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**OAKWOOD SHORES PHASE 2A ASSOCIATES LIMITED PARTNERSHIP  
REDEVELOPMENT AGREEMENT**

**CITY OF CHICAGO**

**AND**

**OAKWOOD SHORES PHASE 2A ASSOCIATES LIMITED PARTNERSHIP**

## LIST OF EXHIBITS

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

\* indicates documents that are not recorded

**OAKWOOD SHORES PHASE 2A ASSOCIATES LIMITED PARTNERSHIP  
REDEVELOPMENT AGREEMENT**

This Redevelopment Agreement (the "Agreement") is made as of this 1st day of December, 2007, by and between the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Housing ("DOH"), and Oakwood Shores Phase 2A Associates Limited Partnership, an Illinois limited partnership (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 authority to promote the health, safety and welfare of the City and its inhabitants, 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 (the "Act"), to finance the redevelopment of conservation areas.

C. City Council Authority: To induce redevelopment pursuant to the Act, the City Council of City (the "City Council") adopted the following ordinances on November 6, 2002: (1) "An Ordinance of the City of Chicago, Illinois, Approving a Redevelopment Plan for the Madden/Wells Tax Increment Financing Redevelopment Project Area;" (2) "An Ordinance of the City of Chicago, Illinois, Designating the Madden/Wells Tax Increment Financing Redevelopment Project Area 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 Madden/Wells Tax Increment Financing Redevelopment Project Area Project". Collectively, these ordinances shall be referred to herein as the "TIF Ordinances." The redevelopment project area (the "Redevelopment Area") is legally described in Exhibit A hereto.

D. The Project: The Developer will acquire a 99 year leasehold interest from the Chicago Housing Authority with respect to certain real property parcels located in the Redevelopment Area and legally described on Exhibit B-1 and depicted on Exhibit B-2 (each parcel individually, and the sites collectively, the "Property"). Within the time frames set forth in Section 3.01 hereof, the Developer shall commence and complete the following activities (the "Project"): construction of a total of 199 one, two, three and four bedroom units in 14 buildings consisting of townhomes, six-flats and a mid-rise apartment building. A total of 57 of the units may be leased at market rates with no income or rent restrictions. The other 142 units will be subject to rent-restrictions and rented only by households earning sixty percent (60%) or less of the median income for the City of Chicago. Of these 142 units, 81 units will be reserved and

made available as replacement public housing units.

E. Redevelopment Plan: The Project will be carried out in accordance with this Agreement and the City of Chicago Madden/Wells Tax Increment Financing Redevelopment Project and Plan (the "Redevelopment Plan") attached hereto as Exhibit C. Among the goals and objectives of the Redevelopment Plan are the creation of new housing opportunities for all income groups and support for the development of new mixed-income and mixed-density housing, including rental units for market rate, affordable and low and very low-income households.

F. Lender Financing: The City acknowledges that other financing for the Project is to be provided as set forth in Exhibit D attached hereto (collectively, the "Lender Financing"). The terms of certain portions of the Lender Financing include requiring the Developer to enter into various occupancy and use restrictions.

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

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

## SECTION 1. RECITALS

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

## SECTION 2. DEFINITIONS

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

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

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

"Available Incremental Revenues" shall mean those Incremental Taxes deposited in the Incremental Taxes Fund attributable to the taxes levied on the Property, to the extent available, allocated by the City in each fiscal year and in the amounts set forth in Exhibit E hereto, subject to the modifications provided for in Section 4.04, for payment of the TIF-Funded Interest Costs.

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

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

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

"Commissioner" shall mean the Commissioner or Acting Commissioner of DOH.

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

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

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

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

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

"General Contractor" shall mean Linn-Mathes, Inc. (or such other contractor acceptable to DOH).

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

"Incremental Taxes" shall mean such ad valorem taxes which, pursuant to the TIF Ordinances and Section 5/11-74.4-8(b) of the Act, are allocated to and when collected are paid to the Treasurer of the City of Chicago for deposit by Treasurer into the Incremental Taxes Fund.

"Incremental Taxes Fund" shall mean the Madden/Wells Redevelopment Project Area Special Tax Allocation Fund created pursuant to the TIF Ordinances.

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

"Lenders" shall mean the providers of the Lender Financing.

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

"MBE/WBE Budget" shall mean the budget attached hereto as Exhibit F-2, as described in Section 11.

"Other Funds" shall mean those funds set forth in paragraph A6 and A7 of Exhibit D.

"Plans and Specifications" shall mean final construction documents containing a site plan and working drawings and specifications for the Project prepared by Booth Hansen.

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

"Project Budget" shall mean the budget for the Developer Project attached hereto as Exhibit F-1.

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

"Property" shall have the meaning set forth in paragraph D of the recitals.

"Senior Lender" shall mean during the construction period, JPMorgan Chase Bank, N.A., or its respective successors or assigns, who is providing the senior construction loan and, thereafter, shall mean JPMorgan Chase Bank, N.A. (or another entity acceptable to the City), or its respective successors or assigns, who is providing the permanent senior loans.

"Senior Loan" shall mean the loans made by the Senior Lender, or a financial institution or other entity acceptable to the Commissioner, for the Project, in the amounts and on the terms set forth in Exhibit D hereto.

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

"Term of the Agreement" shall mean the term commencing on the date of execution of this Agreement and ending December 31, 2026.

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

"TIF Ordinances" shall have the meaning set forth in paragraph C of the recitals hereto.

"Title Company" shall mean Commonwealth Land Title Insurance Company.

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

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

### SECTION 3. THE PROJECT

#### 3.01 The Project.

(a) The Developer shall: (i) commence construction of the Project no later than 180 days from the passage by the City Council of the ordinance approving this Agreement, subject to such extension, if any, as the City, in its sole discretion, may grant; and (ii) complete construction of the Project no later than December 31, 2009, subject to the provisions of Section 18.16 of this Agreement. The Project shall be carried out in accordance with the Plans and Specifications for the Project.

3.02 Plans and Specifications. The Plans and Specifications shall conform to the Redevelopment Plan as amended from time to time and shall comply with all applicable state and local laws, ordinances and regulations. As of the date hereof, the Developer has delivered to DOH, and DOH has approved, the Plans and Specifications, a list of which are attached hereto as Exhibit G. The Developer has submitted also all such documents to the City's Building Department, Department of Transportation and such other City departments or governmental authorities as may be necessary to acquire building permits and other required approvals for the Project.

Any material amendment to the Plans and Specifications must be submitted to DOH for its approval.

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

available to be drawn upon to pay for certain Project Costs in accordance with the terms of the documents securing the Lender Financing.

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

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

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

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

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

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

#### SECTION 4. FINANCING FOR THE PROJECT COSTS

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

4.02 Reimbursement for TIF-Funded Interest Costs.

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

(i) 75 percent of the annual interest costs on the Lender Financing incurred by the Developer with regard to the Project during that year, provided that, if there are not



sufficient Available Incremental Revenues to make the payment pursuant to this subparagraph, then the amounts so due shall accrue and be payable when Available Incremental Revenues are available; or

(ii) 75 percent of the total (A) cost paid or incurred by the Developer on the Project, plus (B) redevelopment project costs (excluding any property assembly costs and relocation costs) incurred by the City pursuant to the Act.

(b) The amounts payable pursuant to Section 4.02(a) shall be paid by the City in accordance with this Agreement while the Lender Financing remains outstanding and so long as the TIF-Funded Interest Costs may, under the Act, be legally paid out of Available Incremental Revenues. The amounts payable pursuant to Section 4.02(a) shall be paid annually by the City to the Senior Lender. The City will pay the Senior Lender for the TIF-Funded Interest Costs for the Project upon submission by the Senior Lender to the DOH of an executed Requisition Form for TIF-Funded Interest Costs in the form attached hereto as Exhibit I. The Requisition Form for TIF-Funded Interest Costs shall be sent to DOH on or after November 1 of each year that payment is requested, and shall set forth the date for payment which shall be not less than 60 days from the date of its receipt by the DOH. The City Comptroller shall pay, to the extent of any Available Incremental Revenues then available in the Incremental Taxes Fund, the amount requested in the Requisition Form for TIF-Funded Interest Costs within 60 days of its receipt; provided, that the amount so requested shall not exceed the maximum amount payable for such year as shown on Exhibit J attached hereto, plus any portion of such maximum amount for prior years that has not been paid as a result of insufficient funds. The Senior Lender shall submit to the DOH and the Department of Finance at the addresses specified in Section 17 copies of monthly invoices sent to the Developer by the Senior Lender to evidence the accrual of such amounts for TIF-Funded Interest Costs. Upon the City's request, the Senior Lender will provide any additional supporting documentation. Attached as Exhibit J is a schedule of maximum amounts which may be reimbursed as interest cost incurred by the Developer in accordance with the Redevelopment Plan and the limitations provided in Section 11-74.4-3(q)(11) of the Act.

4.03 Sufficiency of Available Incremental Revenues for TIF-Funded Interest Costs.

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

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

<u>Source of City Funds</u>	<u>Maximum Amount</u>
Available Incremental Taxes	\$2,900,000

The Developer acknowledges and agrees that the City has committed to reserve only the Available Incremental Taxes and that the Developer has no right or claim to, and the City shall be free to otherwise reserve, pledge and commit to other redevelopment projects or financing, the Incremental Taxes attributable to the other tax parcels in the Redevelopment Area. The City acknowledges and agrees that the Developer shall have a first priority claim to the Available Incremental Taxes committed and reserved under this Section 4.04.

The Developer and the City contemplate that the Developer and CHA will cooperate to seek and obtain the statutory abatement provided for under 35 ILCS 200/18-177 with respect to the 81 Project units that constitute "public housing" units subject to abatement under such statute. If such abatement is obtained with respect to such units, the maximum Available Incremental Taxes payable with respect to the year to which such abatement relates shall be the amount set forth in Exhibit E (subject to any "catch-up" payments permitted under Section 4.02(b)). If such abatement is not obtained, and provided that the Developer pays the unabated taxes, then the maximum of Available Incremental Taxes payable with respect to the year to which such abatement relates shall be adjusted accordingly. In the event an abatement is obtained with respect to some, but less than all, of the 81 Project units subject to abatement, the maximum amount of Available Incremental Taxes shall be ratably adjusted to take into account such partial abatement and reimburse the Developer for its payment of any unabated general real estate taxes.

## SECTION 5. GENERAL PROVISIONS

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

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

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

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

subject to any fee and/or cost waivers provided to the Developer by the City, if any.

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

## SECTION 6. CONDITIONS

The following conditions shall be complied with to the City's satisfaction within the time periods set forth below:

6.01 Title Policy. On the Closing Date, the Developer shall provide the City with a copy of the Title Policy showing the Developer in the title to (or holding a leasehold interest in, as applicable) each site comprising the Property.

6.02 Survey. The Developer has furnished the City with a Survey of each site comprising the Property prior to the execution of this Agreement.

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

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

## SECTION 7. AGREEMENTS WITH CONTRACTORS

7.01 City Resident Employment Requirement. The Developer agrees for itself and its successors and assigns, and shall contractually obligate its or their various contractors, subcontractors or any Affiliate of the Developer operating on the Property (individually an "Employer" and collectively, "Employers"), as applicable, to agree, that during the construction of the Project they shall comply with the minimum percentage of total worker hours performed by actual residents of the City of Chicago specified in Section 2-92-330 of the Municipal Code of Chicago (at least 50 percent of the total worker hours worked by persons on the site of the construction of the Project shall be performed by actual residents of the City of Chicago); provided, however, that in addition to complying with this percentage, the Developer and the other Employers shall be required to make good faith efforts to utilize qualified residents of the City of Chicago in both skilled and unskilled labor positions.

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

with standards and procedures developed by the Purchasing Agent of the City of Chicago.

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

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

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

The Developer and the other Employers shall provide full access to their employment records to the Purchasing Agent, the Commissioner, the Superintendent of the Chicago Police Department, the Inspector General, or any duly authorized representative thereof. The Developer and the other Employers shall maintain all relevant personnel data and records for a period of at least three (3) years after final acceptance of the work constituting the Project as evidenced by the (final) Certificate.

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

Good faith efforts on the part of the Developer and the other Employers to provide utilization of actual Chicago residents (but not sufficient for the granting of a waiver request as provided for in the standards and procedures developed by the Purchasing Agent) shall not suffice to replace the actual, verified achievement of the requirements of this Section concerning the worker hours performed by actual Chicago residents.

When work at the Project is completed, in the event that the City has determined that the Developer and the other Employers failed to ensure the fulfillment of the requirement of this Section concerning the worker hours performed by actual Chicago residents or has failed to report in the manner as indicated above, the City will thereby be damaged in the failure to provide the benefit of demonstrable employment to Chicago to the degree stipulated in this Section. Therefore, in such case of non-compliance it is agreed that 1/20 of 1 percent (.05%) of the aggregate hard construction costs set forth in the Project Budget (as the same shall be evidenced by approved contract value for the actual contracts), shall be surrendered by the Developer and/or the other Employers to the City in payment for each percentage of shortfall

toward the stipulated residency requirement. Failure to report the residency of employees entirely and correctly shall result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. The willful falsification of statements and the certification of payroll data may subject the Developer and/or the other Employers or employee to prosecution. Any retainage to cover contract performance that may become due to the Developer and the other Employers pursuant to Section 2-92-250 of the Municipal Code of Chicago may be withheld by the City pending the Purchasing Agent's determination whether the Developer and the other Employers must surrender damages as provided in this paragraph. In addition, the Developer shall make good faith efforts that all other contracts entered into in connection with the Project for work done, services provided or materials supplied shall be let to persons or entities whose main office and place of business are located within the City.

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

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

7.02 Maintaining Records. On a monthly basis until completion of construction of the Project, the Developer shall provide to DOH reports in a form satisfactory to DOH evidencing its compliance with Section 7.01.

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

## SECTION 8. COMPLETION OF CONSTRUCTION

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

8.02 Effect of Issuance of Certificate; Continuing Obligations. The Certificate relates only to the construction of the Project and related redevelopment activities constituting the Project, and upon its issuance, the City will certify that the terms of the Agreement specifically related to the Developer's obligation to complete such activities have been satisfied. After the issuance of a Certificate, however, all executory terms and conditions of this Agreement and all representations and covenants contained herein will continue to remain in full force and effect throughout the Term of the Agreement as to the parties described in the following paragraph, and the issuance of the Certificate shall not be construed as a waiver by the City of any of its rights and remedies pursuant to such executory terms.

Those covenants specifically described at Sections 8.05 and 9.02 as covenants that run with the land are the only covenants in this Agreement intended to be binding upon any transferee of the Property (including an assignee as described in the following sentence) throughout the Term of the Agreement notwithstanding the issuance of a Certificate. The other executory terms of this Agreement that remain after the issuance of a Certificate shall be binding only upon the Developer or a permitted assignee of the Developer who, pursuant to Section 18.14 of this Agreement, has contracted to take an assignment of the Developer's rights under this Agreement and assume the Developer's liabilities hereunder.

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

(a) subject to the provisions of Section 16.02, the right to terminate this Agreement and cease all disbursement of City Funds not yet disbursed pursuant hereto;

(b) the right (but not the obligation) to complete the Project and to pay for its costs out of City Funds or other City monies. In the event that the aggregate cost of completing the Project exceeds the amount of City Funds available, the Developer shall reimburse the City for all reasonable costs and expenses incurred by the City in completing such work in excess of the available City Funds; and

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

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

8.05 Affordable Housing Covenant. The Developer agrees and covenants to the City that, prior to any foreclosure of the Property by a lender providing Lender Financing, the provisions of that certain Regulatory Agreement executed by the Developer and DOH as of the date hereof shall govern the terms of the Developer's obligation to provide affordable housing.

Following foreclosure, if any, and from the date of such foreclosure through the Term of the Agreement, the following provisions shall govern the terms of the obligation to provide affordable housing under this Agreement:

(a) The Project shall be operated and maintained solely as residential rental housing;

(b) All of the units in the Project, except for the 57 market rate units, shall be available for occupancy to and be occupied solely by one or more qualifying as Low Income Families (as defined below) upon initial occupancy; and

(c) All of the units in the Project, except for the 57 market rate units, have monthly rents not in excess of thirty percent (30%) of the maximum allowable income for a Low Income Family (with the applicable Family size for such units determined in accordance with the rules specified in Section 42(g)(2) of the Internal Revenue Code of 1986, as amended); provided, however, that for any unit occupied by a Family (as defined below) that no longer qualifies as a Low Income Family due to an increase in such Family's income since the date of its initial occupancy of such unit, the maximum monthly rent for such unit shall not exceed thirty percent (30%) of such Family's monthly income.

(d) As used in this Section 8.05, the following terms have the following meanings:

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

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

(e) The covenants set forth in this Section 8.05 shall run with the land and be binding upon any transferee.

(f) The City and the Developer may enter into a separate agreement to implement the provisions of this Section 8.05.

**8.06 Job Creation and Retention.** Not less than 4 full-time equivalent, permanent jobs shall be retained by the Developer (or through the entities constructing or managing the Project) at the Project within 6 months of the completion thereof through the Term of this Agreement.

## **SECTION 9. COVENANTS/REPRESENTATIONS/WARRANTIES OF DEVELOPER**

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

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

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

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

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

(d) unless otherwise permitted pursuant to the terms of this Agreement, including Section 18.14 hereof, the Developer shall acquire and shall maintain a good, merchantable leasehold interest in the Property, subject to those matters shown in the Title Policy;

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

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

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

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

(i) the Developer is satisfied that it has taken any measures required to be taken to bring the Property and the Project into compliance with Environmental Laws (or, as part of the remediation process to be undertaken in connection with the Property's enrollment in the Illinois Site Remediation Program, the Project will be brought into compliance with such Environmental Laws, as such compliance may be required under one or more "no further remediation" letters to



be issued with respect to the Property) and that the Property is suitable for its intended use.

9.02 Covenant to Redevelop. The Developer shall redevelop the Property substantially in accordance with the Agreement and all Exhibits attached hereto, the TIF Ordinances, the Plans and Specifications, the Project Budget and all amendments thereto, and all federal, state and local laws, ordinances, rules, regulations, executive orders and codes applicable to the Project, the Property and/or the Developer. The covenants set forth in this Section 9.02 shall run with the land and be binding upon any transferee of the Property.

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

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

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

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

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

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

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

9.10 Compliance with Laws. To the best of the Developer's knowledge, after diligent

inquiry, the Property and the Project are and shall be in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, executive orders and codes (or, as part of the remediation process to be undertaken in connection with the Property's enrollment in the Illinois Site Remediation Program, the Project will be brought compliance with such legal requirements, as such compliance may be required under one or more "no further remediation" letters to be issued with respect to the Property). Upon the City's request, the Developer shall provide copies of any documentary evidence of compliance of such laws which may exist, such as, by way of illustration and not limitation, permits and licenses.

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

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

sale or forfeiture of the Property during the pendency of such contest, adequate to pay fully any such contested Governmental Charge and all interest and penalties upon the adverse determination of such contest. If the Developer fails to pay any Governmental Charge or to obtain discharge of the same, the Developer shall advise DOH thereof in writing, at which time DOH may, but shall not be obligated to, and without waiving or releasing any obligation or liability of the Developer under this Agreement, in DOH's sole discretion, make such payment, or any part thereof, or obtain such discharge and take any other action with respect thereto which DOH deems advisable. All sums so paid by DOH, if any, and any expenses, if any, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto, shall be promptly paid to DOH by the Developer. Notwithstanding anything contained herein to the contrary, this paragraph shall not be construed to obligate City to pay any such Governmental Charge. Additionally, if the Developer fails to pay any Governmental Charge, City, in its sole discretion, may require the Developer to submit to City audited Financial Statements at the Developer's own expense.

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

## **SECTION 10. COVENANTS/REPRESENTATIONS/WARRANTIES OF CITY**

10.01 General Covenants. The City represents that it has the authority as a home rule unit of local government to execute and deliver this Agreement and to perform its obligations hereunder, and covenants that: (a) the Incremental Taxes Fund will be established, (b) the Incremental Taxes will be deposited therein, and (c) such funds shall remain available to pay the City's obligations under Sections 4.02 and 4.04 as the same become due, as long as the TIF-Funded Interest Costs continue to be payable from Available Incremental Revenues under the Act. The City agrees not to amend the Redevelopment Plan so as to materially impair its ability to pay in full any amounts due from the City under this Agreement without the written consent of the Developer and the Lenders.

10.02 Survival of Covenants. All warranties, representations, and covenants of the City contained in this Section 10 or elsewhere in this Agreement shall be true, accurate, and complete at the time of the City's execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties hereto and be in effect throughout the Term of the Agreement.

## **SECTION 11. EMPLOYMENT OPPORTUNITY**

The Developer and its successors and assigns hereby agree, and shall contractually obligate its or their contractors or any Affiliate of the Developer operating on the Property

(individually an "Employer" and collectively, "Employers") to agree, that for the Term of the Agreement with respect to the Developer and during the period of any other such party's provision of services hereunder or occupation of the Property:

(a) No Employer shall discriminate against any employee or applicant for employment on the basis of race, color, sex, age, religion, mental or physical disability, national origin, ancestry, sexual orientation, marital status, parental status, military discharge status or source of income, as defined in the City of Chicago Human Rights Ordinance adopted December 21, 1988, Municipal Code of Chicago, ch. 2-160, Section 2-160-010 et seq., as amended from time to time (the "Human Rights Ordinance"). Each Employer will take affirmative action to insure that applicants are employed and employees are treated during employment without regard to their race, color, religion, sex, national origin, ancestry, age, mental or physical disability, sexual orientation, marital status, parental status, military discharge status or source of income. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation and selection for training, including apprenticeship. Each Employer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this nondiscrimination clause.

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

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

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

- a. at least 24 percent by MBEs;
- b. at least 4 percent by WBEs.

Consistent with Section 2-92-440, Municipal Code of Chicago, the Developer's MBE/WBE commitment may be achieved in part by the Developer's status as an MBE or WBE (but only to

the extent of any actual work performed on the Project by the Developer) or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of (i) the MBE or WBE participation in such joint venture or (ii) the amount of any actual work performed on the Project by the MBE or WBE), by the Developer utilizing a MBE or a WBE as the General Contractor (but only to the extent of any actual work performed on the Project by the General Contractor), by subcontracting or causing the General Contractor to subcontract a portion of the Project to one or more MBEs or WBEs, or by the purchase of materials used in the Project from one or more MBEs or WBEs, or by any combination of the foregoing. Those entities which constitute both a MBE and a WBE shall not be credited more than once with regard to the Developer's MBE/WBE commitment as described in this Section 11.

The Developer shall deliver quarterly reports to DOH during the Project describing its efforts to achieve compliance with this MBE/WBE commitment. Such reports shall include, inter alia, the name and business address of each MBE and WBE solicited by the Developer or the General Contractor to work on the Project, and the responses received from such solicitation, the name and business address of each MBE or WBE actually involved in the Project, a description of the work performed or products or services supplied, the date and amount of such work, product or service, and such other information as may assist DOH in determining the Developer's compliance with this MBE/WBE commitment. The Developer shall maintain records of all relevant data with respect to the utilization of MBEs and WBEs in connection with the Project for at least five years after completion of the Project, and DOH shall have access to all such records maintained by the Developer, on five Business Days' notice, to allow the City to review the Developer's compliance with its commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the Project.

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

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

Prior to the commencement of the Project, the Developer shall be required to meet with the monitoring staff of DOH with regard to the Developer's compliance with its obligations under this Section 11. The General Contractor and all major Subcontractors shall be required to attend this pre-construction meeting. During said meeting, the Developer shall demonstrate to DOH its plan to achieve its obligations under this Section 11, the sufficiency of which shall be approved by DOH. During the Project, the Developer shall submit the documentation required by this Section 11 to the monitoring staff of DOH. Failure to submit such documentation on a timely

basis, or a determination by DOH, upon analysis of the documentation, that the Developer is not complying with its obligations under this Section 11, shall, upon the delivery of written notice to the Developer, be deemed an Event of Default. Upon the occurrence of any such Event of Default, in addition to any other remedies provided hereunder, the City may: (1) issue a written demand to the Developer to halt the Project, (2) withhold any further payments to, or on behalf of, the Developer, or (3) seek any other remedies against the Developer available at law or in equity.

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

## **SECTION 12. ENVIRONMENTAL MATTERS**

The Developer hereby represents and warrants to the City that the Developer has conducted environmental studies sufficient to conclude that the Project may be constructed, completed and operated in accordance with all Environmental Laws (as the same may be modified by one or more "no further remediation" letters to be issued with respect to the Property) and this Agreement and all Exhibits attached hereto, and the Redevelopment Plan.

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

## **SECTION 13. INSURANCE**

The Developer shall procure and maintain, or cause to be maintained, at its sole cost and expense, at all times throughout the Term of the Agreement, and until each and every obligation of the Developer contained in the Agreement has been fully performed, the types of insurance specified below, with insurance companies authorized to do business in the State of Illinois covering all operations under this Agreement, whether performed by the Developer, any contractor or subcontractor:

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

(i) Workers' Compensation and Occupational Disease Insurance

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

(ii) Commercial Liability Insurance (Primary and Umbrella)

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

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

(i) Workers' Compensation and Occupational Disease Insurance

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

(ii) Commercial Liability Insurance (Primary and Umbrella)

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

(iii) Automobile Liability Insurance

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

(iv) All Risk Builders Risk Insurance

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

(v) Professional Liability

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

(c) Other Provisions

Upon DOH's request, the Developer shall provide DOH with copies of insurance policies or certificates evidencing the coverage specified above. If the Developer fails to obtain or maintain any of the insurance policies required under this Agreement or to pay any insurance policies required under this Agreement, or to pay any premium in whole or in part when due, the City may (without waiving or releasing any obligation or Event of Default by the Developer hereunder) obtain and maintain such insurance policies and take any other action which the City deems advisable to protect its interest in the Property and/or the Project. All sums so disbursed by the City including reasonable attorneys' fees, court costs and expenses, shall be reimbursed by the Developer upon demand by the City.

The Developer agrees, and shall cause each contractor and subcontractor to agree, that any insurance coverages and limits furnished by the Developer and such contractors or subcontractors shall in no way limit the Developer's liabilities and responsibilities specified under this Agreement or any related documents or by law, or such contractor's or subcontractor's



liabilities and responsibilities specified under any related documents or by law. The Developer shall require all contractors and subcontractors to carry the insurance required herein, or the Developer may provide the coverage for any or all contractors and subcontractors, and if so, the evidence of insurance submitted shall so stipulate.

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

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

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

#### **SECTION 14. INDEMNIFICATION**

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

#### **SECTION 15. MAINTAINING RECORDS/RIGHT TO INSPECT**

15.01 Books and Records. The Developer shall keep and maintain separate, complete, accurate and detailed books and records necessary to reflect and fully disclose the total actual cost of the Project and the disposition of all funds from whatever source allocated thereto, and to monitor the Project. All such books, records and other documents, including but not limited to the Developer's loan statements, General Contractors' and contractors' sworn statements, general contracts, subcontracts, purchase orders, waivers of lien, paid receipts and invoices, shall be

available at the Developer's offices for inspection, copying, audit and examination by an authorized representative of the City, at the Developer's expense. The Developer shall incorporate this right to inspect, copy, audit and examine all books and records into all contracts entered into by the Developer with respect to the Project.

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

## SECTION 16. DEFAULT AND REMEDIES

16.01 Events of Default. The occurrence of any one or more of the following events, following expiration of applicable cure periods under Sections 16.03 and subject further to Section 18.16, shall constitute an "Event of Default" by the Developer hereunder:

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

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

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

(d) except as otherwise permitted hereunder, the creation (whether voluntary or involuntary) of, or any attempt to create, any lien or other encumbrance upon the Property, including any fixtures now or hereafter attached thereto, other than the permitted liens consented to by the City as set forth in the mortgage securing the City Loan, or the making or any attempt to make any levy, seizure or attachment thereof if not dismissed or bonded over in a manner reasonably acceptable to the City;

(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 90 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 90 days after the commencement thereof;

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

(h) a change in the Developer's general partner (except a "for cause" replacement of such general partner by the limited partner in accordance with the Developer's partnership agreement), addition of a general partner or sale or other transfer of all or a controlling interest in the ownership of the general partner without DOH's prior written consent; or

(i) a change in the ownership of the Project without DOH's prior written consent.

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

(b) Notwithstanding any other provision in this Agreement, the City shall not terminate this Agreement or suspend disbursement of the City Funds upon the occurrence of an Event of Default unless foreclosure proceedings have been commenced under the mortgage securing the Senior Loan or a deed in lieu of such foreclosure has been executed and delivered and provided that Senior Lender has not cured the Event of Default within the curative time period provided allowed under Section 16.04(b).

16.03 Curative Period. In the event the Developer shall fail to perform a covenant which Developer is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless Developer shall have failed to perform such covenant within 30 days of its receipt of a written notice from the City specifying the nature of the default; provided, however, with respect to those defaults which are not reasonably capable of being cured within such 30-day period, if the Developer has commenced to cure the alleged default within such 30-day period and thereafter continues diligently to effect such cure, then said 30-day period shall be extended to 60 days

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

16.04 Right to Cure by Lenders and Investors. In the event that an Event of Default occurs under this Agreement, and if, as a result thereof, the City intends to exercise any right or remedy available to it that could result in the termination of this Agreement or the cancellation, suspension, or reduction of any payment due from the City under this Agreement, the City shall send notice of such intended exercise to the parties identified in Section 17 and the Lenders and the limited partner investor(s) in the Developer shall have the right (but not the obligation) to cure such an Event of Default under the following conditions:

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

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

## SECTION 17. NOTICE

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

If to City:

City of Chicago  
Department of Housing  
33 North LaSalle Street, 2<sup>nd</sup> Floor  
Chicago, Illinois 60604  
Attention: Acting Commissioner  
cc: Manager of Special Finance

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

and: Department of Finance  
City of Chicago  
121 North LaSalle Street, Room 501  
Chicago, Illinois 60602  
Attn: City Comptroller

If to Developer: Oakwood Shores Phase 2A  
Associates Limited Partnership  
One North LaSalle Street, Suite 1200  
Chicago, Illinois 60602  
Attention: Lee Pratter

with a copy to: Applegate & Thorne-Thomsen PC  
322 South Green Street, Suite 400  
Chicago, Illinois 60607  
Attention: Ben Applegate

To Senior Lender (Construction  
Period and Permanent): JPMorgan Chase Bank, N.A  
Chase Tower, 10 South Dearborn Street  
Mail Code IL1-0953  
Chicago, Illinois 60670  
Attn: Benjamin Glispie

With copy to: Schwartz Cooper Chartered  
180 North LaSalle Street, Suite 2700  
Chicago, Illinois 60601  
Attn: Derek L. Cottier, Esq.

To CHA: Chicago Housing Authority  
200 West Adams Street  
Chicago, Illinois 60606  
Attention: Chief Executive Officer

With copies to: Chicago Housing Authority  
200 West Adams Street, Suite 2100  
Chicago, Illinois 60606

Attention: General Counsel

Daniel E. Levin and The Habitat Company LLC  
350 West Hubbard Street  
Chicago, Illinois 60610  
Attn: Managing Member

The Habitat Company LLC  
350 West Hubbard Street  
Chicago, IL 60610  
Attn: General Counsel

Reno & Cavanaugh PLLC  
1250 Eye Street, NW  
Suite 900  
Washington, DC 20005  
Attn: Megan Glasheen

To Investor Limited Partner: New Hope Housing Tax Credit Fund IX, LLC  
c/o New Hope Housing, Inc.  
95 Berkeley Street, Suite 500  
Boston, MA 02116-6240  
Attention: Edward H. Marchant, President

and with a copy to: New Hope Housing Tax Credit Fund IX, LLC  
c/o New Hope Housing, Inc.  
95 Berkeley Street, Suite 500  
Boston, MA 02116-6240  
Attention: Karen E. Kelleher, Esq.

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

## SECTION 18. MISCELLANEOUS

18.01 Amendment. This Agreement and the Exhibits attached hereto may not be amended without the prior written consent of the City and the Developer. The Commissioner shall have discretion to amend the pertinent provisions of this Agreement, including, without limitation, Sections 4.02 and 4.04 and Exhibits E and J, as necessary to take into account any



failure to obtain an abatement with respect to all or some of the 81 Project units subject to abatement under 35 ILCS 200/18-177.

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

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

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

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

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

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

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

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

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



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

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

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

18.14 Assignment. 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, except that the Developer may collaterally assign its interest in the Redevelopment Agreement to the Senior Lender, if the Senior Lender requires such collateral assignment. Any successor in interest to the Developer under this Agreement shall certify in writing to the City its agreement to abide by all terms of this Agreement for the Term of the Agreement, and shall execute an affidavit to the effect that it is in compliance with all applicable City ordinances and is otherwise qualified to do business with the City.

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

18.16 Force Majeure. For the purposes of any of the provisions of this Agreement, neither the City nor the Developer, as the case may be, nor any successor in interest, shall be considered in breach of or in default of its obligations under this Agreement in the event of any delay caused by damage or destruction by fire or other casualty, strike, shortage of material, unusually adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or quantity for an abnormal duration, tornadoes or cyclones and other events or conditions beyond the reasonable control of the party affected which in fact interferes with the ability of such party to discharge its respective obligations hereunder.

18.17 Lists Maintained by Office of Foreign Assets Control. The Developer nor any affiliate thereof is listed on any of the following lists maintained by the Office of Foreign Asset Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S.

Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

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

## SECTION 19. MORTGAGING OF THE PROJECT

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

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

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

(c) Prior to the issuance by the City to the Developer of a Certificate pursuant to Section 8 hereof, no New Mortgage shall be executed with respect to the Property or any portion thereof without the prior written consent of the Commissioner.

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.

OAKWOOD SHORES PHASE 2A ASSOCIATES  
LIMITED PARTNERSHIP, an Illinois limited  
partnership

By: Oakwood Shores Phase 2A GP L.L.C., an  
Illinois limited liability company and its  
general partner

By: GBCD Partnership Services, Inc., a  
Massachusetts corporation, its manager

By: *Sara Jean Lindholm*  
Name: SARA JEAN LINDHOLM  
Title: authorized agent

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

By: \_\_\_\_\_  
Ellen Sahli, Acting Commissioner

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.

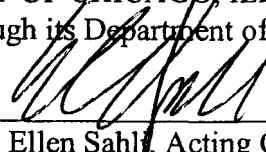
OAKWOOD SHORES PHASE 2A ASSOCIATES  
LIMITED PARTNERSHIP, an Illinois limited  
partnership

By: Oakwood Shores Phase 2A GP L.L.C., an  
Illinois limited liability company and its  
general partner

By: GBCD Partnership Services, Inc., a  
Massachusetts corporation, its manager

By: \_\_\_\_\_  
Name: Sara Jean Lindholm  
Title: Authorized Agent


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

By:   
Ellen Sahl, Acting Commissioner

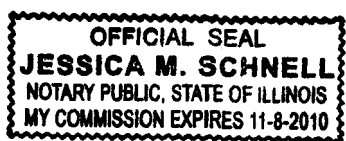
STATE OF ILLINOIS )  
  ) ss  
COUNTY OF COOK   )

I, Jessica M. Schnell, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that ~~Authorized Agent~~ Sara Lindholm personally known to me to be the (the "Manager") of GBCD Partnership Services, Inc., a Massachusetts corporation and the manager (the "General Partner") of Oakwood Shores Phase 2A GP L.L.C., an Illinois limited liability company ("General Partner") and general partner of Oakwood Shores Phase 2A Associates Limited Partnership (the "Partnership") and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me in person and acknowledged that s/he signed, sealed, and delivered said instrument, pursuant to the authority given to her/him by the Manager and the General Partner as her/his free and voluntary act and as the free and voluntary act of the above-named entities, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 19<sup>th</sup> day of December 2007.

  
Notary Public

My commission expires 11-8-2010  
(SEAL)



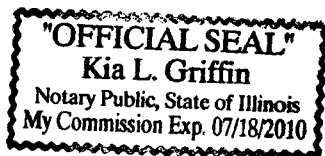
STATE OF ILLINOIS )  
 ) SS  
COUNTY OF COOK )

I, Kia L. Griffin, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that ~~Sara Jean Lindholm~~ personally known to me to be the ~~Authorized Agent~~ of GBCD Partnership Services, Inc., a Massachusetts corporation and the manager (the "Manager") of Oakwood Shores Phase 2A GP L.L.C., an Illinois limited liability company ("General Partner") and general partner of Oakwood Shores Phase 2A Associates Limited Partnership (the "Partnership") and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me in person and acknowledged that s/he signed, sealed, and delivered said instrument, pursuant to the authority given to her/him by the Manager and the General Partner as her/his free and voluntary act and as the free and voluntary act of the above-named entities, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 19<sup>th</sup> day of December, 2007.

Kia L. Griffin  
Notary Public

My commission expires 7/18/10  
(SEAL)



STATE OF ILLINOIS )  
 ) ss  
COUNTY OF COOK )

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

GIVEN under my hand and official seal this 18<sup>th</sup> day of December, 2007.

Patricia E. Walton  
Notary Public

My commission expires 07/09/2011

(SEAL)





**EXHIBIT A**

**MADDEN/WELLS REDEVELOPMENT AREA LEGAL DESCRIPTION**

See attached

MADDEN/WELLS TIF

ALL THAT PART OF THE SOUTHEAST QUARTER OF SECTION 34, AND THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 35 IN TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN AND THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 3 AND THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 2 IN TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE NORTH LINE OF EAST PERSHING ROAD WITH THE WESTERLY LINE OF SOUTH VINCENNES AVENUE;

THENCE NORTHEASTERLY ALONG SAID WESTERLY LINE OF SOUTH VINCENNES AVENUE TO THE WESTERLY EXTENSION OF THE SOUTH LINE OF LOT 1 IN THE RESUBDIVISION OF LOT 16 (EXCEPT THE EAST 84 FEET THEREOF) AND EXCEPT THE ALLEY CONDEMNED THEREOF SAID LOT, IN ELLIS' EAST OR SECOND ADDITION TO CHICAGO, ALSO THE SOUTH 3 FEET OF LOT 5 AND ALL OF LOT 6 IN THE SUBDIVISION OF LOT 15 (EXCEPT THE EAST 82 FEET OF THE EAST HALF THEREOF) IN SAID ELLIS' EAST OR SECOND ADDITION TO CHICAGO (EXCEPT A STRIP OF LAND ON THE EAST SIDE OF LOTS 5 AND 6 CONDEMNED FOR ALLEY PURPOSES), SAID SOUTH LINE OF LOT 1 BEING ALSO THE NORTH LINE OF EAST 37<sup>TH</sup> STREET AS SAID EAST 37<sup>TH</sup> STREET IS OPENED AND DEDICATED IN THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 34, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE EAST ALONG SAID WESTERLY EXTENSION AND ALONG THE NORTH LINE OF EAST 37<sup>TH</sup> STREET TO THE WESTERLY LINE OF THE ILLINOIS CENTRAL RAILROAD RIGHT OF WAY IN THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 35, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE SOUTHEASTERLY ALONG SAID WESTERLY LINE OF THE ILLINOIS CENTRAL RAILROAD RIGHT OF WAY TO THE SOUTHERLY LINE OF EAST OAKWOOD BOULEVARD;

THENCE WESTERLY ALONG SAID SOUTHERLY LINE OF EAST OAKWOOD BOULEVARD TO THE EASTERLY LINE OF LOT 1 IN BENSLEY'S SUBDIVISION OF LOTS 15 AND 16 OF THE ASSESSOR'S DIVISION OF BLOCK 7 IN CLEAVERVILLE, A SUBDIVISION OF THE NORTH PART OF FRACTIONAL SECTION 2, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN AND THE SOUTH

PART OF SECTION 35, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE SOUTHERLY ALONG SAID EASTERLY LINE OF LOT 1 IN BENSLEY'S SUBDIVISION AND ALONG THE SOUTHERLY EXTENSION THEREOF AND ALONG THE EASTERLY LINE OF LOT 12 IN SAID BENSLEY'S SUBDIVISION TO THE SOUTHERLY LINE OF SAID BENSLEY'S SUBDIVISION;

THENCE WESTERLY ALONG SAID SOUTHERLY LINE OF BENSLEY'S SUBDIVISION TO THE EASTERLY LINE OF SOUTH ELLIS AVENUE;

THENCE SOUTHERLY ALONG SAID EASTERLY LINE OF SOUTH ELLIS AVENUE TO THE EASTERLY EXTENSION OF THE SOUTHERLY LINE OF THE NORTHERLY 5 FEET OF LOT 3 IN THE SUBDIVISION BY L. C. P. FREER OF BLOCK 6 OF AFORESAID CLEAVERVILLE;

THENCE WESTERLY ALONG SAID EASTERLY EXTENSION AND THE SOUTHERLY LINE OF THE NORTHERLY 5 FEET OF LOT 3 IN THE SUBDIVISION BY L. C. P. FREER OF BLOCK 6 OF CLEAVERVILLE TO THE WESTERLY LINE OF SAID LOT 3;

THENCE SOUTHERLY ALONG SAID WESTERLY LINE OF LOT 3 TO THE SOUTHERLY LINE OF LOT "A" IN THE CONSOLIDATION OF THE NORTH 10 FEET OF LOT 8, ALL OF LOT 9 AND THE SOUTH 25 FEET OF LOTS 10 AND 11 IN THE SUBDIVISION OF BLOCK 6 IN AFORESAID CLEAVERVILLE;

THENCE WESTERLY ALONG SAID SOUTHERLY LINE OF LOT "A" AND ALONG THE WESTERLY EXTENSION THEREOF TO THE WESTERLY LINE OF SOUTH DREXEL BOULEVARD;

THENCE NORTHERLY ALONG SAID WESTERLY LINE OF SOUTH DREXEL BOULEVARD TO THE POINT OF INTERSECTION OF SAID WESTERLY LINE OF SOUTH DREXEL BOULEVARD WITH THE EASTERLY LINE OF SOUTH COTTAGE GROVE AVENUE;

THENCE NORTH ALONG THE NORTHERLY EXTENSION OF THE WEST LINE OF BLOCK 16 IN AFORESAID CLEAVERVILLE, SAID WEST LINE OF BLOCK 16 BEING ALSO THE EAST LINE OF SOUTH COTTAGE GROVE AVENUE, TO THE EASTERLY EXTENSION OF THE SOUTH LINE OF LOTS 10, 11, 14 AND 15 IN BLOCK 1 OF CLEAVERVILLE ADDITION, BEING A SUBDIVISION OF THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING EAST OF VINCENNES AVENUE, SAID SOUTH LINE OF LOTS 10, 11, 14 AND 15 IN BLOCK 1 OF CLEAVERVILLE ADDITION BEING ALSO THE NORTH LINE OF EAST OAKWOOD BOULEVARD;

THENCE WEST ALONG SAID EASTERLY EXTENSION AND THE NORTH LINE OF EAST OAKWOOD BOULEVARD TO THE EAST LINE OF SOUTH LANGLEY AVENUE;

THENCE NORTH ALONG SAID EAST LINE OF SOUTH LANGLEY AVENUE AND ALONG THE NORTHERLY EXTENSION THEREOF TO THE NORTH LINE OF EAST PERSHING AVENUE;

THENCE WEST ALONG SAID NORTH LINE OF EAST PERSHING AVENUE TO THE POINT OF BEGINNING AT POINT OF INTERSECTION OF THE NORTH LINE OF EAST PERSHING ROAD WITH THE WESTERLY LINE OF SOUTH VINCENNES AVENUE;

ALL IN THE CITY OF CHICAGO, COOK COUNTY, ILLINOIS.

**EXHIBIT B-1**  
**PROPERTY LEGAL DESCRIPTION**  
(Oakwood Shores Phase 2A Rental)

See attached

LOTS 70, 71, 95, 96, 97, 98, 105, 117, 118, 119, 120, 125, 126, 135 AND 136 IN OAKWOOD SHORES PHASE 2, BEING A RESUBDIVISION OF VARIOUS LOTS AND PARTS OF LOTS IN VARIOUS SUBDIVISIONS AND RESUBDIVISIONS TOGETHER WITH VACATED ROADS AND VACATED ALLEYS IN PART OF THE SOUTHEAST QUARTER OF SECTION 34, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 11, 2007 AS DOCUMENT NUMBER 0734522111, IN COOK COUNTY, ILLINOIS.

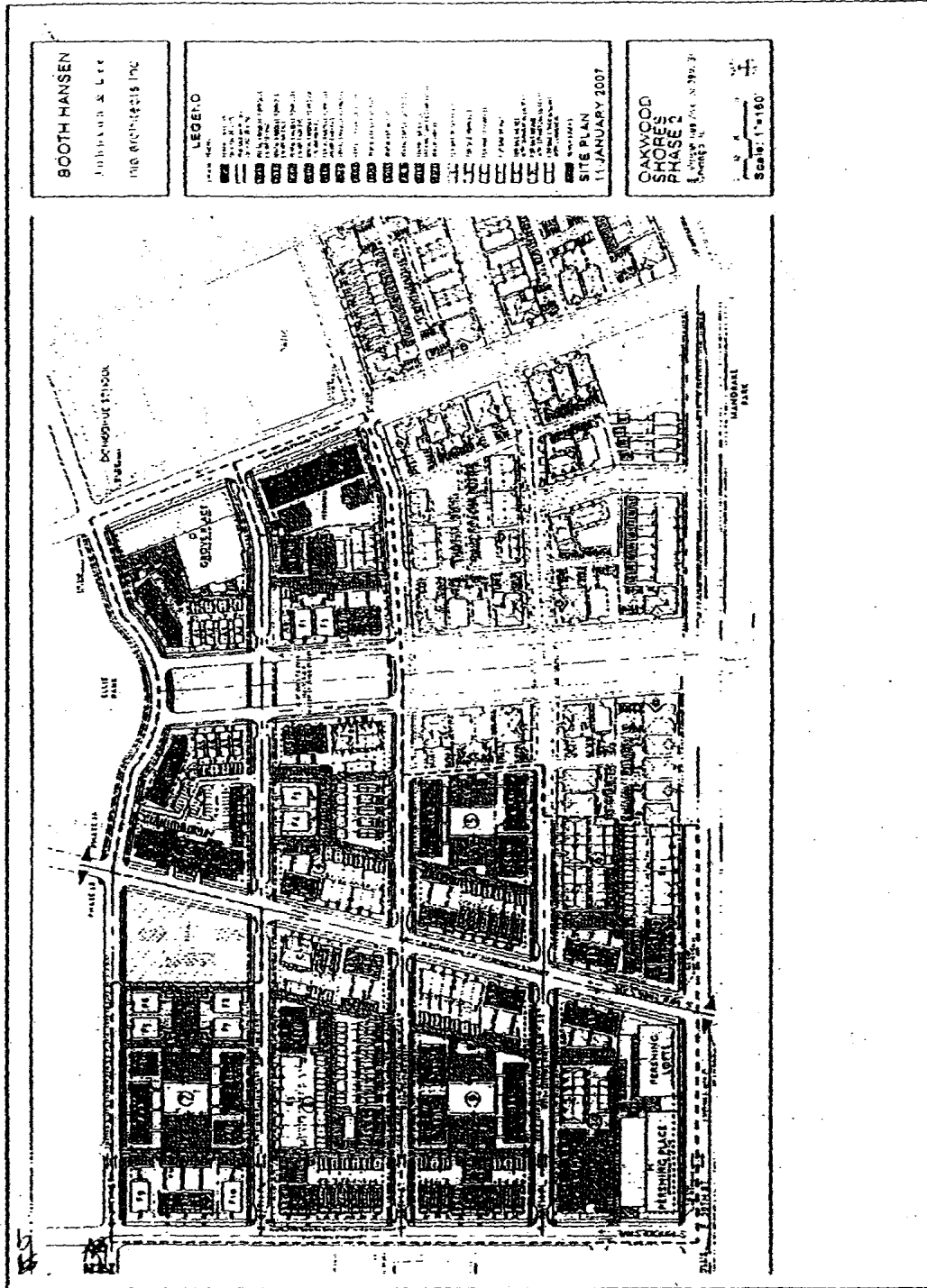
PIN: 17-34-417-026 and 17-34-419-016

**EXHIBIT B-2**

**SITE PLAN**

(See attached page that follows.)

Site Plan.



**BOOTH HANSEN**  
 JOHNSON & LEE  
 610 RICHMOND RD  
 SUITE 100  
 JACKSONVILLE, FL 32217

**LEGEND**

1	EXISTING BUILDING
2	NEW BUILDING
3	EXISTING DRIVEWAY
4	NEW DRIVEWAY
5	EXISTING PARKING
6	NEW PARKING
7	EXISTING LANDSCAPE
8	NEW LANDSCAPE
9	EXISTING FENCE
10	NEW FENCE
11	EXISTING UTILITY
12	NEW UTILITY
13	EXISTING ROAD
14	NEW ROAD
15	EXISTING CURB
16	NEW CURB
17	EXISTING SIDEWALK
18	NEW SIDEWALK
19	EXISTING DRIVE
20	NEW DRIVE
21	EXISTING WALKWAY
22	NEW WALKWAY
23	EXISTING BIKEWAY
24	NEW BIKEWAY
25	EXISTING FURNITURE
26	NEW FURNITURE
27	EXISTING SIGNAGE
28	NEW SIGNAGE
29	EXISTING LIGHTING
30	NEW LIGHTING
31	EXISTING SECURITY
32	NEW SECURITY
33	EXISTING ACCESS
34	NEW ACCESS
35	EXISTING EGRESS
36	NEW EGRESS
37	EXISTING ESCAPE
38	NEW ESCAPE
39	EXISTING REFUGER
40	NEW REFUGER
41	EXISTING PROTECTIVE
42	NEW PROTECTIVE
43	EXISTING BARRIER
44	NEW BARRIER
45	EXISTING OBSTACLE
46	NEW OBSTACLE
47	EXISTING TRIP
48	NEW TRIP
49	EXISTING GLASS
50	NEW GLASS
51	EXISTING OPENING
52	NEW OPENING
53	EXISTING PROTECTIVE
54	NEW PROTECTIVE
55	EXISTING BARRIER
56	NEW BARRIER
57	EXISTING OBSTACLE
58	NEW OBSTACLE
59	EXISTING TRIP
60	NEW TRIP
61	EXISTING GLASS
62	NEW GLASS
63	EXISTING OPENING
64	NEW OPENING
65	EXISTING PROTECTIVE
66	NEW PROTECTIVE
67	EXISTING BARRIER
68	NEW BARRIER
69	EXISTING OBSTACLE
70	NEW OBSTACLE
71	EXISTING TRIP
72	NEW TRIP
73	EXISTING GLASS
74	NEW GLASS
75	EXISTING OPENING
76	NEW OPENING
77	EXISTING PROTECTIVE
78	NEW PROTECTIVE
79	EXISTING BARRIER
80	NEW BARRIER
81	EXISTING OBSTACLE
82	NEW OBSTACLE
83	EXISTING TRIP
84	NEW TRIP
85	EXISTING GLASS
86	NEW GLASS
87	EXISTING OPENING
88	NEW OPENING
89	EXISTING PROTECTIVE
90	NEW PROTECTIVE
91	EXISTING BARRIER
92	NEW BARRIER
93	EXISTING OBSTACLE
94	NEW OBSTACLE
95	EXISTING TRIP
96	NEW TRIP
97	EXISTING GLASS
98	NEW GLASS
99	EXISTING OPENING
100	NEW OPENING

**OAKWOOD SHORES PHASE 2**  
 11 JANUARY 2007  
 SCALE: 1"=150'  
 NORTH



**EXHIBIT C**

**REDEVELOPMENT PLAN**

NOT ATTACHED FOR RECORDING PURPOSES

**EXHIBIT D**

**FINANCING FOR THE PROJECT**

See Attached Sources and Uses

**TCB PROFORMA (RENTAL) - SOURCES AND USES**

Filename: Copy of Oakwood Shores IIA 12 10 07.xls  
 Project: Oakwood Shores II - IIA

Units: 199

**II. USES OF FUNDS**

	Amount	Per Unit	Per GSF
11000 Total Acquisition Costs	0	0	0.00
12000 Total Site Preparation Costs	1,818,536	9,138	6.23
13000 Total Construction Costs	45,806,992	230,186	156.97
14000 Total Soft Costs	3,393,087	17,051	11.63
15000 Total Financing Costs	2,352,338	11,821	
16000 Total Reserves	1,728,481	8,686	
17000 Total Developer's Fee	3,485,278	17,514	
<b>10000 TOTAL USES OF FUNDS</b>	<b>58,584,712</b>	<b>294,396</b>	

Calculation/Source:

Dev Comment  
 Fin Comment

**III. SOURCES OF FUNDS**

	Amount	Per Unit	Rate + Fee	Term	Amort	Accrual	Constant	Ann Paymt
Debt Financing								
21010 Mortgage--Chase	4,797,000	23,804	7.39%	30	999	No	8.300%	393,189
21020 TIF LOAN--Chase	1,273,000	6,397	7.39%	30	999	No	11.051%	130,313
Subtotal: Debt Financing	6,010,000	30,201						

**IV. DEBT SIZING**

NOI Available For Debt Service	505,617	Cap Rate	LTV
Minimum Debt Service Coverage Factor	1.16	8.64%	80%
Actual Coverage in Year 1	1.29	5,296,952	DSCF Constraint
Coverage in Year 16	1.16	4,736,622	LTV Constraint

	Amount	Per Unit	Rate	Term	Amort	Accrual
Soft Loans						
22010 HOME--City	5,000,000	25,126	0.00%	40	999	Yes
22020 AHP--TCB	500,000	2,513	0.00%	40	999	Yes
22030 HOPE VI--CHA	7,944,964	39,924	5.87%	40	999	Yes
22040 MRUP--CHA	3,936,772	19,783	1.07%	40	999	Yes
22050 IHDA Trust Funds--IHDA via Cit	374,698	1,882	4.72%	40	999	Yes
22060 IAHTC Proceeds Note--TCB	4,037,446	20,289	4.72%	40	999	Yes
22070 Deferred Developer Fee	311,644	1,566	0.00%	40	999	Yes
Subtotal: Soft Loans	22,105,432	111,083				

Calculation/Source:

Date Updated  
 Dev Comment  
 Fin Comment

HOPE VI & MROP Mix requested by CHA on 8/9/07. Previous combination v 09/20/07  
 \$9,806,736 HOPE VI and \$2,000,000 HOPE VI. HOPE VI and MROP funds  
 removed from eligible basis after interest rate was reduced below AFR.

	Amount	Per Unit	Ann. Credit	Total Credit	Per \$1.00	LP %
Equity						
23010 GP Capital Contribution	7,000,000	34,854				
23020 LP Net Equity - LIHTI 2007	30,085,463	151,183	3,038,638	30,383,341	0.990386	76.80%
23030 LP Net Equity - Historic Credit	0	0				
23040	0	0				
Subtotal: Equity	30,085,463	151,184				

**IV. TAX CREDIT BASIS CALCULATION**

	4% Credit	9% Credit	Historic
Total Basis	54,270,987	54,270,987	0
(Less: HOPE VI and MROP)		(1,881,736)	
Total Eligible Basis	54,270,987	42,389,251	
Total Adjusted Basis QCT/DDA	130%	70,552,283	55,106,026
Total Qualified Basis Applicable fraction	71.36%	50,343,840	39,321,888
Applicable Credit Rat Month of (Rate locked Jun-07)			8.11%
Calculated Credit Supported by Basis		0	3,189,005

SURPLUS/ (Gap) (0)

**V. PREDEVELOPMENT & CONSTRUCTION SOURCES**

	Amount	Per Unit	Rate	Term	Amort	Accrual
Predevelopment Loans						
25010 Predevelopment Loan 1	1,000,000	5,025	5.00%	1	999	No
25020 Predevelopment Loan 2	0	0	6.00%	0	999	No
25030 Predevelopment Loan 3	0	0	6.00%	0	999	No
Subtotal: Predevelopment Loan	1,000,000	5,025				
Construction Loan						
26010 Const. (TIF) Loan	1,273,000	6,397	8.25%	1	999	No
Const. Loan--Remainder	22,722,000	114,206	8.25%	1	999	No

Calculation/Source:

Date Updated

9%	10/23/06
100%	
3,189,005	3,000,000

Date Updated  
 10/04/07

Dev: DS  
 Fin: DS  
 Prop Mgt: 10/04/07



**The Community Builders, Inc.**

**SOURCES AND USES**

**EXHIBIT E**

**AVAILABLE INCREMENTAL REVENUES**

(See attached page that follows.)

*Available Incremental Revenues.*

T.I.F. Year	Year Assessed	Total Incremental Taxes*
0	2001	\$ 0
0	2002	0
1	2003	0
2	2004	0
3	2005	0
4	2006	0
5	2007	0
6	2008	0
7	2009	14,385

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\*Total Incremental Taxes less City Administrative Fee.

T.I.F. Year	Year Assessed	Total Incremental Taxes*
8	2010	\$ 73,217
9	2011	148,413
10	2012	148,413
11	2013	158,657
12	2014	158,657
13	2015	158,657
14	2016	169,610
15	2017	169,610
16	2018	169,610
17	2019	181,319
18	2020	181,319
19	2021	181,319
20	2022	193,835
21	2023	193,835

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\*Total Incremental Taxes less City Administrative Fee.

T.I.F. Year	Year Assessed	Total Incremental Taxes*
22	2024	\$ 193,835
23	2025	207,215
Collection for Year 23	2026	207,215
<b>TOTAL:</b>	<b>2007 -- 2026</b>	<b>\$2,909,118</b>

Source: S.B. Friedman & Company

**EXHIBIT F-1**

**PROJECT BUDGET**

Construction Costs	45,806,992
Site Preparation	1,818,536
Total Soft Costs	3,393,087
Total Financing Costs	2,352,338
Total Reserves	1,728,481
Total Developer's Fee	<u>3,485,278</u>
<b>Total Development Costs</b>	<b>\$ 58,584,712</b>



**EXHIBIT F-2**

**MBE/WBE BUDGET**

Hard Construction Costs	\$44,278,633
Site Preparations Costs	\$1,560,000
Total	\$45,838,633
MBE Budget:	\$45,838,633 X 24% = \$11,001,272
WBE Budget:	\$45,838,633 X 4% = \$1,833,545

**EXHIBIT G**  
**LIST OF PLANS AND SPECIFICATIONS**

[See Exhibit to the General Contract]

## EXHIBIT H-1

### ARCHITECT'S OPENING CERTIFICATE

Date: \_\_\_\_\_

The undersigned, [INSERT ARCHITECT'S NAME] ("Architect"), hereby certifies to the City of Chicago, Illinois ("City") as follows (any term which is capitalized but not specifically defined herein shall have the same meaning as set forth in that certain Redevelopment Agreement ("Agreement") dated \_\_\_\_\_, 2007, by and between the City and Oakwood Shores Phase 2A Associates Limited Partnership ("Developer")):

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

Project.

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

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

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

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

ARCHITECT:

By: \_\_\_\_\_  
Its: \_\_\_\_\_

EXHIBIT H-2

ARCHITECT'S COMPLETION CERTIFICATE

Date: \_\_\_\_\_

The undersigned, [INSERT ARCHITECT'S NAME] ("Architect"), hereby certifies to the City of Chicago, Illinois ("City") as follows (any term which is capitalized but not specifically defined herein shall have the same meaning as set forth in that certain Redevelopment Agreement ("Agreement") dated \_\_\_\_\_, 2007, by and between the City and Oakwood Shores Phase 2A Associates Limited Partnership ("Developer")):

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

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

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

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

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

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

ARCHITECT:

By: \_\_\_\_\_

Its: \_\_\_\_\_

**EXHIBIT I**

**REQUISITION FORM FOR TIF-FUNDED INTEREST COSTS**

The undersigned, \_\_\_\_\_ [Name] \_\_\_\_\_, \_\_\_\_\_ [Title] \_\_\_\_\_ of \_\_\_\_\_ (the "Senior Lender"), does hereby certify to the City of Chicago, Illinois (the "City") as follows (any term which is capitalized but not specifically defined herein shall have the same meaning as set forth in that certain Redevelopment Agreement ("Agreement") dated \_\_\_\_\_, 2007, by and between the City and Oakwood Shores Phase 2A Associates Limited Partnership ("Developer")):

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

Senior Lender \$ \_\_\_\_\_

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

3. That including the payment requested hereunder, the payments from the City during this year for interest costs do not exceed 75 percent of the interest costs incurred by the Developer with regard to Project during this year [, plus accruals];

4. That including the payment requested hereunder, the total of interest payments to date from the City does not exceed 75 percent of the total Project Costs actually incurred by the Developer;

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

<u>Maximum Amount</u>	<u>Current Annual Unpaid Amount Accrued</u>	<u>Accrued and Balance Amount Prior Requisitions<sup>1</sup></u>	<u>Accrued and Unpaid<sup>2</sup></u>	<u>Paid To Date<sup>3</sup></u>
\$ _____	_____	_____	_____	_____

6. That attached as Exhibit 1 are true and correct copies of monthly invoices for the Senior Loan sent to the Developer by the Senior Lender;

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

\_\_\_\_\_  
[Senior Lender]

By: \_\_\_\_\_  
Its: \_\_\_\_\_

cc: Oakwood Shores Phase 2A Associates Limited Partnership

<sup>1</sup> Represents the sum of the following unpaid amounts for the specified years: \$ \_\_\_\_\_ for 200\_\_ ; \$ \_\_\_\_\_ for 200\_\_ ; \$ \_\_\_\_\_ for 200\_\_.

<sup>2</sup> Sum of columns 2 and 3.

<sup>3</sup> After giving effect to the payment covered by this Requisition Form.

<sup>4</sup> Subject to reduction if general real estate taxes are abated, as described in the Agreement.

**EXHIBIT J**

**SCHEDULE OF MAXIMUM AMOUNT OF TIF-FUNDED INTEREST COSTS**

(See attached page that follows.)



**Exhibit J**

	<b>JPMorgan Chase - Construction</b>					
	<b>Interest</b>	<b>EMI* - NOI</b>	<b>EMI - TIF*</b>	<b>Total Annual Interest</b>	<b>75% of Annual Interest</b>	
2005	1	\$176,850.00		\$ 176,850.00	\$ 132,637.50	
2006	2	\$353,700.00		\$ 353,700.00	\$ 265,275.00	
2007	3		\$ 295,109.48	\$ 84,814.54	\$ 379,924.02	\$ 284,943.02
2008	4		\$ 295,109.48	\$ 84,814.54	\$ 379,924.02	\$ 284,943.02
2009	5		\$ 292,491.77	\$ 83,962.09	\$ 376,453.86	\$ 282,340.40
2010	6		\$ 289,659.59	\$ 83,045.74	\$ 372,705.33	\$ 279,529.00
2011	7		\$ 286,595.40	\$ 82,060.71	\$ 368,656.11	\$ 276,492.08
2012	8		\$ 283,280.17	\$ 81,001.83	\$ 364,282.00	\$ 273,211.50
2013	9		\$ 279,693.34	\$ 79,863.59	\$ 359,556.93	\$ 269,667.70
2014	10		\$ 275,812.67	\$ 78,640.03	\$ 354,452.70	\$ 265,839.53
2015	11		\$ 271,614.07	\$ 77,324.75	\$ 348,938.82	\$ 261,704.12
2016	12		\$ 267,071.51	\$ 75,910.87	\$ 342,982.38	\$ 257,236.79
2017	13		\$ 262,156.81	\$ 74,391.02	\$ 336,547.83	\$ 252,410.87
2018	14		\$ 256,839.47	\$ 72,757.24	\$ 329,596.71	\$ 247,197.53
2019	15		\$ 251,086.51	\$ 71,001.00	\$ 322,087.51	\$ 241,565.63
2020	16		\$ 244,862.24	\$ 69,113.11	\$ 313,975.35	\$ 235,481.51
2021	17		\$ 238,128.06	\$ 67,083.71	\$ 305,211.77	\$ 228,908.83
2022	18		\$ 230,842.19	\$ 64,902.19	\$ 295,744.38	\$ 221,808.29
2023	19		\$ 222,959.42	\$ 62,557.14	\$ 285,516.56	\$ 214,137.42
2024	20		\$ 214,430.87	\$ 60,036.31	\$ 274,467.18	\$ 205,850.39
2025	21		\$ 205,203.63	\$ 57,326.53	\$ 262,530.16	\$ 196,897.62
<b>Total**</b>		<b>\$530,550.00</b>	<b>\$4,962,946.68</b>	<b>\$ 1,410,606.94</b>	<b>\$ 6,904,103.62</b>	<b>\$ 5,178,077.72</b>

\* For 2007, may be construction lender as well.

\*\* As provided in the Redevelopment Agreement, the maximum amount of Available Incremental Revers are \$3,021,000