the period 1993 to 1998, the growth rate of the total equalized assessed valuation of the Project Area has lagged behind that of the balance of the City of Chicago for three (3) of these years (1994/1995, 1995/1996 and 1996/1997). For each of these same three (3) years, the rate of growth of the Project Area total equalized assessed valuation was less than the Consumer Price Index for All Urban Consumers (C.P.I.-U.) for the United States and the C.P.I.-U. for the Chicago-Gary-Kenosha metropolitan region. These figures are shown in Table 2 below.

Table 2.

Percent Change In Annual Equalized Assessed Valuation (E.A.V.) And Increase In Consumer Price Index -- All Urban Consumers (C.P.I.-U.), Years 1994/1995, 1995/1996 And 1996/1997.

	Percent Change In E.A.V. 1994/1995	Percent Change In E.A.V. 1995/1996	Percent Change In E.A.V. 1996/1997
Project Area	-1.8	1.2	-1.9
City of Chicago (balance of)	1.0	1.3	8.4

	Percent Change In E.A.V. 1994/1995	Percent Change In E.A.V. 1995/1996	Percent Change In E.A.V. 1996/1997
C.P.I.-U., United States	2.5*	3.3*	1.7*
C.P.I.-U., Chicago-Gary-Kenosha	2.2*	3.8*	1.9*

Conclusion.

The Project Area as a whole is affected by a growth rate of total equalized assessed valuation that has lagged behind that of the balance of the City for three (3) of the last five (5) calendar years and has lagged the Consumer Price Index for All Urban Consumers for both the United States and the Chicago-Gary-Kenosha region for each of these three (3) years.

4. Determination Of Project Area Eligibility.

The Project Area meets the requirements of the Act for designation as a "conservation area". Twenty (20) of the twenty-one (21) buildings in the Project Area, or ninety-five percent (95%), exceed thirty-five (35) years in age. In addition to age, there is a reasonable presence and distribution of nine (9) of the thirteen (13) factors required under the Act for improved areas. These include:

1. Obsolescence -- major presence.
2. Deterioration -- major presence.
3. Structures below minimum code -- major presence.
4. Excessive vacancies -- major presence.

* This figure is the increase in the Consumer Price Index for All Urban Consumers, All Items, for the year ending in December of year two. Source: Department of Labor, Bureau of Labor Statistics.

5. Excessive land coverage and overcrowding of structures and community facilities --major presence.
6. Deleterious land-use or layout -- major presence.
7. Lack of community planning -- major presence.
8. Declining or lagging total equalized assessed valuation -- major presence.
9. Environmental remediation -- minor presence.

The summary of conservation factors within the Project Area is illustrated in Table 3.

The eligibility findings indicate that the Project Area is in need of revitalization and guided growth to ensure that it will contribute to the long-term physical, economic, and social well-being of the City. The Project Area is deteriorating and declining. All factors indicate that the Project Area as a whole has not been subject to growth and development through investment by private enterprise, and would not reasonably be anticipated to be developed without public action.

[Figure 1 referred to in this Chicago/Kingsbury Tax Increment Financing Redevelopment Project and Plan Eligibility Study constitutes Exhibit E to the ordinance and printed on page 28763 of this Journal.]

[Table 3 and Figures 2, 3, 4, 5, 6, 7, 8, 9, 10 and 11 referred to in this Chicago/Kingsbury Tax Increment Financing Redevelopment Project and Plan Eligibility Study printed on pages 28744 through 28753 of this Journal.]

Table 3.
 (To Chicago/Kingsbury Tax Increment Financing Redevelopment
 Plan And Project Eligibility Study)

Distribution Of Conservation Factors.

Conservation Factors	BLOCK NUMBERS											
	300/ 501	329	113/ 500	114	115	116	119	120	124	125/ 214	126	127
Age	■		■			■		■	■	■		
Other Factors												
1 Dilapidation												
2 Obsolescence	■		■	□		■		■	■	■		
3 Deterioration	■	■	■	□		■	■	■	□	■	■	■
4 Illegal use of individual structures												
5 Structures below minimum code	■		□	□		■				■		
6 Excessive vacancies	■		■			□		■	■	■		
7 Lack of ventilation, light or sanitary facilities												
8 Inadequate utilities												
9 Excessive land coverage and Overcrowding of Structures and Community Facilities	■					■		■	■	□		
10 Deleterious land-use or layout	■	■				□		■	□	■		
11 Lack of community planning	■	■	■	■	■	■	■	■	■	■	■	■
12 Environmental Remediation	■											
13 Declining or Lagging Total Equalized Assessed Valuation	■	■	■	■	■	■	■	■	■	■	■	■
<i>Not present or not examined</i>												
□	Present to a limited extent											
■	Present to a major extent											

Figure 2.
(To Chicago/Kingsbury Tax Increment Financing Redevelopment
Plan And Project Eligibility Study)

Existing Land-Use.

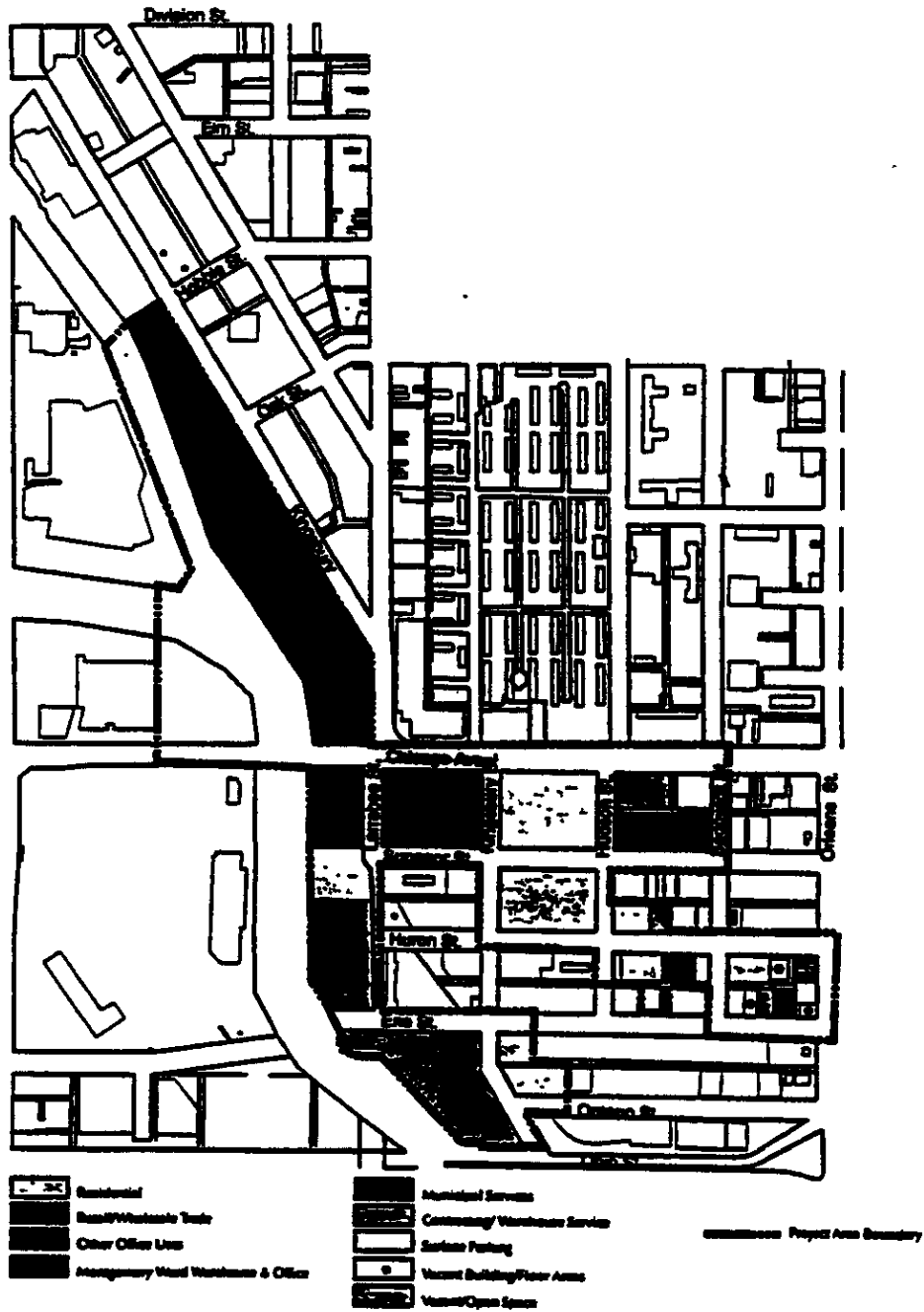


Figure 3.
(To Chicago/Kingsbury Tax Increment Financing Redevelopment
Plan And Project Eligibility Study)

Exterior/Interior Survey Form.

BUILDING CONDITION SURVEY FORM					
A. NAME OF ESTABLISHMENT/ OCCUPANTS		B. PROJECT CLIENT/NAME		BUILDING NAME	
OWNER/CONTACT/CONTACT		BLOCK NO		DATE OF SURVEY	
SURVEYOR		PARCEL BLOCK NO. HEIGHT		SURVEYOR	
ADDRESS		CORNY		SURVEYOR	
STREETS, DISTRICTS - ZONES AND LOCATION		DATE OF SURVEY		SURVEYOR	
1	NO. UNIT#	NO. DIST.	ACTV.	COMPONENT RATING	
2				LOCATION	
3				DETERIORATING	
4				LOCATION	
5				ROPESTATION DAMAGE	
6				LOCATION	
7				IMPROPERLY CONSTRUCTED	
8				LOCATION	
9				DEPROPRIETLY DAMAGED	
10				LOCATION	
11				FIRE DAMAGED	
12				LOCATION	
13				HEATING	
14				LOCATION	
15				BLENDING	
16				LOCATION	
17				TRAIL, LACK OF SUPPORT	
18				LOCATION	
19				BLINDING	
20				LOCATION	
21				OUTLET PLUMB	
22				LOCATION	
23				SETTLING	
24				LOCATION	
25				WATER PENETRATION	
26				LOCATION	
27				RODS	
28				LOCATION	
29				CRACKS	
30				LOCATION	
31				BRICKING CRACKS	
32				LOCATION	
33				FRESH PLASTERED	
34				LOCATION	
35				MISSED MATERIAL	
36				LOCATION	
37				LOSS MATERIAL	
38				TYPE OF MATERIAL	
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Figure 5.
(To Chicago/Kingsbury Tax Increment Financing Redevelopment
Plan And Project Eligibility Study)

Age.

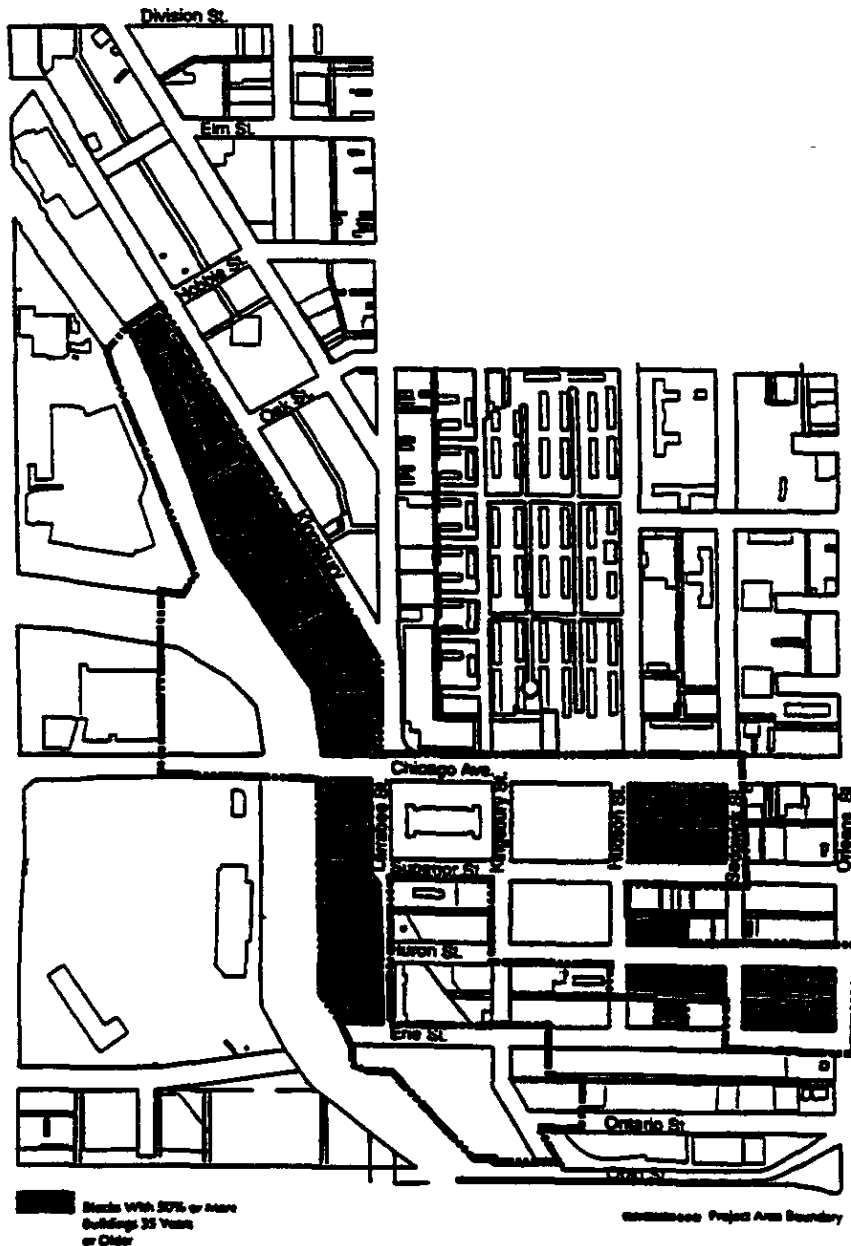


Figure 6.
(To Chicago/Kingsbury Tax Increment Financing Redevelopment
Plan And Project Eligibility Study)

Obsolescence.

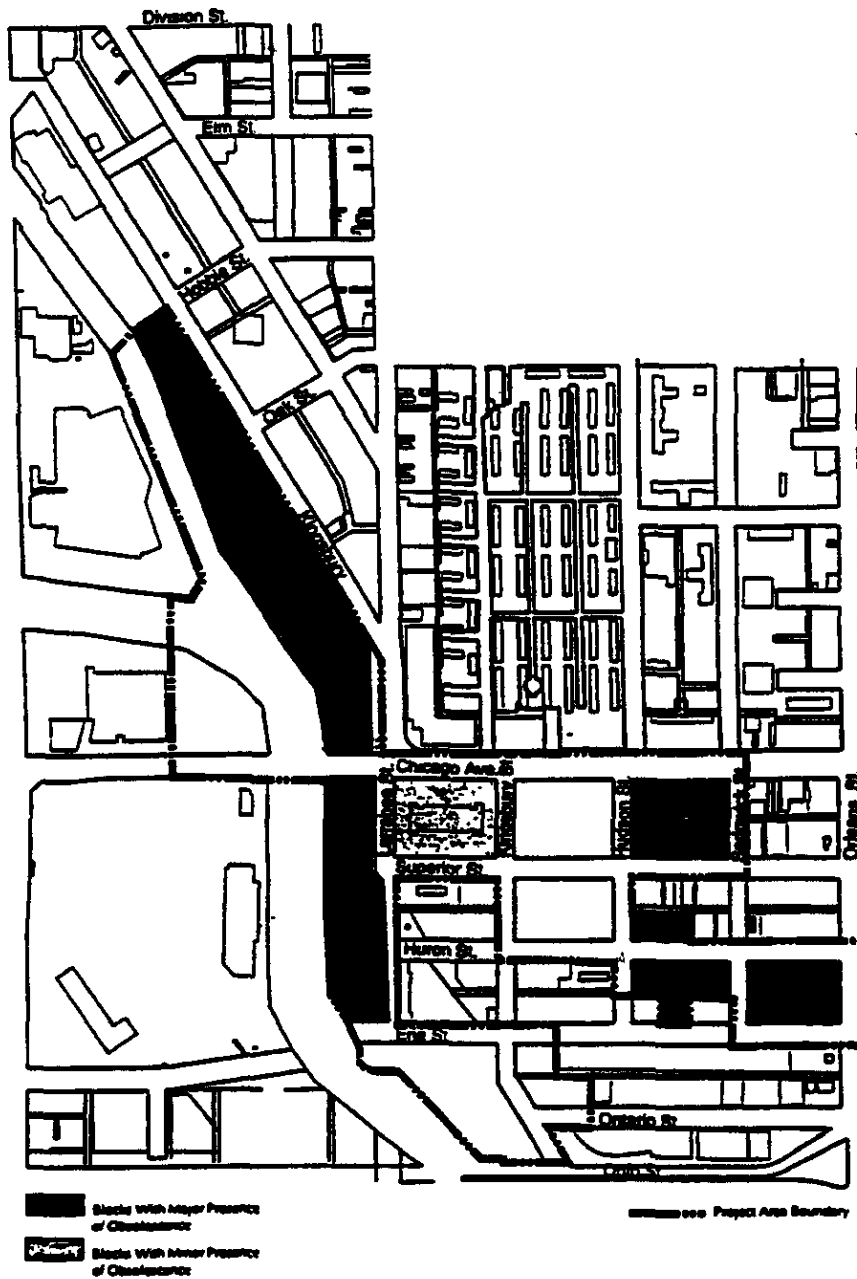


Figure 7.
(To Chicago/Kingsbury Tax Increment Financing Redevelopment
Plan And Project Eligibility Study)

Deterioration.

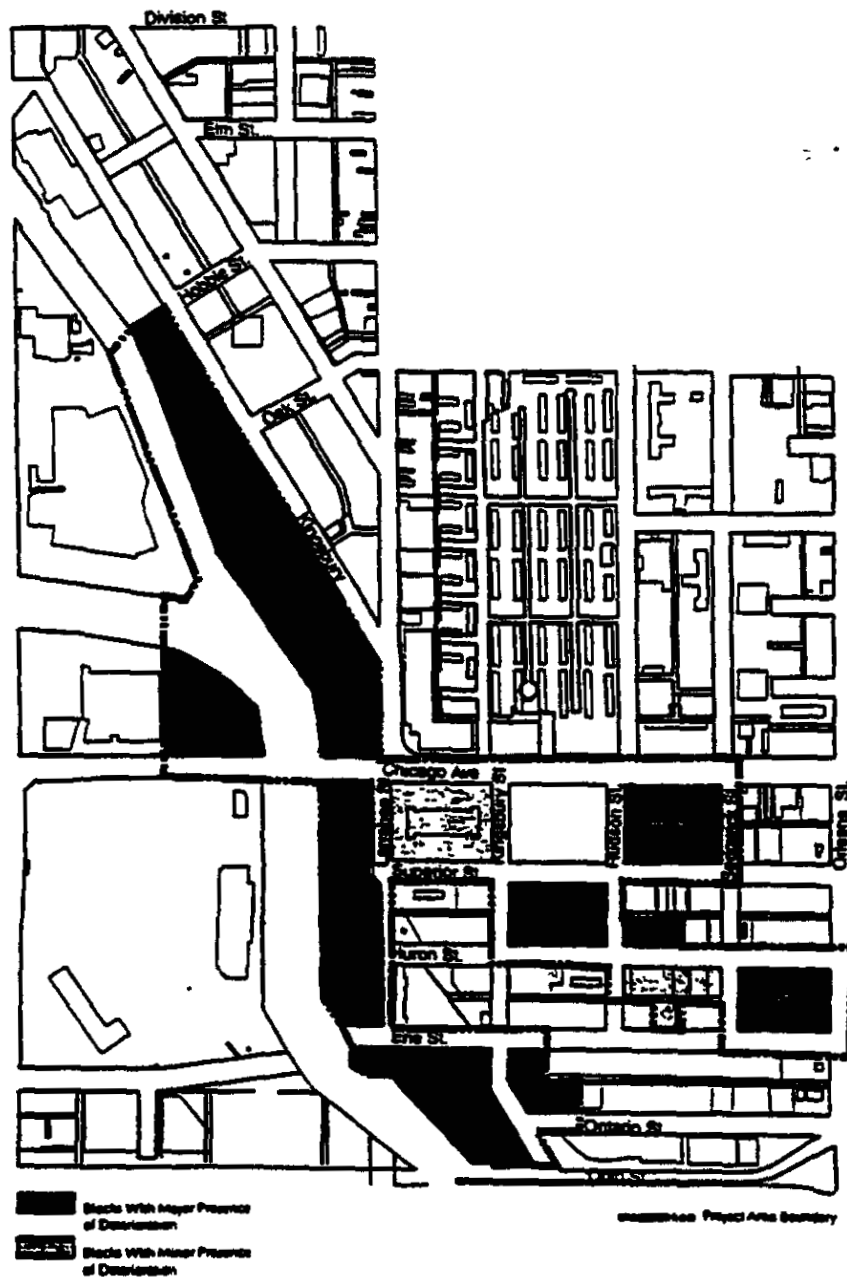


Figure 8.
(To Chicago/Kingsbury Tax Increment Financing Redevelopment
Plan And Project Eligibility Study)

Structures Below Minimum Code Standards.

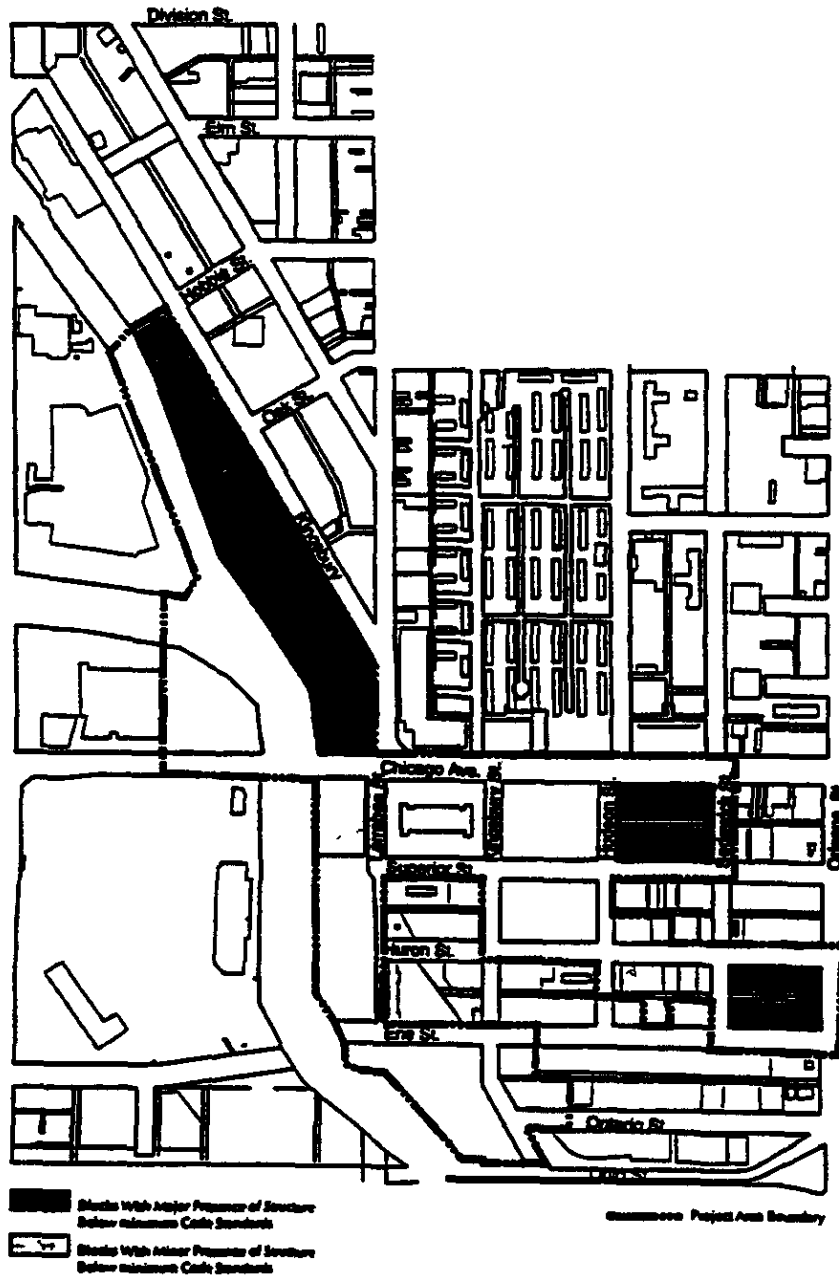


Figure 9.
(To Chicago/Kingsbury Tax Increment Financing Redevelopment
Plan And Project Eligibility Study)

Excessive Vacancies.

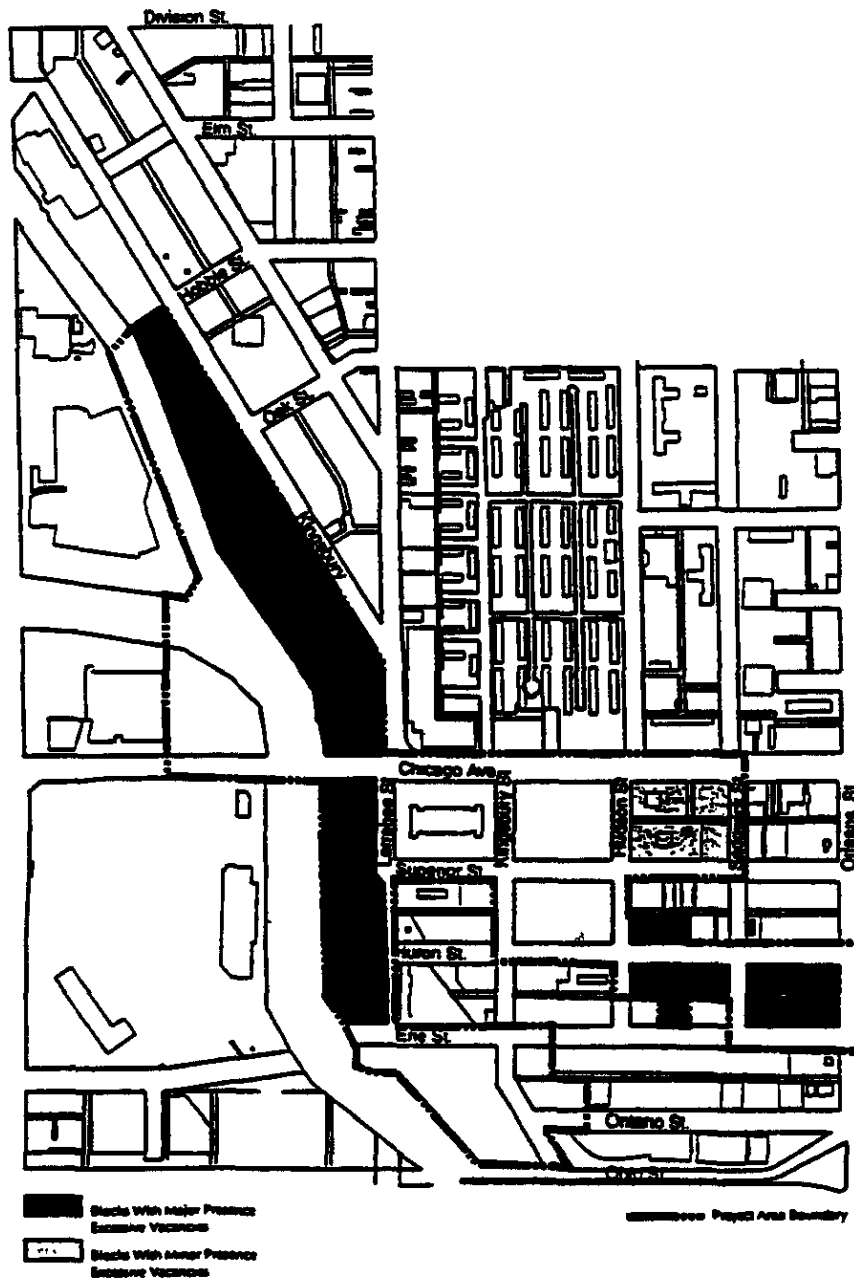


Figure 10.
(To Chicago/Kingsbury Tax Increment Financing Redevelopment
Plan And Project Eligibility Study)

*Excessive Land Coverage And Overcrowding Of
Structures And Community Facilities.*

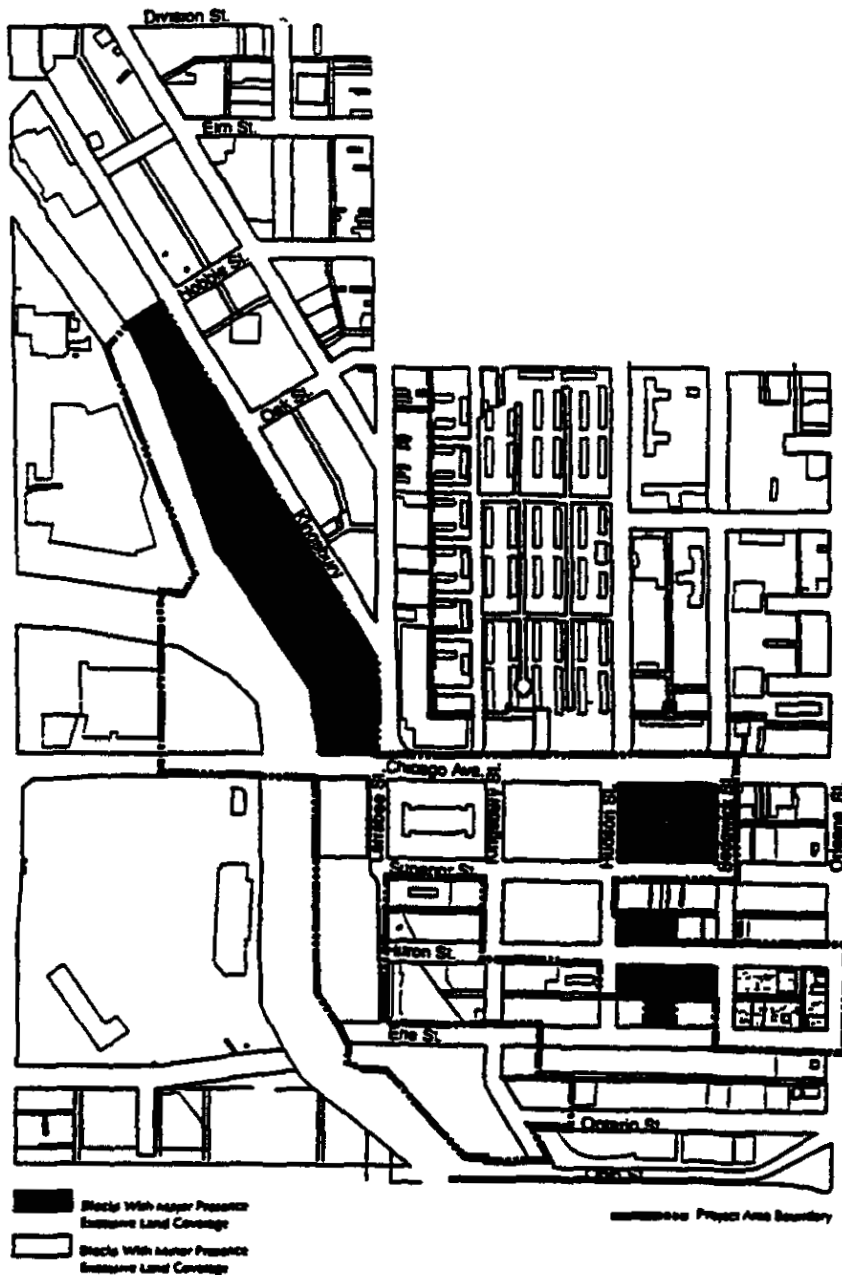
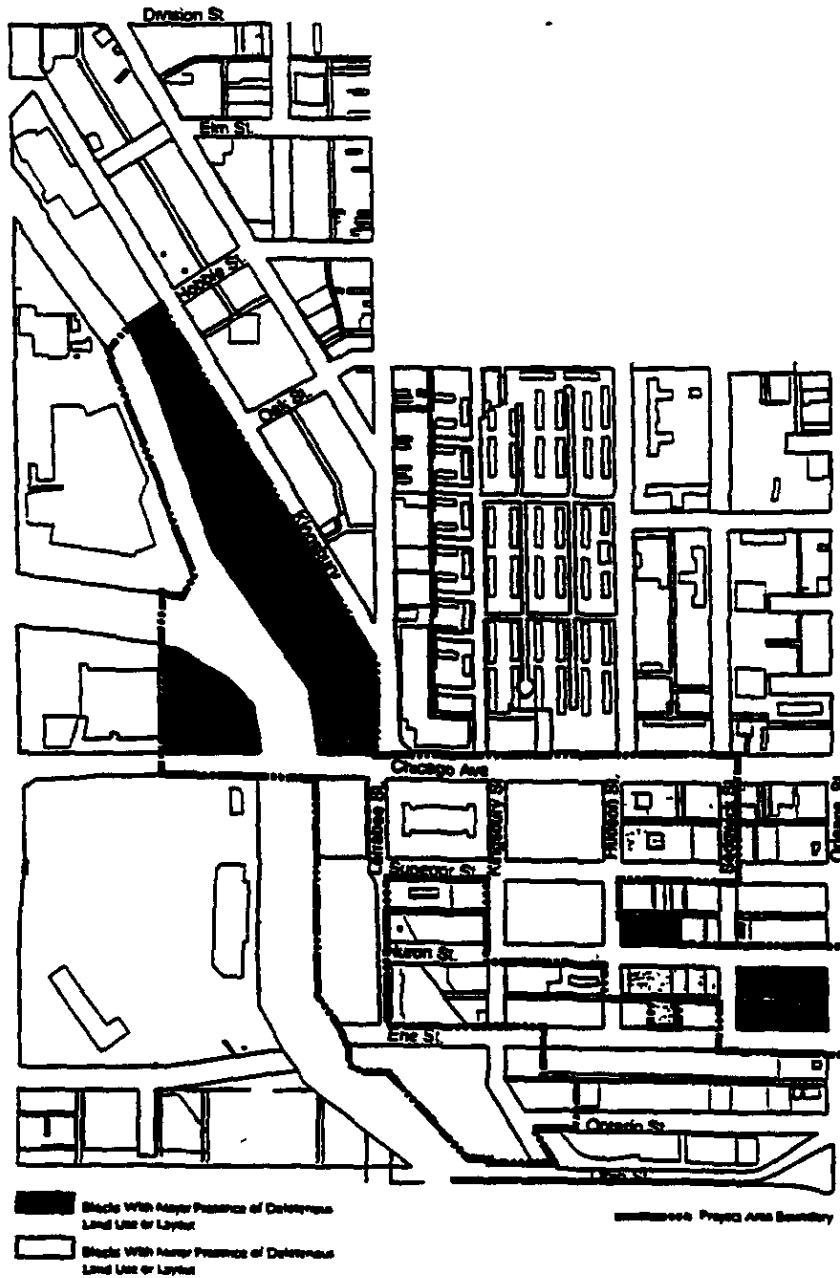


Figure 11.
(To Chicago/Kingsbury Tax Increment Financing Redevelopment
Plan And Project Eligibility Study)

Deleterious Land-Use And Layout.



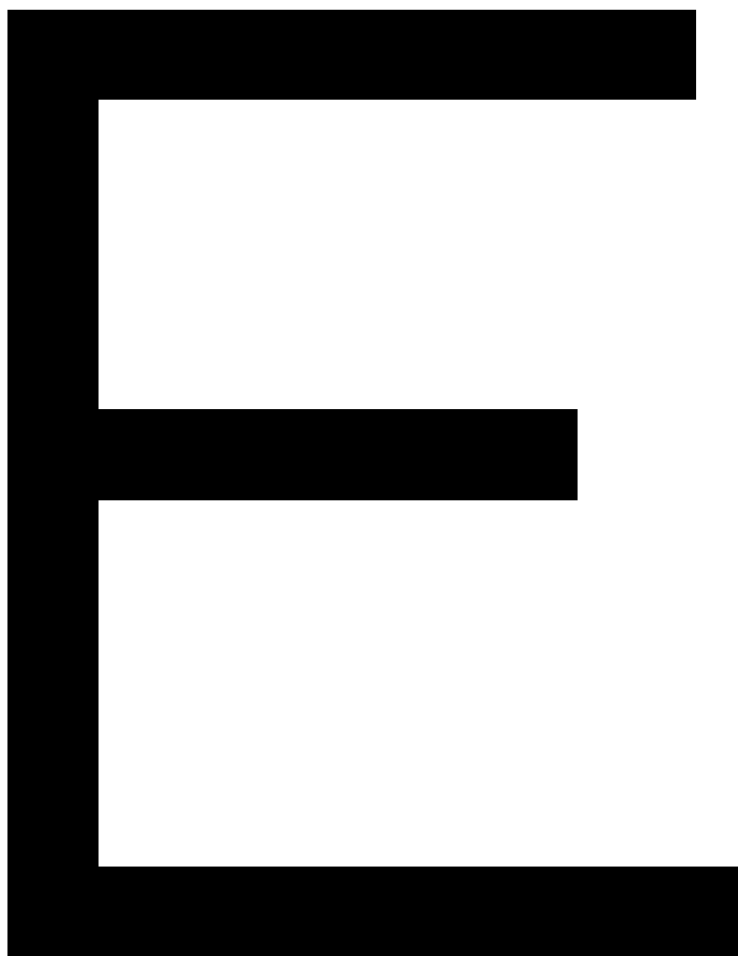


EXHIBIT E

Construction Contract

N/A

G

EXHIBIT G

PERMITTED LIENS

1. Liens or encumbrances against the Developer Properties:

(a) Those matters set forth as Schedule B title exceptions in the owner's title insurance but only so long as applicable title endorsements issued in conjunction therewith on the date thereof, if any, continue to remain in full force and effect; and

(b) To the extent not included in (a) above,

(i) that Mortgage and Security Agreement dated as of March 8, 2001 and recorded on March 12, 2001 in the office of the Cook County Recorder of Deeds as document number 0010192868 made by the Developer to the Column Financial, Inc. ("Lender"), as amended by that certain Modification of Mortgage and Security Agreement dated as of December 21, 2001 by and between the Developer and the Lender, recorded on October 28, 2003 as document number 0330118003 in the office of the Cook County Recorder of Deeds and by that certain Second Modification of Mortgage and Security Agreement and other Loan Documents dated as of October 9, 2003 by and between the Developer and the Lender, recorded on October 28, 2003 as document number 0330118004 in the office of the Cook County Recorder of Deeds; and (ii) that Assignment of Leases and Rents recorded on March 12, 2001 in the office of the Cook County Recorder of Deeds as document number 0010192869 made by the Developer to the Lender.

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

N/A

commitment number 08174182 issued by Chicago Title Insurance Company dated as of November 12, 2003.

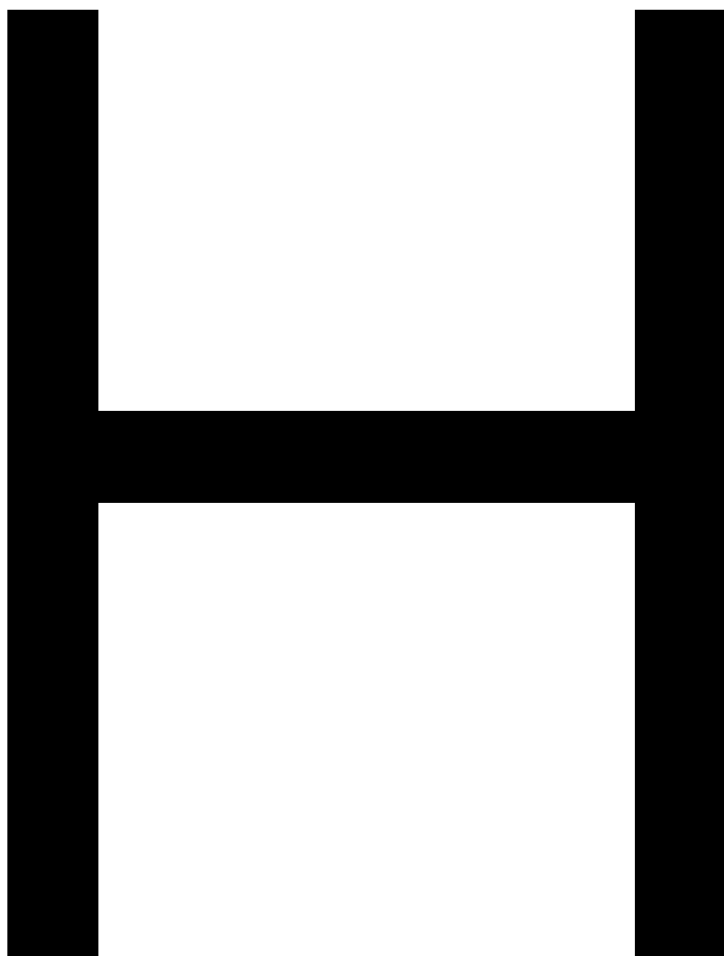


EXHIBIT H-1
PROJECT BUDGET

[see attached]

**EXHIBIT H-1
PROJECT BUDGET
April, 2003**

SOURCES

Equity	123,432,839
TIF Proceeds*	33,243,085
Debt (Column Financial)	130,000,000
	286,675,924

USES

ACQUISITION COSTS **40,783,630**

HARD COSTS

Windows	8,509,521
Elevators	2,817,115
Roof	1,078,066
Electric & Distribution	6,984,341
Demolition	1,818,167
Generators/Fuel Farm/ATS	2,780,316
Bathrooms	1,825,913
Fire Alarm	1,463,106
Heating System	920,779
Air-Conditioning	5,645,668
Lobby	3,839,988
Retail (Including outdoor plaza & exterior detail)	2,033,703
Corridors & Demising Walls	4,650,934
Facade	6,030,160
Environmental	4,443,407
Grounds	3,536,097
Office Tenant Electric	1,190,942
Security / CCTV	783,562
Fire Protection System/ Sprinkler	2,053,224
Plumbing	1,104,335
Miscellaneous	1,677,954
Hard Cost Contingency	7,005,828
Additional Scope (Hard & Soft Costs)	10,436,680
Riverwalk	10,893,629
Roadways	4,342,224
Parking Garage (950 North Kingsbury Avenue)	10,985,726
Sub-Total Hard Costs	108,851,385

*Note A - \$14,000,000

Note B - \$14,750,000

Note C - \$1,571,085

Note D - \$2,000,000

CMHDC Direct Proceeds - \$922,000

SOFT COSTS

Soft Cost Contingency	1,398,071
General Conditions	3,324,827
Architectural & Engineering	3,804,175
Legal	99,977
General Contractor	1,543,297
Project Management Fee	2,038,504
Payment and Performance Bond	223,890
Additional Scope (soft costs only)	2,480,777
Riverwalk (soft costs only)	1,119,254
Roadways (soft costs only)	228,538
Parking Garage (950 North Kingsbury Avenue) (soft costs only)	526,221
<u>Sub-Total Soft Costs</u>	<u>16,032,772</u>

TENANT RELATED COSTS

Leasing Commissions & Legal	31,051,884
Tenant Improvements	63,433,148
Marketing Costs	1,352,000
	<u>95,837,032</u>

FINANCING COSTS, NOI & OTHER FEES

Interest Reserve	28,476,736
Asset Management & Coordination Fees	1,902,000
NOI	(18,686,442)
	11,692,294

NOTE C (including CMHDC escrow) **2,493,085**

TOTAL **286,675,924**

Note: Prior to the execution of the redevelopment agreement, the Developer must verify, with detailed documentation including quantity calculations (i.e., take-offs), the final estimated project budget.

Note: The foregoing line items are provided for budget purposes. Nothing herein shall preclude the Developer from reallocating among and between the various line items in connection with actual costs incurred for the Project.

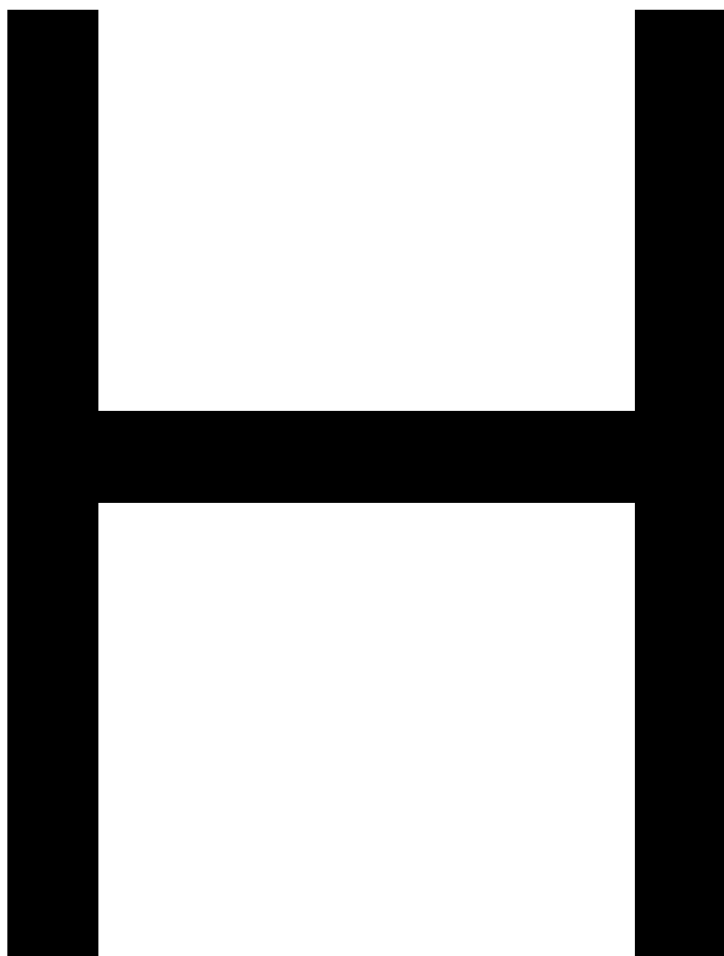


EXHIBIT H-2

MBE/WBE Budget

[see attached]

EXHIBIT H-2
PROJECT BUDGET - MBE/WBE ELIGIBLE COSTS
April, 2003

HARD COSTS

Windows	8,509,521
Elevators	2,817,115
Roof	1,078,066
<i>Electric & Distribution</i>	6,984,341
Demolition	1,818,167
Generators/Fuel Farm/ATS	2,780,316
Bathrooms	1,825,913
Fire Alarm	1,463,106
Heating System	920,779
Air-Conditioning	5,645,668
Lobby	3,839,988
Retail (Including outdoor plaza & exterior detail)	2,033,703
Corridors & Demising Walls	4,650,934
Facade	6,030,160
Environmental	4,443,407
Grounds	3,536,097
Office Tenant Electric	1,190,942
Security / CCTV	783,562
Fire Protection System/ Sprinkler	2,053,224
Plumbing	1,104,335
Miscellaneous	1,677,954
Hard Cost Contingency	7,005,828
Additional Scope (hard costs only)	10,436,680
Riverwalk (hard costs only)	10,893,629
Roadways (hard costs only)	4,342,224
Parking Garage (950 North Kingsbury Avenue) (hard costs only)	10,985,726
Sub-Total Hard Costs	<u>108,851,385</u>

SOFT COSTS

General Conditions	3,324,827
Architectural & Engineering	3,804,175
Sub-Total Soft Costs	<u>7,129,002</u>

TOTAL

115,980,387

TENANT RELATED COSTS *

Tenant Improvements	63,433,148
---------------------	------------

TOTAL

179,413,535

* Not subject to MBE/WBE to the extent performed by tenants



EXHIBIT I
APPROVED PRIOR EXPENDITURES

[see attached]

CHICAGO TITLE COMPANY
SWORN OWNER'S STATEMENT TO CITY OF CHICAGO

STATE OF ILLINOIS
COUNTY OF COOK

The affiant, Eport 600, L.L.C., being first duly sworn, on oath deposes and says:

1. That it is sole member of Eport 600 Riverwalk Owner, L L C and the managing member of Eport 600 Property Owner, L L C , the owners of the certain premises in Cook County, Illinois described on Exhibit A attached hereto

2. That it is thoroughly familiar with all the facts and circumstances concerning the premises described above

3. That this statement is a true and complete statement of all such costs as described below

Project Summary		<u>Paid To Date</u>
ACQUISITION COSTS		59,140,084.06
SOUTHERN CATALOG BUILDING (600 W. Chicago Avenue)		
<u>Hard Costs</u>		46,934,341.19
<u>Soft Costs</u>		7,165,978.13
NORTHERN CATALOG BUILDING (900 North Kingsbury Avenue)		
<u>Hard Costs</u>		25,444,381.79
<u>Soft Costs</u>		2,158,064.65
ADDITIONAL SCOPE (NORTH & SOUTH CATALOGE BLDG)—HARD COSTS		7,837,521.18
ADDITIONAL SCOPE (NORTH & SOUTH CATALOGE BLDG)—SOFT COSTS		2,560,991.79
PARKING GARAGE (950 North Kingsbury Avenue)		3,976,099.00
TENANT RELATED COSTS		94,628,039.89
FINANCING COSTS, NOI & OTHER FEES		22,428,991.17
RIVERWALK, STREETSCAPES & MARINA		14,944,606.68
	Total Expenditures Excluding Domain	287,219,099.53
DOMAIN CHA UNITS		3,921,814.21
	Total Expenditures Including Domain	291,140,913.75

THE UNDERSIGNED HEREBY AGREES WITH THE AMOUNTS ABOVE

SIGNED *Andrea Gade*
Eport 600, LLC
By AG Asset Manager Inc.

Subscribed and sworn to before me this 23rd day of December, 2003

Paul W Shadle Notary Public



Eport (600 West Chicago, 900 N Kingsbury, 950 N Kingsbury

Thru CT&T Draw#31 (2M)

December 19, 2003

Project Summary

	<u>Paid To Date</u>
ACQUISITION COSTS	59,140,084.06
SOUTHERN CATALOG BUILDING (600 W. Chicago Avenue)	
<u>Hard Costs</u>	46,934,341.19
<u>Soft Costs</u>	7,165,978.13
NORTHERN CATALOG BUILDING (900 North Kingsbury Avenue)	
<u>Hard Costs</u>	25,444,381.79
<u>Soft Costs</u>	2,158,064.65
ADDITIONAL SCOPE (NORTH & SOUTH CATALOGE BLDG)—HARD COSTS	7,837,521.18
ADDITIONAL SCOPE (NORTH & SOUTH CATALOGE BLDG)—SOFT COSTS	2,560,991.79
PARKING GARAGE (950 North Kingsbury Avenue)	3,976,099.00
TENANT RELATED COSTS	94,628,039.89
FINANCING COSTS, NOI & OTHER FEES	22,428,991.17
RIVERWALK, STREETSCAPES & MARINA	14,944,606.68
	<hr/>
Total Expenditures Excluding Domain	287,219,099.53
DOMAIN CHA UNITS	3,921,814.21
	<hr/>
Total Expenditures Including Domain	291,140,913.75
	<hr/> <hr/>

**Eport (600 West Chicago, 900 N Kingsbury, 950 N Kingsbury
Expenditure Summary
Thru CT&I Draw#31 (2M)
December 19, 2003**

ACQUISITION COSTS

Purchase Price-Land	23,258,321 76
Purchase Price-Building	30,100,313 24
Closing Costs	442,846 00
Legal Fees	1,034,265 43
Title	70,995 00
Financing Costs	3,734,877 63
Due Diligence / Insurance	498,465 00
	59,140,084 06

TOTAL ACQUISITION COSTS

SOUTHERN CATALOG BUILDING (600 W Chicago Avenue)

<i>Riverwalk & Roadways SC</i>	<u>Hard Costs</u>	
	Windows	2,663,460 00
	Elevators	1,988,936 00
	Roof	1,078,066 60
	Electric & Distribution	4,053,819 00
	Demolition	1,787,534 63
	Generators/Fuel Farm/ATS	2,780,316 00
	Bathrooms	1,471,594 09
	Fire Alarm	1,453,106 00
	Heating System	374,979 48
	Air-Conditioning	3,733,541 00
	Lobby	3,744,981 00
	<i>Retail (Including outdoor plaza & exterior detail)</i>	0 00
	Corridors & Demising Walls	2,979,752 00
	Facade	3,379,916 00
	Environmental	4,124,748.20
	Parking Structure	37,162 40
	Grounds	217,169 00
	Office Tenant Electric	1,190,942 00
	Security / CCTV	444,410 85
	Fire Protection System/ Sprinkler	876,991 94
	Plumbing	160,236 00
	Miscellaneous	1,677,953 40
	Tenant Improvements	51,706 60
	<i>Moved to Riverwalk--RW Contingency</i>	0 00
	Tenant Enabling Work	1,731,464 00
	<i>Additional Contingency</i>	623,530 00
	<i>Hard Cost Contingency</i>	3,679,385 00
	<i>Hard Cost Contingency--Beginning @ Draw 1M</i>	628,640 00
	Sub-Total SCAT Hard Costs	46,934,341 19
	<u>Soft Costs</u>	
	Soft Cost Contingency	1,169,107 28
	<i>Soft Cost Contingency--Beginning @ Draw 1M</i>	39,256 00
	General Conditions	620,994 10
	Architectural & Engineering	2,602,786 54
	Legal	89,797 21
	General Contractor	1,543,297 00
	Project Management Fee	1,030,614 00
	Payment and Performance Bond	70,126 00
	Sub-Total SCAT Soft Costs	7,165,978.13

NORTHERN CATALOG BUILDING (900 North Kingsbury Avenue)

	<u>Hard Costs</u>	
	General Conditions	2,377,446 00
	Site Work	2,830,136.52
	Concrete	3,659,550 00
	Exterior Enclosure	2,478,335 00
	Metals	531,798 00
	Woods & Plastics	30,023 00
	Thermal Protection	2,255,058 00
	Doors	607,043 00
	Finishes	2,881,260 00
	Specialties	5,065 00
	Equipment	14,800 00
	Conveying Systems/Elevators	794,524 00
	Plumbing	954,128 94
	Fire Protection System/ Sprinkler	997,660 00
	HVAC	1,116,412 00
	Electrical	2,932,602 00
	Security / CCTV	155,439 00
	<i>Moved to Riverwalk--RW Contingency</i>	0 00
	Insurance / Performance Bonds	153,329 00
	Construction Manager Fee	549,801 00
	Building Permits	119,971 33
	Sub-Total NCAT Hard Costs	25,444,381.79

	<u>PAID TO DATE</u>
<u>Soft Costs</u>	
Environmental	41,982 93
Architectural & Engineering	1,083,513 17
Surveying	11,509 56
Field/Lab Testing	64,824 53
Security	141,125 07
Utilities	21,534 72
Insurance	281,457 67
Project Management Fee	510,482 00
Soft Cost Contingency	1,635 00
<u>Sub-Total NCAT Soft Costs</u>	<u>2,158,064 65</u>
ADDITIONAL SCOPE—HARD COSTS	7,837,521 18
ADDITIONAL SCOPE—SOFT COSTS	2,560,991 79
PARKING GARAGE (950 North Kingsbury Avenue)	3,976,099 00
TENANT RELATED COSTS	
Leasing Commissions & Legal	7,943,892 93
Tenant Improvements—Owner Contributed	11,979,571 56
Tenant Improvements—Owner Loan	2,285,796 51
Tenant Improvements—Tenant Contributed	71,606,541 49
Marketing Costs	812,237 40
	<u>94,628,039.89</u>
FINANCING COSTS, NOI & OTHER FEES	
Interest On Construction Loan	20,881,101 17
Asset Management & Coordination Fees	1,547,890 00
	<u>22,428,991.17</u>
TOTAL BASE BUILDING COSTS—(EXCLUSIVE OF RIVERWALK)	<u>272,274,492.85</u>
DOMAIN CHA UNITS	<u>3,921,814 21</u>
TOTAL BASE BUILDING COSTS, PLUS CHA UNITS—(EXCLUSIVE OF RIVEWALK)	<u>276,196,307.06</u>

TENANT IMPROVEMENT SUMMARY		
12/19/2003		
TENANT	PAID TO DATE - LANDLORD	PAID TO DATE - TENANT
Broadwing	\$ (414,673.64)	
Broadwing - fiber reimbursement	\$ -	
Broadwing - Second Amendment - Payment of Verizon Commission from TI Allocation - (1)	\$ (132,041.00)	
Broadwing - Second Amendment Netting Payment - (1)	\$ (411,271.86)	
Broadwing Second Amendment - Application of drawing review fee from TI - (1)	\$ (17,013.50)	
Broadwing Contribution = \$9,571,685 less landlord's contribution above		\$ (8,596,685.00)
MCI	\$ (2,146,000.00)	\$ (25,370,359.00)
Looking Glass	\$ -	
Looking Glass Contribution		\$ (2,600,000.00)
RCN - Initial Premises	\$ (1,826,580.00)	
RCN - Put I	\$ (562,872.43)	
RCN - Put II - (2)	\$ -	
RCN Contribution = \$2,465,830 less landlord contribution above		\$ (76,377.57)
DirectTV	\$ (1,808,345.00)	
Direct TV - Total cost = \$3,672,787 less landlord's contribution above		\$ (1,864,442.00)
Vertis/tic - (3)	\$ (1,718,312.08)	
Vertis Contribution = \$2,380,818 less landlord contribution above		\$ (662,505.92)
Level 3 - fiber reimbursement - (4)	\$ (500,000.00)	
Level 3 - flat fee @ lease signing	\$ (10,000.00)	
Level 3 - Window Replacement (4)	\$ (250,000.00)	
Level 3 Contribution = \$43 million less landlord contribution above		\$ (32,240,000.00)
Geisha	\$ (313,811.59)	
Geisha - Loan	\$ (1,785,988)	
Geisha - Loan	\$ (500,000)	
Goldenberg & Hehmeyer	\$ (841,464)	
Integramed	\$ (124,417)	
Integramed Contribution		\$ (198,172)
Verizon	\$ (36,975)	
Oriental Cleaning Company	\$ -	
Innerworkings/Centemark - TURNKEY BUILT BY LANDLORD	\$ (786,592)	
Enterprise	\$ -	
Bankers Life	\$ -	
Japonesis Office - TURNKEY BUILT BY LANDLORD - Total cost = \$85,423	\$ (79,011)	
CH Robinson	\$ -	
Barton Gym	\$ -	
TOTAL	\$ (14,265,368.07)	\$ (71,606,541.49)

\$	14,265,368.07	Includes Geisha Loan
\$	71,606,541.49	
\$	85,871,909.56	
\$	-	

Eport 600 Riverwalk, Streetscapes, Roadways

Expenditure Summary

12/19/2003

	PAID TO DATE
SOUTHERN CATALOG BUILDING RIVERWALK	
Base Building--Retail (Including outdoor plaza & exterior detail)	2,030,556 00
Base Building--Riverwalk Contingency	1,735,537 00
Riverwalk Riverfront (Non Draw)--Hard Cost	6,071,643 57
Riverwalk Riverfront (Non Draw)--Soft Cost	
Sub-Total SCAT Riverwalk Costs	<u>9,837,736.57</u>
NORTHERN CATALOG BUILDING RIVERWALK	
Base Building--Riverwalk Contingency	6,795 00
Riverwalk Riverfront (Non Draw)--Hard Cost	1,681,886 00
Riverwalk Riverfront (Non Draw)--Soft Cost	
Riverwalk Riverfront (Non Draw)--payment made 12/19/03	534,790.71
Sub-Total NCAT Costs	<u>2,223,471.71</u>
STREETSCAPES (ROADWAYS)	
Streetscapes--Hard Costs	975,075 37
Streetscapes--Soft Costs	
Streetscapes--Per Centrum	1,383,395.03
Sub-Total Streetscapes	<u>2,358,470.40</u>
TOTAL RIVERWALK & STREETSCAPES COSTS	<u>14,419,678.68</u>
MARINA COST (CENTRUM)	
Marina Expenditures--Hard & Soft Costs	524,928.00
TOTAL RIVERWALK, STREETSCAPES & MARINA COSTS	<u>14,944,606.68</u>

J

EXHIBIT J

OPINION(S) OF DEVELOPER'S COUNSEL

[To be retyped on the Developer's Counsel's letterhead]

____, _____

City of Chicago
121 North LaSalle Street
Chicago, IL 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 Developer Properties 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) By-Laws, 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], [IF INCORPORATED OR ORGANIZED OUTSIDE OF ILLINOIS, DEVELOPER MUST PROVIDE ADDITIONAL OPINIONS OF COUNSEL TO THE EXTENT NECESSARY TO AFFIRM THIS PARAGRAPH AS TO EACH HOME STATE] 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 By-Laws] [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. 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 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.

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. _____

K

EXHIBIT K

Prohibited Use List

1. Any fire sale, bankruptcy or going out of business sale (unless pursuant to a court order with proper permits issued by the City);
2. Any mortuary or funeral home;
3. Any establishment selling or exhibiting pornographic materials or drug-related paraphernalia;
4. Any adult theater or live performance theater exhibiting nude or lewd performers or performances or lascivious behavior;
5. Except on the River-Level of the Catalog Building, any bar, tavern, restaurant or other establishment whose reasonably projected annual gross revenues from the sale of alcoholic beverages for on-premises consumption exceeds seventy-five percent (75%) of the gross revenues of such business;
6. Any carnival or flea market;
7. Any package liquor store (it being agreed that the foregoing shall not restrict the sale of liquor at a grocery store or drug store the primary or main purpose of which is not the sale of alcohol or liquor),
8. Any clinic, office or other facility performing abortions;
9. Any off-track betting store or parlor,
10. Any pawn shop or currency exchange;
11. Any deep discount store;
12. Except on the River-Level of the Catalog Building, any fast food operation selling prepared or cooked fast food primarily for consumption off the premises comparable to McDonald's, Kentucky Fried Chicken, Popeye's, Taco Bell, Pizza Hut, Wendy's and Burger King; provided, however that this restriction shall not prohibit a user selling coffee and coffee-related drinks and food for consumption off premises comparable to Starbuck's, Caribou Coffee, Peet's Coffee and Seattle's Best Coffee;
13. The use, presence or release of Hazardous Materials, except in the ordinary course of the permitted and usual business operations conducted thereon, provided that any such use

shall at all times be in compliance with all applicable environmental laws;

14. Except on the River-Level of the Catalog Building, a bowling alley, disco, nightclub, pool or billiard hall, dance hall or amusement or video arcade,

15. Any foreign governmental offices;

16. A massage parlor (it being agreed that the foregoing shall not restrict the use of a portion of the Catalog Building as a health spa or luxury spa facility which may provide massage treatments);

17. A gun shop or firing range;

18. A salvage shop;

19. A methadone clinic or drug or alcohol dependency clinic;

20. Except on the River-Level of the Catalog Building, a dry cleaner or other use which produces odors that emanate beyond the premises occupied by the use (except for food uses otherwise permitted hereunder and except for a dry cleaner in which the cleaning is performed off-premises and not performed at the Property), and

21. Any other use inconsistent with comparable buildings in a one-half mile radius of the Property.



EXHIBIT L

REQUISITION FORM

State of Illinois)
) SS
COUNTY OF COOK)

The affiant, _____, _____ of _____, a
_____ (the "Developer"), hereby certifies that with respect to that
certain _____ Redevelopment Agreement between the Developer and the City
of Chicago dated _____, _____ (the "Agreement"):

A. Expenditures for the Project, in the total amount of \$ _____, have
been made:

B. This paragraph B sets forth and is a true and complete statement of all costs of
TIF-Eligible Improvements for the Project reimbursed by the City to date:

\$ _____

C. The Developer requests reimbursement for the following cost of TIF-Eligible
Improvements.

\$ _____

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. Attached is a certified rent roll or similar document establishing that the
Leasable Square Feet in the Facility have been leased to tenants meeting the Basic Use and/or
Retail Use requirements set forth in Section 8.06 of the Agreement.

2. 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.

3 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 has the meanings given such terms in the Agreement

[Developer]

By: _____

Name

Title: _____

Subscribed and sworn before me this ____ day of _____
_____.

My commission expires: _____

Agreed and accepted:

Name

Title. _____

City of Chicago

Department of Planning and Development

M

EXHIBIT M-1

FORM OF CITY NOTE A

REGISTERED
NO R-1

PRINCIPAL AMOUNT
\$14,000,000

UNITED STATES OF AMERICA

STATE OF ILLINOIS

COUNTY OF COOK

CITY OF CHICAGO

**TAX INCREMENT ALLOCATION REVENUE NOTE
(CHICAGO/KINGSBURY REDEVELOPMENT PROJECT),**

TAX-EXEMPT SERIES 2003A

Registered Owner
Interest Rate:
Dated Date:
Maturity Date

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 360-day year of twelve 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 Redevelopment Area Incremental Taxes (as defined in the hereinafter defined Redevelopment Agreement) on February 1 of each year 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 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 \$14,000,000 for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Eport 600, L.L.C., a Delaware limited liability company, Eport 600 Riverwalk Owner, L.L.C., a Delaware limited liability company, and Eport 600 Property Owner, L.L.C., a Delaware limited liability company (collectively, the "Developer") in connection with the construction and/or rehabilitation of several large mixed-use facilities and related parking facilities, certain enclosed arcade and open air riverwalk improvements, certain street and streetscape improvements and, if approved in writing by the City, a certain tenant buildout, all upon certain parcels and certain rights-of-way adjacent to or in the vicinity thereof (the "Project"), all within or on certain rights-of-way adjacent to the Chicago/Kingsbury Redevelopment Project Area (the "Project Area") in the City, pursuant to a Redevelopment Agreement dated _____, 2003 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 "TIF 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 _____, 2003 (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 TIF 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 REDEVELOPMENT AREA INCREMENTAL TAXES, AND SHALL BE A VALID CLAIM OF THE REGISTERED OWNER HEREOF ONLY AGAINST SAID SOURCES. THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OR A LOAN AGAINST THE GENERAL TAXING POWERS OR CREDIT OF THE CITY, WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER OF THIS NOTE SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OR INTEREST OF THIS NOTE.

The principal of this Note is subject to redemption on any date on or after _____, 2008,

as a whole or in part, at a redemption price of 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 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 \$14,000,000 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 of the City, all as of the Dated Date.

Mayor

(SEAL)

Attest:

City Clerk

**CERTIFICATE
OF
AUTHENTICATION**

Registrar and Paying Agent:
Comptroller of the
City of Chicago,
Cook County, Illinois

This Note is described in the within mentioned Ordinance and is the Tax Increment Allocation Revenue Note (Chicago/Kingsbury Redevelopment Project Area), Tax-Exempt Series 2003A of the City of Chicago, Cook County, Illinois.

Comptroller

Date:

Schedule I

DEBT SERVICE SCHEDULE

Schedule II

PRINCIPAL PAYMENT RECORD

DATE OF PAYMENT

PRINCIPAL PAYMENT

PRINCIPAL BALANCE DUE

(ASSIGNMENT)

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

Dated

Registered Owner

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

Signature Guaranteed:

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

Consented to as of _____ by:

CITY OF CHICAGO
DEPARTMENT OF PLANNING AND DEVELOPMENT

By:

Its:

M

EXHIBIT M-2

FORM OF CITY NOTE B

REGISTERED	MAXIMUM
	AMOUNT
NO R-1	\$14,750,000

**UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF COOK
CITY OF CHICAGO
TAX INCREMENT ALLOCATION REVENUE NOTE (CHICAGO/KINGSBURY
REDEVELOPMENT PROJECT), TAXABLE SERIES 2003B**

Registered Owner.

Interest Rate:

Maturity Date:

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 \$14,750,000 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 360-day year of twelve 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 Redevelopment Area Incremental Taxes (as defined in the hereinafter defined Redevelopment Agreement) is due February 1 of each year 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 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 \$14,750,000 for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Eport 600, L.L.C., a Delaware limited liability company, Eport 600 Riverwalk Owner, L.L.C., a Delaware limited liability company, and Eport 600 Property Owner, L.L.C., a Delaware limited liability company (collectively, the "Developer") in connection with the construction and/or rehabilitation of several large mixed-use facilities and related parking facilities, certain enclosed arcade and open air riverwalk improvements, certain street and streetscape improvements and, if approved in writing by the City, a certain tenant buildout, all upon certain parcels and certain rights-of-way adjacent to or in the vicinity thereof (the "Project"), all within or on certain rights-of-way adjacent to the Chicago/Kingsbury Redevelopment Project Area (the "Project Area") in the City, pursuant to a Redevelopment Agreement dated _____, 2003 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 "TIF 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 _____, 2003 (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 TIF 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 EXCESS 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, as a whole or in part, at a redemption price of 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 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 _____, 2003 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 \$14,750,000 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.

(THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK)

IN WITNESS WHEREOF, the City of Chicago, Cook County, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and has caused this Note to be signed by the duly authorized signature of the Mayor and attested by the duly authorized signature of the City Clerk of the City, all as of _____, 2003.

Mayor

(SEAL)

Attest:

City Clerk

**CERTIFICATE
OF
AUTHENTICATION**

Registrar
and Paying Agent
Comptroller of the
City of Chicago,
Cook County, Illinois

This Note is described in the within mentioned Ordinance and is the Tax Increment Allocation Revenue Note (Chicago/Kingsbury Redevelopment Project Area), Taxable Series 2003B of the City of Chicago, Cook County, Illinois.

Comptroller

Date:

Schedule I

DEBT SERVICE SCHEDULE

PRINCIPAL PAYMENT RECORD

DATE OF PAYMENT PRINCIPAL PAYMENT PRINCIPAL BALANCE DUE

(ASSIGNMENT)

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

Dated

Registered Owner

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

Signature Guaranteed:

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

Consented to by:

CITY OF CHICAGO
DEPARTMENT OF PLANNING AND DEVELOPMENT

BY:
ITS:

CERTIFICATION OF EXPENDITURE

(Closing Date)

To Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")
\$14,750,000 Tax Increment Allocation Revenue Note
(Chicago/Kingsbury Redevelopment Project, Taxable Series 2003B
(the "Redevelopment Note")

This Certification is submitted to you, Registered Owner of the Redevelopment Note, pursuant to the Ordinance of the City authorizing the execution of the Redevelopment Note adopted by the City Council of the City on _____, ____ (the "Ordinance"). All terms used herein shall have the same meaning as when used in the Ordinance

The City hereby certifies that \$ _____ is advanced as principal under the Redevelopment Note as of the date hereof. Such amount has been properly incurred, is a proper charge made or to be made in connection with the redevelopment project costs defined in the Ordinance and has not been the basis of any previous principal advance. As of the date hereof, the outstanding principal balance under the Redevelopment Note is \$ _____, including the amount of this Certificate and less payment made on the Note.

IN WITNESS WHEREOF, the City has caused this Certification to be signed on its behalf as of (Closing Date).

CITY OF CHICAGO

By:
Commissioner
Department of Planning and
Development

AUTHENTICATED BY:

REGISTRAR

M

EXHIBIT M-3

FORM OF CITY NOTE C

REGISTERED

MAXIMUM

NO. R-1

AMOUNT

\$1,571,085

UNITED STATES OF AMERICA

STATE OF ILLINOIS

COUNTY OF COOK

CITY OF CHICAGO

**TAX INCREMENT ALLOCATION REVENUE NOTE (CHICAGO/KINGSBURY
REDEVELOPMENT PROJECT), TAXABLE SERIES 2003C**

Registered Owner:

Interest Rate:

Maturity Date:

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 \$1,571,085 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 360-day year of twelve 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 Redevelopment Area Incremental Taxes, the Available Domain-Generated Incremental Taxes, or the Available Project-Generated Incremental Taxes (as such terms are defined and the priority of their payments set forth in the hereinafter defined Redevelopment Agreement) is due February 1 of each year 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 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 \$1,571,085 for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Eport 600, L.L.C., a Delaware limited liability company, Eport 600 Riverwalk Owner, L L C., a Delaware limited liability company, and Eport 600 Property Owner, L.L.C., a Delaware limited liability company (collectively, the "Developer") in connection with the construction and/or rehabilitation of several large mixed-use facilities and related parking facilities, certain enclosed arcade and open air riverwalk improvements, certain street and streetscape improvements and, if approved in writing by the City, a certain tenant buildout, all upon certain parcels and certain rights-of-way adjacent to or in the vicinity thereof (the "Project"), all within or on certain rights-of-way adjacent to the Chicago/Kingsbury Redevelopment Project Area (the "Project Area") in the City, pursuant to a Redevelopment Agreement dated _____, 2003 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 "TIF 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 _____, 2003 (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 TIF 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 EXCESS 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, as a whole or in part, at a redemption price of 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 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 _____, 2003 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 \$1,571,085 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.

(THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK)

IN WITNESS WHEREOF, the City of Chicago, Cook County, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and has caused this Note to be signed by the duly authorized signature of the Mayor and attested by the duly authorized signature of the City Clerk of the City, all as of _____, 2003.

Mayor

(SEAL)
Attest

City Clerk

**CERTIFICATE
OF
AUTHENTICATION**

Registrar
and Paying Agent
Comptroller of the
City of Chicago,
Cook County, Illinois

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

Comptroller
Date:

PRINCIPAL PAYMENT RECORD

DATE OF PAYMENT

PRINCIPAL PAYMENT

PRINCIPAL BALANCE DUE

(ASSIGNMENT)

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

Dated:

Registered Owner

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

Signature Guaranteed:

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

Consented to by

CITY OF CHICAGO
DEPARTMENT OF PLANNING AND DEVELOPMENT

BY:
ITS:

CERTIFICATION OF EXPENDITURE

(Closing Date)

To Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")
\$1,571,085 Tax Increment Allocation Revenue Note
(Chicago/Kingsbury Redevelopment Project, Taxable Series 2003C
(the "Redevelopment Note"))

This Certification is submitted to you, Registered Owner of the Redevelopment Note, pursuant to the Ordinance of the City authorizing the execution of the Redevelopment Note adopted by the City Council of the City on _____, ____ (the "Ordinance"). All terms used herein shall have the same meaning as when used in the Ordinance.

The City hereby certifies that \$ _____ is advanced as principal under the Redevelopment Note as of the date hereof. Such amount has been properly incurred, is a proper charge made or to be made in connection with the redevelopment project costs defined in the Ordinance and has not been the basis of any previous principal advance. As of the date hereof, the outstanding principal balance under the Redevelopment Note is \$ _____, including the amount of this Certificate and less payment made on the Note.

IN WITNESS WHEREOF, the City has caused this Certification to be signed on its behalf as of (Closing Date).

CITY OF CHICAGO

By:
Commissioner
Department of Planning and
Development

AUTHENTICATED BY:

REGISTRAR

M

EXHIBIT M-4

FORM OF CITY NOTE D

REGISTERED

MAXIMUM

AMOUNT

NO. R-1

\$2,000,000

UNITED STATES OF AMERICA

STATE OF ILLINOIS

COUNTY OF COOK

CITY OF CHICAGO

**TAX INCREMENT ALLOCATION REVENUE NOTE (CHICAGO/KINGSBURY
REDEVELOPMENT PROJECT), TAXABLE SERIES 2003D**

Registered Owner:

Interest Rate

Maturity Date:

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 \$2,000,000 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 360-day year of twelve 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-Generated Incremental Taxes (as defined in the hereinafter defined Redevelopment Agreement) is due February 1 of each year 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 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 \$2,000,000 for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Eport 600, L.L.C., a Delaware limited liability company, Eport 600 Riverwalk Owner, L.L.C., a Delaware limited liability company, and Eport 600 Property Owner, L.L.C., a Delaware limited liability company (collectively, the "Developer") in connection with the construction and/or rehabilitation of several large mixed-use facilities and related parking facilities, certain enclosed arcade and open air riverwalk improvements, certain street and streetscape improvements and, if approved in writing by the City, a certain tenant buildout, all upon certain parcels and certain rights-of-way adjacent to or in the vicinity thereof (the "Project"), all within or on certain rights-of-way adjacent to the Chicago/Kingsbury Redevelopment Project Area (the "Project Area") in the City, pursuant to a Redevelopment Agreement dated _____, 2003 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 "TIF 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 _____, 2003 (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 TIF 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 EXCESS 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, as a whole or in part, at a redemption price of 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 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 _____, 2003 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 \$2,000,000 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.

(THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK)

IN WITNESS WHEREOF, the City of Chicago, Cook County, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and has caused this Note to be signed by the duly authorized signature of the Mayor and attested by the duly authorized signature of the City Clerk of the City, all as of _____, 2003.

Mayor

(SEAL)

Attest:

City Clerk

**CERTIFICATE
OF
AUTHENTICATION**

Registrar
and Paying Agent
Comptroller of the
City of Chicago,
Cook County, Illinois

This Note is described in the within mentioned Ordinance and is the Tax Increment Allocation Revenue Note (Chicago/Kingsbury Redevelopment Project Area), Taxable Series 2003D of the City of Chicago, Cook County, Illinois

Comptroller

Date:

Schedule I

DEBT SERVICE SCHEDULE

PRINCIPAL PAYMENT RECORD

DATE OF PAYMENT PRINCIPAL PAYMENT PRINCIPAL BALANCE DUE

(ASSIGNMENT)

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

Dated:

Registered Owner

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

Signature Guaranteed:

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

Consented to by:

CITY OF CHICAGO
DEPARTMENT OF PLANNING AND DEVELOPMENT

BY:
ITS:

CERTIFICATION OF EXPENDITURE

(Closing Date)

To: Registered Owner

Re City of Chicago, Cook County, Illinois (the "City")
\$2,000,000 Tax Increment Allocation Revenue Note
(Chicago/Kingsbury Redevelopment Project, Taxable Series 2003D
(the "Redevelopment Note")

This Certification is submitted to you, Registered Owner of the Redevelopment Note, pursuant to the Ordinance of the City authorizing the execution of the Redevelopment Note adopted by the City Council of the City on _____, ____ (the "Ordinance"). All terms used herein shall have the same meaning as when used in the Ordinance.

The City hereby certifies that \$_____ is advanced as principal under the Redevelopment Note as of the date hereof. Such amount has been properly incurred, is a proper charge made or to be made in connection with the redevelopment project costs defined in the Ordinance and has not been the basis of any previous principal advance. As of the date hereof, the outstanding principal balance under the Redevelopment Note is \$_____, including the amount of this Certificate and less payment made on the Note.

IN WITNESS WHEREOF, the City has caused this Certification to be signed on its behalf as of (Closing Date)

CITY OF CHICAGO

By:
Commissioner
Department of Planning and
Development

AUTHENTICATED BY:

REGISTRAR

N

EXHIBIT N

PUBLIC BENEFITS PROGRAMS

The Developer agrees to establish a job training program that promotes local hiring. The Developer will work with established organizations that have performed these services and are recognized by the City of Chicago. The Developer has established a budget of \$20,000 per year. The organizations that are currently being considered include The Target Group and The Council for Adult and Experiential Learning (CAEL).

The Developer also agrees to establish a summer internship program for local high school students. The program would run for 6-8 weeks, offering full-time entry level positions with companies that are either tenants of the Eport Project or service providers to the Eport Project. The Developer has contacted the local Alderman and is working closely with his staff to identify eligible candidates from local high schools. The program will include intern positions with either but not necessarily with all of the following, developer, corporate tenants at 600 West Chicago and vendors. This program was in place during the 2003 summer.

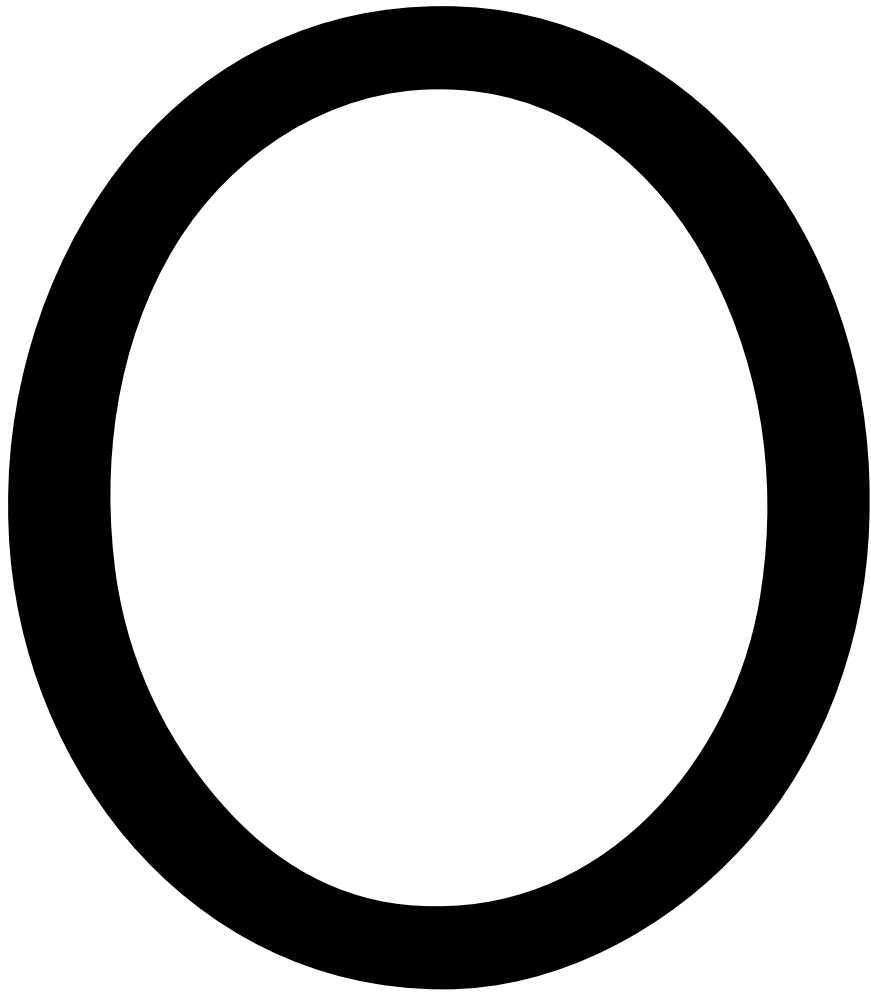


EXHIBIT O
FORM OF SUBORDINATION AGREEMENT

This document prepared by and after recording return to
Adam R. Walker, Esq
Assistant Corporation Counsel
Department of Law
121 North LaSalle Street, Room 600
Chicago, IL 60602

SUBORDINATION AGREEMENT

This Subordination Agreement ("Agreement") is made and entered into as of _____, 2003 between the City of Chicago by and through its Department of Planning and Development (the "City"), and Column Financial, Inc., a Delaware corporation (the "Lender").

RECITALS

WHEREAS, Eport 600, L.L.C , a Delaware limited liability company, Eport 600 Riverwalk Owner, L.L.C., a Delaware limited liability company, and Eport 600 Property Owner, L.L.C., a Delaware limited liability company (collectively, the "Developer"), has purchased in fee simple certain properties ("Properties") consisting of those parcels set forth and legally described on Exhibit A hereto. On the Properties and certain rights-of-way adjacent to or in the vicinity thereof, Developer shall commence and complete, or cause to be commenced and completed: (a) the construction and/or rehabilitation of several large mixed-use facilities, totaling approximately 1,700,000 square feet (the "Facility") and related parking facilities (the "Related Parking"), (b)

certain enclosed arcade and open air riverwalk improvements (the "Riverwalk Improvements"), (c) certain street and streetscape improvements (the "Street/Streetscape Improvements"), and (d) if approved in writing by the City, perform a certain tenant buildout (the "Tenant Buildout Sub-Project"). The Facility, Related Parking, Riverwalk Improvements, Street/Streetscape Improvements and, if constructed, the Tenant Buildout Sub-Project, are collectively referred to herein as the "Project," and

WHEREAS, as part of obtaining financing for the Project, the Developer has granted a certain Mortgage and Security Agreement dated as of March 8, 2001, pursuant to which the Lender has made a loan to the Developer in an amount not to exceed \$130,000,000 (the "Loan"), which Loan is evidenced by a Mortgage Note executed by the Developer in favor of the Lender (the "Note"), and the repayment of the Loan is secured by, among other things, certain liens and encumbrances on the Properties and other property of the Developer pursuant to the following. (i) said Mortgage and Security Agreement dated as of March 8, 2001 and recorded on March 12, 2001 in the office of the Cook County Recorder of Deeds as document number _____ made by the Developer to the Lender; and (ii) Assignment of Leases and Rents recorded on March 12, 2001 in the office of the Cook County Recorder of Deeds as document number _____ made by the Developer to the Lender (all such agreements referred to above and otherwise relating to the Loan referred to herein collectively as the "Loan Documents"),

WHEREAS, the Developer desires to enter into a certain Redevelopment Agreement dated the date hereof with the City in order to obtain additional financing for the Project (the "Redevelopment Agreement," referred to herein along with various other agreements and documents related thereto as the "City Agreements"),

WHEREAS, pursuant to the Redevelopment Agreement, the Developer will agree to be bound by certain covenants expressly running with the Properties, as set forth in Sections 8.02, 8.06, 8.14 and 8.21 of the Redevelopment Agreement (the "City Encumbrances");

WHEREAS, the City has agreed to enter into the Redevelopment Agreement with the Developer as of the date hereof, subject, among other things, to (a) the execution by the Developer of the Redevelopment Agreement and the recording thereof as an encumbrance against the Property; and (b) the agreement by the Lender to subordinate its liens under the Loan Documents to the City Encumbrances; and

NOW, THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Lender and the City agree as hereinafter set forth:

1. Subordination. All rights, interests and claims of the Lender in the Property pursuant to the Loan Documents are and shall be subject and subordinate to the City Encumbrances,

provided, however, that if Lender shall succeed to the interest of Developer or any successor to Developer and becomes holder of the Loan Documents,

(i) in no event shall Lender or its successors or assigns have any liability under the Redevelopment Agreement or the City Agreements prior to the date Lender or such successor or assign shall succeed to the rights of Developer under the Redevelopment Agreement or the City Agreements, nor any liability for claims which the City might have had against Developer, nor shall Lender be liable with respect to any indemnifications given by Developer and, in any event, Lender and its successors or assigns shall have no personal liability as successor to Developer and the City shall look only to the estate and property of Lender or its successors or assigns in the Project for the satisfaction of remedies for the collection of a judgment (or other judicial process) requiring the payment of money in the event of any default by Lender or its successors or assigns as successor Developer under the Redevelopment Agreement and the City Agreements, and no other property or assets of Lender or its successors or assigns shall be subject to levy, execution or other enforcement procedure for the satisfaction of the City's remedies under or with respect to the Redevelopment Agreement and the City Agreements, the relationship of Developer and City thereunder or Developer's use or occupancy of any part of the Project, and

(ii) notwithstanding anything to the contrary set forth in this Agreement, neither Lender nor any of its successors or assigns shall have any liability under, or be subject to any rights of the City against Developer under Section 7.03 of the Redevelopment Agreement except to the extent Lender may have acquired title to a portion of the Project and be obligated to complete the Project pursuant to the terms hereof and in no event shall Lender be liable to the City under Section 7.03(c) of the Redevelopment Agreement except to the extent of City Funds actually received by Lender from the City (other than payments with respect to City Note A).

Lender shall in no event have any liability for the payment, performance or completion of any obligations of Developer which are required to be paid, performed or made by Developer under the Redevelopment Agreement unless Lender shall have acquired title to all or a portion of the Developer Properties, in which case Lender's liability shall be limited as set forth in Section 16(b) of the Redevelopment Agreement. Notwithstanding anything to the contrary contained herein or in the Redevelopment Agreement, upon acquisition by Lender of any portion of the Developer Properties, Lender shall not be bound by any provision of the Redevelopment Agreement if Lender shall return to the City any amounts disbursed by the City on account of the City Notes, other than City Note A, and terminate or cause to be terminated the City's obligation to make future payments under the City Notes (other than City Note A)

Except as expressly set forth in the foregoing paragraphs of this Section 1, the Redevelopment Agreement shall be subject and subordinate to the Loan Documents. Nothing herein, however, shall be deemed to limit the Lender's right to receive, and the Developer's

ability to make, payments and prepayments of principal and interest on the Note, or to exercise its rights pursuant to the Loan Documents except as provided herein

2. Estoppel In order to induce Lender to consent to the Redevelopment Agreement, the City hereby certifies to Lender as follows: (a) the only remedy available to the City for Developer's failure to complete the Housing Related Additional Projects (as defined in the Redevelopment Agreement) is the reduction of amounts payable under City Note B pursuant to Section 4.03 of the Redevelopment Agreement, and (b) Developer can elect, in its own discretion, whether or not to complete the Project Sub-Project 114 under the heading Tenant Buildout on Exhibit B-2 (but completion thereof is subject to the prior written approval of the City), and failure to do so will not jeopardize Developer's ability to enjoy its other rights and benefits under the Redevelopment Agreement

3. City Notes. Until Lender has notified the City in writing that the Loan has been paid in full, the City shall, upon the written direction of Developer to the City: (a) upon issuance of any of the City Notes, deliver the original such City Notes to or as directed in writing by Lender, and (b) make all payments on account of the City Notes by wire transfer to Lender or as otherwise directed by Lender in writing.

4. Notice of Default Subject to the provisions of Section 16 of the Redevelopment Agreement, the Lender shall use reasonable efforts to give to the City, and the City shall use reasonable efforts to give to the Lender, (a) copies of any notices of default which it may give to the Developer with respect to the Project pursuant to the Loan Documents or the City Agreements, respectively, and (b) copies of waivers, if any, of the Developer's default in connection therewith. Under no circumstances shall the Developer or any third party be entitled to rely upon the agreement provided for herein.

5. Waivers. No waiver shall be deemed to be made by the City or the Lender of any of their respective rights hereunder, unless the same shall be in writing, and each waiver, if any, shall be a waiver only with respect to the specific instance involved and shall in no way impair the rights of the City or the Lender in any other respect at any other time.

6. Governing Law; Binding Effect. This Agreement shall be interpreted, and the rights and liabilities of the parties hereto determined, in accordance with the internal laws and decisions of the State of Illinois, without regard to its conflict of laws principles, and shall be binding upon and inure to the benefit of the respective successors and assigns of the City and the Lender.

7. Section Titles; Plurals. The section titles contained in this Agreement are and shall be without substantive meaning or content of any kind whatsoever and are not a part of the agreement between the parties hereto. The singular form of any word used in this Agreement shall include the plural form.

8 Notices. Any notice required hereunder shall be in writing and addressed to the party to be notified as follows

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

With a copy to
City of Chicago Department of Law
121 North LaSalle Street, Room 600
Chicago, Illinois 60602
Attention: Finance and Economic
Development Division

If to the Lender:
Column Financial, Inc.
11 Madison Avenue
New York, NY 10010
Attn: Edmund Taylor

with a copy to
Column Financial, Inc
11 Madison Avenue
New York, NY 10010
Attn: Adam Raboy

with a copy to
Column Financial, Inc.
One Madison Avenue
New York, NY 10010
Legal and Compliance Department
Attn: Pamela L. McCormack, Esq.
Re. Eport Loan/Adam Raboy

with a copy to:
Column Financial, Inc
200 West Madison Ave.
Suite 710
Chicago, IL 60606
Attn: Timothy J. Meyer

or to such other address as either party may designate for itself by notice. Notice shall be deemed to have been duly given (i) if delivered personally or otherwise actually received, (ii) if sent by overnight delivery service, (iii) if mailed by first class United States mail, postage prepaid,

registered or certified, with return receipt requested, or (iv) if sent by facsimile with facsimile confirmation of receipt (with duplicate notice sent by United States mail as provided above) Notice mailed as provided in clause (iii) above shall be effective upon the expiration of three (3) business days after its deposit in the United States mail Notice given in any other manner described in this paragraph shall be effective upon receipt by the addressee thereof, provided, however, that if any notice is tendered to an addressee and delivery thereof is refused by such addressee, such notice shall be effective upon such tender.

9 Counterparts This Agreement may be executed in two or more counterparts, each of which shall constitute an original and all of which, when taken together, shall constitute one instrument.

[The remainder of this page is intentionally left blank]

IN WITNESS WHEREOF, this Subordination Agreement has been signed as of the date first written above.

COLUMN FINANCIAL, INC , a Delaware corporation

By _____

Its:

CITY OF CHICAGO

By _____

Its: Commissioner, Department of Planning and Development

ACKNOWLEDGED AND AGREED TO

_____, 2003

Eport 600, L.L.C., a Delaware limited liability company

By: _____

Its:

Eport 600 Riverwalk Owner, L.L.C., a Delaware limited liability company

By: _____

Its:

Eport 600 Property Owner, L.L.C., a Delaware limited liability company

By _____

Its.

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a notary public in and for the County and 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, Illinois
(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 as such _____
_____ Commissioner, (s)he signed and delivered the said instrument pursuant to authority, as
his/her free and voluntary act, and as the free and voluntary act and deed of said City, for the uses
and purposes therein set forth

GIVEN under my hand and notarial seal this ____ day of _____, ____

Notary Public

(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 _____ of Column Financial, Inc, a Delaware corporation, 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 Lender, as his/her free and voluntary act and as the free and voluntary act of the Lender, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this ____ day of _____, ____

Notary Public

My Commission Expires _____

(SEAL)

EXHIBIT A - LEGAL DESCRIPTION of PROPERTIES

P

EXHIBIT P

FORM OF PERFORMANCE AND PAYMENT BONDS

[see attached]



Performance Bond

AIA Document A312 - Electronic Format

THIS DOCUMENT HAS IMPORTANT LEGAL CONSEQUENCES. CONSULTATION WITH AN ATTORNEY IS ENCOURAGED WITH RESPECT TO ITS COMPLETION OR MODIFICATION. AUTHENTICATION OF THIS ELECTRONICALLY DRAFTED AIA DOCUMENT MAY BE MADE BY USING AIA DOCUMENT D401.

Any singular reference to Contract, Surety, Owner or Other Party shall be considered plural where applicable.

CONTRACTOR *(Name and Address):*

SURETY *(Name and Principal Place of Business)*

OWNER *(Name and Address):*

CONSTRUCTION CONTRACT

Date:

Amount:

Description *(Name and Location):*

BOND

Date *(Not earlier than Construction Contract Date):*

Amount:

Modifications to this Bond:

None

See Page

CONTRACTOR AS PRINCIPAL

SURETY

Company.

(Corporate Seal)

Company:

(Corporate Seal)

Signature: _____

Signature: _____

Name and Title:

Name and Title:

(Any additional signatures appear on the last page)

(FOR INFORMATION ONLY - Name, Address and Telephone)

AGENT or BROKER:

OWNER'S REPRESENTATIVE *(Architect, Engineer or other party):*

AIA DOCUMENT A312- PERFORMANCE BOND AND PAYMENT BOND • DECEMBER 1984 ED. • AIA © THE AMERICAN INSTITUTE OF ARCHITECTS, 1735 NEW YORK AVENUE, N.W., WASHINGTON, D.C., 20006-5292 • THIRD PRINTING • MARCH 1987. WARNING: Unauthorized photocopying violates U.S. copyright laws and is subject to legal prosecution. This document was electronically produced with permission of the AIA and can be reproduced without violation until the date of expiration as noted below.

Electronic Format A312-1984

User Document: A312.CON -- 4/1/1999. AIA License Number 109318, which expires on 6/30/1999 -- Page #1

1 The Contractor and the Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to the Owner for the performance of the Construction Contract, which is incorporated herein by reference.

2 If the Contractor performs the Construction Contract, the Surety and the Contractor shall have no obligation under this Bond, except to participate in conferences as provided in Subparagraph 3.1.

3 If there is no Owner Default, the Surety's obligation under this Bond shall arise after:

3.1 The Owner has notified the Contractor and the Surety at its address described in Paragraph 10 below that the Owner is considering declaring a Contractor Default and has requested and attempted to arrange a conference with the Contractor and the Surety to be held not later than fifteen days after receipt of such notice to discuss methods of performing the Construction Contract. If the Owner, the Contractor and the Surety agree, the Contractor shall be allowed a reasonable time to perform the Construction Contract, but such an agreement shall not waive the Owner's right, if any, subsequently to declare a Contractor Default; and

3.2 The Owner has declared a Contractor Default and formally terminated the Contractor's right to complete the contract. Such Contractor Default shall not be declared earlier than twenty days after the Contractor and the Surety have received notice as provided in Sub-paragraph 3.1; and

3.3 The Owner has agreed to pay the Balance of the Contract Price to the Surety in accordance with the terms of the Construction Contract or to a contractor selected to perform the Construction Contract in accordance with the terms of the contract with the Owner.

4 When the Owner has satisfied the conditions of Paragraph 3, the Surety shall promptly and at the Surety's expense take one of the following actions:

4.1 Arrange for the Contractor, with consent of the Owner, to perform and complete the Construction Contract; or

4.2 Undertake to perform and complete the Construction Contract itself, through its agents or through independent contractors; or

4.3 Obtain bids or negotiated proposals from qualified contractors acceptable to the Owner for a contract for performance and completion of the Construction Contract, arrange for a contract to be prepared for

execution by the Owner and the contractor selected with the Owner's concurrence, to be secured with performance and payment bonds executed by a qualified surety equivalent to the bonds issued on the Construction Contract, and pay to the Owner the amount of damages as described in Paragraph 6 in excess of the Balance of the Contract Price incurred by the Owner resulting from the Contractor's default; or

4.4 Waive its right to perform and complete, arrange for completion, or obtain a new contractor and with reasonable promptness under the circumstances:

.1 After investigation, determine the amount for which it may be liable to the Owner and, as soon as practicable after the amount is determined, tender payment therefor to the Owner; or

.2 Deny liability in whole or in part and notify the Owner citing reasons therefor.

5 If the Surety does not proceed as provided in Paragraph 4 with reasonable promptness, the Surety shall be deemed to be in default on this Bond fifteen days after receipt of an additional written notice from the Owner to the Surety demanding that the Surety perform its obligations under this Bond, and the Owner shall be entitled to enforce any remedy available to the Owner. If the Surety proceeds as provided in Subparagraph 4.4, and the Owner refuses the payment tendered or the Surety has denied liability, in whole or in part, without further notice the Owner shall be entitled to enforce any remedy available to the Owner.

6 After the Owner has terminated the Contractor's right to complete the Construction Contract, and if the Surety elects to act under Subparagraph 4.1, 4.2, or 4.3 above, then the responsibilities of the Surety to the Owner shall not be greater than those of the Contractor under the Construction Contract, and the responsibilities of the Owner to the Surety shall not be greater than those of the Owner under the Construction Contract. To the limit of the amount of this Bond, but subject to commitment by the Owner of the Balance of the Contract Price to mitigation of costs and damages on the Construction Contract, the Surety is obligated without duplication for:

6.1 The responsibilities of the Contractor for correction of defective work and completion of the Construction Contract;

6.2 Additional legal, design professional and delay costs resulting from the Contractor's Default, and resulting from the actions or failure to act of the Surety under Paragraph 4; and

6.3 Liquidated damages, or if no liquidated damages are specified in the Construction Contract, actual damages

caused by delayed performance or non-performance of the Contractor.

The Surety shall not be liable to the Owner or others for obligations of the Contractor that are unrelated to the Construction Contract, and the Balance of the Contract Price shall not be reduced or set off on account of any such related obligations. No right of action shall accrue on this bond to any person or entity other than the Owner or its heirs, executors, administrators or successors.

The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.

Any proceeding, legal or equitable, under this Bond may be instituted in any court of competent jurisdiction in the location in which the work or part of the work is located and shall be instituted within two years after Contractor Default within two years after the Contractor ceased working or within two years after the Surety refuses or fails to perform obligations under this Bond, whichever occurs first. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a matter of course in the jurisdiction of the suit shall be applicable.

Notice to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the signature page.

When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be inoperative.

MODIFICATIONS TO THIS BOND ARE AS FOLLOWS:

Space is provided below for additional signatures of added parties, other than those appearing on the cover page.)

CONTRACTOR AS PRINCIPAL
Company: _____ (Corporate Seal)

SURETY
Company: _____ (Corporate Seal)

Signature: _____
Name and Title: _____

Signature: _____
Name and Title: _____

deemed deleted here from and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. The intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

12 DEFINITIONS

12.1 Balance of the Contract Price: The total amount payable by the Owner to the Contractor under the Construction Contract after all proper adjustments have been made, including allowance to the Contractor of any amounts received or to be received by the Owner in settlement of insurance or other claims for damages to which the Contractor is entitled, reduced by all valid and proper payments made to or on behalf of the Contractor under the Construction Contract

12.2 Construction Contract: The agreement between the Owner and the Contractor identified on the signature page, including all Contract Documents and changes thereto.

12.3 Contractor Default: Failure of the Contractor, which has neither been remedied nor waived, to perform or otherwise to comply with the terms of the Construction Contract.

12.4 Owner Default: Failure of the Owner, which has neither been remedied nor waived, to pay the Contractor as required by the Construction Contract or to perform and complete or comply with the other terms thereof.



Payment Bond

AIA Document A312 - Electronic Format

CONTRACTOR *(Name and Address)*

SURETY *(Name and Principal Place of Business)*

OWNER *(Name and Address)*

CONSTRUCTION CONTRACT

Date:
Amount:
Description *(Name and Location)*:

BOND

Date *(Not earlier than Construction Contract Date)*:
Amount:
Modifications to this Bond:

None

See Page

CONTRACTOR AS PRINCIPAL
Company:

(Corporate Seal)

SURETY
Company:

(Corporate Seal)

Signature: _____
Name and Title:

Signature: _____
Name and Title:

(Any additional signatures appear on the last page)
(FOR INFORMATION ONLY - Name, Address and Telephone)

AGENT or BROKER:

OWNER'S REPRESENTATIVE *(Architect, Engineer or other party)*:

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The Contractor and the Surety, jointly and severally bind themselves, their heirs, executors, administrators, successors and assigns to the Owner to pay for labor, materials and equipment furnished for use in the performance of the Construction Contract, which is incorporated herein by reference.

With respect to the Owner, this obligation shall be null and void if the Contractor:

2.1 Promptly makes payment, directly or indirectly, for all sums due Claimants, and

2.2 Defends, indemnifies and holds harmless the Owner from claims, demands, liens or suits by any person or entity whose claim, demand, lien or suit is for the payment for labor, materials or equipment furnished for use in the performance of the Construction Contract, provided the Owner has promptly notified the Contractor and the Surety (at the address described in Paragraph 12) of any claims, demands, liens or suits and tendered defense of such claims, demands, liens or suits to the Contractor and the Surety, and provided there is no Owner Default.

3 With respect to Claimants, this obligation shall be null and void if the Contractor promptly makes payment, directly or indirectly, for all sums due.

4 The Surety shall have no obligation to Claimants under this Bond until:

4.1 Claimants who are employed by or have a direct contract with the Contractor have given notice to the Surety (at the address described in Paragraph 12) and sent a copy, or notice thereof, to the Owner, stating that a claim is being made under this Bond and, with substantial accuracy, the amount of the claim.

4.2 Claimants who do not have a direct contract with the Contractor:

.1 Have furnished written notice to the Contractor and sent a copy, or notice thereof, to the Owner, within 90 days after having last performed labor or last furnished materials or equipment included in the claim stating, with substantial accuracy, the amount of the claim and the name of the party to whom the materials were furnished or supplied or for whom the labor was done or performed; and

.2 Have either received a rejection in whole or in part from the Contractor, or not received within 30 days of furnishing the above notice any communication from the Contractor by which the Contractor has indicated the claim will be

paid directly or indirectly, and

3 Not having been paid within the above 30 days, have sent a written notice to the Surety (at the address described in Paragraph 12) and sent a copy, or notice thereof, to the Owner stating that a claim is being made under this Bond and enclosing a copy of the previous written notice furnished to the Contractor.

5 If a notice required by Paragraph 4 is given by the Owner to the Contractor or to the Surety, that is sufficient compliance.

6 When the Claimant has satisfied the conditions of Paragraph 4, the Surety shall promptly and at the Surety's expense take the following actions:

6.1 Send an answer to the Claimant, with a copy to the Owner, within 45 days after receipt of the claim, stating the amounts that are undisputed and the basis for challenging any amounts that are disputed.

6.2 Pay or arrange for payment of any undisputed amounts.

7 The Surety's total obligation shall not exceed the amount of this Bond, and the amount of this Bond shall be credited for any payments made in good faith by the Surety.

8 Amounts owed by the Owner to the Contractor under the Construction Contract shall be used for the performance of the Construction Contract and to satisfy claims, if any, under any Construction Performance Bond. By the Contractor furnishing and the Owner accepting this Bond, they agree that all funds earned by the Contractor in the performance of the Construction Contract are dedicated to satisfy obligations of the Contractor and the Surety under this Bond, subject to the Owner's priority to use the funds for the completion of the work.

9 The Surety shall not be liable to the Owner, Claimants or others for obligations of the Contractor that are unrelated to the Construction Contract. The Owner shall not be liable for payment of any costs or expenses of any Claimant under this Bond, and shall have under this Bond no obligations to make payments to, give notices on behalf of, or otherwise have obligations to Claimants under this Bond.

10 The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.

11 No suit or action shall be commenced by a Claimant under this Bond other than in a court of competent jurisdiction in the location in which the work or part of the work is located or after the expiration of one year from the

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is (1) on which the Claimant gave the notice required by paragraph 4.1 or Clause 4.2.3, or (2) on which the last work or service was performed by anyone or the last materials or equipment were furnished by anyone under the Construction Contract, whichever of (1) or (2) first occurs. If any provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as defense in the jurisdiction of the suit shall be applicable.

2. Notice to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the signature page. Actual receipt of notice by Surety, the Owner or the Contractor, however accomplished, shall be sufficient compliance as of the date received at the address shown on the signature page.

3. When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. The intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

14. Upon request by any person or entity appearing to be a potential beneficiary of this Bond, the Contractor shall promptly furnish a copy of this Bond or shall permit a copy to be made.

MODIFICATIONS TO THIS BOND ARE AS FOLLOWS:

(Space is provided below for additional signatures of added parties, other than those appearing on the cover page.)

CONTRACTOR AS PRINCIPAL

Company:

(Corporate Seal)

SURETY

Company:

(Corporate Seal)

Signature: _____
Name and Title:

Signature: _____
Name and Title:

15 DEFINITIONS

15.1 **Claimant:** An individual or entity having a direct contract with the Contractor or with a subcontractor of the Contractor to furnish labor, materials or equipment for use in the performance of the Contract. The intent of this Bond shall be to include without limitation in the terms "labor, materials or equipment" that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental equipment used in the Construction Contract, architectural and engineering services required for performance of the work of the Contractor and the Contractor's subcontractors, and all other items for which a mechanic's lien may be asserted in the jurisdiction where the labor, materials or equipment were furnished.

15.2 **Construction Contract:** The agreement between the Owner and the Contractor identified on the signature page, including all Contract Documents and changes thereto.

15.3 **Owner Default:** Failure of the Owner, which has neither been remedied nor waived, to pay the Contractor as required by the Construction Contract or to perform and complete or comply with the other terms thereof.

Q

EXHIBIT Q

FORM of HOUSING COVENANT

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

This DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (“Declaration”) is entered into as of the _____ day of [_____] (the “Effective Date”) by and between _____ (“Owner A”) and [_____ (“Owner B”)]

WITNESSETH:

WHEREAS, Owner A acquired legal title to and is the master developer of an approximately [_____] acre assemblage of real property generally located north and south of Chicago Avenue, east of the North Branch of the Chicago River and west of N. Hudson Street in the City of Chicago, County of Cook, State of Illinois, which property is depicted on the Boundary and Sub-Area Map on Exhibit A annexed hereto and made a part hereof (the “Kingsbury Park Planned Development”); and

WHEREAS, effective as of October 31, 2001, the City of Chicago (“City”) adopted Ordinance [_____] amending the terms and conditions of Residential Business Planned Development No. 447 (such Ordinance, as hereinafter amended, the “Amended Planned Unit Development”) which controls the zoning of Kingsbury Park Planned Development; and

WHEREAS, the Amended Planned Unit Development establishes certain rights, restrictions, obligations and regulations, including, but not limited to allowable land uses, building bulk, open space, dwelling unit density, parking, signage, landscaping, and design guidelines for streetscapes and signs within Kingsbury Park Planned Development; and

WHEREAS, the rights, restrictions, obligations and regulations of the Amended Planned Unit Development are in furtherance of a plan to promote and protect the quality of Kingsbury Park Planned Development and are established for the purpose of preserving, enhancing and protecting the value, desirability and attractiveness thereof for the mutual benefit of all present and future owners, occupants and mortgagees of the Benefitted Property (as hereinafter defined), or portions thereof; and

WHEREAS, Owner A and/or its affiliates, including, without limitation, Eport 600, L.L.C., a Delaware limited liability company (“Eport 600”), have entered into a redevelopment agreement with the City dated as of _____ and recorded _____ as Document No.

_____ with the Cook County Recorder (the "Redevelopment Agreement"), and

WHEREAS, Owner B acknowledges that the Redevelopment Agreement evidences the City's goal to provide CHA Replacement Housing Units and Affordable Housing Units (as hereinafter defined) on certain parcels within Kingsbury Park Planned Development including the Owner B Property if the Owner B Property is developed for residential use, and the City's requirement that Owner A establish a mechanism to ensure construction of such CHA Replacement Housing Units and Affordable Housing Units on the Owner B Property; and

WHEREAS, the City intends to assert certain remedies in the event that the CHA Replacement Housing Units and Affordable Housing Units are not constructed on the Owner B Property pursuant to the Redevelopment Agreement, and

WHEREAS, Owner A previously entered into a Sale-Purchase Agreement, dated as of [], 200[], with Owner B (the "Sale-Purchase Agreement"), pursuant to which (x) Owner A agreed to sell and convey a portion of Kingsbury Park Planned Development to Owner B, consisting of the land more particularly described on Exhibit B annexed hereto and made a part hereof (the "Owner B Property"), and (y) Owner B has agreed to enter into and record this Declaration against the Owner B Property; and

WHEREAS, Owner A and Owner B have each received substantial benefit from the covenants, conditions and restrictions set forth herein and intend that Eport 600 and the City shall each receive substantial benefit from the covenants conditions and restrictions set forth herein and be third-party beneficiaries of the covenants and obligations of Owner B set forth in Sections 6 and 7 herein.

NOW, THEREFORE, for and in consideration of the terms and provisions of this Declaration, and for other good and valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged, Owner A and Owner B hereby declare that the Owner B Property shall be held, sold and conveyed subject to the covenants, conditions and restrictions set forth below:

1. Certain Definitions. The following terms shall have the definitions set forth below:

"Affordable Housing Purchaser" means a Person whose annual income does not exceed 120% of the Chicago area median income, adjusted for family size, as such annual income and Chicago-area median income are determined from time to time by the United States Department of Housing and Urban Development, and thereafter such income limits shall apply to this definition.

"Affordable Housing Unit" means a Dwelling Unit that is affordable, pursuant to generally recognized mortgage loan underwriting criteria, to Affordable Housing Purchasers.

"Amended Planned Unit Development" is defined in the Second Whereas clause.

“Benefitted Property” means the real property in Kingsbury Park Planned Development that is legally described on Exhibit C annexed hereto and incorporated herein

“Building” shall have its defined meaning in the Zoning Ordinance, except if the conditions imposed by the Amended Planned Unit Development are more restrictive or specific, in which case the provisions of the Amended Planned Unit Development shall apply.

“CHA Replacement Housing Unit” means a Dwelling Unit ultimately sold or leased to the Chicago Housing Authority or U.S. Department of Housing and Urban Development to be leased or subleased, as the case may be, to Persons [.]

“City” is defined in the Second Whereas clause.

“Completion Date” means the earlier of (i) two years after the date that a building permit is issued for Residential Use construction or (ii) three (3) years after the Effective Date.

“Dwelling Unit” shall have its defined meaning in the Zoning Ordinance, except if the conditions imposed by the Amended Planned Unit Development are more restrictive or specific, in which case the provisions of the Amended Planned Unit Development shall apply.

“Efficiency Units” shall have its defined meaning in the Zoning Ordinance, except if the conditions imposed by the Amended Planned Unit Development are more restrictive or specific, in which case the provisions of the Amended Planned Unit Development shall apply.

“Eport 600” is defined in the Fifth Whereas clause.

“Improvements” means and includes any temporary or permanent Building or other structure located on the Owner B Property and adjoining public rights-of-way for which the issuance of a building permit, license, right-of-way permit or a certificate of occupancy is required for the lawful use thereof and, in addition thereto, any ancillary facilities such as parking areas, driveways, curbs, fences, sidewalks, signs, lighting and street trees and other landscaping.

“Kingsbury Park Planned Development” is defined in the First Whereas clause.

“Laws” means any law, rule, regulation, requirement, order, notice, determination and/or ordinance of any federal, state or municipal authority.

“Mortgagee” means any Person that holds indebtedness secured by a mortgage (or deed of trust) encumbering all or any portion of the Owner B Property.

“Owner A Affiliate” means MW-CPAG Tower Holdings, L.L.C., MW-CPAG Garage Holdings, L.L.C., Domain Owner, L.L.C., Eport 600, L.L.C. and any other entity a majority of whose

members consist of affiliates of Centrum Properties, Inc., Angelo, Gordon & Co., L P., and funds controlled by Angelo, Gordon & Co., L.P.

“Owner A Designated Successor” means one or more owners of legal title to any of the Benefitted Property or any other property in Kingsbury Park Planned Development which owner or owners has been designated by Owner A in writing to act as successor to the rights and obligations of Owner A under this Declaration

“Person” means any natural person, corporation, partnership, limited liability company, trust or other entity.

“Prohibited Materials” means unfinished exposed concrete, concrete block, plywood and asphalt shingles.

“PUD Streetscape Requirements” means the streetscape improvements for the public rights-of-way adjacent to the Owner B Property located between the Owner B Property line and the back of the curb, as set forth in the Amended Planned Unit Development

“Publicly Accessible Open Space” shall have its defined meaning in the Amended Planned Unit Development.

“Redevelopment Agreement” is defined in the Sixth Whereas clause.

“Residential Use” means any use of the Owner B Property for Dwelling Units, except that the foregoing shall not include incidental use of the Owner B Property for clergy housing, community center staff and caretaker housing, or short-term accommodations for guests and attendees at conference programs conducted on the Owner B Property or on other property owned by Owner B.

“Successors” shall mean (a) with respect to Owner A, the Owner A Designated Successor and any lender who succeeds to the interest of Owner A as owner of any of the Benefitted Property, through either foreclosure or a deed in lieu thereof, and (b) with respect to Owner B, Owner B’s successors and assigns as owner from time to time of all or any portion of the Owner B Property, including, without limitation, any lender who succeeds to the interest of Owner B through either foreclosure or a deed in lieu thereof. Owner A and Owner B acknowledge and agree that (a) references in this Declaration to Owner A or Owner B shall be deemed to include such party’s Successors and (b) if any of the Owner B Property is hereafter divided into two (2) or more parts (each, together with the remaining original parcel, if any, a **“Subdivided Parcel”** and the owner of a Subdivided Parcel, together with Owner B if Owner B continues to own a Subdivided Parcel, being referred to as a **“Subdivided Parcel Owner”**), either by separation of ownership, by subdivision or otherwise, then all of the benefits, burdens and obligations set forth in this Agreement shall inure and

transfer to each owner of each Subdivided Parcel (such burdens and obligations to be joint and several burdens and obligations).

“Zoning Ordinance” means the Chicago Zoning Ordinance, Title 17 of the Municipal Code of Chicago, as amended from time to time.

2. Purpose of Declaration The Owner B Property is made subject to this Declaration in order to promote appropriate development and improvement of the Owner B Property and every part thereof and surrounding public rights-of-way, preserve, enhance and protect the value, desirability and attractiveness of the Benefitted Property and the balance of Kingsbury Park Planned Development; inhibit the erection on the Owner B Property of any Improvements of inappropriate design or unsuitable materials, encourage attractive Improvements and open space on the Owner B Property and adjacent public rights-of-way with appropriate locations thereof; establish residential densities throughout the Kingsbury Park Planned Development the open space needs of which are met by the amount of publicly accessible open space being provided pursuant to the Open Space Plan of the Amended Planned Unit Development, fulfill the City’s objective that CHA Replacement Housing Units and Affordable Housing Units be constructed on the Owner B Property; and in general to provide adequately for a first-class mixed use development of Kingsbury Park Planned Development consistent with the intent of the Amended Planned Unit Development.

3. Burden on the Property. This Declaration and the covenants, conditions and restrictions established herein shall run with the Owner B Property and shall inure to the benefit of and be binding upon all parties having any right, title or interest in the Owner B Property or any part thereof, their successors and assigns Each grantee of Owner B, by the acceptance of a deed of conveyance, and each purchaser under any contract for such deed of conveyance, accepts said deed or contract for himself, his heirs, representatives, successors, lessees, grantees and mortgagees, subject to all restrictions, conditions, covenants and reservations and the jurisdiction, rights and powers created or reserved by this Declaration. Reference in the respective deeds of conveyance or in any mortgage or trust deed or other evidence of obligation or transfer, to the covenants, conditions, restrictions, rights, benefits and privileges of every character contained herein, shall be deemed and taken to be appurtenant to and covenants running with the land, and shall be binding upon any such grantee, mortgagee or trustee and their successors and assigns as fully and completely as though the provisions of this Declaration were fully recited and set forth in their entirety in such documents. Further, the rights, liabilities and obligations set forth herein shall attach to and run with the ownership of the Owner B Property or any part thereof, and may not be severed or alienated from such ownership.

4. Use, Density, Open Space Restrictions.

(a) Permitted Use.

[To be inserted]

(b) Density.

[to be inserted]. If the Owner B Property is developed for Residential Use, a maximum of [_____] (____) Dwelling Units may be constructed on the Owner B Property.

(c) Open Space [Note The following provision is applicable if no dwelling units were allocated to the parcel in question under the PD or if Owner B proposes to develop more dwelling units than were allocated to the parcel under the PD by Owner A]

As a condition precedent to development of the Owner B Property for Residential Use, Owner B shall comply with the requirements of any of clause (i), or clause (ii) or clause (iii) of this Section 4(c).

- (i) Owner B shall deliver to Owner A a copy of Owner B's so-called "Part II Approval" for the Owner B Property from the City's Department of Planning and Development ("DPD") which Part II Approval confirms that (x) Owner B will provide not less than 87 square feet of additional Publicly Accessible Open Space on the Owner B Property for each Dwelling Unit that Owner B proposes to construct on the Owner B Property, and (y) that DPD has credited the Publicly Accessible Open Space on Owner B Property against the amount of Publicly Accessible Open Space required to be provided by Owner A pursuant to the Amended Planned Unit Development and released Owner A from the obligation to provide additional Publicly Accessible Open Space in such amount; or
- (ii) Owner B shall deliver to Owner A a copy of Owner B's so-called "Part II Approval" confirming that (A) Owner B is required to and will provide not less than 87 square feet of additional Publicly Accessible Open Space on other property, whether owned by Owner B or otherwise, and (B) DPD has credited the Publicly Accessible Open Space on such other property against the amount of Publicly Accessible Open Space required to be provided by Owner A pursuant to the Amended Planned Unit Development and released Owner A from the obligation to provide additional Publicly Accessible Open Space in such amount; or
- (iii) DPD shall have issued to Owner B a so-called "Minor Amendment" to the Amended Planned Unit Development, that acknowledges the total number of Dwelling Units proposed to be constructed within the

Amended Planned Unit Development and waives the requirement that Publicly Accessible Open Space be provided with respect to all or a portion of the Dwelling Units that Owner B proposes to construct on Owner B Property (and if such waiver applies to less than all of the Dwelling Units, Owner B shall comply with the requirements set forth above in clause(i) or clause (ii) with respect to the Dwelling Units for which the open space requirement waiver does not apply)

5. Zoning Control; Covenant of Cooperation

(a) Zoning Control. Owner A shall retain the right to control the zoning of the Owner B Property under the Amended Planned Unit Development (such control, the “Zoning Control”) All building and zoning applications, amendments and approvals sought by Owner B with respect to the Owner B Property under the Amended Planned Unit Development, including, without limitation, any application pursuant to Section 4(c) hereof, and any amendment to the City’s zoning ordinance and the submission of any application for Site Plan or so-called Part II Approval, must be consented to in writing by Owner A in order to be effective (which consent will not be unreasonably withheld) and must be accompanied by the written consent of Owner A to such application or submission. Owner B acknowledges and agrees that in the exercise of the Zoning Control, Owner A shall be permitted to make amendments to the Amended Planned Unit Development, including, without limitation, amendments that affect the Owner B Property, without Owner B’s consent, provided, however, that Owner A covenants that in the exercise of the Zoning Control, Owner A shall not initiate or consent to any amendment that would change the Permitted Use or reduce the Density of the Owner B Property as set forth in Section 4 of this Declaration, or that would further restrict or reduce, as the case may be, the use, building height or floor area ratio or setback requirements of the Amended Planned Unit Development as applicable to the Owner B Property.

(b) Cooperation. Owner B covenants to execute any additional documents and instruments from and after the date hereof as may be requested by Owner A or the City to evidence Owner A’s retention of the Zoning Control of the Owner B Property. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to Owner A to execute any such document or instrument on behalf of Owner B as attorney-in-fact. Each deed, mortgage, trust deed, other evidence of obligation, or other instrument affecting the Owner B Property, and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the power of Owner A to execute such documents and instruments. The right of Owner A to act pursuant to the right reserved or granted under this Section 5 shall terminate at such time as Owner A no longer holds or controls title to any of the Benefitted Property.

6. CHA Replacement Housing Units / Affordable Housing Units. If the Owner B Property is developed for Residential Use in accordance with the terms of this Declaration, Owner B shall construct CHA Replacement Housing Units and Affordable Housing Units, at no cost or expense to Owner A, on the Owner B Property in the amounts and concurrently with

other Dwelling Units on the Owner B Property as set forth in this Section 6. The initial sale and resale of any Affordable Housing Units shall be restricted as set forth in this Section 6

(a) A minimum of ten percent (10%) of the Dwelling Units constructed on the Owner B Property shall be CHA Replacement Housing Units.

(b) A minimum of ten percent (10%) of the Dwelling Units constructed on the Owner B Property shall be Affordable Housing Units.

(c) The CHA Replacement Housing Units and the Affordable Housing Units shall be constructed concurrently with the other Dwelling Units that are constructed on the Owner B Property on a pari passu basis. Owner B shall use its best efforts to ensure that a pro rata share of CHA Replacement Housing Units and Affordable Housing Units are completed and available for occupancy at the times that other Dwelling Units constructed on the Owner B Property are completed and available for occupancy.

(d) For a period of five (5) years commencing from the date of the initial transfer of an Affordable Housing Unit from Owner B to a bona fide Affordable Housing Purchaser, the sale, transfer or other conveyance of an interest in such Affordable Housing Unit is prohibited except (i) the transfer of an interest to such Person's mortgagee, and (ii) the transfer to another Affordable Housing Purchaser. Owner B shall incorporate the restrictions of this Section 6(d) into every purchase and sale agreement between Owner B and the initial purchaser of an Affordable Housing Unit and every deed from Owner B to an initial purchaser of an Affordable Housing Unit.

(e) Nothing in this Declaration shall be deemed to preclude Owner B from requesting TIF Financing from the City to be paid out of the City's fifty percent (50%) share of the future annual property tax increment from the Chicago/Kingsbury Redevelopment Project Area to subsidize the cost of CHA Replacement Housing Units or Affordable Housing Units on the Owner B Property as is contemplated by the Redevelopment Agreement.

7. Covenant to Complete. If the Owner B Property is developed for Residential Use in accordance with the terms of this Declaration, Owner B covenants to perform and complete construction of the CHA Replacement Housing Units and Affordable Housing Units on the Owner B Property at no cost or expense to Owner A and in accordance with standards set forth in the Amended Planned Unit Development and in Section 4 hereof, on or before the Completion Date. OWNER A AND OWNER B ACKNOWLEDGE AND AGREE THAT THE OBLIGATIONS AND COVENANTS OF OWNER B SET FORTH IN SECTION 6 AND IN THIS SECTION 7 ARE FOR THE DIRECT AND INTENDED BENEFIT OF THE CITY AND EPORT 600 AND THAT THE CITY AND EPORT 600 ARE INTENDED THIRD PARTY BENEFICIARIES OF THIS DECLARATION, AND ACCORDINGLY, IN THE EVENT OF THAT THE PROVISIONS OF SECTION 6 ARE OPERATIVE AND OWNER B FAILS TO CONSTRUCT CHA REPLACEMENT HOUSING UNITS AND AFFORDABLE HOUSING

UNITS ON THE OWNER B PROPERTY OR FAILS TO COMPLETE CONSTRUCTION OF THE CHA REPLACEMENT HOUSING UNITS AND AFFORDABLE HOUSING UNITS ON OR PRIOR TO THE COMPLETION DATE, EPORT 600 AND THE CITY OF CHICAGO SHALL SEVERALLY BE ENTITLED TO PURSUE THEIR REMEDIES FOR OWNER B'S DEFAULT, AS SET FORTH IN SECTION 11(C) AND SECTION 11(D), RESPECTIVELY, OF THIS DECLARATION, AND IN CONNECTION THEREWITH SHALL BE ENTITLED TO FILE A COPY OF THIS DECLARATION IN ANY PROCEEDING BROUGHT BY THE CITY OR EPORT 600 AGAINST OWNER B, AS CONCLUSIVE EVIDENCE OF THE INTENTIONS OF OWNER A AND OWNER B

8 Relationship to Amended Planned Unit Development. Owner B shall develop, redevelop and/or construct the Improvements on the Owner B Property and/or the adjoining public rights-of way in compliance with the terms and conditions of the Amended Planned Unit Development. To the extent that the terms and conditions of this Declaration are more restrictive or specific than the terms and conditions of the Amended Planned Unit Development, the terms and conditions of this Declaration shall control.

9. Building Materials.

(a) Owner B acknowledges and agrees that: Owner A desires to promote the attractive and harmonious development of the Benefitted Property, Owner A desires to preserve and enhance the value of the Benefitted Property consistent with the character of comparable first-class mixed use developments in the Chicago metropolitan area; and Owner A proposes to develop a portion of the Benefitted Property in the immediate vicinity of the Owner B Property. In furtherance of the purposes of this Declaration, Owner B covenants that Prohibited Materials shall not be used on the south, east or west exterior façades of any permanent Improvement or any replacement to or any Material addition or modification to the original Improvements on the Owner B Property. For purposes of this Section 9, the term "Material" shall mean an addition or modification to the original Building that results in an increase in gross floor area of ten percent (10%) or more.

(b) To evidence compliance with the covenant set forth in Section 9(a), prior to the commencement of construction of any Improvements on the Owner B Property, Owner B shall deliver a description and, if requested by Owner A, samples of all relevant exterior surface and construction materials, to Owner A in care of Centrum Properties, Inc., 225 W. Hubbard St., 4th Floor, Chicago, Illinois 60610, Attention: Arthur Slaven.

(c) Nothing in this Section 9 shall be construed as representing or implying that any plans and specifications for any Improvements shall, if followed, result in properly designed construction or be built in a good or workmanlike manner or in compliance with applicable Laws. Owner A shall not be responsible or liable for any defects in construction of any Improvements or any loss or damage to any Person or property arising out of the construction of any Improvements on the Owner B Property.

10 Covenant of Cooperation Owner B and Owner A agree to do all things necessary or appropriate to carry out the terms and provisions of this Declaration, and the intentions of the parties as reflected by said terms, including, without limitation, the delivery and execution of such documents, the disclosure of such information, and the taking of such other actions as may be necessary to enable the parties' compliance with the terms and provisions of this Declaration and the intentions of the parties as reflected by said terms.

11. Default, Remedies. (a) In the event that Owner B shall default in the performance of any restriction, condition, covenant, reservation or agreement in this Declaration, which continues for ten (10) days after written notice thereof, Owner A shall have all its rights at law and in equity, including, but not limited to the right to bring an action for monetary damages and the right to bring an action against Owner B to seek specific performance of Owner B's obligations under this Declaration. If Owner B shall be found by a court of competent jurisdiction to be in violation of any of the foregoing, Owner B shall also be liable for reasonable attorneys' fees incurred by Owner A in prosecuting such action. Failure by Owner A to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. All rights, remedies and privileges granted to Owner A pursuant to any of the terms, provisions, covenants or conditions of this Declaration shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies nor shall it preclude Owner A thus exercising the same from exercising such other and additional rights, remedies or privileges as may be granted to Owner A at law or in equity.

(b) In addition to, and not in limitation of the foregoing Section 11(a), in the event that Owner B shall fail to perform its obligations under Sections 6 or 7 of this Declaration within thirty (30) days after written notice from Owner A of such default, Owner A shall have the right, but not the obligation, to enter the Owner B Property and cause such construction to be completed by or through any agent, contractor or subcontractor of Owner A's selection, at the sole cost and expense of Owner B; provided, however, that Owner B shall not be deemed to be in default of its obligations under Sections 6 and/or 7 of this Declaration if Owner B commences to cure such default within said thirty (30) day time period and thereafter proceeds with such cure in a diligent manner and completes such cure within ninety (90) days after the expiration of said thirty (30) day time period. In the event that Owner A exercises its rights under this Section 11(b), Owner B shall, within five (5) business days after demand therefor, reimburse Owner A for its actual out of pocket expenses incurred in connection therewith, including, but not limited to any reasonable attorney's fees and expenses incurred by Owner A. If any payment required to be made by Owner B hereunder shall become overdue, such amount billed shall bear interest from the date such payment was due at a rate equal to the lesser of fifteen (15%) percent per annum or the highest rate permitted by law. In addition, the full amount due to Owner A from Owner B shall constitute a lien upon and encumbering the Owner B Property (which lien shall encumber the Owner B Property until fully paid and satisfied). In connection therewith, Owner A shall be entitled to record against the Owner B Property in the land records of Cook County, State of Illinois a certificate giving public notice of such lien. If any assessment is not paid when due, an action to foreclose the lien created by this Section 11(b) may be brought at any time by Owner A and Owner A shall be entitled to

reimbursement for court costs and reasonable attorney's fees from Owner B in connection with such action. No failure by Owner A to insist upon strict performance in the payment of any such late charges shall constitute a waiver of Owner A's right to enforce the provisions of this Section 11(b) in any instance thereafter occurring.

(c) In addition to, and not in limitation of the foregoing Section 11(a) and Section 11(b), Owner A and Owner B acknowledge that Eport 600 is an intended beneficiary of the covenants and obligations of Owner B set forth in Section 6 and Section 7 of this Declaration and accordingly, in the event that Owner B shall fail to perform its obligations under Section 6 or Section 7 of this Declaration, subject to the notice and cure periods set forth in Section 11(a) and Section 11(b), as applicable, Eport 600 shall be entitled to pursue all the remedies available to Owner A under Section 11(a) and Section 11(b) of this Declaration.

(d) In addition to, and not in limitation of the foregoing Section 11(a) and Section 11(b), Owner A and Owner B acknowledge that the City is an intended beneficiary of the covenants and obligations of Owner B set forth in Section 6 and Section 7 of this Declaration and accordingly, in the event that Owner B shall fail to perform its obligations under Section 6 or Section 7 of this Declaration, subject to the notice and cure periods set forth in Section 11(a) and Section 11(b), as applicable, the City shall be entitled to pursue all the remedies available to Owner A under Section 11(a) and Section 11(b) of this Declaration.

12. Miscellaneous

(a) Estoppel Certificate Upon notice from an Owner requesting the same, the Owner receiving such request shall, within five (5) business days, give notice in the form of a dated certificate to such requesting Owner, any present or proposed lender, mortgagee, ground lessor, purchaser, or the like of all or any part of such Owner's property or a lessee of a Building located on such Owner's Property stating (i) whether there are any assessments or other sums owed by the former to the latter for which an assessment has been or may be levied pursuant to this Agreement; (ii) whether there are any sums for which the Owner executing that certificate has the right to levy an assessment against the Property of the Owner requesting that certificate, stating the amount of any such sums as nearly as it is practicable to calculate or estimate that amount; (iii) whether there are any set-offs, counterclaims or defenses then being asserted or otherwise known by the Owner executing such certificate against the enforcement of any obligations hereunder which are otherwise to be paid or performed by the Owner executing such certificate and, if so, the amount and/or nature thereof; (iv) whether the Owner executing such certificate has given, to the Owner that requested that certificate, any notice making a claim or demand pursuant to this Declaration which claim or demand has not been fully discharged or otherwise resolved; (v) whether this Declaration is in full force and effect; (vi) whether the Owner executing such certificate is aware of any breach or nonperformance by the Owner requesting that certificate of any lawful obligation of the latter to the former, specifying the nature thereof; and (vii) the current address or addresses to which notices to the Owner executing such certificate are to be sent pursuant to Section 12(e) hereof. If such certificate is signed by any Person who, together with any other Person(s), constitutes an Owner, that certificate

shall be binding on that Owner.

(b) Rule Against Perpetuities If and to the extent any provision of this Declaration is deemed to violate the rule against perpetuities, the rule restricting restraints on alienation or any other rule, statute or law imposing time limitations, then such provision shall be deemed to remain in effect until the death of the last survivor of the now living descendants of the President of the United States, George W. Bush, plus twenty-one (21) years thereafter.

(c) Liberal Construction The provisions of this Declaration shall be liberally construed to effectuate the purposes set forth in Section 2 hereof.

(d) Captions. The articles and section captions are intended for convenience only and shall not be construed with any substantive effect in this Declaration.

(e) Notices. All notices required or permitted hereunder shall be in writing and addressed to the parties as set forth below or at such other addresses as the parties may designate from time to time by notice given in accordance with the terms hereof. Notices shall be given by registered or certified United States mail, return receipt requested, by recognized overnight delivery service or by facsimile and shall be deemed given two (2) business days after deposit with the United States mail, one (1) day after deposit with such overnight delivery service or on the date of delivery as confirmed by electronic answerback if sent by facsimile, as applicable.

If to Owner A:

c/o Angelo Gordon & Co., L.P
245 Park Avenue, 26th floor
New York, New York 10167
Attn: Mr Andrew Jacobs
Facsimile: (212) 867-5436

with a copy to:

Centrum Properties, Inc.
225 W. Hubbard St., 4th Floor
Chicago, Illinois 60610
Attention: Arthur Slaven and Mary Koberstein
Facsimile: (312) 832-2525

and an additional copy to:

Duval & Stachenfeld LLP

300 East 42nd Street, 3rd Floor
New York, New York 10017
Attn. Bruce M. Stachenfeld, Esq.
Facsimile (212) 883-8883

If to Owner B:

[]
[]
[]
Attention: []
Facsimile: []

with a copy to:

[]
[]
[]
Attention: []
Facsimile. []

(f) No Joint Venture. Nothing contained in this Declaration shall be construed to make the parties partners or joint venturers or render any of said parties liable for the debts or obligations of the others.

(g) Amendment. This Declaration shall not be modified or terminated except by the execution and recordation among the land records of Cook County, Illinois of a written instrument executed by Owner A and Owner B and consented to by any first mortgagee of the Owner B Property. In addition, the terms and conditions of Sections 6, 7 and 11(d) of this Declaration shall be not modified without the written consent of the City and the terms and conditions of Sections 6, 7 and 11(c) of this Declaration shall be not modified without the written consent of Eport 600. In the event that (i) the Redevelopment Agreement is amended after the Effective Date and such amendment is inconsistent with the terms and conditions of Sections 6, 7, and 11 hereof, or (ii) the City waives or modifies any of the conditions imposed on the Owner B Property pursuant to Sections 6 or 7 hereof or remedies available pursuant to Section 11 hereof, and such waiver or modification does not impose any additional liability or obligation on Owner A, subject to the written consent of the City and/or Eport as applicable, Owner A and Owner B shall execute and record an amendment to this Declaration that conforms the terms and provisions of the Declaration to the amendments and modifications set forth in clause (i) and clause (ii) of this Section 12(g).

(h) Severability. If any provision of this Declaration shall, to any extent, be invalid or unenforceable, the remainder of this Declaration (or the application of such provision to Persons or circumstances other than those in respect of which it is invalid or unenforceable) shall not be affected thereby, and each provision of this Declaration shall be valid and enforceable to the fullest extent permitted by law.

(i) Governing Law. This Agreement shall be construed and governed in accordance with the laws of the State of Illinois.

(j) Term The covenants, conditions, rights, and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of, and be enforceable by Owner A and Owner B, and their respective Successors, for a term of twenty-three (23) years from the date this Declaration is recorded, subject to amendment or cancellation as herein set forth

(k) Attorneys' Fees. If either party places the enforcement of this Declaration or any part hereof, or the collection of any payment due or to become due hereunder, in the hands of an attorney, or files suit upon the same, the prevailing party shall, within thirty (30) days after demand, be reimbursed by the losing party for its reasonable attorneys' fees, disbursements and court costs.

(l) WAIVER OF JURY TRIAL. OWNER A AND OWNER B EACH HEREBY AGREES NOT TO ELECT A TRIAL BY JURY OF ANY ISSUE TRIABLE OF RIGHT BY JURY, AND WAIVES ANY RIGHT TO TRIAL BY JURY FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST WITH REGARD TO THIS DECLARATION OR ANY CLAIM, COUNTERCLAIM OR OTHER ACTION ARISING IN CONNECTION HEREWITH. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS GIVEN KNOWINGLY AND VOLUNTARILY BY EACH OF OWNER A AND OWNER B, AND IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A TRIAL BY JURY WOULD OTHERWISE ACCRUE. EACH OF OWNER A AND OWNER B, AS APPLICABLE, IS HEREBY AUTHORIZED TO FILE A COPY OF THIS SECTION IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER BY ANY OTHER OWNER, AS APPLICABLE. THIS SECTION 12(l) SHALL SURVIVE THE EXPIRATION OR EARLIER TERMINATION OF THIS DECLARATION.

(m) SUBMISSION TO JURISDICTION. OWNER A AND OWNER B EACH HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT SITTING IN COOK COUNTY, STATE OF ILLINOIS, OVER ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS DECLARATION. OWNER A AND OWNER B EACH HEREBY ELECTS THE STATE OF ILLINOIS, COOK COUNTY, OR THE UNITED STATES OF AMERICA, FEDERAL DISTRICT COURT HAVING JURISDICTION OVER COOK COUNTY, STATE OF ILLINOIS, AS THE VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING. OWNER B AND OWNER A EACH HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION IT MAY NOW OR HEREAFTER HAVE TO SUCH VENUE AS BEING AN INCONVENIENT FORUM.

THIS SECTION 12(m) SHALL SURVIVE THE EXPIRATION OR EARLIER TERMINATION OF THIS DECLARATION.

[Signatures on following page]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the dated and year first above written

OWNER A:

[_____]

By: _____
Name: _____
Title: _____

OWNER B:

[_____]

By: _____
Name: _____
Title: _____

STATE OF _____)

ss :

COUNTY OF _____)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY that _____, the _____ of _____, a _____, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such _____, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his free and voluntary act, and as the free and voluntary act of the company, for the uses and purposes therein set forth

Given under my hand and official seal this _____ of _____, 200__.

NOTARY PUBLIC

My Commission Expires

STATE OF ILLINOIS)
 ss.:
COUNTY OF COOK)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY that _____, the _____ of [_____], personally known to me to be the same person whose name is subscribed to the foregoing instrument as such [_____], appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his free and voluntary act, and as the free and voluntary act of the [_____], for the uses and purposes therein set forth.

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

NOTARY PUBLIC

My Commission Expires:

**CONSENT AND AGREEMENT TO SUBORDINATE
TO DECLARATION**

The undersigned, as current note holder and mortgagee of a first mortgage lien upon the Owner B Property, having reviewed the Declaration of Covenants, Conditions and Restrictions dated _____, 200__ (the "Declaration"), does hereby consent to the Declaration to the extent that such Declaration affects its rights and interests in the Owner B Property, and agrees that the lien of its mortgage is subject and subordinate to the Declaration such that a foreclosure under such deed of trust shall not extinguish or invalidate the Declaration or the rights, benefits, duties and burdens of the parties thereto.

Attest: []

Name: By: _____
Title: Title.

(Corporate Seal)

_____))
_____) ss:
_____))

I, the undersigned, a Notary Public in and for the jurisdiction aforesaid, do hereby certify that _____, whose name as _____ of [_____] is signed to this Consent and Agreement to Subordinate, personally appeared before me this day in said jurisdiction, and in the name and on behalf of [_____] acknowledged said Consent as the act and deed of said corporation, and made oath that he/she is _____ of said corporation.

Given under my hand this _____ day of _____, 200__.

Notary Public

My commission expires:

Exhibit A

Planned Development Boundary and Sub-Area Map

Exhibit B

Legal Description of the Owner B Property

Exhibit C

Legal Description of the Benefitted Property

R

EXHIBIT R

**FORMULA OF APPLICABLE COSTS FOR
CHA REPLACEMENT DWELLING UNITS AND
AFFORDABLE DWELLING UNITS**

Formula:

Total Development Cost Per Unit each unit's prorata land cost paid by the respective developer =

each unit's prorata land cost paid by the respective developer (1)

+

the actual hard costs to construct each unit (2)

+

the actual soft costs to construct each unit (3)

- (1) The land sales must be arms length transactions, and documented by third party appraisals. The appraisers must be apprised that the land has the CHA replacement and affordable housing restrictions. Appraisers must be instructed to value the applicable property taking into account the impact of the CHA replacement housing and affordable housing requirements. Public funds will not be used to subsidize inflated land values.
- (2) Each unit's actual hard costs must be documented from base building to finishes. Only base building and base finishes will be considered eligible costs by the City. Listed below are the eligible and ineligible costs, assuming all are on a prorata basis.

	<u>CHA</u>	<u>Affordable</u>
*Prorata Land Acquisition Cost	Eligible	Eligible
*Base Hard Construction Costs	Eligible	Eligible
*Buyers Upgrades	Ineligible	Ineligible
*Prorata Landscaping / Fencing Costs	Eligible	Eligible
*Construction Contingency	Eligible	Eligible

- (3) Only certain soft costs will be considered eligible costs by the City. For the CHA

replacement units, exclusions include the Developer's proposed 10% administration and overhead fee. Other exclusions include marketing costs and commissions, and the cost of social services. Listed below are the eligible and ineligible costs for the CHA and affordable unit construction, assuming all are on a prorata basis.

	<u>CHA</u>	<u>Affordable</u>
*Architect Fees	Eligible	Eligible
*Legal/Accounting Fees	Eligible	Eligible
*Market Study	Ineligible	[Eligible]
*Environment Reports/Tests	Eligible	Eligible
*Construction Taxes/Insurance	Eligible	Eligible
*Construction Period Interest	Eligible	Eligible
*Lenders Fees/Appraisals/Surveys	Eligible	Eligible
*Sales Pavilion	Ineligible	[Eligible]
*Brokers Fees/Advertising	Ineligible	[Eligible]
*Administration Fee (Property Management Fee)	Eligible	Ineligible
*Developer Profit	Ineligible	[TBD]
*Community Seminars	Ineligible	Ineligible
*Job Placement Staff	Ineligible	Ineligible
*Community Consultants	Ineligible	Ineligible
*Operating Deficit Reserve	Eligible	Ineligible
*Replacement Reserve	Eligible	Ineligible
*Transfer Stamps	Ineligible	Ineligible
*Lease Up Reserve	Ineligible	Ineligible
*Insurance Escrow	Ineligible	Ineligible
*Initial Payment to Condo Assn.	Ineligible	Ineligible

S

EXHIBIT S

Form of Completion Certificate

[for recorder's office use]

[prepare on DPD letterhead]

[date]

Eport [complete this]
[address]

Attention: _____

Re: [CMHDC Subproject Completion Certificate] [Interim Completion Certificate] [Tenant Buildout Completion Certificate] [Final Completion Certificate] under the Terms and Conditions of that Redevelopment Agreement between The City of Chicago and Eport 600, L.L.C., a Delaware limited liability company, Eport 600 Riverwalk Owner, L.L.C., a Delaware limited liability company, and Eport 600 Property Owner, L.L.C., a Delaware limited liability company

Ladies and Gentlemen:

Pursuant to that certain Redevelopment Agreement ("Agreement") dated _____ by and between the City of Chicago ("City") and Eport 600, L.L.C., a Delaware limited liability company, Eport 600 Riverwalk Owner, L.L.C., a Delaware limited liability company, and Eport 600 Property Owner, L.L.C., a Delaware limited liability company (collectively, the "Developer"), Developer has requested that the City approve Developer's completion of the [CMHDC Subproject] [Interim phase] [Tenant Buildout subproject] or [entire remainder] of the Project, and issue the corresponding City Note, if any (all as defined in the

Agreement).

The City's Department of Planning and Development ("DPD") has reviewed each of the following, as set forth in Section 7 of the Agreement (all section references and capitalized terms below are set forth in or defined in the Agreement):

- (a) Evidence of the completion of the Applicable Part in accordance with Recital D of the Agreement and the Plans and Specifications pertaining to that Applicable Part, and within the time period set forth in Section 3.01 of the Agreement pertaining to that Applicable Part (subject to force majeure as set forth in Section 18.17 of the Agreement)
- (b) Certificate of occupancy from the City Building Department or such other evidence of compliance with building permit requirements
- (c) Evidence that the Developer has met or exceeded all MBE/WBE requirements set forth in this Agreement OR, if applicable, submitted a plan to DPD for meeting the MBE/WBE requirements of this Agreement in the next Applicable Part if those requirements have not been met during the current Applicable Part
- (d) Evidence that the amount of TIF-Eligible Improvements made or incurred for the Applicable Part equals or exceeds the issuance value proposed for the corresponding Note
- (e) Evidence that the amount of Equity and/or Lender Financing expended for the Applicable Part equals or exceeds the issuance value proposed for the corresponding Note
- (f) Evidence that the Developer met or exceeded all prevailing wage requirements of this Agreement
- (g) Evidence that Developer met or exceeded all City residency hiring requirements set forth in this Agreement for entire Project OR, if applicable, paid the City the full monetary penalty for failure to meet the City residency requirements of this Agreement if those requirements have not been met when measured across all completed Applicable Parts
- (h) Fulfilled all progress reports requirements set forth in Section 8.07 of the Agreement for the Applicable Part
- (i) Fulfilled each part of the public benefits programs requirements of Exhibit N of the Agreement, if any, that was to have been fulfilled on or before the date of this Certificate
- (j) Evidence that the Developer's representations and warranties set forth this

Agreement are true and correct and the Developer is in compliance with all covenants contained herein

(k) Evidence that 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

(l) Evidence that 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

Having reviewed all of the above and found it sufficient and in compliance with the Agreement, I hereby declare this letter to be the Completion Certificate for the [CMHDC Subproject] [Interim phase] [Tenant Buildout subproject] or [entire remainder] of the Project.

Having reviewed the costs of the TIF-Eligible Improvements incurred by Developer for this Applicable Part, and undertaken the calculations set forth in Section 4.03 of the Agreement, I recommended that the City issue a City Note corresponding to the completion of this Applicable Part, if any, in the amount set forth thereon. The fully-executed City Note is enclosed herewith

Please contact my office at once if you have any questions about this letter

Yours very truly,

Commissioner
Department of Planning and Development

[Enclose relevant fully-executed City Note]

T

EXHIBIT T

Form of CMHDC Escrow Agreement

[see attached]

CHICAGO TITLE AND TRUST COMPANY
171 NORTH CLARK, CHICAGO, ILLINOIS 60601

Refer to ERIN REYNOLDS
Phone no () -
Fax no (312) 223-2108

SOLE ORDER AGREEMENT

ESCROW TRUST NO.: D2 023109680 1 DATE:

To: Chicago Title and Trust Company, Agent

Customer Identification:

Name: Chicago Metropolitan Housing Development Corporation, an Illinois not for profit corporation, ("CMHDC")

Property Address: 900 and 950 N Kingsbury Street, Chicago, Illinois, which is the property insured under Chicago Title Insurance Company Commitment No 8151120

Project Reference: Domain Lofts, CMHDC Units, (as defined in the Redevelopment Agreement)

Deposits made on behalf of (Owner of Funds): City of Chicago pursuant to direction hereunder from EPORT 600, LLC, EPORT 600 Riverwalk Owner, LLC, and EPORT 600 Property Owner, LLC, for the benefit of CMHDC and the Chicago Housing Authority, an Illinois municipal corporation ("CHA")

Proposed Disbursement Date: Within five (5) days of the receipt of each deposit hereunder

Disbursement Directions Unless otherwise directed in writing by CMHDC and CHA jointly in writing, Disbursement of the first \$100,000.00 deposited shall be made to CMHDC by check delivered to the address below, and disbursement of the remaining \$822,000 deposited from time to time hereunder shall be made to the following account at _____ Bank by wire transfer [identify custodial account to be established to hold the operating deficit reserve]

Deposits:

Three deposits in the total amount of \$922,000 representing. Payments from the City of Chicago under §4 03(h) and 8 21(a)(iii)(D) of Redevelopment Agreement with EPORT 600, LLC, EPORT 600 Riverwalk Owner, LLC, and EPORT 600 Property Owner, LLC, dated as of _____, 200__ (the "Redevelopment Agreement"), payable in three tranches as follows \$374,000 shall be due and payable as a condition of and on the date of the closing and disbursement of escrow number D2 023144699 (the "CMHDC Closing Date"), \$274,000 shall be due and payable on the first anniversary of the CMHDC Closing Date, and \$274,000 shall be due and payable on the second anniversary of the CMHDC Closing Date. The following parties join into this Agreement in order to direct the City of Chicago to deposit the above payments due under the Redevelopment Agreement, to this escrow trust: EPORT 600 Riverwalk Owner, LLC, and EPORT 600 Property Owner, LLC

Funds:

() WILL (X) WILL NOT BE INVESTED

NOTE: If funds are to be invested, properly executed W-9 forms must be deposited with escrow trustee

Delivery of Deposits:

The above-referenced escrow trust deposits ("deposits") are deposited with escrow trustee to be delivered by it only pursuant to the above instructions or upon the receipt of a written order of CMHDC and CHA. Except as specifically directed hereunder, in no case shall the above-mentioned deposits be surrendered except upon the receipt of an order signed by CMHDC and CHA, or in obedience to the court order described below.

Billing Instructions:

Escrow Trust fee in the amount of \$500.00 and disbursement fee in the amount of \$50 for each disbursement will be deducted from funds on deposit

The parties acknowledge that beginning after a period of one year from the date of this agreement, Chicago Title and

Trust Company will impose an annual administrative maintenance fee of \$175 00

This fee may be deducted from the outstanding escrow balance or billed to CMHDC

PLEASE NOTE The escrow trust fee for these sole order escrow trust instructions is due and payable within 30 days from the projected disbursement date. In the event no projected disbursement date is ascertainable, said escrow trust fee is to be billed at acceptance and is due and payable within 30 days from the billing date. Chicago Title and Trust Company, at its sole discretion, may reduce or waive the escrow trust fee for these sole order escrow trust instructions in the event the funds on deposit herein are transferred to or disbursed in connection with sale escrow trust instructions or an agency closing transaction established at Chicago Title

Investment:

Deposits made pursuant to these instructions may be invested on behalf of any party or parties hereto, provided, that any direction to escrow trustee for such investment shall be expressed in writing and contain the consent of CHA and CMHDC, and also provided that escrow trustee is in receipt of the taxpayer's identification number and investment forms as required. Escrow trustee will, upon request, furnish information concerning its procedures and fee schedules for investment.

In the event the escrow trustee is requested to invest deposits hereunder, Chicago Title and Trust Company is not to be held responsible for any loss of principal or interest which may be incurred as a result of making the investments or redeeming said investment for the purposes of these escrow trust instructions.

Direction Not to Invest/Right to Commingle:

Except as to deposits of funds for which escrow trustee has received express written direction concerning investment or other handling, the parties hereto direct the escrow trustee NOT to invest any funds deposited by the parties under the terms of this escrow and waive any rights which they may have under Section 2-8 of the Corporate Fiduciary Act (205 ILCS 620/2-8) to receive interest on funds deposited hereunder. In the absence of an authorized direction to invest funds, the parties hereto agree that the escrow trustee shall be under no duty to invest or reinvest any such funds at any time held by it hereunder, and, further, that escrow trustee may commingle such funds with other deposits or with its own funds in the manner provided for the administration of funds under said Section 208 and may use any or all of such funds for its own benefit without obligation to any party for interest or earnings derived thereby, if any. Provided, however, nothing herein shall diminish escrow trustee's obligation to apply the full amount of such funds in accordance with the terms of these escrow instructions.

Compliance With Court Order:

The undersigned authorize and direct the escrow trustee to disregard any and all notices, warnings or demands given or made by the undersigned (other than jointly or as specifically provided in these escrow trust instructions) or by any other person. The said undersigned also hereby authorize and direct the escrow trustee to accept, comply with, and obey any and all writs, orders, judgments or decrees entered or issued by any court with or without jurisdiction; and in case the said escrow trustee obeys or complies with any such writ, order, judgment or decree of any court, it shall not be liable to any of the parties hereto or any other person, by reason of such compliance, notwithstanding any such writ, order, judgment or decree by entered without jurisdiction or be subsequently reversed, modified, annulled, set aside or vacated. In case the escrow trustee is made a party defendant to any suit or proceedings regarding this escrow trust, the undersigned, for themselves, their heirs, personal representatives, successors, and assigns, jointly and severally, agree to pay to said escrow trustee, upon written demand, all costs, attorney's fees and expenses incurred with respect thereto. The escrow trustee shall have a lien on the deposit(s) herein for any and all such costs, fees, and expenses. If said costs, fees, and expenses are not paid, then the escrow trustee shall have the right to reimburse itself out of the said deposit(s).

Execution:

These escrow trust instructions are governed by and are to be construed under the laws of the State of Illinois. The escrow trust instructions, amendments or supplemental instructions hereto, may be executed in counterparts, each of which shall be deemed an original and all such counterparts together shall constitute one and the same instrument.

See attached signature page

Signature Page to Sole Order Agreement
Escrow Trust No D2 023109680

Chicago Metropolitan Housing Development Corporation

Chicago Housing Authority, an Illinois municipal corporation

By: _____
Rafael Leon, its Executive Director
200 W. Adams St., Suite 2103
Chicago, IL 60606
312/422-1680

By: _____

City of Chicago

By: *Mitchell Berg* *MB*
Commissioner
Department of Planning and Development

EPOR 600, L.L.C., a Delaware limited liability company
By: AG Asset Manager, Inc., its manager

By: _____
Name: _____
Title: _____

EPOR 600 RIVERWALK OWNER, L.L.C.,
a Delaware limited liability company

By: EPOR 600, L.L.C., its managing member
By: AG Asset Manager, Inc., its manager

By: _____
Name: _____
Title: _____

EPOR 600 PROPERTY OWNER, L.L.C.,
a Delaware limited liability company

By: EPOR 600, L.L.C., its managing member
By: AG Asset Manager, Inc., its manager

By: _____
Name: _____
Title: _____

Accepted: Chicago Title and Trust Company, as Escrow Trustee

By: _____ Date: _____