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188 WEST RANDOLPH REDEVELOPMENT AGREEMENT

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188 WEST RANDOLPH REDEVELOPMENT AGREEMENT

BY AND BETWEEN

THE CITY OF CHICAGO

AND

RANDOLPH TOWER CITY APARTMENTS, INC.;
RANDOLPH TOWER CITY APARTMENTS, LLC;
RANDOLPH TOWER AFFORDABLE CITY APARTMENTS, LLC;
RANDOLPH TOWER MASTER AFFORDABLE TENANT, LLC;
& RANDOLPH TOWER MASTER HISTORIC TENANT, LLC

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

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(An asterisk(*) indicates which exhibits are to be recorded.)

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

188 WEST RANDOLPH REDEVELOPMENT AGREEMENT

This 188 West Randolph Redevelopment Agreement (this "**Agreement**") is made as of this 1st day of December, 2010, by and between the City of Chicago, an Illinois municipal corporation (the "**City**"), through its Department of Community Development ("**DCD**"), Randolph Tower City Apartments, Inc., a Delaware corporation ("**Randolph TCA Inc.**"), Randolph Tower City Apartments, LLC ("**Randolph TCA LLC**"), a Delaware limited liability company, Randolph Tower Affordable City Apartments, LLC ("**Randolph TACA LLC**"), a Delaware limited liability company, Randolph Tower Master Affordable Tenant LLC ("**Randolph TMAT LLC**"), a Delaware limited liability company and Randolph Tower Master Historic Tenant LLC, a Delaware limited liability company ("**Randolph TMT LLC**") (Randolph TCA LLC, Randolph TCA Inc., Randolph TACA LLC, Randolph TMAT LLC, and Randolph TMT LLC shall individually, jointly and severally be referred to as "**Developer(s)**" or "**a Developer Party**" and may collectively be referred to as "**Developer**").

RECITALS

A. Constitutional Authority: As a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois (the "**State**"), the City has the power to regulate for the protection of the public health, safety, morals and welfare of its inhabitants, and pursuant thereto, has the power to encourage private development in order to

enhance the local tax base, create employment opportunities and to enter into contractual agreements with private parties in order to achieve these goals.

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

C. City Council Authority:

1. To induce redevelopment pursuant to the Act, the City Council of the City (the "**City Council**") adopted the following ordinances on June 9, 2010: "An Ordinance of the City of Chicago, Illinois Approving a Tax Increment Redevelopment Plan for the Randolph/Wells Redevelopment Project Area;" (2) "An Ordinance of the City of Chicago, Illinois Designating the Randolph/Wells Redevelopment Project Area as a Tax Increment Financing District;" and (3) "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Allocation Financing for the Randolph/Wells Redevelopment Project Area" (the "**Randolph/Wells TIF Adoption Ordinance**") (collectively all above ordinances referencing the Randolph/Wells Redevelopment Plan, Financing District and Project Area shall collectively be referred to herein as the "**Randolph/Wells TIF Ordinances**"). The redevelopment project area referred to above (the "**Randolph/Wells Redevelopment Project Area**") is legally described on **Exhibit A-1** hereto.

2. Prior to the creation of the Randolph/Wells Redevelopment Project Area, and also to induce redevelopment pursuant to the Act, the City Council adopted the following ordinances on November 15, 2006: (1) "An Ordinance of the City of Chicago, Illinois Approving a Tax Increment Redevelopment Plan for the LaSalle Central Redevelopment Project Area;" (2) "An Ordinance of the City of Chicago, Illinois Designating the LaSalle Central Redevelopment Project Area as a Tax Increment Financing District;" and (3) "An Ordinance of the City of Chicago, Illinois adopting tax increment allocation financing for the LaSalle Central Redevelopment Project Area" (the "**LaSalle Central TIF Adoption Ordinance**") which area is adjacent to and abuts the Randolph/Wells Redevelopment Project Area (the LaSalle Central TIF Adoption Ordinance, together with the "**Randolph/Wells TIF Adoption Ordinance**," are collectively referred to herein as the "**TIF Adoption Ordinance**") (collectively all ordinances above that solely reference the LaSalle Central Redevelopment Plan, Financing District and Project Area shall collectively be referred to as the "**LaSalle Central TIF Ordinances**"; and the LaSalle Central TIF Ordinances together with the Randolph/Wells TIF Ordinances shall be referred to herein as the "**TIF Ordinances**"). The redevelopment project area referred to above in this paragraph 2 (the "**LaSalle Central Redevelopment Project Area**") is legally described on **Exhibit A-2** hereto.

D. The Project: Randolph Tower TCA, LLC and Randolph TCA, Inc. shall within the time frames set forth in **Section 3.01** hereof, commence and complete rehabilitation of a 45 story Class C office building with approximately 371,000 square feet of gross building area, thereon into a mixed-use building that is primarily residential with additional retail, fitness center

and office uses (the “Facility”) and shall convey sixty-three (63) of the residential apartments to Randolph TACA LLC for use as affordable units as referred to below concurrent with recording in the Office of the Recorder of Deeds of Cook County, Illinois a condominium declaration that separates ownership of the sixty-three (63) units from the remainder of the Property.

Construction of the Facility was originally completed in 1929 in the gothic revival architectural style with a historic terra cotta facade. Rehabilitation of the Facility shall be in accordance with scope and/or permit drawings approved by the Commission on Chicago Landmarks which shall be the basis for plans and specifications that are to be submitted and approved by DCD as provided herein (the parties understand that plans and specifications must be submitted and approved as provided in this agreement) and will include (i) a complete gut and rehabilitation of the interior, (ii) replacement of missing masonry piers at the base of the building along with new storefronts, and (iii) renovation of building components which will include (A) restoration of the terra cotta facade (including replacement or restoration of gothic revival details removed for safety reasons) and all other exterior facade work, (B) cleaning & tuckpointing, (C) installation of new storefront windows, (D) a new lobby & entrance, (E) installing a new fire protection system, (F) other new building systems including a new plumbing system, new HVAC system and a new electrical system, (G) architectural lighting and (H) improvements to the public way. All work that shall be a part of all renovations and repairs to be made to the facade including (i) replacement of missing terra cotta facade at the base of the building, (ii) replacement or restoration of gothic revival details removed for safety reasons, (iii) restoration of the terra cotta facade and (iv) any and all other exterior facade work may hereinafter be referred to as the “**Facade Work.**” Rehabilitation of the Facility will include the installation of a fifty percent (50%) green roof and sustainable elements as set forth in **Exhibit Q**. Upon completion of the renovations the Facility will contain approximately three hundred thirteen (313) residential units of which, at least twenty percent (20%) (it being understood by the parties that any fraction in excess of a whole number results in rounding up to the next whole number) will be required to meet affordability guidelines at or below fifty percent (50%) of area median income (“AMI”). The affordable units will include a mix of studio, convertible, one and two bedroom units and have access to the same building amenities as market rate units. The Facility will also include approximately 9,500 square feet of retail space on the first floor (including a restaurant), and approximately 11,500 square feet of office and commercial space on the second floor; management offices, conference rooms and amenities including the fitness center, swimming pool, and a terrace will be located on floors 24 through 27. The Facility and related improvements (including but not limited to those TIF-Funded Improvements as defined below and set forth on **Exhibit C-1**) may be more clearly described in the Plans and Specifications, and are collectively referred to herein as the “**Project.**” The Project is part of the Planned Development and shall be developed pursuant to the Planned Development Ordinance (as defined herein below). The completion of the Project would not reasonably be anticipated without the financing contemplated in this Agreement.

E. Redevelopment Plan: The Project will be carried out in accordance with this Agreement and the City of Chicago Randolph/Wells Tax Increment Financing Redevelopment Project Area and Plan (the “**Redevelopment Plan**”) attached hereto as **Exhibit D**.

F. Freddie Mac: A portion of the Lender Financing (as defined below) includes a loan of the proceeds generated through the sale of the Series 2010 Bonds; repayment of the purchasers/holders of the Series 2010 Bonds will be insured and/or credit enhanced by the Federal Home Loan Mortgage Corporation (“Freddie Mac”). Now, therefore, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. RECITALS

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

SECTION 2. DEFINITIONS

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

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

“**Actual residents of the City**” shall mean persons domiciled within the City.

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

“**Annual Compliance Report**” shall mean a signed report from the Developer to the City (a) itemizing each of the Developer’s obligations under this Agreement during the preceding calendar year, (b) certifying the Developer’s compliance or noncompliance with such obligations, (c) attaching evidence (whether or not previously submitted to the City) of such compliance or noncompliance and (d) certifying that the Developer is not in default with respect to any provision of this Agreement, the agreements evidencing the Lender Financing, if any, or any related agreements; provided, that the obligations to be covered by the Annual Compliance Report shall include the following: (1) compliance with the Employment Opportunity and Developer’s Employment Obligations; (**Sections 8.07 and 10**); (2) delivery of Financial Statements and unaudited financial statements (**Section 8.13**); (3) delivery of updated insurance certificates, if applicable (**Section 8.14**); (4) delivery of evidence of payment of Non-Governmental Charges, if applicable (**Section 8.15**); and (5) compliance with all other executory provisions of this Agreement.

“**Available Incremental Taxes**” shall mean an amount equal to the Incremental Taxes deposited in the TIF Fund attributable to the taxes levied on the Redevelopment Area as adjusted to reflect the amount of the City Fee described in Section 4.05(c) hereof from and after the year of the Closing Date.

“Bond Loan(s)” shall mean the loans of the proceeds from the issuance of the Series 2010 Bonds to one or more of the Developer Parties in order to finance a portion of the costs of the Project.

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

“Certificate of Expenditure” shall mean any Certificate of Expenditure referenced in the City Note pursuant to which the principal amount of the City Note will be established.

“Change Order” shall mean any amendment or modification to the Scope Drawings, Plans and Specifications or the Project Budget as described in **Section 3.02**, **Section 3.03** and **Section 3.04**, respectively.

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

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

“City Funds” shall mean, collectively, (1) the Initial Payments and (2) the funds paid to the Developer pursuant to the City Note as described in **Section 4.03(b)** hereof.

“City Note” shall mean the Tax Increment Allocation Revenue Note (188 West Randolph/Wells Redevelopment Project), Taxable Series 2010A, in the form attached hereto as **Exhibit M-1**, in the maximum principal amount of \$5,000,000 and with a maximum term and amortization of twenty (20) years, issued by the City to Randolph TCA, Inc. (or such other Developer Party that will actually incur the relevant TIF eligible costs) on or as of the date hereof. The City Note shall bear 0% per annum interest. Upon issuance of the Certificate and when the Project reaches Substantial Completion (as certified by the project architect and reviewed and approved by DCD and DZLUP—HPD), (i) the City Note shall be returned to the City and be exchanged for an unconditional tax exempt City Note which shall be, in all other terms, identical to the City Note (the **“Tax Exempt City Note”**), and shall be in the form attached hereto as **Exhibit M-2**, and (ii) the interest rate on the Tax Exempt City Note shall be adjusted to an annual fixed rate equal to the Index Rate.

“City Note Reserve” shall mean an escrow account (the **“CNR Escrow”**) established at Amalgamated Bank of Chicago, an Illinois banking corporation, or another financial or trust institution acceptable to the City (**“CNR Escrowee”**) upon (i) issuance by DCD of the Certificate and the Tax Exempt City Note and (ii) availability of additional LaSalle Central Ported Funds. If available, **Six Hundred Thirty-Two Thousand and No/100 Dollars (\$632,000)** of LaSalle Central Ported Funds shall be deposited in the CNR Escrow and maintained therein until the Tax-Exempt City Note has been paid in full. The City Note Reserve shall be available to make the payments due on the Tax—Exempt Note in the event the City fails to make payments within thirty (30) days of the date due (as the date due is set forth in **Section 4.03 (c)**). If from time to time the amount on deposit in the City Note Reserve falls below six hundred thirty-two thousand

and no/100 dollars (\$632,000); said amount being referred to as a "**City Note Reserve Deficiency**"), the CNR Escrowee shall notify DCD and the DCD shall, within ninety (90) days of receipt of such notice, cause the City Note Reserve to be funded from the Available Incremental Taxes and if the Available Incremental Taxes are insufficient, then from LaSalle/Central Ported Funds, if available, with an amount equal to the City Note Reserve Deficiency so that the City Note Reserve has on deposit \$632,000. The City shall make a transfer of LaSalle Central Ported Funds, if available, to (i) initially fund the City Note Reserve upon issuance of the Certificate and Substantial Completion of the Facility and (ii) fund any City Note Reserve Deficiency. The City shall have no obligation to fund the City Note Reserve or the City Note Reserve Deficiency other than with LaSalle Central Ported Funds that may be available or Available Incremental Taxes (each as referenced above).

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

"Construction Contracts" shall mean those certain contracts, substantially in the forms attached hereto as **Exhibit E**, to be entered into between the Developer and the General Contractor providing for construction of the Project.

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

"DCD" shall mean the City's Department of Community Development, which shall act on the City's behalf in certain respects as set forth herein.

"DCD Commissioner" shall mean the Commissioner of DCD. **"DZLUP—HPD"** shall mean the Historic Preservation Division of the City's Department of Zoning and Land Use Planning.

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

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

“Equity” shall mean funds of the Developer (other than funds derived from Lender Financing) irrevocably available for the Project, in the amount set forth in **Section 4.01** hereof, which amount may be increased pursuant to **Section 4.06** (Cost Overruns) or **Section 4.03(b)**.

“Escrow” shall mean the construction escrow established pursuant to the Escrow Agreement.

“Escrow Agreement” shall mean the Escrow Agreement establishing a construction escrow, to be entered into as of the date hereof by the City, the Title Company (or an affiliate of the Title Company), the Developer and the Developer's lender(s), substantially in the form of **Exhibit F** attached hereto.

“Event of Default” shall have the meaning set forth in **Section 15** hereof.

“Facade Contractor” shall mean **Central Building & Preservation, L.P., an Illinois limited partnership** or another contractor experienced in facade work and reasonably acceptable to DCD.

“Facade Work” shall have the meaning set forth in Recital D above.

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

“Freddie Mac Loan” shall have the meaning set forth in the Recitals hereof.

“Financial Statements” shall mean complete audited financial statements of the Developer prepared by a certified public accountant which, at the option of the Commissioner, may be in accordance with generally accepted accounting principles and practices consistently applied throughout the appropriate periods.

“General Contractor” shall mean **Linn-Mathes, Inc., an Illinois corporation**, the general contractor(s) or another contractor reasonably acceptable to the City. Approval by the City of any other contractor shall be in writing as set forth in Section 6.01.

“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.

“IHDA” shall mean the Illinois Housing Development Authority.

“Incremental Taxes” shall mean such ad valorem taxes which, pursuant to the Randolph Wells TIF Adoption Ordinance and Section 5/11-74.4-8(b) of the Act, are allocated to and when collected are paid to the Treasurer of the City of Chicago for deposit by the Treasurer into the

Randolph/Wells Special Tax Allocation Fund established to pay Redevelopment Project Costs and obligations incurred in the payment thereof.

“Index Rate” shall mean a rate equal to the median value of the “BBB” G.O. Bond Rate (20 year) as published by Thompson-Reuters Municipal Market Data (MMD) as of 15 days before the date the Certificate is issued, plus 175 basis points but in no event to exceeding a 9.00% rate.

“Initial Payments” shall mean, collectively, payments from the City deposited in the Escrow for the benefit of Randolph TCA, Inc. and the City in payment of or reimbursement for the costs of the TIF-Funded Improvements related to the Stabilization Work in the following amounts and at the following times: (1) \$20,000,000 on the Closing Date (the **“First Initial Payment”**); and (2) \$9,000,000 within twelve months of the Closing Date (the **“Second Initial Payment”**). LaSalle/Central Ported Funds shall be the sole source of the Initial Payments.

“Inspecting Architect” shall have the meaning set forth in **Section 3.08**.

“LaSalle/Central Ported Funds” shall mean the funds ported from the LaSalle/Central Special Tax Allocation Fund to the TIF Fund to be placed into the Project Fund for the sole purpose of funding (i) the Initial Payments, (ii) the payments on the Tax—Exempt City Note, as applicable and as available, for which the Available Incremental Taxes are not adequate and (iii) the City Note Reserve, if applicable.

“LaSalle/Central Special Tax Allocation Fund” shall mean the special tax allocation fund created by the City in connection with the LaSalle/Central Redevelopment Project Area into which incremental taxes from the LaSalle/Central Redevelopment Project Area are deposited.

“Lender Financing” shall mean funds borrowed by the Developer from lenders and irrevocably available to pay for Costs of the Project, in the amount set forth in **Section 4.01** hereof. Lender Financing shall also be deemed to include the credit enhancement of Series 2010 Bonds providing financing for the Project and the issuer of any credit enhancement shall be deemed a provider of “Lender Financing” within the meaning set forth in this Agreement.

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

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

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

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

“PD Ordinance” or **“Planned Development”** shall mean that certain ordinance approved by City Council on September 13, 2006 and published in the Journal of Proceedings for that day on pages 83138 – 83179 pursuant to which the Planned Development (see definition below) was approved.

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

“Planned Development” shall mean the Residential-Business Planned Development No. 1030, adopted September 13, 2006 pursuant to an ordinance approved by City Council.

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

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

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

“Project Account” shall have the meaning set forth in **Section 4.03(c)** hereof.

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

“Project Funds” shall mean all funds needed to complete the Project.

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

“Randolph/Wells Special Tax Allocation Fund” shall mean the special tax allocation fund created by the City in connection with the Redevelopment Area into which the Incremental Taxes will be deposited.

“Redevelopment Area” shall mean the Randolph/Wells Redevelopment Project Area as defined in the Recitals hereof.

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

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

“Requisition Form” shall mean the document, in the form attached hereto as **Exhibit L-1** to be delivered by Randolph TCA Inc. (or the appropriate Developer Party that incurs TIF Eligible costs and receives the City Note and the Tax—Exempt City Note) to DCD pursuant to **Section 4** of this Agreement.

“Series 2010 Bond Documents” shall mean any documents entered into by one or more Developer Parties and IHDA in connection with the Series 2010 Bonds.

“Series 2010 Bonds” shall mean IHDA's Multi-Family Housing Revenue Bonds (Randolph Tower City Apartments), Series 2010, in an amount not to exceed Fifty Million Five Hundred Eighty Thousand and no/100 Dollars (\$50,580,000), the proceeds of which are being loaned to one or more Developer Parties to finance a portion of the costs of the Project.

“Stabilization Work” shall have the meaning set forth in **Section 3.07** hereof.

“Subordination Agreement” shall mean the form of agreement attached hereto as Exhibit O.

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

“Tax—Exempt City Note” shall mean the Tax Increment Allocation Revenue Note (188 West Randolph/Wells Redevelopment Project), Tax—Exempt Series 2010A, in the form attached hereto as **Exhibit M-2**, in the maximum principal amount of \$5,000,000 and with a maximum term of twenty (20) years, issued by the City to Randolph TCA, Inc. (or such other Developer Party that actually incurs the TIF—Eligible Costs) in exchange for the City Note upon Substantial Completion and issuance of the Certificate. Other than being unconditional and tax exempt, the terms of the Tax—Exempt City Note shall be, in all other respects, identical to the terms of the City Note. The Tax-Exempt City Note will be secured by a first lien position on Twenty-Nine Million and no/100 Dollars (\$29,000,000) of LaSalle/Central Ported Funds and all Available Incremental Taxes. The Tax-Exempt City Note may be pre-paid by the City, acting in its sole discretion.

“Term of the Agreement” shall mean the period of time commencing on the Closing Date and ending on the date on which the Redevelopment Area is no longer in effect (through and including December 31, 2033).

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

"TIF Bonds" shall have the meaning set forth in Section 4.03(d) hereof.

"TIF Bond Ordinance" shall have the meaning set forth in Section 4.07 hereof.

"TIF-Funded Improvements" shall mean the costs for the Project set forth on **Exhibit C-1** hereto, subject to City verification that each of said costs shall (i) qualify as a Redevelopment Project Cost, (ii) is an eligible cost under the Redevelopment Plan and (iii) the City has agreed to pay for out of the City Funds, subject to the terms of this Agreement.

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

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

"Title Company" shall mean Chicago Title Insurance Company.

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

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

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

SECTION 3. THE PROJECT

3.01 The Project. With respect to the Facility, the Developer shall, pursuant to the Plans and Specifications and subject to the provisions of **Section 18.17** hereof: (i) commence construction by a date that is the later of (A) July 30, 2010 and (B) the date of closing on the Bond Loan(s), but in no event later than December 31, 2010 (as the parties hereto understand that if closing on the Bond Loans does not occur by December 31, 2010 then this Agreement shall automatically terminate and no longer be of any force or effect); and (ii) complete construction and conduct business operations therein no later than the last business day of the thirty—sixth (36th) month following the closing of the Bond Loans. If Developer fails to complete the Facility and cause the City to issue the Certificate by the end of the thirty—sixth (36th) month following the closing of the Bond Loans, or such later date as may be approved in

writing by the DCD Commissioner but in any event no later than the fourth (4th) anniversary of the closing date of the Bond Loans, then the City, acting in concert with the lenders providing Lender Financing, and subject to the provisions of Section 4.03, may draw down on any amount of City Funds left in the Escrow to complete the Stabilization Work.

3.02 Drawings and Plans and Specifications. The Developer has delivered the Scope Drawings (which are in agreement with the plans approved by the Commission on Chicago Landmarks) to DCD and DZLUP—HPD; DCD and DZLUP—HPD have approved same. Prior to Closing, Plans and Specifications shall be delivered to DCD and DZLUP—HPD; commencement of work on the Project is conditioned on approval of the Plans and Specifications by DCD and DZLUP—HPD. The Plans and Specifications were prepared by WISS, JANNEY, ELSTNER ASSOCIATES, INC. and HARTSHORNE PLUNKARD LTD and are dated as of October 16, 2006 and November 30, 2007 respectively. After the approval, any subsequent proposed changes to the Drawings or Plans and Specifications shall be submitted to DCD and DZLUP—HPD as a Change Order pursuant to **Section 3.04** hereof. The Scope Drawings and Plans and Specifications shall at all times conform to the Redevelopment Plan and all applicable federal, state and local laws, ordinances and regulations. The Developer shall submit all necessary documents to the City's Building Department, Department of Transportation and such other City departments or governmental authorities as may be necessary to acquire building permits and other required approvals for the Project.

3.03 Project Budget. The Developer has furnished to DCD, and DCD has approved, a Project Budget showing total costs ("Project Cost") for the Project including the Facade Work in an amount not less than One Hundred Forty-Six Million Six Hundred Twenty-Four Thousand Four Hundred Thirty-Eight and 14/100 Dollars (\$146,624,438.14) The Developer hereby certifies to the City that (a) the City Funds, together with Lender Financing and Equity described in **Section 4.02** hereof, shall be sufficient to complete the Project and pay for all Project costs; and (b) the Project Budget is true, correct and complete in all material respects. The Developer shall promptly deliver to DCD certified copies of any Change Orders with respect to the Project Budget for approval pursuant to **Section 3.04** hereof.

3.04 Change Orders. Except as provided below, all Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to material changes to the Project must be submitted by the Developer to DCD and DZLUP—HPD concurrently with the quarterly progress reports described in **Section 3.07** hereof; provided, that any Change Order relating to any of the following must be submitted by the Developer to DCD for DCD's prior written approval: (a) a reduction in the square footage of the Facility by more than five percent (5%); (b) a change in the use of the Property to a use other than a primarily residential mixed use facility with retail commercial space, office space and work-out facilities (including a swimming pool); (c) a change in the number of residential units constructed or in the mix of residential units regarding both affordability and number of bedrooms; (d) increases the budget for the Project by more than ten percent (10%); or (e) extends the date for completing all construction of the Facility and receiving the Certificate past December 31, 2013. The Developer shall not authorize or permit the performance of any work relating to any Change

Order or the furnishing of materials in connection therewith prior to the receipt by the Developer of DCD's written approval (to the extent required in this section).

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

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

3.07 Progress Reports; Survey Updates; Stabilization Work; and Substantial Completion. The Developer shall provide DCD with written quarterly progress reports detailing the status of the Project, including the status of unit construction, leasing and a revised completion date, if necessary (with any change in completion date being considered a Change Order requiring DCD's written approval pursuant to **Section 3.04**). The Developer shall also provide DCD with: **A.** quarterly reports on (i) the MBE/WBE Program (as defined in **Section 10.03**), (ii) the prevailing wage requirement (as set forth in **Section 8.09**) and (iii) the City Resident Construction Worker Requirement (as set forth in **Section 10.02**); and **B.** a quarterly report on the stabilization of the Facility. The following work shall be deemed to be the work to be substantially completed in order to stabilize the Facility ("**Stabilization**" or "**Stabilization Work**"): (i) compliance with orders issued in *City of Chicago v. Telegraph Properties, L.P., et. al.*, Circuit Court of Cook County case no. 03M1402334 consolidated with 01M1400594 or any successor or substitute legal action filed by the City to ensure that the Facility is in compliance with all City ordinances relating to building standards (collectively the "**Building Court Case**"), and the City of Chicago Municipal Code, Exterior Wall Ordinance, Sec. 13-196-030/038, and 13-196-530/550; (ii) the replacement or restoration of all exterior windows and replacement of the roof, (iii) replacement of missing masonry piers at the base of the building along with new storefronts; (iv) renovation of building components which will include restoration of the terra cotta facade (including replacement or restoration of gothic revival details removed for safety reasons); (v) all other exterior Facade Work; (vi) tuck-pointing; (vii) installation of new storefront windows and (viii) improvements to the public way. The following work shall be deemed to be the work required for substantial completion ("**Substantial Completion**"): (a) the Facade Work, (b) installation of new storefronts, architectural accent lighting, installation of new replacement and restoration of windows and cleaning & tuck-pointing, (c) installation of all new systems in the building for fire prevention and protection, plumbing, HVAC system and electrical and (d) all other interior work to be completed outside of the individual units. The

Inspecting Architect shall issue a letter to DCD and DZLUP—HPD when the all rehabilitation work meets Substantial Completion; upon receipt of the letter, DCD and DZLUP—HPD shall confirm the work meets Substantial Completion with a site visit to the Property.

3.08 Inspecting Agent or Architect. An independent agent or architect (other than the Developer's architect unless Developer's architect is approved by DCD) approved by DCD (the "**Inspecting Architect**") shall be selected to act as the inspecting agent or architect, at the Developer's expense, for the Project. The Inspecting Architect shall (i) perform periodic inspections with respect to the Project, (ii) provide certifications with respect thereto to DCD, prior to requests for disbursement for costs related to the Project hereunder, (iii) provide quarterly reports to DCD regarding the general construction progress, and progress on the Facade Work, in both text and photos, and (iv) issue an AIA Form Architect's Certificate of Substantial Completion. The following architecture firms would be acceptable to DCD and are hereby pre-approved by DCD to act as the Developer's Architect and the Inspecting Architect:: McGuire, Igleski & Associates, Inc.; Gustitus Group; FARR and Associates; and Klein & Hoffman , Inc.. If one of the architecture firms listed in the previous sentence is not Developer's architect, then DCD may, in its sole discretion, require Developer to retain one of those firms as the Inspecting Architect.

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

3.10 Signs and Public Relations. The Developer shall erect a sign of size and style approved by the City in a conspicuous location on the Property during the Project, indicating that financing has been provided by the City. The City reserves the right to include the name, photograph, artistic rendering of the Project and other pertinent information regarding the Developer, the Property and the Project in the City's promotional literature and communications. No sign other than that erected on the Property as set forth above in this Section 3.10, shall satisfy the requirements of this Section 3.10.

3.11 Utility Connections. The Developer may connect all on-site water, sanitary, storm and sewer lines constructed on the Property to City utility lines existing on or near the perimeter of the Property, provided the Developer first complies with all City requirements governing such connections, including the payment of customary fees and costs related thereto, to the extent not waived pursuant to **Exhibit C-2** hereto.

3.12 Permit Fees. In connection with the Project, the Developer shall be obligated to pay only those building, permit, engineering, tap on and inspection fees that are assessed on a uniform basis throughout the City of Chicago and are of general applicability to other property within the City of Chicago. Notwithstanding anything to the contrary in this Section 3.12, the Developer shall be entitled to the waiver of those fees set forth on **Exhibit C-2**.

3.13 Superiority of IHDA Tax Credit Requirements. As part of the financing for the Project, Developer shall receive (i) Equity from the sale of federal low-income housing tax credits, and (ii) Lender Financing from IHDA. In addition, the Property will be subject to certain regulatory restrictions associated with Illinois Affordable Housing Tax Credits allocated by IHDA in connection with the Project. These sources of financing are subject to federal, state and City statutory (ordinance) and regulatory requirements as to the following certain aspects of monitoring the Project set forth in this Agreement: Insurance (Sections 5.08 and 12), Payment and Performance Bond (Section 6.03), MBE/WBE Participation (Section 10.03), Permit Fees (Section 3.12), Affordable Housing (Section 8.20) and Prevailing Wage (Section 8.09). DCD hereby acknowledges (i) its willingness to abide by IHDA policies relating to the IHDA Lender Financing, and (ii) the superiority of any federal requirements related to financing in the areas set forth above in this Section 3.13 and hereby acknowledges that if the monitoring division of IHDA establishes that (A) said IHDA policy has been satisfied in connection with any Lender Financing from IHDA or (B) federal requirements have been satisfied in connection with other Lender Financing, respectively, then the corresponding DCD requirement set forth above shall be deemed to be satisfied. DCD in its sole discretion, shall reserve the option to allow other obligations, duties and responsibilities of the Developer to be similarly satisfied; such satisfaction to be demonstrated by written notice from the Commissioner of DCD.

SECTION 4. FINANCING

4.01 Total Project Cost and Sources of Funds. The Project Cost is estimated to be \$146,624,438.14 to be applied in the manner set forth in the Project Budget. Such costs shall be funded from the following sources:

Equity (subject to <u>Sections 4.03(b) and 4.06</u>)		\$ 21,223,109
Deferred Developer Fee	\$ 3,296,465	
Developer Capital	\$17,926,644	
Lender Financing		\$ 96,413,418
IHDA Section 1602 Grant	\$10,000,000	
IHDA Mortgage 2010 Series A Bonds	\$50,580,000	
Citi Community Capital	\$27,750,076	
Key Bank	\$3,073,342	
USBCDC (HTC Contribution)	\$10,000	
City Note Issued at Closing**	\$ 5,000,000*	
City TIF Funds*		\$ 29,000,000*
Initial Payment upon Closing	\$20,000,000	
Payment within 1 year after Closing	\$ 9,000,000	
Total		\$146,636,527

*City TIF Funds excludes any interest to be paid on the City Note or Tax—Exempt City Note (as applicable). The City Note will be issued at Closing but will only increase in value as Certificates of Expenditure are issued and attached thereto; Certificates of Expenditure will be issued to, or at the direction of, Randolph TCA, Inc. and whom actually incurs TIF eligible costs. Financing from Key Bank, a national banking association will bridge receipt of the full value of the Tax Exempt City Note until issuance of the Certificate and Substantial Completion.

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

4.03 City Funds.

(a) **Uses of City Funds.** City Funds may only be used to pay directly or reimburse Randolph TCA, Inc. for TIF Funded Improvements Randolph TCA, Inc. actually incurs the cost of and that constitute Redevelopment Project Costs. **Exhibit C-1** sets forth, by line item, the TIF-Funded Improvements for the Project, and the maximum amount of costs that may be paid by or reimbursed from City Funds for each line item therein (subject to **Sections 4.03(b) and 4.05(d)**), contingent upon receipt by the City of documentation satisfactory in form and substance to DCD evidencing such cost and its eligibility as a Redevelopment Project Cost. Notwithstanding anything herein to the contrary, the Initial Payments shall be used solely for payment of or reimbursement for costs of the Stabilization Work that are TIF-Funded Improvements. If upon completion of the Stabilization Work, some amount of the Initial Payments has not been used then that amount (the “Excess Initial Payments”) may be used by the City, acting in its sole discretion, to (i) fund the City Note Reserve upon issuance of the Tax—Exempt Note or (ii) to be transferred to the Project Account in order to make payments on the Tax Exempt City Note not funded by the Available Incremental Taxes. If the City shall decide not to use the Excess Initial Payments to fund the City Note Reserve or make payments on the Tax Exempt City Note, then the Excess Initial Payments shall be returned to the LaSalle Central Special Tax Allocation Fund. Only City Funds that are to be used to make payments (whether directly from the Project Account or the City Note Reserve or whether LaSalle/Central Ported Funds or Available Incremental Taxes) of principal and interest on the Tax—Exempt City Note, as applicable, may be applied to other TIF-Funded Improvements after the completion of the Stabilization Work. Upon the completion of the Stabilization Work, Randolph TCA, Inc. shall use the City Funds paid through the City TIF Note for the costs of the Project that are TIF-Funded Improvements.

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

<u>Source of City Funds</u>	<u>Maximum Amount</u>
LaSalle/Central Ported Funds	\$29,000,000
Available Incremental Taxes	\$ 5,000,000
Total	\$34,000,000

provided, however, that the total amount of City Funds (except for interest payments on the Tax—Exempt City Note) expended for TIF-Funded Improvements shall not in any event exceed the principal amount of Thirty-Four Million Dollars (\$34,000,000); and provided further, that the **\$34,000,000** to be derived from LaSalle Central Ported Funds and/or Incremental Taxes, if any shall be available to pay costs related to TIF-Funded Improvements and allocated by the City for that purpose only so long as:

(i) The amount of available LaSalle/Central Ported Funds and the amount of Available Incremental Taxes deposited into the TIF Fund shall be available to pay for such costs;

(ii) A Developer Party (that will actually incur the relevant TIF Eligible Costs, and be paid or reimbursed therefor) shall, on or before the Closing Date, enter into a firm contract with the Facade Contractor for the completion of the Facade Work, which Facade Contract shall be for a guaranteed maximum price of not less than sixteen million dollars (\$16,000,000), including the amount of contingency for potential cost over-runs or exigent circumstances.

The Developer acknowledges and agrees that the City's obligation to pay for TIF-Funded Improvements in amount equal to the lesser of \$34,000,000 or 23.44% of the total Project Costs is contingent upon the fulfillment of the conditions set forth in parts (i) and (ii) above. In the event that such conditions are not fulfilled, the amount of Equity to be contributed by the Developer pursuant to Section 4.01 hereof shall increase proportionately.

(c) City Note. Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03 and Section 5 hereof, the City hereby agrees to issue the City Note to Randolph TCA, Inc., or another Developer Party that intends to incur relevant TIF Eligible Costs, and be paid or reimbursed therefore, on the Closing Date. The principal amount of the City Note shall be in an amount equal to the costs of the TIF-Funded Improvements which have been or shall be incurred by the appropriate Developer Party that is to be reimbursed by the City through payments of principal and interest on the City Note, subject to the provisions hereof; provided, however, that the maximum principal amount of the City Note shall be in an amount not to exceed the lesser of five million and no/100 dollars (\$5,000,000) and three and 44/100 per-cent (3.44%) of the Project Budget; and further provided, however, that payments under the Tax-Exempt City Note are subject to the amount of Available Incremental Taxes and

available LaSalle/Central Ported Funds being sufficient for such payments. Payments on the Tax-Exempt City Note shall be made pursuant to a debt service schedule, agreed upon by the City and the Developer, to be attached to the Tax-Exempt City Note when the Project reaches Substantial Completion and upon issuance by the City of a Certificate of Expenditure. However, no interest will accrue on the Tax-Exempt City Note nor will any payment be made on the Tax-Exempt City Note until Substantial Completion (as certified by the project architect and reviewed and approved by DCD) and the Certificate is issued to the Developer as described in Section 7.01 herein.

Project Account; Pledge of Project Account and City Note Reserve; Return of Excess Funds in Project Account and City Note Reserve: Pursuant to the Ordinance: (1) the City has created within the general account of the TIF Fund a special sub-account to be known as the 188 West Randolph Project Account (the "Project Account"); (2) commencing in the year in which the Certificate is issued, the City shall designate and deposit into the Project Account **(A)** the Available Incremental Taxes, as required and **(B)** the LaSalle Central Ported Funds, if available; (3) the City shall use the funds in the Project Account to make all principal and interest payments with respect to the Tax Exempt City Note according to the debt service payment schedule to be attached thereto until the Tax—Exempt City Note has been fully repaid; (4) the City has assigned, pledged and dedicated the Project Account and City Note Reserve (if any), together with all amounts on deposit therein, to the payment of the principal of and interest on the Tax-Exempt City Note in accordance with the terms of the Tax-Exempt City Note and this Agreement; (5) upon payment of all amounts due under the Tax-Exempt City Note and this Agreement in accordance with their terms **(or the termination of the City's obligation to make such payments)**, the amounts on deposit in the Project Account, as applicable, shall be deposited in the TIF Fund and the amounts in the Project Account and City Note Reserve which represent LaSalle/Central Ported Funds shall be returned to the LaSalle Central Special Tax Allocation Fund and the Project Account and City Note Reserve shall be closed; and (6) alternatively, upon the occurrence of an uncured Event of Default that entitles the City to terminate permanently any further payment of City Funds due under the Tax-Exempt City Note, the City may, in its discretion, return the amounts in the Project Account and City Note Reserve, as the case may be, that would otherwise be allocated to the payment of the Tax Exempt City Note to the Randolph/Wells Special Tax Allocation Fund and any Ported Funds to the LaSalle Central Special Tax Allocation Fund, respectively, and the Project Account and City Note Reserve shall be closed.

Priority and Time of Payments Due under Tax—Exempt City Note. The Developer shall make only one request per year for payments under the Tax Exempt Note by submission of a Requisition Form. The first Requisition Form shall be submitted no earlier than March 1 of the first full year after issuance of the Certificate and Substantial Completion. All subsequent submissions of a Requisition Form shall be made no earlier than one (1) year after the initial Requisition Form submission. The City shall have thirty (30) days to review any Requisition Form and the supporting material. If the City, acting in its sole discretion, is satisfied with the Requisition Form and all supporting material, the City shall then have thirty (30) additional days to make the payment on the Tax-Exempt City Note requested thereby. If the City is not satisfied

with the Requisition Form and all supporting material, the City shall inform the Developer and Developer shall have thirty (30) days to satisfy the problem with the initial Requisition Form submission. Any annual payment shall be due thirty (30) days after the date Developer receives notice that the City is satisfied with the Requisition Form that has been submitted and the supporting material. If the requested payment is not made within said thirty (30) days after the City approval, the Developer may then inform the City and the CNR Escrowee and the CNR Escrowee shall make the requested payment from the CNR Reserve on the tenth (10th) business day following receipt of said written payment notice, unless the City makes the payment prior to the tenth (10th) business day following receipt of Developer's notice of non-payment. The CNR Escrowee shall not make such payment if the City shall provide the CNR Escrowee with proof of a wire transfer or check issued to, or at the direction of Developer. The City shall not subordinate the Tax-Exempt City Note to or place the Tax-Exempt City Note on a parity basis with any subsequent pledge of Available Incremental Taxes deposited into the TIF Fund without the prior written consent of the Developer.

(d) TIF Bonds.

(i) The Commissioner of DCD and the Comptroller agree that such officials may recommend that the City Council approve an ordinance or ordinances authorizing the issuance of TIF Bonds in an amount which, in the opinion of the Comptroller, is marketable under the then current market conditions; provided, however, that such officials will not, in any way, be required to recommend approval of such ordinance(s). The Developer will cooperate with the City in the issuance of TIF Bonds, as provided in Section 8.05 hereof.

(ii) Prior to the submission of any such ordinance for approval by the City Council, the Developer shall to give any reasonable aid in the issuance of the TIF Bonds including, but not limited to, providing information to bond counsel, underwriters, consultants and other parties. The City (and other parties) will be responsible for the costs of issuing such TIF Bonds.

4.04 Construction Escrow; Requisition Form. (a) The City and the Developer hereby acknowledge that the Developer, all lenders providing Lender Financing, the General Contractor, the Facade Contractor and any other parties providing Project Funds and doing substantial work on the Project will enter into the Escrow Agreement for the disbursement of all Project Funds. All disbursements of Project Funds shall be made through the funding of draw requests with respect thereto pursuant to the Escrow Agreement. The City requires a copy of each inspecting agent or inspecting architect report as required by any lender to disburse funds from the Escrow. The City also reserves the right to receive copies of all Escrow draw requests by Developer or its contractor(s) and all Escrow disbursement ledgers from the Escrow agent as the City shall so request. DCD, acting for the City, shall also be required to approve all escrow draw requests, and the Escrow Agreement shall so provide. In case of any conflict between the terms of this Agreement and the Escrow Agreement, the terms of this Agreement shall control.

Notwithstanding anything in this Agreement to the contrary, the City may choose to place the Initial Payments into a separate escrow and disburse the Initial Payments into the Construction Escrow.

(b) With respect to each draw request, Developer shall provide DCD with Requisition Form(s) along with the documentation described therein or otherwise reasonably required by DCD. Requisition for reimbursement of TIF Funded Improvements shall be made no more frequently than monthly. The sum of the reimbursements using City Funds to fund Escrow draw requests shall not exceed twenty—nine million dollars (\$29,000,000.00) and shall be used solely for Stabilization Work and Façade Work. The Developer shall meet with DCD at the request of DCD to discuss the Requisition Form(s). The balance of City Funds pursuant to Certificates of Expenditure attached to the City Note shall not exceed the **principal** amount of five million dollars (\$5,000,000).

4.05 Treatment of Prior Expenditures and Subsequent Disbursements

(a) **Prior Expenditures.** Only those expenditures made by the Developer with respect to the Project after the creation of the Randolph/Wells TIF District relating to Stabilization Work (including Façade Work) and prior to the Closing Date, evidenced by documentation satisfactory to DCD and approved by DCD as satisfying costs covered in the Project Budget, shall be considered previously contributed Equity or Lender Financing hereunder (the “**Prior Expenditures**”). DCD shall have the right, in its sole discretion, to disallow any such expenditure as a Prior Expenditure. **Exhibit I** hereto sets forth the prior expenditures approved by DCD as of the date hereof as Prior Expenditures. Prior Expenditures made for items other than TIF-Funded Improvements shall not be reimbursed to the Randolph TCA Inc., Randolph TCA LLC or Randolph TACA LLC, but shall reduce the amount of Equity and/or Lender Financing required to be contributed by the Developer pursuant to **Section 4.01** hereof.

(b) **INTENTIONALLY OMITTED.**

(c) **City Fee.** Annually, the City may allocate an amount not to exceed five percent (5%) of the Incremental Taxes for payment of costs incurred by the City for the administration and monitoring of the Redevelopment Area, including the Project. Such fee shall be in addition to and shall not be deducted from or considered a part of the City Funds, and the City shall have the right to receive such funds prior to any payment of City Funds hereunder. Such Fee shall only be deducted from Incremental Taxes and not from any LaSalle/Central Ported Funds deposited into the Randall / Wells Special Tax Allocation Fund.

(d) **Allocation Among Line Items.** Disbursements for expenditures related to TIF-Funded Improvements may be allocated to and charged against the appropriate line only, with transfers of costs and expenses from one line item to another, without the prior written consent of DCD, being prohibited; **provided, however,** that such transfers among line items, in an amount not to exceed \$250,000 or \$1,000,000 in the aggregate, may be made without the prior written consent of DCD.

(e) Allocation of Costs With Respect To Sources of Funds. **INTENTIONALLY LEFT BLANK.**

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

4.07 Preconditions of Disbursement. Prior to the disbursement of City Funds hereunder, the appropriate Developer Party that has incurred TIF eligible costs and seeks payment or reimbursement therefore shall submit, to DCD, a Requisition Form along with documentation regarding the applicable expenditures which shall be satisfactory to DCD, in its sole discretion. Delivery by the appropriate Developer Party to DCD of (i) any Requisition Form hereunder, in addition to the items therein expressly set forth, or (ii) any request for disbursement of City Funds (including the disbursement on the Closing Date) hereunder shall, in addition to the items therein expressly set forth, constitute a certification to the City, as of the date (including the Closing Date) of such request for disbursement, that:

- (a) the total amount of the Requisition Form or disbursement request represents not more than the actual cost of the TIF-Funded Improvements incurred by the appropriate Developer Party that has actually incurred the cost of the TIF-Funded Improvements and seeks payment or reimbursement therefore;
- (b) all amounts shown as previous payments on the current Requisition Form or current disbursement request have been paid to the parties entitled to such payment;
- (c) the Developer has approved all work and materials for the current disbursement request, and such work and materials conform to the Plans and Specifications (if applicable);
- (d) the representations and warranties contained in this Redevelopment Agreement are true and correct in all material respects, as determined by DCD acting in its reasonable discretion (except as disclosed in writing to and approved by DCD) and the Developer is in compliance with all covenants contained herein;
- (e) the Developer has received no notice and has no knowledge of any liens or claim of lien either filed or threatened against the Property except for the Permitted Liens;
- (f) no Event of Default or condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default exists or has occurred;

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

(h) Developer shall, on or before the Closing Date, enter into a firm contract (the “**Facade Contract**”) with the Facade Contractor or an appropriate contractor (approved by Landmarks–DCD) for the completion of the Facade Work, which Facade Contract shall be for a guaranteed maximum price of not less than sixteen million dollars (\$16,000,000); the difference between said amount and any lesser amount of the Facade Contract will result in a reduction in the amount of City Funds provided to reimburse Developer for TIF-Funded Improvements which reduction shall be in the form of a reduction of the amount of City Funds initially provided.

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

4.08 Conditional Grant. The City Funds being provided hereunder are being granted on a conditional basis, subject to the Developer's completion of the Stabilization Work and compliance with the provisions of this Agreement. Upon an Event of Default, the City either (i) acting in concert with the lenders providing Lender Financing (provided the lenders are attempting to cure any such Event of Default in the same manner as provided in Section 16(f)), may draw down on the Initial Payments to complete Stabilization Work or (ii) if the lenders fail to cure as provided in 16(f), acting alone may otherwise draw down on the Initial Payments as the City may decide, acting in its sole discretion.

SECTION 5. CONDITIONS PRECEDENT

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

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

5.02 Drawings and Plans and Specifications. The Developer has submitted to DCD, and DCD has approved, the Drawings in accordance with the provisions of Section 3.02 hereof.

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

5.04 Financing. The Developer has furnished proof reasonably acceptable to the City that the Developer has Equity and Lender Financing in the amounts set forth in Section 4.01 hereof to complete the Project and satisfy its obligations under this Agreement. If a portion of such funds consists of Lender Financing, the Developer has furnished proof as of the Closing Date that the proceeds thereof are available to be drawn upon by the Developer as needed and are sufficient (along with the Equity (if any) and other sources set forth in Section 4.01) to complete the Project. Any liens against the Property in existence at the Closing Date (including all liens for Lender Financing as revealed in the Project Budget) have been subordinated to certain encumbrances of the City set forth herein pursuant to a Subordination Agreement, in a form acceptable to the City, executed on or prior to the Closing Date, which is to be recorded, at the expense of the Developer, with the Office of the Recorder of Deeds of Cook County or said liens may be insured over by either the Title Company or bonds (either of which shall be satisfactory to the City acting in its sole discretion) which shall have been procured with respect to the same.

5.05 Acquisition and Title. On the Closing Date, the Developer has furnished the City with a copy of the Title Policy for the Property, certified by the Title Company, showing Randolph TCA LLC and Randolph TACA LLC as the named insured. The Title Policy is dated as of the Closing Date and contains only those title exceptions listed as Permitted Liens on Exhibit G hereto and evidences the recording of this Agreement pursuant to the provisions of Section 8.18 hereof. The Title Policy also contains such endorsements as shall be required by Corporation Counsel, including but not limited to an owner's comprehensive endorsement and satisfactory endorsements regarding zoning (3.1 without parking), contiguity, location, access and survey. The Developer has provided to DCD, on or prior to the Closing Date, documentation related to the purchase of the Property by 188 W. Randolph, LLC (a predecessor in interest to Randolph TCA Inc.) and certified copies of all easements and encumbrances of record with respect to the Property not addressed, to DCD's satisfaction, by the Title Policy and any endorsements thereto.

5.06 Evidence of Clean Title. The Developer, at its own expense, has provided the City with searches under the each of the Developer's name(s) (and the following trade names of the Developer: 188 W. Randolph Manager, Inc.; Holtzman Interests #24 LLC; and Holtzman Affordable Holdings, LLC as follows:

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

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

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

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

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

(b) On the Date the Tax—Exempt City Note is issued, the City has received from Gonzalez, Saggio and Harlan, special counsel, an opinion regarding the tax-exempt status and enforceability of the Tax—Exempt City Note, in form and substance acceptable to Corporation Counsel.

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

5.11 Financial Statements. The Developer has provided Financial Statements to DCD for its three (3) most recent fiscal years, if available, and audited or unaudited interim financial statements.

5.12 Documentation. Any other documentation reasonably required to complete the transaction(s) contemplated hereunder including, without limitation, any other standard documents normally required by the City for transaction(s) contemplated herein.

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

5.14 Corporate Documents; Economic Disclosure Statement. The Developer and its affiliate entities have provided copies of all relevant organizational documents required by the Corporation Counsel including: (i) its Articles or Certificate of Incorporation containing the original certification of the Secretary of State of its state of incorporation; (ii) Articles of Organization containing the original certification of the Secretary of State of its state of organization; (iii) certificates of good standing from the Secretary of State of the state of incorporation or organization and (iv) certificates of existence from the Secretary of State of the state of organization and all other states in which the Developer is qualified to do business; (v) a secretary's certificate for each affiliate entity in such form and substance as the Corporation Counsel may require; (vi) by-laws of each corporation; (vii) an operating agreement of each limited liability company and such other corporate documentation as the City has requested. The Developer, and its affiliated entities, have provided to the City an Economic Disclosure Statement, in the City's then current form, dated as of the Closing Date.

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

SECTION 6. AGREEMENTS WITH CONTRACTORS

6.01 Bid Requirement for General Contractor and Subcontractors. (a) Except as set forth in **Section 6.01(b)** below, prior to entering into an agreement with the General Contractor, the Facade Contractor or any subcontractor for construction of the Project, the Developer shall solicit, or shall cause the General Contractor (and the Facade Contractor) to solicit, bids from qualified contractors eligible to do business with, and having an office located in, the City of Chicago. The Developer shall submit copies of the Construction Contract(s) to DCD in accordance with **Section 6.02** below. Upon the request of DCD, photocopies of all

subcontracts, if any, entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to DCD within five (5) business days of the execution thereof. The Developer shall ensure that the General Contractor shall not (and shall cause the General Contractor to ensure that the subcontractors shall not) begin work on the Project until the Plans and Specifications have been approved by DCD and all requisite permits have been obtained.

(b) Except as explicitly stated in this paragraph, all provisions of **Section 6.01(a)** shall apply, including but not limited to the requirement that the General Contractor shall solicit competitive bids from all subcontractors. Developer plans to select Linn-Mathes Inc., as General Contractor and Central Building and Preservation, L.P., as Facade Contractor (which selections DCD approves) in which case the penalty for not selecting the lowest responsible bid as set forth in Section 6.01(a) above as well as other provisions designed to penalize Developer and or contractor for a failure to solicit bids shall be waived by DCD in the event Developer selects Linn-Mathes Inc. and Central Building and Preservation, L.P.

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

6.03 Performance and Payment Bonds. Prior to commencement of construction of any portion of the Project, the Developer shall require that (i) the General Contractor be (i) bonded for its performance and payment by sureties having an AA rating or better using American Institute of Architect's Form No. A311 or its equivalent, or (ii) that an assurance of completion be provided by, or on behalf of, the General Contractor in the form of a letter of credit in an amount equal to at least fifteen percent (15%) of the amount of the Construction Contract (as the same may be adjusted by any and all subsequent change orders) or (iii) that such assurance be in the form of any other security acceptable to the City. Prior to the commencement of any portion of the Project which includes work on the public way, the Developer shall require that the General Contractor be bonded for its payment on account thereof by sureties having an AA rating or better using a bond in the form attached as **Exhibit P** hereto; and if the City reasonably may consent (pursuant to the rules and regulations of the Chicago Department of Transportation ["CDOT"]) then the amount of such work in the public way shall be subtracted from the calculation of the work set forth in arranging (i) through (iii) of the first sentence of this Section 6.03. The City shall be named as obligee or co-obligee on any such bonds.

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

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

SECTION 7. COMPLETION OF CONSTRUCTION OR REHABILITATION

7.01 Certificate of Completion of Construction or Rehabilitation. Upon completion of the construction and rehabilitation of the Project in accordance with the terms of this Agreement and after the final disbursement from the Escrow, and upon the Developer's written request, DCD 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. DCD shall respond to the Developer's written request for a Certificate within forty-five (45) days by issuing either a Certificate or a written statement detailing the ways in which the Project does not conform to this Agreement or has not been satisfactorily completed, and the measures which must be taken by the Developer in order to obtain the Certificate. The Developer may resubmit a written request for a Certificate upon completion of such measures. The Developer shall not receive the Certificate until (i) the City has received written notification from the Developer that the Project has been completed including all construction (but excluding any tenant improvement work on the first floor retail or the second floor office and commercial space not performed by Developer pursuant to the Construction Contract); (ii) a certificate of occupancy has been issued by the Department of Buildings for the City for all of the residential units in the Facility; (iii) fifty percent (50%) of the units set aside as affordable units (as referenced in Section 8.20) are leased and occupied; (iv) fifty percent (50%) of the market rate residential units are leased and occupied; (v) the DCD has confirmed that Developer has complied with all obligations under the City affordable housing program; (vi) Developer has provided DCD with evidence, reasonably satisfactory to the Corporation Counsel, of compliance with orders issued in the Building Court Case, and the City of Chicago Municipal Code, Exterior Wall Ordinance, Sec. 13-196-030/038, and 13-196-530/550; (vii) Developer has complied with the requirements for Prevailing Wage (Section 8.09), City Residency (Section 10.02) and MBE/WBE (Section 10.03); (viii) DCD receives written confirmation from DZLUP—HPD that all rehabilitation work is complete and (ix) DCD is satisfied that Developer's Part Three application has been approved by the Illinois Historic Preservation Agency; in the event the Developer's Part Three application has not been approved by the Illinois Historic Preservation Agency and lack of such approval is (A) the only matter preventing issuance of the Certificate and (B) will not result in a reduction of the funds available to complete the Project, then DCD may consider extending the date for approval of the Developer's Part Three application.

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

Those covenants specifically described at Sections 8.02, 8.19, and 8.20 as covenants that run with the land are the only covenants in this Agreement intended to be binding upon any transferee of the Property (including an assignee as described in the following sentence) throughout the Term of the Agreement notwithstanding the issuance of a Certificate; provided, that upon the issuance of a Certificate, the covenants set forth in Section 8.02 shall be deemed to have been fulfilled. The other executory terms of this Agreement that remain after the issuance of a Certificate shall be binding only upon the Developer or a permitted assignee of the Developer who, pursuant to Section 18.15 of this Agreement, has contracted to take an assignment of the Developer's rights under this Agreement and assume the Developer's liabilities hereunder.

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

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

(b) the right (but not the obligation) to complete the Stabilization Work and pay for the cost of the Stabilization Work (including interest costs) out of City Funds or other City monies. In the event that the aggregate cost of completing the Stabilization Work exceeds the amount of City Funds available pursuant to Section 4.01, the Developer shall reimburse the City for all reasonable costs and expenses incurred by the City in completing such TIF-Funded Improvements in excess of the available City Funds; and

7.04 Notice of Expiration of Term of Agreement. Upon the expiration of the Term of the Agreement, DCD 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; and setting forth any continuing obligations which survive the expiration of the Term of the Agreement.

**SECTION 8. COVENANTS / REPRESENTATIONS / WARRANTIES
OF THE DEVELOPER**

8.01 General. The Developer represents, warrants and covenants, as of the date of this Agreement and as of the date of each disbursement of City Funds hereunder, that:

(a) (i) Randolph TCA LLC and Randolph TACA LLC are each a Delaware limited liability company duly organized, validly existing, qualified to do business in Illinois, and licensed to do business in any other state where, due to the nature of its activities or properties, such qualification or license is required; (ii) Randolph TCA Inc is a Delaware corporation duly organized, validly existing, qualified to do business in Illinois, and licensed to do business in any other state where, due to the nature of its activities or properties, such qualification or license is required; (iii) Randolph TMT, LLC and Randolph TMAT, LLC are each a Delaware limited liability company duly organized, validly existing, qualified to do business in Illinois, and licensed to do business in any other state where, due to the nature of its activities or properties, such qualification or license is required;

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

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

(d) unless otherwise permitted or not prohibited pursuant to or under the terms of this Agreement, one or more of the Developer(s) shall acquire and shall maintain good, indefeasible and merchantable fee simple title which may include co-ownership through the declaration of condominium set forth in Recital E to the Property (and all improvements thereon) free and clear of all liens (except for the Permitted Liens, Lender Financing as disclosed in the Project Budget and non-governmental charges that the Developer is contesting in good faith pursuant to Section 8.15 hereof);

(e) each Developer is now and for the Term of the Agreement shall remain solvent and able to pay its debts as they mature;

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

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

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

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

(j) prior to the issuance of a Certificate, each of the Developer(s) shall not do any of the following without the prior written consent of DCD: (1) be a party to any merger, liquidation or consolidation; (2) sell, transfer, convey, lease (except with regard to the Master Lease referenced below) or otherwise dispose of all or substantially all of its assets or any portion of the Property (including but not limited to any fixtures or equipment now or hereafter attached thereto) except in the ordinary course of business which shall include leases to individual tenants of the residential units and commercial space; (3) enter into any transaction outside the ordinary course of any Developer's business; (4) assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity; or (5) enter into any transaction that would cause a material and detrimental change to the financial condition of any of the Developer(s); after the issuance of the Certificate, the Developer shall not do either of the following: (i) transfer any interest in the Property (including giving a mortgage or other security interest pursuant to obtaining other financing) unless said mortgagee or any other permitted transferee shall accept assignment of the Developer's rights and obligations in the event it obtains title to the Property or (ii) take or permit any action that would violate or jeopardize the continued satisfaction of Developer's participation in the affordable housing program. Notwithstanding anything in this Section 8.01(j), (x) the holder of any mortgage or deed of trust that is part of Lender Financing may foreclose (or accept a deed in lieu of foreclosure) upon the Property and (y) at closing there shall be investors in Developer Parties as part of the Developer ownership structure required to allow Developer to receive equity from the sale of (a) historic tax credits, which equity may be received pursuant to a master lease of the Property to one or both of Randolph TMT LLC and Randolph TMAT LLC, and (b) low income tax credits. Developer may admit such investors as follows: (i) as part of the historic tax credit master lease structure Developer may admit U.S. Bancorp Community Development Corporation and CITI Community Capital into Randolph TMT LLC and Randolph TMAT LLC and (ii) as part of the low income tax credit structure Developer may admit CITI Community Capital or another investor acceptable to the City, acting in its reasonable discretion, into Randolph TACA, LLC. In each event, such investors shall have no management control over the Property and shall not be managing members of Randolph TMT LLC, Randolph TMAT LLC or Randolph TACA LLC;

(k) the Developer has not incurred, and, prior to the issuance of a Certificate, shall not, without the prior written consent of the Commissioner of DCD, allow the existence of any liens against the Property (or improvements thereon) other than the Permitted Liens; liens which the City, acting in its own discretion, allows to be insured over by either the Title Company or bonds (either of which shall be satisfactory to the City acting in its sole discretion) which shall have been procured with respect to the same, or incur any indebtedness, secured or to be secured by the Property (or improvements thereon) or any fixtures now or hereafter attached thereto, except Lender Financing disclosed in the Project Budget;

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

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

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

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

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

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

8.06 Job Creation and Retention; Covenant to Remain in the City. **Intentionally Omitted.**

8.07 Employment Opportunity; Progress Reports. The Developer covenants and agrees to abide by, and contractually obligate and use reasonable efforts to cause the General Contractor and each subcontractor to abide by the terms set forth in **Section 10** hereof during the construction of the Project; provided, however, that the contracting, hiring and testing requirements associated with the MBE/WBE and City resident obligations in Section 10 shall be applied on an aggregate basis and the failure of any one contractor or subcontractor to satisfy such obligations shall not result in a default under, or a termination of, the Agreement or require payment of the City resident hiring shortfall amount if such Section 10 obligations are satisfied on an aggregate basis. The Developer shall deliver to the City written progress reports detailing compliance with the requirements of **Sections 8.09, 10.02 and 10.03** of this Agreement. Such reports shall be delivered to the City quarterly. If any such reports indicate a shortfall in compliance, the Developer shall also deliver a plan to DCD which shall outline, to DCD's satisfaction, the manner in which the Developer shall correct any shortfall. Any reports, plans or approvals required by this Section may be delivered to DCD.

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

8.09 Prevailing Wage. The Developer covenants and agrees to pay, and to contractually obligate and cause the General Contractor and each subcontractor to pay, the prevailing wage rate as ascertained by the Illinois Department of Labor (the "**Department**"), to all Project employees. All such contracts shall list the specified rates to be paid to all laborers, workers and mechanics for each craft or type of worker or mechanic employed pursuant to such

contract. If the Department revises such prevailing wage rates, the revised rates shall apply to all such contracts. Upon the City's request, the Developer shall provide the City with copies of all such contracts entered into by the Developer or the General Contractor to evidence compliance with this **Section 8.09**.

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

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

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

8.13 Financial Statements. The Developer shall obtain and provide to DCD Financial Statements for the Developer's fiscal years ended 2008 and, if available, 2007, and 2006 and each year thereafter for the Term of the Agreement. In addition, the Developer shall submit unaudited financial statements as soon as reasonably practical following the close of each fiscal year and for such other periods as DCD may request.

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

8.15 Non-Governmental Charges. Except for the Permitted Liens, the Developer agrees to pay or cause to be paid when due (or cause to be bonded or endorsed over) any Non-Governmental Charge assessed or imposed upon the Project, the Property or any fixtures that are or may become attached thereto, which creates, may create, or appears to create a lien upon all or any portion of the Property or Project; provided however, that if such Non-Governmental Charge may be paid in installments, the Developer may pay the same together with any accrued interest thereon in installments as they become due and before any fine, penalty, interest, or cost may be added thereto for nonpayment. The Developer shall furnish to DCD, within thirty (30) days of DCD's request, official receipts from the appropriate entity, or other proof satisfactory to DCD, evidencing payment of the Non-Governmental Charge in question.

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

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

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

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

8.17 Compliance with Laws. To the best of the Developer's knowledge, after diligent inquiry, the Property (subject to Developer's satisfaction of all requirements of the Building Court Case) and (following completion of the Project) and the Project are and shall be in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, executive orders and codes pertaining to or affecting the Project and the Property. Upon the City's request, the Developer shall provide evidence satisfactory to the City of such compliance.

8.18 Recording and Filing. The Developer shall cause this Agreement, certain exhibits (as specified by Corporation Counsel), all amendments and supplements hereto including, without limitation, the Subordination Agreement to be recorded and filed against the Property on the date hereof in the conveyance and real property records of the county in which the Project is located. 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.

8.19 Real Estate Provisions.

(a) Governmental Charges.

(i) **Payment of 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.

(ii) **Right to Contest.** The Developer has the right before any delinquency occurs to contest or object in good faith to the amount or validity of any Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted in such manner as shall stay the collection of the contested Governmental Charge and prevent the imposition of a lien or the sale or forfeiture of the Property. The Developer's right to challenge real estate taxes applicable to the Property is limited as provided for in Section 8.19(c) below; 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 DCD of the Developer's intent to contest or object to a Governmental Charge and, unless, at DCD's sole option,

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

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

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

(c) Real Estate Taxes.

(i) Acknowledgment of Real Estate Taxes. The Developer agrees that (A) for the purpose of this Agreement, the minimum assessed value of the Property ("Minimum Assessed Value") is shown on Exhibit K attached hereto and incorporated herein by reference for the years noted on Exhibit K; (B) Exhibit K sets forth the fair market values, assessments, equalized assessed values and taxes for the Property shown thereon; and (C) the real estate taxes anticipated to be generated and derived from the respective portions of the Property and the Project for the years shown are fairly and accurately indicated in Exhibit K.

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

(iii) No Reduction in Real Estate Taxes. Neither the Developer nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to the Developer shall, during the Term of this Agreement, directly or indirectly, initiate, seek or apply for proceedings in order to lower the assessed value of all or any portion of the Property or the Project below the amount of the Minimum Assessed Value as shown in Exhibit K for the applicable year.

(iv) No Objections. During the Term of the Agreement, neither the Developer nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to the Developer, shall object to or in any way seek to interfere with, on procedural or any other grounds, the filing of any Underassessment Complaint or subsequent proceedings related thereto with the Cook County Assessor or with the Cook County Board of Appeals, by either the City or any taxpayer. The term "Underassessment Complaint" as used in this Agreement shall mean any complaint seeking to increase the

assessed value of the Property up to or above the Minimum Assessed Value as shown in **Exhibit K**.

(v) **Covenants Running with the Land**. The parties agree that the restrictions contained in this **Section 8.19(c)** are covenants running with the land and this Agreement shall be recorded by the Developer as a memorandum thereof, at the Developer's expense, with the Cook County Recorder of Deeds on the Closing Date. These restrictions shall be binding upon the Developer and its agents, representatives, lessees, successors, assigns and transferees from and after the date hereof, provided however, that the covenants shall be released when the Redevelopment Area is no longer in effect. The Developer agrees that any sale, lease, conveyance, or transfer of title to all or any portion of the Property or Redevelopment Area from and after the date hereof shall be made explicitly subject to such covenants and restrictions. Notwithstanding anything contained in this **Section 8.19(c)** to the contrary, the City, in its sole discretion and by its sole action, without the joinder or concurrence of the Developer, its successors or assigns, may waive and terminate the Developer's covenants and agreements set forth in this **Section 8.19(c)**.

8.20 Affordable Housing Covenant. The Developer agrees and covenants to the City that, prior to any foreclosure (or acceptance of a deed in lieu of foreclosure) of the Property by a lender providing Lender Financing, the provisions of that certain Regulatory Agreement executed by the Developer and DCD as of the date hereof shall govern the terms of the Developer's obligation to provide affordable housing. Following foreclosure (or acceptance of a deed in lieu of 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 Facility shall be operated and maintained primarily as residential rental housing, with retail tenants on the first floor, office/commercial tenants on the second floor and various amenity areas (e.g. health club and building office) for the residential tenants;

(b) Twenty percent (20%) of the residential units in the Facility shall be available for occupancy to and be occupied solely by one or more qualifying Low Income Families (as defined below) upon initial occupancy and any number in excess of a whole number shall cause the number of such affordable units to be increased to the next whole number (e.g. 62.6 [20% of 313] = 63 affordable units); and

(c) The units in the Facility set aside for qualifying Low Income Families have monthly rents not in excess of fifty percent (50%) 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 8.20, the following terms has 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 fifty percent (50%) 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 8.20 shall run with the land and be binding upon any transferee for the term of this Agreement.

(f) The City and the Developer may enter into a separate agreement to implement the duration provisions of this Section 8.20.

8.21 Participation in City Beautification Efforts. [INTENTIONALLY LEFT BLANK]

8.22 Public Benefits Program. The Developer shall undertake a public benefits program as described on Exhibit N.

8.23 Job Readiness Program. [INTENTIONALLY LEFT BLANK.]

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

8.25 Annual Compliance Report. Beginning with the issuance of the Certificate and continuing throughout the Term of the Agreement, the Developer shall submit to DCD the Annual Compliance Report within 30 days after the end of the calendar year to which the Annual Compliance Report relates.

SECTION 9. COVENANTS / REPRESENTATIONS / WARRANTIES OF CITY

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

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

SECTION 10. DEVELOPER'S EMPLOYMENT OBLIGATIONS

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

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

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

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

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

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

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

10.02 City Resident; Construction Worker; Employment Requirement. The Developer agrees for itself and its successors and assigns, and shall contractually obligate its General Contractor and shall cause the General Contractor to contractually obligate its subcontractors, as applicable, to agree, that during the construction of the Project they shall comply with the minimum percentage of total worker hours performed by actual residents of the City as specified in Section 2-92-330 of the Municipal Code of Chicago (at least 50 percent of the total worker hours worked by persons on the site of the Project shall be performed by actual residents of the City); provided, however, that in addition to complying with this percentage, the Developer, its General Contractor and each subcontractor shall be required to make good faith efforts to utilize qualified residents of the City in both unskilled and skilled labor positions, and further provided that the provisions set forth in Section 8.07 above with respect to aggregate calculations shall apply in determining compliance with the terms of this Section 10.02.

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

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

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

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

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

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

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

When work at the Project is completed, in the event that the City has determined that the Developer has failed to ensure the fulfillment of the requirement of this Section concerning the worker hours performed by actual Chicago residents or failed to report in the manner as indicated above, the City will thereby be damaged in the failure to provide the benefit of demonstrable employment to Chicagoans to the degree stipulated in this Section. Therefore, in such a case of non-compliance, it is agreed that 1/20 of 1 percent (0.0005) of the aggregate hard construction costs set forth in the Project budget (the product of .0005 x such aggregate hard construction costs) (as the same shall be evidenced by approved contract value for the actual contracts) shall be surrendered by the Developer to the City in payment for each percentage of shortfall toward the stipulated residency requirement. Failure to report the residency of employees entirely and correctly shall result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. The willful falsification of

statements and the certification of payroll data may subject the Developer, the General Contractor and/or the subcontractors to prosecution. Any retainage to cover contract performance that may become due to the Developer pursuant to Section 2-92-250 of the Municipal Code of Chicago may be withheld by the City pending the Chief Procurement Officer's determination as to whether the Developer must surrender damages as provided in this paragraph.

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

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

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

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

- (1) At least 24 percent by MBEs;
- (2) At least four percent by WBE;

provided, however, that the provisions set forth in Section 8.07 above with respect to aggregate calculations shall apply in determining compliance with the terms of this Section 10.03.

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

(c) Consistent with Sections 2-92-440 and 2-92-720, Municipal Code of Chicago, the Developer's 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 or services used in the Project from one or more MBEs or WBEs, or by any combination of the foregoing. Those entities which constitute both a MBE and a WBE shall not be credited more than once with regard to the Developer's MBE/WBE commitment as described in this Section 10.03. In accordance with Section 2-92-730, Municipal Code of Chicago, the Developer shall not substitute any MBE or WBE General Contractor or subcontractor without the prior written approval of DCD.

(d) The Developer shall deliver quarterly reports to the City's monitoring staff during construction of 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 the City's monitoring staff 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 the City's monitoring staff 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.

(e) Upon the disqualification of any MBE or WBE General Contractor or subcontractor, if such status was misrepresented by the disqualified party, the Developer shall be obligated to discharge or cause to be discharged the disqualified General Contractor or subcontractor, and, if possible, identify and engage a qualified MBE or WBE as a replacement. For purposes of this subsection (e), the disqualification procedures are further described in Sections 2-92-540 and 2-92-730, Municipal Code of Chicago, as applicable.

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

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

SECTION 11. ENVIRONMENTAL MATTERS

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

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

SECTION 12. INSURANCE

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

(a) Prior to Execution and Delivery of this Agreement and Throughout the Term of the Agreement

(i) Workers Compensation and Employers Liability Insurance

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

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

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

(b) Construction

(i) Workers Compensation and Employers Liability Insurance

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

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

Commercial General Liability Insurance or equivalent with limits of not less than \$2,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages shall include the following: All premises and operations, products/completed operations (for a minimum of two (2) years following project completion), explosion, collapse, underground, independent contractors, separation of insureds, defense, and

contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

(iii) Automobile Liability Insurance (Primary and Umbrella)

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

(iv) Railroad Protective Liability Insurance

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

(v) Builders Risk Insurance

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

(vi) Professional Liability

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

(vii) Valuable Papers Insurance

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

(viii) Contractor's Pollution Liability

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

(c) Term of the Agreement

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

(d) Other Requirements

The Developer will furnish the City of Chicago, Department of Community Development, City Hall, Room 1000, 121 North LaSalle Street 60602, original Certificates of Insurance evidencing the required coverage to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been

fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. The failure of the City to obtain certificates or other insurance evidence from the Developer shall not be deemed to be a waiver by the City. The Developer shall advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance shall not relieve the Developer of the obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to terminate this Agreement until proper evidence of insurance is provided.

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

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

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

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

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

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

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

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

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

SECTION 13. INDEMNIFICATION

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

- (i) the Developer’s failure to comply with any of the terms, covenants and conditions contained within this Agreement; or
- (ii) the Developer’s or any contractor’s failure to pay General Contractors, subcontractors or materialmen in connection with the TIF-Funded Improvements or any other Project improvement; or
- (iii) the existence of any material misrepresentation or omission in this Agreement, any offering memorandum or information statement or the Redevelopment Plan or any other document related to this Agreement that is the result of information supplied or omitted by the Developer or any Affiliate Developer or any agents, employees, contractors or persons acting under the control or at the request of the Developer or any Affiliate of Developer; or
- (iv) the Developer’s failure to cure any misrepresentation in this Agreement or any other agreement relating hereto;

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

SECTION 14. MAINTAINING RECORDS / RIGHT TO INSPECT

14.01 Books and Records. The Developer shall keep and maintain separate, complete, accurate and detailed books and records necessary to reflect and fully disclose the total actual cost of the Project and the disposition of all funds from whatever source allocated thereto, and to monitor the Project. All such books, records and other documents, including but not limited to

the Developer's loan statements, if any, General Contractors' and contractors' sworn statements, general contracts, subcontracts, purchase orders, waivers of lien, paid receipts and invoices, shall be available at the Developer's offices for inspection, copying, audit and examination by an authorized representative of the City, at the Developer's expense. The Developer shall incorporate this right to inspect, copy, audit and examine all books and records into all contracts entered into by the Developer with respect to the Project.

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

SECTION 15. DEFAULT AND REMEDIES

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

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

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

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

(e) the commencement of any proceedings in bankruptcy by or against any of the Developer(s) or for the liquidation or reorganization of any of the Developer(s), or alleging that any of the Developer(s) is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of any 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 any of the Developer(s); provided, however, that if such commencement of

proceedings is involuntary, such action shall not constitute an Event of Default unless such proceedings are not dismissed within sixty (60) days after the commencement of such proceedings;

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

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

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

(i) the dissolution of (1) any of the Developer(s) or (2) any affiliate of any of the Developer(s) which has management control over the Property;

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

(k) except as specified in Recital D or Recital E of this Agreement, prior to the issuance of the Certificate, the sale or transfer of a material portion of the ownership interests of the Developer without the prior written consent of the City, other than pursuant to a foreclosure of (or acceptance of a deed in lieu of foreclosure) pursuant to any Lender Financing or Permitted Mortgage.

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

15.02 Remedies. Upon the occurrence of an Event of Default, the City may terminate this Agreement and all related agreements, and may suspend disbursement of City Funds. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to injunctive relief or the specific performance of the agreements contained herein. The City may also exercise its remedy to draw down on the Initial Payments and/or LaSalle/Central Ported Funds remaining in the

Escrow or the LaSalle/Central Special Tax Allocation Fund and said City Funds shall be free and clear of any lien or claim in favor of Developer .

15.03 Curative Period. In the event the Developer shall fail to perform a monetary covenant which the Developer is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the Developer has failed to perform such monetary covenant within ten (10) days of its receipt of a written notice from the City specifying that it has failed to perform such monetary covenant. In the event the Developer shall fail to perform a non-monetary covenant which the Developer is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the Developer has failed to cure such default within thirty (30) days of its receipt of a written notice from the City specifying the nature of the default; provided, however, with respect to those non-monetary defaults which are not capable of being cured within such thirty (30) day period, the Developer shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured so long as said cure is finished within one-hundred twenty (120) days.

SECTION 16. MORTGAGING OF THE PROJECT

All mortgages or deeds of trust in place as of the date hereof with respect to the Property or any portion thereof are listed on **Exhibit G** hereto (including but not limited to mortgages made prior to or on the date hereof in connection with Lender Financing) and are referred to herein as the “**Existing Mortgages.**” Any mortgage or deed of trust that 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.**” The City hereby acknowledges that any mortgage or deed of trust in favor of IHDA (individually or as trustee), Freddie Mac and Citibank that Developer may hereafter execute and record (or permit to be recorded) as part of Lender Financing shall be deemed a Permitted Mortgage. It is hereby agreed by and between the City and the Developer as follows:

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

(b) In the event that any mortgagee (or its designee) 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 (or its designee) under a Permitted Mortgage or an Existing Mortgage does not expressly accept an assignment of the Developer's interest hereunder, such party shall be entitled to no rights and benefits under this Agreement, and such party shall be bound only by those provisions of this Agreement, if any, which are covenants expressly running with the land.

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

(d) If a default by the Developer under this Agreement occurs and the Developer does not cure it within the applicable cure period, the City shall use reasonable efforts to give to the Mortgagee under an Existing or Permitted Mortgage copies of any notices of default which it may give to the Developer with respect to the Project, at such address as may have been furnished to the City in writing. Under no circumstances shall the Developer or any third party be entitled to rely upon this Section 16(d). The failure of the City to deliver such notice shall in no instance alter its rights or remedies under this Agreement.

(e) The City agrees that it shall accept a cure by any mortgagee in fulfillment of the Developer's obligations under this Agreement, for the account of the Developer and which the same force and effect as if performed by the Developer; (provided that no failure to cure a non-curable Event of Default (e.g. Developer is in bankruptcy) shall entitle the City to remedies if a substitute for Developer is recognized under Sections 16 (a) or (b). No cure or attempted cure by or on behalf of such Mortgagee shall cause it to be deemed to have accepted an assignment of this Agreement.

(f) Notwithstanding anything to the contrary contained in this Agreement (but subject to the rights of the City to draw the City Funds remaining in the Escrow if the Certificate has not been issued by December 31, 2014), the City shall not terminate this Agreement or draw the City Funds remaining in the Escrow on the occurrence of an Event of Default by the Developer under this Agreement, unless the City has provided notice to IHDA and Citibank as provided in Section

17 and IHDA or Citibank has failed to cure such Event of Default within the longer of (i) thirty (30) days after Mortgagee has been deemed to receive written notice of such Event of Default pursuant to Section 17 hereof and (ii) the time periods for which Developer may cure within this Agreement; provided however, that if either (x) such failure, default or Event of Default is not reasonably susceptible of cure by Mortgagee or (y) such failure, default or Event of Default is not reasonably susceptible of cure by Mortgagee without obtaining title to (or possession of) the Project, then the City shall not have the right to terminate this Agreement or draw upon the Initial Payments remaining in the Escrow before December 31, 2014 so long as within forty-five (45) days after the City provides notice to Citi Community Capital as provided in Section 17, Mortgagee commences legal remedies to obtain title to or possession of the Project and diligently pursues such remedies to completion (subject to limitations of applicable laws and legal procedures) and completes said remedy within two (2) years, which period may be extended by the Commissioner acting in its sole discretion. In the event Mortgagee obtains title to the Property, Mortgagee shall diligently cure all defaults or Events of Default reasonably susceptible of cure by Mortgagee and any failures, defaults or Events of Default not reasonably susceptible of cure by Mortgagee (and not pertaining to the requirements for issuance of the Certificate) shall be waived.

SECTION 17. NOTICE

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

If to the City:

City of Chicago
 Department of Community Development
 121 North LaSalle Street, Room 1000
 Chicago, IL 60602
 Attention: Commissioner

With Copies To:

City of Chicago
 Department of Law
 Finance and Economic Development Division
 121 North LaSalle Street, Room 600
 Chicago, IL 60602
 Fax: 312-744-8538

If to The Developer:

Randolph Tower City Apartments, LLC
 Randolph Tower City Apartments, Inc.
 343 S. Dearborn
 Suite 203
 Chicago, IL 60604
 Fax: (312) 335-2675

With Copies To:

Wildman, Harrold, Allen & Dixon LLP
225 West Wacker Drive
Suite 2800
Chicago, Illinois 60606-1229
Attn: Thomas P. Duffy
Fax: (312) 416-4596

If to IHDA :

Illinois Housing Development Authority
Multifamily Programs
401 North Michigan Avenue, Suite 700
Chicago, Illinois 60611
Attn: Legal Department

If to Citibank :

Citibank, N.A.
390 Greenwich St. – 2nd Floor
New York, New York 10013
Attn: Desk Head; Transaction Management Group
Loan # 10-7038219
Facsimile: (212) 723-8642

Citibank, N.A.
325 East Hillcrest Drive, Suite 160
Thousand Oaks, California 91360
Attention: Operations Manager/Asset Manager
Loan #10-7038219
Facsimile: (805) 557-0924

With a copy to:

Citibank, N.A.
390 Greenwich St. – 2nd Fl
New York, New York 10013
Attention: May Tong
Loan #10-7038219
Facsimile: (866) 461-9894

With a copy to:

Jones Day
222 East 41st Street
New York, New York 10017
Attention: Aviva Yakren, Esq.

And a copy of any
notices of default sent to:

Citibank, N.A.
388 Greenwich Street
New York, New York 10013
Attention: General Counsel's Office
Loan #10-7038219
Facsimile: (212) 723-8939

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

SECTION 18. MISCELLANEOUS

18.01 Amendment. This Agreement and the Exhibits attached hereto may not be amended or modified without the prior written consent of the parties hereto; provided, however, that the City, in its sole discretion, may amend, modify or supplement **Exhibit D** hereto without the consent of any party hereto. It is agreed that no material amendment or change to this Agreement shall be made or be effective unless ratified or authorized by an ordinance duly adopted by the City Council. The term "material" for the purpose of this **Section 18.01** shall be defined as any deviation from the terms of the Agreement which operates to cancel or otherwise reduce any developmental, construction or job-creating obligations of Developer (including those set forth in **Sections 10.02 and 10.03** hereof) by more than five percent (5%) or materially changes the Project site or character of the Project or any activities undertaken by Developer affecting the Project site, the Project, or both, or increases any time agreed for performance by the Developer by more than ninety (90) days.

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

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

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

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

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

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

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

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

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

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

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

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

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

18.15 Assignment. Except as otherwise permitted herein, each of the Developer(s) may not sell, assign or otherwise transfer its interest in this Agreement in whole or in part without the prior written consent of the City; provided, however that nothing contained in this Section 18.15 shall be deemed to require the City's consent to the assignment of the City Note to a lender whose Lender Financing is contingent upon such assignment. Any successor in interest to any of the Developer(s) under this Agreement shall certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, including but not limited to **Sections 8.19** Real Estate Provisions and **8.24** (Survival of Covenants) hereof, for the Term of the Agreement. Each of the Developer(s) consents to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part.

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

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

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

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

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

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

18.22 Business Relationships. The Developer acknowledges (A) receipt of a copy of Section 2-156-030 (b) of the Municipal Code of Chicago, (B) that Developer has read such provision and understands that pursuant to such Section 2-156-030 (b), it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a "**Business Relationship**" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving any person with whom the elected City official or employee has a "**Business Relationship**" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (C) that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Agreement shall be grounds for termination of this Agreement and the transactions contemplated hereby. The Developer hereby represents and warrants that, to the best of its knowledge after due inquiry, no violation of Section 2-156-030 (b) has occurred with respect to this Agreement or the transactions contemplated hereby.

18.23 Developer Adherence to Building Court Case. Notwithstanding anything herein to the contrary, nothing in this Agreement (including, without limitation, any term which allows the Developer until December 31, 2013 to complete the Project), shall allow the Developer to violate the terms of the Building Court Case (as defined in Section 7.01(vi)) which affects the Property.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

**COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____**

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.

RANDOLPH TOWER CITY APARTMENTS, LLC, a Delaware limited liability company

By: ~~Holtzman Interests # 24, LLC, a Michigan limited liability company and its managing member~~

By: _____
Jonathan Holtzman, Manager

RANDOLPH TOWER AFFORDABLE CITY APARTMENTS, LLC, a Delaware limited liability company

By: Holtzman Affordable Holdings, LLC, a Delaware limited liability company and its managing member

By: ~~Holtzman Interests # 24, LLC, a Michigan limited liability company and its managing member~~

By: _____
Jonathan Holtzman, Manager

RANDOLPH TOWER CITY APARTMENTS, INC., a Delaware limited liability company

By: _____
Jonathan Holtzman, President

RANDOLPH TOWER MASTER HISTORIC TENANT, LLC, a Delaware limited liability company

By: Holtzman Interests #24, LLC, a Michigan limited liability company and its managing member

By: _____
Jonathan Holtzman, Manager

**RANDOLPH TOWER MASTER AFFORDABLE
TENANT, LLC, a Delaware limited liability company**

By: Holtzman Interests #24, LLC, a Michigan limited liability company

By: _____
Jonathan Holtzman, Manager

CITY OF CHICAGO

By: _____
Andrew J. Mooney Acting Commissioner
Department of Community Development

COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____

**RANDOLPH TOWER MASTER AFFORDABLE
TENANT, LLC, a Delaware limited liability company**

By: Holtzman Interests #24, LLC, a Michigan limited
liability company

By: _____
Jonathan Holtzman, Manager

CITY OF CHICAGO

By: _____
Andrew J. Modney Acting Commissioner
Department of Community Development

COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

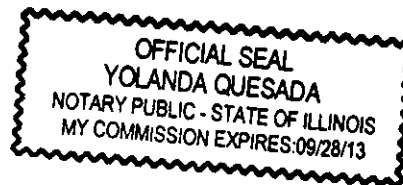
I, Yolanda Quesada, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Andrew J. Mooney, personally known to me to be the Acting Commissioner of the **Department of Community Development of the City of Chicago** (the "City"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed, and delivered said instrument pursuant to the authority given to him/her by the City, as his/her free and voluntary act and as the free and voluntary act of the City, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 20th day of December, 2010.

Yolanda Quesada
Notary Public

(SEAL)

My Commission Expires 9.28.2013

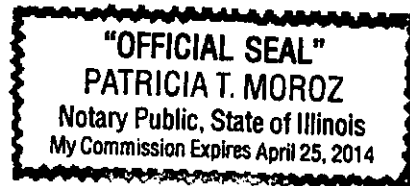


STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, PATRICIA T. MOROZ, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Jonathan Holtzman, personally known to me to be the Manager of Holtzman Interests #24, LLC, a Michigan limited liability company which is the managing member of Randolph Tower City Apartments, LLC, an Illinois limited liability company (the "Developer"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed, and delivered said instrument, as his free and voluntary act and as the free and voluntary act of the Developer, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 17th day of December, 2010.

Patricia T. Moroz
Notary Public



STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, PATRICIA T. MOROZ, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Jonathan Holtzman personally known to me to be the Manager of Holtzman Interests #24, LLC, a Michigan limited liability company, being the managing member of Holtzman Affordable Holdings, LLC, a Delaware limited liability company which is the managing member of Randolph Tower Affordable City Apartments, LLC, an Illinois limited liability company (the "Developer"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed, and delivered said instrument, as his free and voluntary act and as the free and voluntary act of the Developer, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 17th day of December, 2010

Patricia T. Moroz
Notary Public

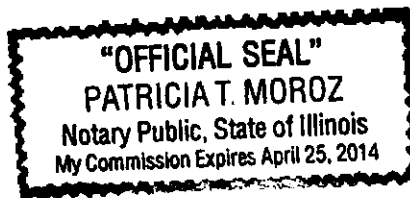


STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, PATRICIA T. MOROZ, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Jonathan Holtzman, personally known to me to be the President of **Randolph Tower City Apartments, Inc**, a **Delaware** corporation, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed, and delivered said instrument, as his free and voluntary act and as the free and voluntary act of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 17th day of December, 2010.

Patricia T. Moroz
Notary Public

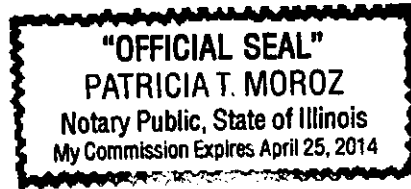


STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, PATRICIA T. MOROZ, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Jonathan Holtzman, personally known to me to be the Manager of Holtzman Interests #24, LLC, a Michigan limited liability company which is the managing member of Randolph Tower Master Historic Tenant, LLC, an Illinois limited liability company (the "Developer"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed, and delivered said instrument, as his free and voluntary act and as the free and voluntary act of the Developer, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 17th day of December, 2010.

Patricia T. Moroz
Notary Public



STATE OF ILLINOIS)
) SS
COUNTY OF COOK

I, Donna M Stanke, a notary public in and for the said County, in the State aforesaid,
DO HEREBY CERTIFY that Jonathan Holtzman, personally known to me to be the
manager of Holtzman Interests #24, LLC, a Michigan limited liability
company which is the managing member of Randolph Tower Master Affordable Tenant, LLC,
an Illinois limited liability company (the "Developer"), and personally known to me to be the same
person whose name is subscribed to the foregoing instrument, appeared before me this day in
person and acknowledged that he/she signed, sealed, and delivered said instrument, pursuant to
the authority given to him/her by the [Board of Directors] of the Developer, as his/her free and
voluntary act and as the free and voluntary act of the Developer, for the uses and purposes therein
set forth.

GIVEN under my hand and official seal this 17 day of December, 2010

Notary Public
[Signature]

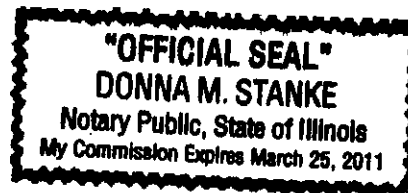


EXHIBIT A-1

RANDOLPH/WELLS REDEVELOPMENT AREA

**COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____**

**COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____**

The following is said ordinance as passed:

WHEREAS, It is desirable and in the best interest of the citizens of the City of Chicago, Illinois (the "City") for the City to implement tax increment allocation financing ("Tax Increment Allocation Financing") pursuant to the Illinois Tax Increment Allocation Redevelopment Act,

65 ILCS 5/11-74.4-1, et seq., as amended (the "Act"), for a proposed redevelopment project area to be known as the Randolph/Wells Redevelopment Project Area (the "Area") described in Section 2 of this ordinance, to be redeveloped pursuant to a proposed redevelopment plan and project (the "Plan"); and

WHEREAS, The Plan (including the related eligibility report attached thereto as an exhibit and, if applicable, the feasibility study and the housing impact study) was made available for public inspection and review pursuant to Section 5/11-74.4-5(a) of the Act since December 29, 2009, being a date not less than ten (10) days before the meeting of the Community Development Commission of the City ("Commission") at which the Commission adopted Resolution 10-CDC-07 on January 12, 2010 fixing the time and place for a public hearing ("Hearing"), at the offices of the City Clerk and the City's Department of Community Development; and

WHEREAS, Pursuant to Section 5/11-74.4-5(a) of the Act, notice of the availability of the Plan (including the related eligibility report attached thereto as an exhibit and, if applicable, the feasibility study and the housing impact study) was sent by mail on February 25, 2010 which is within a reasonable time after the adoption by the Commission of Resolution 10-CDC-07 to: (a) all residential addresses that, after good faith effort, were determined to be (i) located within the Area and (ii) located within seven hundred fifty (750) feet of the boundaries of the Area (or, if applicable, were determined to be the seven hundred fifty (750) residential addresses that were closest to the boundaries of the Area); and (b) organizations and residents that were registered interested parties for such Area; and

WHEREAS, A meeting of the joint review board established pursuant to Section 5/11-74.4-5(b) of the Act (the "Board") was convened upon the provision of due notice on February 5, 2010 at 10:00 A.M., to review the matters properly coming before the Board and to allow it to provide its advisory recommendation regarding the approval of the Plan, designation of the Area as a redevelopment project area pursuant to the Act and adoption of Tax Increment Allocation Financing within the Area, and other matters, if any, properly before it; and

WHEREAS, Pursuant to Sections 5/11-74.4-4 and 5/11-74.4-5 of the Act, the Commission held the Hearing concerning approval of the Plan, designation of the Area as a redevelopment project area pursuant to the Act and adoption of Tax Increment Allocation Financing within the Area pursuant to the Act on March 9, 2010; and

WHEREAS, The Commission has forwarded to the City Council a copy of its Resolution 10-CDC-15, recommending to the City Council approval of the Plan, among other related matters; and

WHEREAS, The City Council has heretofore approved the Plan, which was identified in An Ordinance Of The City Of Chicago, Illinois, Approving A Redevelopment Plan For The Randolph/Wells Redevelopment Project Area; now, therefore,

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

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

6/9/2010

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SECTION 2. The Area. The Area is legally described in Exhibit A attached hereto and incorporated herein. The street location (as near as practicable) for the Area is described in Exhibit B attached hereto and incorporated herein. The map of the Area is depicted on Exhibit C attached hereto and incorporated herein.

SECTION 3. Findings. The Corporate Authorities hereby make the following findings:

a. the Area includes only those contiguous parcels of real property and improvements thereon that are to be substantially benefitted by proposed Plan improvements, as required pursuant to Section 5/11-74.4-4(a) of the Act;

b. as required pursuant to Section 5/11-74.4-3(p) of the Act:

(i) the Area is not less, in the aggregate, than one and one-half (1½) acres in size; and

(ii) conditions exist in the Area that cause the Area to qualify for designation as a redevelopment project area and a conservation area as defined in the Act;

c. if the Area is qualified as a "blighted area", whether improved or vacant, each of the factors necessary to qualify the Area as a redevelopment project area on that basis is (i) clearly present within the intent of the Act and with that presence documented to a meaningful extent, and (ii) reasonably distributed throughout the improved part or vacant part, as applicable, of the Area as required pursuant to Section 5/11-74.4-3(a) of the Act;

d. If the Area is qualified as a "conversation area", the combination of the factors necessary to qualify the Area as redevelopment project area on that basis is detrimental to the public health, safety, morals or welfare, and the Area may become a blighted area.

SECTION 4. Area Designated. The Area is hereby designated as a redevelopment project area pursuant to Section 5/11-74.4-4 of the Act.

SECTION 5. Invalidity Of Any Section. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this ordinance.

SECTION 6. Superseder. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 7. Effective Date. This ordinance shall be in full force and effect immediately upon its passage.

[Exhibit "C" referred to in this ordinance printed
on page 93069 of this *Journal*.]

93068

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6/9/2010

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

Exhibit "A".

Randolph/Wells T.I.F. Legal Description.

All that part of the southeast quarter of Section 9, Township 39 North, Range 14 East of the Third Principal Meridian described as follows:

beginning at the intersection of the north line of West Lake Street, 80 feet wide, and the east line of North Wells Street, 80 feet wide; thence east along said north line of East Lake Street to the northerly extension of the east line of the west half of Lot 3 in Block 33 in Original Town of Chicago in said Section 9; thence south along the northerly extension of east line of the west half of said Lot 3 and along said east line to the north line of West Couch Place, 18 feet wide; thence east along said north line of West Couch Place to the northerly extension of the east line of Lot 6 in Block 33 in Original Town of Chicago, aforesaid; thence south along the northerly extension of the east line of said Lot 6, along said east line and along the southerly extension thereof, to the south line of West Randolph Street, 80 feet wide; thence west along said south line of West Randolph Street to the east line of North Wells Street; thence south along said east line of North Wells Street to the south line of West Court Place, 18 feet wide; thence west along the westerly extension of said south line of West Court Place, across North Wells Street and along said south line of West Court Place to the southerly extension of the west line of Lot 1 in Block 41 in the Original Town of Chicago, aforesaid; thence north along the southerly extension of the west line of said Lot 1 and along the west line thereof, to the south line of West Randolph Street; thence west along said south line of West Randolph Street, across North Franklin Street, 80 feet wide, to the west line thereof; thence north along said west line of North Franklin Street, to the south line of Lot 4 in Assessor's Division of Lot 8 in Block 31 in Original Town of Chicago, aforesaid; thence west along said south line of Lot 4 in Assessor's Division, aforesaid, to the southwest corner thereof; thence north along the west line of Lots 1, 2, 3 and 4 in said Assessor's Division and along the northerly extension thereof, to the north line of West Couch Place, 18 feet wide; thence east along said north line of West Couch Place to the west line of North Franklin Street; thence north along said west line of North Franklin Street to the north line of West Lake Street; thence east along said north line of West Lake Street, across North Franklin Street and across North Wells Street to the point of beginning, all in the City of Chicago, Cook County, Illinois.

Exhibit "B".

Street Location Of The Area.

The Randolph/Wells Redevelopment Project Area is generally bounded by West Lake Street on the north, North Wells Street on the east, West Randolph Street on the south, and North Franklin Street on the west.

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Exhibit "C".

Redevelopment Project Area Boundary.

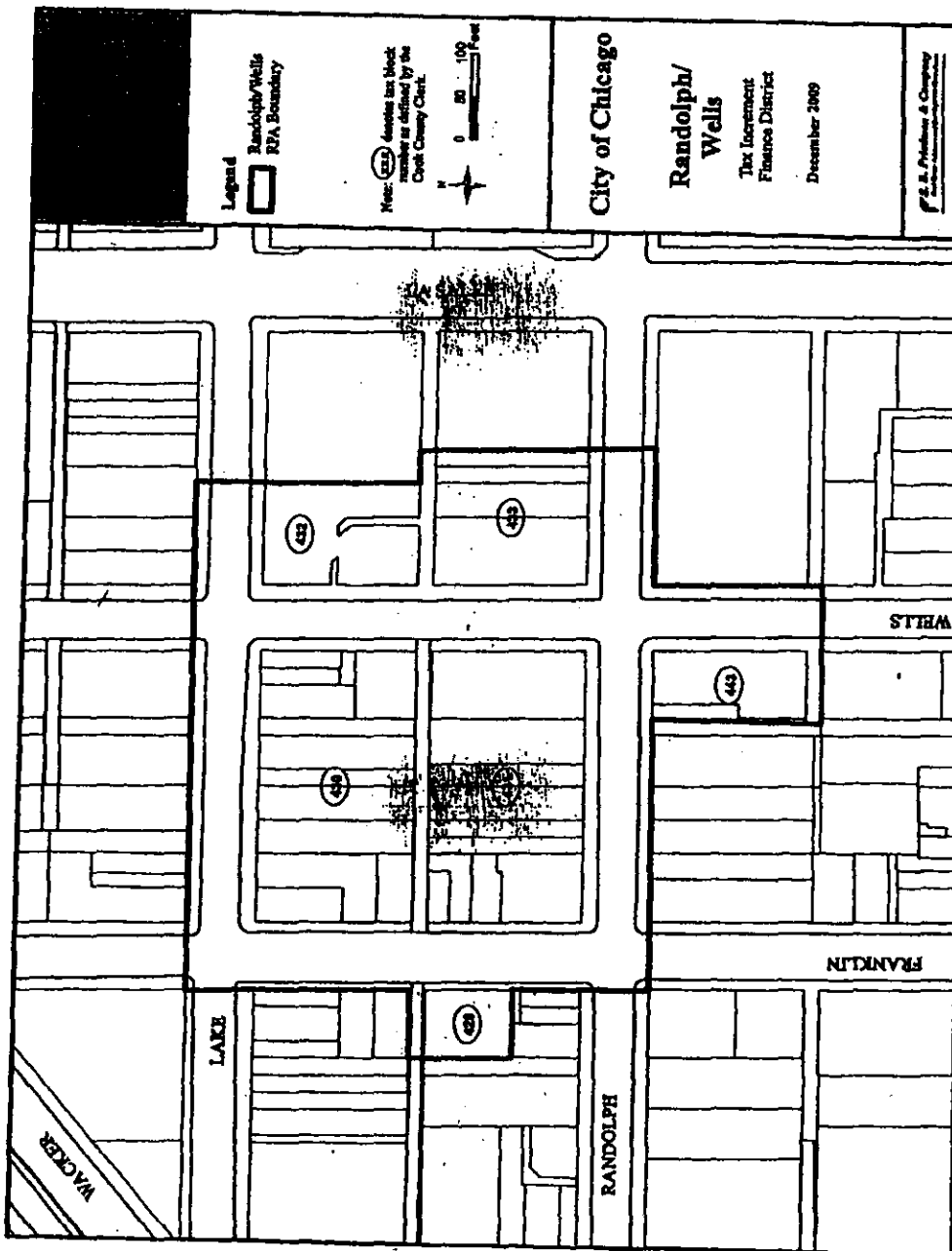


EXHIBIT A-2

LASALLE/CENTRAL REDEVELOPMENT AREA

**COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____**

**COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____**

5/9/2007

REPORTS OF COMMITTEES

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Kinzie Industrial Conservation:	not to exceed \$1,500,000
Midwest:	not to exceed \$750,000
Jefferson Park:	not to exceed \$750,000

AUTHORIZATION FOR AMENDMENT OF ORDINANCE
 TO CORRECT LEGAL DESCRIPTION OF LA SALLE
 CENTRAL TAX INCREMENT FINANCING
 REDEVELOPMENT PROJECT AREA.

The Committee on Finance submitted the following report:

CHICAGO, May 9, 2007.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance authorizing an amendment to the LaSalle Central Tax Increment Financing Redevelopment Plan and Project, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

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

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

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

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Yeas -- Aldermen Flores, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Cárdenas, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Lane, Rugai, Brookins, Muñoz, Zalewski, Solis, Ocasio, Burnett, E. Smith, Reboyras, Suarez, Matlak, Mell, Austin, Colón, Banks, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Tunney, Levar, Shiller, M. Smith, Moore, Stone -- 44.

Nays -- None.

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

The following is said ordinance as passed:

WHEREAS, On November 15, 2006, the City Council of the City of Chicago (the "City") adopted the following ordinances: An Ordinance Approving a Redevelopment Plan (the "Plan") for the LaSalle Central Redevelopment Project Area (the "Plan Ordinance"), published in the *Journal of the Proceedings of the City Council of the City of Chicago* (the "Journal") of November 15, 2006 at pages 92019 -- 92099; An Ordinance Designating the LaSalle Central Redevelopment Project Area a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act (the "Designation Ordinance"), published in the *Journal of November 15, 2006* at pages 92100 -- 92107; and An Ordinance Adopting Tax Increment Allocation Financing for the LaSalle Central Redevelopment Project Area (the "T.I.F. Ordinance"), published in the *Journal of November 15, 2006* at pages 92108 -- 92114 (collectively, such ordinances are hereinafter referred to as the "Original LaSalle Central Ordinances"); and

WHEREAS, On February 7, 2007, the City Council of the City of Chicago (the "City") adopted the following ordinance: An Ordinance Correcting Ordinances Related to Tax Allocation Financing for the LaSalle Central Redevelopment Project Area, published in the *Journal of the Proceedings of the City Council of the City of Chicago* (the "Journal") of February 7, 2007 at pages 97850 -- 97855 (the "Corrective Ordinance"; the Original LaSalle Central Ordinances, as amended by the Corrective Ordinance, the "Amended LaSalle Central Ordinances"); and

WHEREAS, The Amended LaSalle Central Ordinances each included exhibits showing the boundaries of the LaSalle Central Redevelopment Project Area (the "Area") by legal description and by street location, and a boundary map of the Area; and

WHEREAS, Said legal description subsequently was discovered to have contained an unintended, de minimis error in describing part of the eastern boundary of the Area; and

WHEREAS, The boundary description by street location and the boundary map correctly indicate the Area as it is intended to be described, and the Plan which

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includes a list of only those parcels, identified by permanent index number, which are contained within the boundaries of the Area as described by street location and as shown in the boundary map; and

WHEREAS, When viewed together, the legal description, the boundary description by street location, the boundary map and the list of parcels in the Area fairly apprise the public and affected taxing districts of the property involved in the Plan, and the City desires to reform and correct the legal description to reflect the intended eastern boundary of the Area and not to alter the exterior boundaries of the Area; now, therefore,

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

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

SECTION 2. Amendment Of Prior Ordinances. The legal description in the following exhibits to the Amended LaSalle Central Ordinances:

(i) Exhibit C to the Plan Ordinance, published in the *Journal* of November 15, 2006 at pages 92095 -- 92098, as amended by the Corrective Ordinance published in the *Journal* of February 7, 2007 at pages 97852 -- 97855, which also constitutes (Sub)Appendix 1 to the Plan (attached as Exhibit A to the Plan Ordinance); and

(ii) Exhibit A to the Designation Ordinance, published in the *Journal* of November 15, 2006 at pages 92103 -- 92106, as amended by the Corrective Ordinance published in the *Journal* of February 7, 2007 at pages 97852 -- 97855; and

(iii) Exhibit A to the T.I.F. Ordinance, published in the *Journal* of November 15, 2006 at pages 92110 -- 92113, as amended by the Corrective Ordinance published in the *Journal* of February 7, 2007 at pages 97852 -- 97855,

is hereby reformed and corrected to reflect the intended eastern boundary of the Area by deleting the struck-through language and inserting the underscored language as set forth in Exhibit 1 to this ordinance.

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

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

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

Exhibit 1 referred to in this ordinance reads as follows:

Exhibit 1.

Corrected And Reformed Legal Description.

That part of the south half of Section 9, together with that part of the north half of Section 16, Township 39 North, Range 14 East of the Third Principal Meridian all taken as a tract of land bounded and described as follows:

beginning at the point of intersection of the east line of Canal Street with the south line of Lake Street in the east half of the southwest quarter of Section 9, Township 39 North, Range 14 East of the Third Principal Meridian, and running; thence east along said south line of Lake Street to the northerly extension of the east line of the 18 foot wide alley east of Canal Street; thence south along said northerly extension of the east line of the 18 foot wide alley east of Canal Street and the east line thereof to the north line of Randolph Street; thence west along said north line of Randolph Street to the east line of Canal Street; thence south along said east line of Canal Street to the easterly extension of the north line of the south 275.06 feet of Block 50 in the Original Town of Chicago in Section 9; thence west along said easterly extension of the north line of the south 275.06 feet of Block 50 in the Original Town of Chicago to the west line of Canal Street; thence south along said west line of Canal Street to the south line of Madison Street; thence east along said south line of Madison Street to the east line of Wacker Drive; thence north along said east line of Wacker Drive to the south line of Calhoun Place; thence east along said south line of Calhoun Place to the west line of Franklin Street; thence south along said west line of Franklin Street to the north line of Monroe Street; thence west along said north line of Monroe Street to the northerly extension of the west line of the easterly 18 feet of Lot 2 in Block 82 of School Section Addition to Chicago in Section 16; thence south along said northerly extension of the west line of the easterly 18 feet of Lot 2 in Block 82 and the west line hereof to the south line of said Lot 2; thence west along said south line of Lot 2 in Block 82 and the westerly extension thereof to the east line of Wacker Drive; thence north along said east line of Wacker Drive to the north line of Monroe Street; thence west along said north line of Monroe Street to the west line of the south branch of the Chicago River; thence south along said west line of the south branch of the Chicago River to the north line of Lot 4 in Railroad Companies' Resubdivision of Blocks 62 to 76 inclusive, 78,

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parts of 61 and 71, and certain vacated streets and alleys in School Section Addition to Chicago in Section 16; thence west along said north line of Lot 4 to the westerly line thereof; thence southeasterly along said westerly line of Lot 4 to the southwesterly corner thereof; thence southeasterly along a straight line to the northwesterly corner of Lot 5 in said Railroad Companies' Resubdivision in Section 16; thence southeasterly along the westerly line of said Lot 5 to an angle point on said westerly line; thence southeasterly along said westerly line of Lot 5 to a point on said westerly line, said point lying 121.21 feet northwesterly of the southwesterly corner of Lot 5; thence east along a straight line parallel with and 121.21 feet north of the south line of said Lot 5 to the westerly line of the south branch of the Chicago River; thence southeasterly along said westerly line of the south branch of the Chicago River to the north line of Jackson Boulevard; thence south along a straight line to the south line of Jackson Boulevard; thence west along said south line of Jackson Boulevard to the east line of Canal Street; thence south along said east line of Canal Street to the north line of Van Buren Street; thence east along said north line of Van Buren Street to the east line of Wacker Drive; thence north along said east line of Wacker Drive to the south line of Jackson Boulevard; thence east along said south line of Jackson Boulevard to the west line of Franklin Street; thence south along said west line of Franklin Street to the north line of Van Buren Street; thence east along said north line of Van Buren Street to the northerly extension of the east line of the 12 foot wide alley east of Wells Street; thence south along said northerly extension of the east line of the 12 foot wide alley east of Wells Street to the south line of Van Buren Street; thence east along said south line of Van Buren Street to the west line of LaSalle Street; thence north along the northerly extension of the west line of LaSalle Street to the north line of Van Buren Street; thence east along said north line of Van Buren Street to the east line of Clark Street; thence north along said east line of Clark Street to the south line of Adams Street; thence east along said south line of Adams Street to the west line of Dearborn Street; thence north along said west line of Dearborn Street to the easterly extension of the north line of the 18 foot wide alley south of Monroe Street; thence east along said easterly extension of the north line of the 18 foot wide alley south of Monroe Street and the north line thereof to a point on a line 130 feet west of and parallel with the west line of South State Street the east line of the west half of Lot 3 in Block 141 in School Section Addition to Chicago in Section 16; thence north along said parallel east line of the west half of Lot 3 to the south line of Monroe Street; thence west along said south line of Monroe Street to the southerly extension of the west line of the most westerly 15 foot wide alley east of Dearborn Street; thence north along said southerly extension of the west line of the most westerly 15 foot wide alley east of Dearborn Street and the west line thereof to the south line of the 15 foot wide alley north of Monroe Street; thence west along said south line of the 15 foot wide alley north of Monroe Street and the westerly extension thereof to the west line of Dearborn Street; thence south along said west line of Dearborn Street to the north line of Monroe Street; thence west along said north line of Monroe Street to the east line of Lot 21 in Assessor's Division of Block 118 of School

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Section Addition in Section 16; thence north along the said east line of said Lot 21 and the northerly extension thereof to the south line of Lot 33 in said Assessor's Division of Block 118 of School Section Addition in Section 16; thence west along said south line of Lot 33 to the west line thereof; thence north along said west line of Lot 33 to the south line of Lot 14 in Assessor's Division of Block 118 of School Section Addition in Section 16; thence west along said south line of Lot 14 to the east line of the 10 foot wide alley west of Clark Street; thence north along said east line of the 10 foot wide alley west of Clark Street and the northerly extension thereof to the north line of Madison Street; thence west along said north line of Madison Street to the east line of the 9 foot wide alley west of Clark Street; thence north along said east line of the 9 foot wide alley west of Clark Street to the south line of the 18 foot wide alley south of Washington Street; thence north along a straight line to the southeast corner of the parcel of land bearing Permanent Index Number 17-9-459-001; thence north along the east line of the parcel of land bearing Permanent Index Number 17-9-459-001 to the south line of Washington Street; thence east along said south line of Washington Street to the east line of Clark Street; thence north along said east line of Clark Street to the south line of Randolph Street; thence west along said south line of Randolph Street to the west line of Clark Street; thence north along said west line of Clark Street to the north line of Randolph Street; thence west along said north line of Randolph Street to the east line of LaSalle Street; thence south along said east line of LaSalle Street to the easterly extension of the south line of Court Place; thence west along said easterly extension of the south line of Court Place and the south line thereof to the west line of Wells Street; thence south along said west line of Wells Street to the north line of Washington Street; thence west along said north line of Washington Street to the east line of Franklin Street; thence north along said east line of Franklin Street to the centerline of vacated court place; thence east along said centerline of vacated Court Place to the southerly extension of the east line of Lot 2 in Block 41 in the Original Town of Chicago in the southeast quarter of Section 9; thence north along said southerly extension of the east line of Lot 2 in Block 41 and the east line thereof to the south line of Randolph Street; thence west along said south line of Randolph Street to the southerly extension of the west line of the easterly 20 feet of Lot 7 in Block 31 in the Original Town of Chicago in Section 9; thence north along said southerly extension of the west line of the easterly 20 feet of Lot 7 and the west line thereof to the south line of Couch Place; thence north along the northerly extension of the west line of the easterly 20 feet of Lot 7 to the north line of Couch Place; thence west along said north line of Couch Place to the east line of Wacker Drive; thence north along said east line of Wacker Drive to the south line of Lake Street; thence northeasterly along a straight line to the intersection of the north line of Lake Street with the easterly line of Wacker Drive; thence west along said north line of lake street to the westerly line of the north branch of the Chicago River; thence northwesterly along said westerly line of the north branch of the Chicago River to an angle point on said westerly line, said point being also the northeast corner of Lot 1 in Block 22 in the Original Town of Chicago in Section 9; thence west along the

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north line of said Lot 1 in Block 22 to a point, said point being also a point on the westerly line of the north branch of the Chicago River; thence northwesterly along said westerly line of the north branch of the Chicago River to the north line of that tract of land vacated in Document Number 5507199, recorded October 6, 1914; thence west along said north line of that tract of land vacated in Document Number 5507199, a distance of 21.26 feet to a point on said north line; thence northwesterly along the easterly line of the parcel of land bearing Permanent Index Number 17-9-306-014 to a point of curvature on said easterly line; thence northwesterly along the arc of curve, said curve being concave to the northeast and having a radius of 600 feet, to the east line of Canal Street; thence south along said east line of Canal Street to the south line of Lake Street, being also the point of beginning the heretofore described tract of land, all in Cook County, Illinois.

DESIGNATION OF CENTERPOINT PROPERTIES TRUST AS
PROJECT DEVELOPER, AUTHORIZATION FOR EXECUTION
OF REDEVELOPMENT AGREEMENT AND PAYMENT
OF CERTAIN INCREMENTAL TAXES FOR
REDEVELOPMENT OF PROPERTY AT
4201 WEST VICTORIA STREET.

The Committee on Finance submitted the following report:

CHICAGO, May 9, 2007.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance authorizing entering into and executing a redevelopment agreement with CenterPoint Properties Trust, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

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

EXHIBIT B

LEGAL DESCRIPTION

**UNIT NOS. 1 AND 2 IN THE RANDOLPH TOWER CITY APARTMENTS
CONDOMINIUM AS DELINEATED ON A SURVEY OF THE FOLLOWING
DESCRIBED REAL ESTATE:**

**LOT 5 IN BLOCK 33 IN ORIGINAL TOWN OF CHICAGO IN SECTION 9, TOWNSHIP
39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK
COUNTY ILLINOIS; WHICH SURVEY IS ATTACHED AS EXHIBIT "C" TO THE
DECLARATION OF CONDOMINIUM RECORDED DECEMBER 20, 2010 AS
DOCUMENT NUMBER 1035422069 TOGETHER WITH ITS UNDIVIDED
PERCENTAGE INTEREST IN THE COMMON ELEMENTS, ALL IN COOK COUNTY,
ILLINOIS.**

**Commonly Known As: 188 West Randolph Street, Units 1 and 2, Chicago,
Illinois 60601**

Permanent Index Number: 17-09-433-001-0000

EXHIBIT C-1**TIF FUNDED IMPROVEMENTS**

<u>TIF Eligible Costs</u>	<u>Amount</u>
Closing and Post-Closing Legal Fees	\$914,791.00
Construction -Exterior**	\$21,572,500.00
Façade Construction - Façade Stabilization Items (Interior Contract)**	\$7,538,255.00
Costs of Studies, Surveys, Development of Plans and Specifications, Implementation and Administration of the Redevelopment Plan	\$1,257,557.00
Finance Costs: Loan Fees and Costs	\$3,382,971.00
Post-Closing Interest Costs Discounted to 30%	\$2,185,304.00
Total	\$36,851,378.00

***Costs are only those which will be paid or incurred at or after the creation of the Randolph/Wells TIF District. Notwithstanding the total of TIF-Funded Improvements, the assistance to be provided by the City is limited to thirty-four million and no/100 dollars (which includes only the maximum possible principal amount of the Tax-Exempt City Note). Also, items on the attached description are subject to final approval by the Commissioner of DCD and the Corporation Counsel and may be substituted with other Redevelopment Costs which shall also be approved by the Commissioner of DCD and the Corporation Counsel.**

****Subject to normal and customary verification by the City pursuant to the terms of this Redevelopment Agreement, the Stabilization work constitutes a TIF-Funded Improvement.**

EXHIBIT C-2

FEE WAIVERS

Department of Construction and Permits.

Waiver of Plan Review, Permit and Inspection Fees:

- A. Building Permit:
 - Zoning.
 - Construction/Architectural/Structural.
 - Internal Plumbing
 - H.V.A.C.
 - Water for Construction
 - Smoke Abatement
- B. Electrical Permit: Service and Wiring
- C. Elevator Permit (if applicable)
- D. Wrecking Permit (if applicable)
- E. Fencing Permit (if applicable)
- F. Fees for the review of building plans for compliance with accessibility codes by the Mayor's Office for People with Disabilities imposed by Section 13-32-310(2) of the Municipal Code of Chicago

Department of Water Management.

- Tap fees
- Cut and seal Fees
- (Fees to purchase B-boxes and remote read-outs are not waived).
- Permit (connection) and Inspection Fees
- Sealing Permit Fees

Department of Transportation

- Street Opening Fees
- Driveway Permit Fees
- Use of Public Way Fees

EXHIBIT D

REDEVELOPMENT PLAN

[Not attached for Recording purposes.]

**COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____**

**COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____**

EXHIBIT E

CONSTRUCTION CONTRACT

[Not attached for Recording purposes.]

**COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____**

**COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____**

EXHIBIT F

ESCROW AGREEMENT

[Not Attached for Recording Purposes]

**COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____**

**COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____**

EXHIBIT G

PERMITTED LIENS

1. Liens or encumbrances against the Property:

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

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

**COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____**

**EXHIBIT G
PERMITTED LIENS**

1. Real Estate Taxes for 2010 and subsequent years.
2. Ordinance recorded November 3, 2006 as Document 0630734057 designating the building on the land as a historical landmark.
3. Agreement dated April 27, 1872 and recorded May 26, 1980 in Book 939 Page 316 as Document 273922 for a Party Wall.
4. Agreement dated October 8, 1872 recorded May 26, 1880 as Reference Book 984, Page 225 ad Document 273923 for a Party Wall.
5. Agreement dated April 10, 1872 and recorded May 26 1880 in Book 979 Page 362 as Document 273925.
6. Matters of survey as shown on the survey prepared by National Survey Service, Inc., last revised November 5, 2010 as No. N-128413.
7. Terms, provisions, covenants conditions and options contained in and rights and easements established by the Declaration of Condominium Ownership recorded December 20, 2010, as Document No. 1035422069 and limitations and conditions imposed by the Condominium Property Act.
8. First Multifamily Mortgage, Assignment of Rents, Security Agreement and Fixture Filing dated December __, 2010 and recorded _____ as Document _____ made by Randolph Tower City Apartments LLC and Randolph Tower Affordable City Apartments LLC to Illinois Housing Development Authority to secure an indebtedness in the amount of _____.

Assigned to the Trustee, Bank of New York Mellon Trust Company, N.A. and Freddie Mac by an Assignment of Security Instrument dated _____ and recorded _____ as Document _____.
9. Terms, Covenants, Conditions and Restrictions contained in the Regulatory Agreement and Declaration of Restrictive Covenants dated _____ and recorded _____ as Document _____ made by and among Illinois Housing Development Authority, The Bank of New York Mellon Trust Company, N.A., Randolph Tower Affordable City Apartments LLC and Randolph Tower City Apartments, LLC.
10. Terms, Covenants, Conditions and Restrictions contained in the Redevelopment Agreement dated _____ and recorded as Document Number _____ made by and among Illinois Housing Development

Authority, Randolph Tower City Apartments LLC and Randolph Tower Affordable City Apartments LLC.

11. Terms, Covenants, Conditions and Restrictions contained in the Illinois Housing Development Authority Redevelopment Agreement dated _____ and recorded as Document Number _____ made by and among Illinois Housing Development Authority, Randolph Tower City Apartments LLC and Randolph Tower Affordable City Apartments LLC.
12. Terms, Covenants, Conditions and Restrictions contained in the Intercreditor Agreement dated _____ and recorded _____ as Document Number _____ made by and among Illinois Housing Development Authority, The Bank of New York Mellon Trust Company, N.A., Freddi Mac and Citibank, N.A.
13. Second Multifamily Mortgage, Assignment of Rents, Security Agreement and Fixture Filing dated December __, 2010 and recorded _____ as Document No. _____ made by Randolph Tower City Apartments, LLC and Randolph Tower Affordable City Apartments, LLC to Federal Home Loan Mortgage Corporation to secure and indebtedness in the amount of _____.
14. Multifamily Mortgage, Assignment of Rents, Security Agreement and Fixture Filing dated December __, 2010 and recorded _____ as Document _____ made by Randolph Tower City Apartments, LLC and Randolph Tower Affordable City Apartments, LLC to Citibank, N.A. to secure a note for _____.
15. Junior Mortgage, Assignment of Rents, Security Agreement and Fixture Filing dated December __, 2010 and recorded _____ as Document No. _____ made by Randolph Tower City Apartments, LLC and Randolph Tower Affordable City Apartments, LLC to Illinois Housing Development Authority to secure an indebtedness in the amount of \$10,000,000.00.
16. Lease made by Randolph Tower City Apartments, LLC to Randolph Tower Master Historic Tenant, LLC dated _____, a Memorandum of which was recorded _____ as Document No. _____ demising Unit 1 for a term of __ years beginning _____ and ending _____ and all rights thereunder of, and all acts done or suffered thereunder by, said Lessee or by any party claiming by, through, or under said Lessee.

(Affects Unit 1)
17. Lease made by Randolph Tower Affordable City Apartments, LLC to Randolph Tower Master Affordable Tenant, LLC dated _____, a

Memorandum of which was recorded _____ as Document No. _____
_____ demising Unit 2 for a term of _____ years beginning _____ and
ending _____ and all rights thereunder of, and all acts done or
suffered thereunder by, said Lessee or by any party claiming by, through, or
under said Lessee.

(Affects Unit 2)

18. UCC Financing Statement in favor of the Bank of New York Mellon Trust Company, N.A. Secured Party, in certain chattels on the Land, as disclosed by Financing Statement naming Randolph Tower Affordable City Apartments, LLC and Randolph Tower City Apartments, LLC as Debtor and recorded _____ as Document No. _____.
19. UCC-1 Financing Statement in favor of Freddie Mac, Secured Party in certain described chattels on the Land, as disclosed by Financing Statement naming Randolph Tower Affordable City Apartments, LLC and Randolph Tower City Apartments, LLC as Debtor and recorded _____ as Document No. _____.
20. UCC-1 Financing Statement in favor of Citibank, N.A. Secured Party, in certain chattels on the Land, as disclosed by Financing Statement naming Randolph Tower Affordable City Apartments LLC and Randolph Tower City Apartments, LLC as Debtor and recorded _____ as Document No. _____.

Exhibit H-1

LAND	
LAND COSTS	12,269,423.50
PRE-CONSTRUCTION OPERATING COSTS	3,780,000.00
HEALTH CLUB BUYOUT	492,400.00
FAÇADE REPAIR	504,722.08
PRE-CONSTRUCTION DEBT SERVICE	3,991,029.24
LAND CLOSING LEGAL	1,227,882.59
OTHER ACQUISITION COSTS	457,052.46
TOTAL LAND COST	22,722,509.87
HARD COST	
INTERIOR RENOVATION	55,965,000.00
FAÇADE RENOVATION	21,485,000.00
ENVIRONMENTAL REMEDIATION	580,000.00
MUNICIPAL COSTS INCL. PERMITS	702,906.29
DEVELOPER PROVIDED INTERIOR SCOPE COMMERCIAL T.I.	1,128,055.00
HARD COST CONTINGENCY	1,443,680.00
TOTAL HARD COST (DIRECT + OTHER)	89,107,641.29
SOFT COST	
PROFESSIONAL FEES	
ARCH FEE, DESIGN & SUPERVISION	2,515,582.03
LEGAL	3,605,962.00
ENGINEERING/SURVEY	802,237.77
ACCOUNTING/TAX CREDIT PROJECTIONS/AUDIT	510,000.00
PROPERTY TAX CONSULTANT	62,819.00
APPRAISALS/MARKET STUDIES	58,120.00
ENVIRONMENTAL	107,367.84
ARCH REVIEW/INSPECTIONS	65,000.00
FINANCIAL CONSULTANT	815,408.27
PRE CLOSING CONSTR. MGMT SVCS	1,068,902.69
TIF CONSULTANT	215,000.00
OTHER CONSULTANTS	118,922.32
RETAIL/OFFICE LEASE COMMISSIONS	139,165.00
OTHER PROFESSIONAL	56,026.00
TOTAL PROFESSIONAL FEES	10,140,512.92
OTHER SOFT COSTS	
TITLE/RECORDING	170,980.00
MARKETING	745,000.00
PRE CLOSING CONSTRUCTION SERVICES	312,270.24
TRAVEL	270,000.00
INSURANCE	281,583.00
CONSTRUCTION PERIOD REAL ESTATE TAXES	450,000.00
OTHER SOFT COSTS	32,500.00
SC CONTINGENCY	400,000.00
TOTAL OTHER SOFT COSTS	2,662,333.24
FINANCING COSTS	
IHDA VOLUME CAP FEE/1602 ASSET MANAGEMENT FEE	730,250.00
APPRAISAL	25,000.00
LAND LOAN EXTENSION FEES	140,700.00
MISC LOAN COSTS/FEES	111,619.19
EQUITY PLACEMENT FEES	250,565.85
BROKER FEES	81,500.00
FINANCE CONSULTING FEES	125,000.00
CITI COMMITMENT FEE	1,174,794.74
TAX CREDIT BRIDGE LOAN FEES/COSTS	121,249.42
BOND COSTS/FEES	396,350.00
CITI LOANS - PLACEMENT FEE	675,000.00
FREDDIE MAC DEPOSITS/COSTS	571,380.00
TIF BRIDGE FEES/COSTS	10,000.00
TOTAL FINANCING COSTS	4,492,395.50

INTEREST COSTS	
A SERIES BOND INTEREST/COSTS/FEEES	7,526,831.30
CITI CONSTRUCTION LOAN	4,345,384.21
BRIDGE INTEREST/COSTS (CITI)	2,032,889.82
TOTAL INTEREST COSTS	13,905,105.32
TOTAL SOFT COSTS	31,200,346.98
RESERVES/ESCROWS	
REAL ESTATE TAX ESCROW	158,000.00
INSURANCE ESCROW	61,225.00
REPLACEMENT RESERVE	78,250.00
TOTAL RESERVES/ESCROWS	297,475.00
TOTAL PROJECT COSTS	143,327,973.14
DEFERRED DEVELOPMENT FEE	3,296,465.00
TOTAL DEVELOPMENT COST	146,624,438.14

COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____

EXHIBIT H-2
MBE/WBE BUDGET

Total Eligible Hard Costs	\$42,406,507
Required MBE @ 24 %	\$10,177,562
Required WBE @ 4%	\$ 1,696,260

COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____

COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____

EXHIBIT I

APPROVED PRIOR EXPENDITURES

NONE

**COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____**

**COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____**

EXHIBIT J

FORM OF OPINION OF DEVELOPER'S COUNSEL

[To be negotiated and retyped on the Developer's Counsel's letterhead]

City of Chicago
121 North LaSalle Street
Chicago, IL 60602

ATTENTION: Corporation Counsel

Ladies and Gentlemen:

We have acted as counsel to _____, an [Illinois] _____ (the "**Developer**"), in connection with the purchase of certain land and the construction of certain facilities thereon located in the _____ Redevelopment Project Area (the "**Project**"). In that capacity, we have examined, among other things, the following agreements, instruments and documents of even date herewith, hereinafter referred to as the "**Documents**":

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

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

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

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

In addition to the foregoing, we have examined

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

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

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

Based on the foregoing, it is our opinion that:

1. The Developer is a corporation duly organized, validly existing and in good standing under the laws of its state of [incorporation] [organization], has full power and authority to own and lease its properties and to carry on its business as presently conducted, and is in good standing and duly qualified to do business as a foreign [corporation] [entity] under the laws of every state in which the conduct of its affairs or the ownership of its assets requires such qualification, except for those states in which its failure to qualify to do business would not have a material adverse effect on it or its business.

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

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

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

5. **Exhibit A** attached hereto (a) identifies each class of capital stock of the Developer, (b) sets forth the number of issued and authorized shares of each such class, and (c) identifies the record owners of shares of each class of capital stock of the Developer and the number of shares held of record by each such holder. To the best of our knowledge after

diligent inquiry, except as set forth on **Exhibit A**, there are no warrants, options, rights or commitments of purchase, conversion, call or exchange or other rights or restrictions with respect to any of the capital stock of the Developer. Each outstanding share of the capital stock of the Developer is duly authorized, validly issued, fully paid and nonassessable.

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

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

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

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

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

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

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

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

Very truly yours,

By: _____

Name: _____

**COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____**

**COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____**

EXHIBIT K

Preliminary TIF Projection—Real Estate Taxes

[TO BE PREPARED BY DEVELOPER, APPROVED BY CITY AND INSERTED PRIOR TO ISSUANCE OF CERTIFICATE]

**COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____**

**COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____**

warranties contained in the Redevelopment Agreement are true and correct and the Developer is in compliance with all applicable covenants contained herein.

2. The Attached Annual Compliance Report remains true, complete and correct in all material respects.

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

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

RANDOLPH TOWER CITY APARTMENTS, INC.

By: _____

Name: _____

Title: _____

Subscribed and sworn before me this ____ day of _____.

(Notary)

My commission expires: _____

(Seal)

Agreed and accepted:

Name
Title: _____
City of Chicago
Department of Community Development

ASSIGNMENT AND DIRECTION

FOR VALUE RECEIVED, **Randolph Tower City Apartments, Inc.**, a Delaware corporation (the "Developer"), assigns unto _____ ("Assignee") the irrevocable and unconditional right to receive all payments made by the City pursuant to the Requisition Form attached hereto (the "Requisition Form") and hereby directs the City and/or its agents to make any and all such payments to the Assignee in lieu of Developer. The City shall owe no further payment to the Developer in connection with the Requisition Form.

Dated:

RANDOLPH TOWER CITY APARTMENTS, INC.

By: _____

Name: _____

Title: _____

Subscribed and sworn before me this ___ day of _____.

(Notary)

My commission expires: _____

(Seal)

Consented to by:
CITY OF CHICAGO
DEPARTMENT OF COMMUNITY DEVELOPMENT

BY: _____

ITS: _____

EXHIBIT M-1**NOTE**REGISTERED
NO. R-1MAXIMUM AMOUNT
\$5,000,000UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF COOK
CITY OF CHICAGOTAX INCREMENT ALLOCATION REVENUE NOTE (188 WEST RANDOLPH/WELLS
REDEVELOPMENT PROJECT), TAXABLE SERIES 2010A**Registered Owner: Randolph Tower City Apartments, Inc., a Delaware business corporation****Interest Rate: 0% per annum upon issuance; adjusted as of the date of issuance of the Certificate and Substantial Completion (as defined in the hereinafter defined Redevelopment Agreement) to an Index Rate (as defined in the Redevelopment Agreement) not to exceed 9.0% per annum, subject to the approval of the Commissioner of the Department of Community Development of the City of Chicago, Illinois****Maturity Date: December 1, 2030**

KNOW ALL PERSONS BY THESE PRESENTS, that the City of Chicago, Cook County, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, the principal amount of this Note from time to time advanced by the Registered Owner to pay costs of the Project (as hereafter defined) in accordance with the ordinance hereinafter referred to up to the principal amount of \$5,000,000 and to pay the Registered Owner interest on that amount at the Interest Rate per year specified above from the date of the advance, with payments of principal and interest to be made according to a debt service schedule, agreed upon by the City and the Registered Owner (the "Debt Service Schedule"), to be attached hereto upon issuance by the City of a Certificate of Completion pursuant to Section 7.01 of the hereinafter defined

Redevelopment Agreement hereunder. Interest shall be computed on the basis of a 360-day year of twelve 30-day months. Accrued but unpaid interest on this Note shall also accrue at the interest rate per year specified above until paid. Principal of and interest on this Note from the Available Incremental Taxes (as defined in the hereinafter defined Redevelopment Agreement) is due pursuant to the Debt Service Schedule until the earlier of Maturity or until this Note is paid in full. Payments shall first be applied to interest. The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying agent (the "Registrar"), at the close of business on the dates indicated on the Debt Service Schedule (the first such anticipated date being March 1 of the year after the year in which a Certificate of Completion is issued pursuant to Section 7.01 of the hereinafter defined Redevelopment Agreement), and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City. The Registered Owner of this Note shall note on the Payment Record attached hereto the amount and the date of any payment of the principal of this Note promptly upon receipt of such payment.

If, at any time, there are insufficient Available Incremental Taxes to make a scheduled payment of principal and interest on the Note (other than the payment on the Maturity Date hereof), then the obligation of the City to pay the deficiency shall continue on a cumulative basis through the Maturity Date, provided that the City shall pay the deficiency on the next scheduled

payment date if there are then sufficient Available Incremental Taxes to do so. In the event the City fails to make a scheduled payment within thirty (30) days of the date due, the shortfall shall be paid from the City Note Reserve, if available, but in no event shall a single payment from the City Note Reserve exceed \$632,000. The City may, in its sole discretion, make a scheduled payment from the Excess Initial Payment.

This Note is issued by the City in the principal amount of advances made from time to time by the Registered Owner up to **\$5,000,000** for the purpose of paying the costs of certain eligible redevelopment project costs incurred by **Randolph Tower City Apartments, Inc.**, a Delaware business corporation (the "Developer") which were acquired, rehabilitated and installed in connection with the redevelopment of a building (the "Project") in the Randolph/Wells Redevelopment Project Area (the "Project Area") in the City, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.) (the "TIF Act"), the Local Government Debt Reform Act (30 ILCS 350/1 et seq.) and an Ordinance adopted by the City Council of the City on June 9, 2010 (the "Ordinance"), in all respects as by law required.

The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the TIF Act and the Ordinance, in order to pay the principal and interest of this Note. Reference is hereby made to the aforesaid Ordinance and the Redevelopment Agreement for a description, among others, with respect to the determination, custody and application of said revenues, the nature and extent of such security with respect to this Note and the terms and conditions under which this Note is issued and secured. **THIS NOTE IS A SPECIAL LIMITED OBLIGATION OF THE CITY, AND IS PAYABLE SOLELY FROM AVAILABLE INCREMENTAL TAXES, AND SHALL BE A VALID CLAIM OF THE REGISTERED**

OWNER HEREOF ONLY AGAINST SAID SOURCES. THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OR A LOAN AGAINST THE GENERAL TAXING POWERS OR CREDIT OF THE CITY, WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER OF THIS NOTE SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OR INTEREST OF THIS NOTE. The principal of this Note is subject to redemption on any date, as a whole or in part, at a redemption price of 100% of the principal amount thereof being redeemed. There shall be no prepayment penalty. Notice of any such redemption shall be sent by registered or certified mail not less than five (5) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of this Note at the address shown on the registration books of the City maintained by the Registrar or at such other address as is furnished in writing by such Registered Owner to the Registrar.

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

This Note is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the principal office of the Registrar in Chicago, Illinois, but only in the manner and subject to the limitations provided in the Ordinance, and upon surrender and cancellation of this Note. Upon such transfer, a new Note of authorized denomination of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange herefor. The Registrar shall not be required to transfer this Note during the period beginning at the close of business on the fifteenth day of the month immediately prior to the maturity date of this Note nor to transfer this Note after notice calling this Note or a portion

hereof for redemption has been mailed, nor during a period of five (5) days next preceding mailing of a notice of redemption of this Note. Such transfer shall be in accordance with the form at the end of this Note.

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

Pursuant to the Redevelopment Agreement dated as of December __, 2010, among the City, the Developer, Randolph Tower City Apartments, LLC ("Randolph TCA LLC"), a Delaware limited liability company, Randolph Tower Affordable City Apartments, LLC ("Randolph TACA LLC"), a Delaware limited liability company, Randolph Tower Master Affordable Tenant LLC ("Randolph TMAT LLC"), a Delaware limited liability company, and Randolph Tower Master Historic Tenant LLC, a Delaware limited liability company ("Randolph TMT LLC") (the Redevelopment Agreement"), the Registered Owner has agreed to acquire and rehabilitate the Project and to advance funds for the rehabilitation of certain facilities related to the Project on behalf of the City. The cost of such rehabilitation in the amount of \$5,000,000 shall be deemed to be a disbursement of the proceeds of this Note.

Pursuant to Section 15.02 of the Redevelopment Agreement (but subject to Section 15.01(h) thereof), the City has reserved the right to suspend or terminate payments of principal and of interest on this Note upon the occurrence of certain conditions. Subject to Section 15.01(h) of the Redevelopment Agreement, the City shall not be obligated to make payments under this Note if an Event of Default (as defined in the Redevelopment Agreement), or condition or event that with notice or the passage of time or both would constitute an Event of Default, has occurred. Such rights shall survive any transfer of this Note.

The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof

and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

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

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

(THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK)

IN WITNESS WHEREOF, the City of Chicago, Cook County, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and has caused this Note to be signed by the duly authorized signature of the Mayor and attested by the duly authorized signature of the City Clerk of the City, all as of _____, 2010.

(SEAL)
Attest:

City Clerk

**CERTIFICATE
OF
AUTHENTICATION**

**Registrar and Paying Agent:
Chief Financial Officer of the
City of Chicago,
Cook County, Illinois**

This Note is described in the within mentioned Ordinance and is the Tax Increment Allocation Revenue Note (Randolph/Wells Redevelopment Project), Taxable Series 2010, of the City of Chicago, Cook County, Illinois.

Chief Financial Officer
Date:

**DEBT SERVICE SCHEDULE TO CITY OF CHICAGO
TAX INCREMENT ALLOCATION REVENUE NOTE (RANDOLPH/WELLS
REDEVELOPMENT PROJECT), TAXABLE SERIES 2010**

(to be attached)

[TO BE ATTACHED UPON ISSUANCE OF THE CERTIFICATE]

**COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____**

**COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____**

(ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto Randolph Tower City Apartments, LLC, a Delaware limited liability company ("Assignee"), the within Note and does hereby irrevocably constitute and appoint attorney to transfer the said Note on the books kept for registration thereof with full power of substitution in the premises.

Dated:

Registered Owner

Randolph Tower City Apartments, Inc., a Delaware business corporation

By: _____

Its: _____

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

Signature Guaranteed:

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

Consented to by:

CITY OF CHICAGO
DEPARTMENT OF COMMUNITY DEVELOPMENT

BY: _____

ITS: _____

CERTIFICATE OF EXPENDITURE

Date: _____

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")
 \$5,000,000 Tax Increment Allocation Revenue Note
 (Randolph/Wells Redevelopment Project, Taxable Series 2010A)
 (the "Redevelopment Note")

This Certificate is submitted to you, Registered Owner of the Redevelopment Note, pursuant to the Ordinance of the City authorizing the execution of the Redevelopment Note adopted by the City Council of the City on June 9, 2010 (the "Ordinance"). All terms used herein shall have the same meaning as when used in the Ordinance.

The City hereby certifies that \$ _____ is advanced as principal under the Redevelopment Note as of the date hereof. Such amount has been properly incurred, is a proper charge made or to be made in connection with the redevelopment project costs defined in the Ordinance and has not been the basis of any previous principal advance. As of the date hereof, the outstanding principal balance under the Redevelopment Note is \$ _____, including the amount

IN WITNESS WHEREOF, the City has caused this Certificate to be signed on its behalf as of _____.

CITY OF CHICAGO

By:
 Commissioner
 Department of Community
 Development

AUTHENTICATED BY:

REGISTRAR

EXHIBIT M-2**FORM OF TAX-EXEMPT NOTE**

REGISTERED
NO. R-1

MAXIMUM AMOUNT
\$5,000,000

UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF COOK
CITY OF CHICAGO
TAX INCREMENT ALLOCATION REVENUE NOTE
(188 WEST RANDOLPH/WELLS REDEVELOPMENT PROJECT),
TAX-EXEMPT SERIES 2010A

Registered Owner: **Randolph Tower City Apartments, Inc., a Delaware business corporation**

Interest Rate: 0% per annum upon issuance; adjusted as of the date of issuance of the Certificate and Substantial Completion (as defined in the hereinafter defined Redevelopment Agreement) to an Index Rate (as defined in the Redevelopment Agreement) not to exceed 9.0% per annum, subject to the approval of the Commissioner of the Department of Community Development of the City of Chicago, Illinois

Maturity Date: December 1, 2030

KNOW ALL PERSONS BY THESE PRESENTS, that the City of Chicago, Cook County, Illinois (the City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, the principal amount of this Note from time to time advanced by the Registered Owner to pay costs of the Project (as hereafter defined) in accordance with the ordinance hereinafter referred to up to the principal amount of \$5,000,000 and to pay the Registered Owner interest on that amount at the Interest Rate per year specified above from the date of the advance, with payments of principal and interest to be made according to a debt service schedule, agreed upon by the City

and the Registered Owner (the "Debt Service Schedule"), to be attached hereto upon issuance by the City of a Certificate of Completion pursuant to Section 7.01 of the hereinafter defined Redevelopment Agreement hereunder. Interest shall be computed on the basis of a 360-day year of twelve 30-day months. Accrued but unpaid interest on this Note shall also accrue at the interest rate per year specified above until paid. Principal of and interest on this Note from the Available Incremental Taxes (as defined in the hereinafter defined Redevelopment Agreement) is due pursuant to the Debt Service Schedule until the earlier of Maturity or until this Note is paid in full. Payments shall first be applied to interest. The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying agent (the "Registrar"), at the close of business on the dates indicated on the Debt Service Schedule (the first such anticipated date being March 1 of the year after the year in which a Certificate of Completion is issued pursuant to Section 7.01 of the hereinafter defined Redevelopment Agreement), and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City. The Registered Owner of this Note shall note on the Payment Record attached hereto the amount and the date of any payment of the principal of this Note promptly upon receipt of such payment.

If, at any time, there are insufficient Available Incremental Taxes to make a scheduled payment of principal and interest on the Note (other than the payment on the Maturity Date

hereof), then the obligation of the City to pay the deficiency shall continue on a cumulative basis through the Maturity Date, provided that the City shall pay the deficiency on the next scheduled payment date if there are then sufficient Available Incremental Taxes to do so. In the event the City fails to make a scheduled payment within thirty (30) days of the date due, the shortfall shall be paid from the City Note Reserve, if available, but in no event shall a single payment from the City Note Reserve exceed \$632,000. The City may, in its sole discretion, make a scheduled payment from the Excess Initial Payment.

This Note is issued by the City in the principal amount of advances made from time to time by the Registered Owner up to **\$5,000,000** for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Randolph Tower City Apartments, Inc., a Delaware business corporation (the "Developer"), which were acquired, rehabilitated and installed in connection with the redevelopment of a building (the "Project") in the Randolph/Wells Redevelopment Project Area (the "Project Area") in the City, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.) (the "TIF Act"), the Local Government Debt Reform Act (30 ILCS 350/1 et seq.) and an Ordinance adopted by the City Council of the City on June 9, 2010 (the "Ordinance"), in all respects as by law required.

The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the TIF Act and the Ordinance, in order to pay the principal and interest of this Note. Reference is hereby made to the aforesaid Ordinance and the Redevelopment Agreement for a description, among others, with respect to the determination, custody and application of said revenues, the nature and extent of such security with respect to this Note and the terms and conditions under which this Note is issued and secured. THIS NOTE IS A

SPECIAL LIMITED OBLIGATION OF THE CITY, AND IS PAYABLE SOLELY FROM AVAILABLE INCREMENTAL TAXES, AND SHALL BE A VALID CLAIM OF THE REGISTERED OWNER HEREOF ONLY AGAINST SAID SOURCES. THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OR A LOAN AGAINST THE GENERAL TAXING POWERS OR CREDIT OF THE CITY, WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER OF THIS NOTE SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OR INTEREST OF THIS NOTE. The principal of this Note is subject to redemption on any date, as a whole or in part, at a redemption price of 100% of the principal amount thereof being redeemed. There shall be no prepayment penalty. Notice of any such redemption shall be sent by registered or certified mail not less than five (5) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of this Note at the address shown on the registration books of the City maintained by the Registrar or at such other address as is furnished in writing by such Registered Owner to the Registrar.

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

This Note is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the principal office of the Registrar in Chicago, Illinois, but only in the manner and subject to the limitations provided in the Ordinance, and upon surrender and cancellation of this Note. Upon such transfer, a new Note of authorized denomination of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange herefor. The Registrar shall not be required to transfer this Note during the period

beginning at the close of business on the fifteenth day of the month immediately prior to the maturity date of this Note nor to transfer this Note after notice calling this Note or a portion hereof for redemption has been mailed, nor during a period of five (5) days next preceding mailing of a notice of redemption of this Note. Such transfer shall be in accordance with the form at the end of this Note.

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

Pursuant to the Redevelopment Agreement dated as of December __, 2010, among the City, the Developer, Randolph Tower City Apartments, LLC ("Randolph TCA LLC"), a Delaware limited liability company, Randolph Tower Affordable City Apartments, LLC ("Randolph TACA LLC"), a Delaware limited liability company, Randolph Tower Master Affordable Tenant LLC ("Randolph TMAT LLC"), a Delaware limited liability company, and Randolph Tower Master Historic Tenant LLC, a Delaware limited liability company ("Randolph TMT LLC") (the Redevelopment Agreement"), the Registered Owner has agreed to acquire and rehabilitate the Project and to advance funds for the rehabilitation of certain facilities related to the Project on behalf of the City. The cost of such rehabilitation in the amount of \$5,000,000 shall be deemed to be a disbursement of the proceeds of this Note.

Pursuant to Section 15.02 of the Redevelopment Agreement (but subject to Section 15.01(h) thereof), the City has reserved the right to suspend or terminate payments of principal and of interest on this Note upon the occurrence of certain conditions. Subject to Section 15.01(h) of the Redevelopment Agreement, the City shall not be obligated to make payments under this Note if an Event of Default (as defined in the Redevelopment Agreement), or condition or event that with notice or the passage of time or both would constitute an Event of Default, has occurred. Such rights shall survive any transfer of this Note.

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

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

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

(THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK)

IN WITNESS WHEREOF, the City of Chicago, Cook County, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and has caused this Note to be signed by the duly authorized signature of the Mayor and attested by the duly authorized signature of the City Clerk of the City, all as of _____, 2010.

(SEAL)
Attest:

City Clerk

**CERTIFICATE

OF
AUTHENTICATION**

**Registrar and Paying Agent:
Chief Financial Officer of the
City of Chicago,
Cook County, Illinois**


This Note is described in the within mentioned Ordinance and is the Tax Increment Allocation Revenue Note (Randolph/Wells Redevelopment Project), Taxable Series 2010, of the City of Chicago, Cook County, Illinois.

Chief Financial Officer
Date:

**DEBT SERVICE SCHEDULE TO CITY OF CHICAGO
TAX INCREMENT ALLOCATION REVENUE NOTE
(RANDOLPH/WELLS REDEVELOPMENT PROJECT),
TAX-EXEMPT SERIES 2010A
(to be attached)**

[TO BE ATTACHED UPON ISSUANCE OF THE CERTIFICATE]

**COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____**

**COOK COUNTY 
RECORDER OF DEEDS
SCANNED BY _____**

(ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto Randolph Tower City Apartments, LLC, a Delaware limited liability company, ("Assignee") the within Note and does hereby irrevocably constitute and appoint attorney to transfer the said Note on the books kept for registration thereof with full power of substitution in the premises.

Dated:

Registered Owner

Randolph Tower City Apartments, Inc., a Delaware business corporation

By: _____

Its: _____

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

Signature Guaranteed:

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

Consented to by:

**CITY OF CHICAGO
DEPARTMENT OF COMMUNITY DEVELOPMENT**

BY: _____

ITS: _____

CERTIFICATE OF EXPENDITURE

Date: _____

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")
 \$5,000,000 Tax Increment Allocation Revenue Note
 (Randolph/Wells Redevelopment Project, Tax-Exempt Series 2010A)
 (the "Redevelopment Note")

This Certificate is submitted to you, Registered Owner of the Redevelopment Note, pursuant to the Ordinance of the City authorizing the execution of the Redevelopment Note adopted by the City Council of the City on June 9, 2010 (the "Ordinance"). All terms used herein shall have the same meaning as when used in the Ordinance.

The City hereby certifies that \$ _____ is advanced as principal under the Redevelopment Note as of the date hereof. Such amount has been properly incurred, is a proper charge made or to be made in connection with the redevelopment project costs defined in the Ordinance and has not been the basis of any previous principal advance. As of the date hereof, the outstanding principal balance under the Redevelopment Note is \$ _____ including the amount of this Certificate and less payment made on the Redevelopment Note.

IN WITNESS WHEREOF, the City has caused this Certificate to be signed on its behalf as of _____.

CITY OF CHICAGO

By: _____
 Commissioner
 Department of Community
 Development

AUTHENTICATED BY:

REGISTRAR

EXHIBIT N

INTENTIONALLY OMITTED

**COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____**

**COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____**

EXHIBIT O**FORM OF SUBORDINATION AGREEMENT**

This document prepared by and after recording return to:
 Randall L Johnson, Esq.
 Assistant Corporation Counsel
 Department of Law
 121 North LaSalle Street, Room 600
 Chicago, IL 60602

SUBORDINATION AGREEMENT

This Subordination Agreement ("Agreement") is made and entered into as of the day of _____, _____ between the City of Chicago by and through its Department of Community Development (the "City"), [Name Lender], a [national banking association] (the "Lender").

WITNESSETH:

WHEREAS, [Describe Project - use language form Recitals of Redevelopment agreement - see example below] the _____ an Illinois limited liability company (the "Developer"), has purchased certain property located within the Randolph/Wells Redevelopment Project Area at 188 West Randolph Street, Chicago, Illinois 60602 and legally described on Exhibit A hereto (the "Property"), in order to redevelop the building (the "Building") located on the Property through the following activities:(i) a complete gut and rehabilitation of the interior, (ii) replacement of missing terra cotta at the base of the building along with new storefronts and architectural accent lighting, and (iii) renovation of building components which will include (A) restoration of the terra cotta facade (including replacement or restoration of gothic revival details removed for safety reasons) and all other exterior facade work, (B) cleaning & tuckpointing, (C) installation of new storefront windows, (D) a new lobby & entrance, (E) installing a new fire protection system, and (F) other new building systems including a new plumbing system, new HVAC system and a new electrical system. All work that shall be a part of all renovations and repairs to be made to the facade including (i) replacement of missing terra cotta facade at the base of the building, (ii) replacement or restoration of gothic revival details removed for safety reasons, (iii) restoration of the terra cotta facade and (iv) any and all other exterior facade work may hereinafter be referred to as the "Facade Work". (the redevelopment activities in the Building and on the Property as described above are collectively referred to herein as the "Project."); and

WHEREAS, the Developer desires to enter into a certain Redevelopment Agreement dated the date hereof with the City in order to obtain additional financing for the Project (the "Redevelopment Agreement," referred to herein along with various other agreements and documents related thereto as the "City Agreements");

WHEREAS, pursuant to the Redevelopment Agreement, the Developer will agree to be bound by certain covenants expressly running with the Property, as set forth in Sections [8.02, 8.06 and 8.19] of the Redevelopment Agreement (the "City Encumbrances");

WHEREAS, the City has agreed to enter into the Redevelopment Agreement with the Developer as of the date hereof, subject, among other things, to (a) the execution by the Developer of the Redevelopment Agreement and the recording thereof as an encumbrance against the Property; and (b) the agreement by the Lender to subordinate their respective liens under the Loan Documents to the City Encumbrances; and

NOW, THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Lender and the City agree as hereinafter set forth:

1. **Subordination.** All rights, interests and claims of the Lender in the Property pursuant to the Loan Documents are and shall be subject and subordinate to the City Encumbrances. In all other respects, the Redevelopment Agreement shall be subject and subordinate to the Loan Documents. Nothing herein, however, shall be deemed to limit the Lender's right to receive, and the Developer's ability to make, payments and prepayments of principal and interest on the Note, or to exercise its rights pursuant to the Loan Documents except as provided herein.

2. **Notice of Default.** The Lender shall use reasonable efforts to give to the City, and the City shall use reasonable efforts to give to the Lender, (a) copies of any notices of default which it may give to the Developer with respect to the Project pursuant to the Loan Documents or the City Agreements, respectively, and (b) copies of waivers, if any, of the Developer's default in connection therewith. Under no circumstances shall the Developer or any third party be entitled to rely upon the agreement provided for herein.

3. **Waivers.** No waiver shall be deemed to be made by the City or the Lender of any of their respective rights hereunder, unless the same shall be in writing, and each waiver, if any, shall be a waiver only with respect to the specific instance involved and shall in no way impair the rights of the City or the Lender in any other respect at any other time.

4. **Governing Law; Binding Effect.** This Agreement shall be interpreted, and the rights and liabilities of the parties hereto determined, in accordance with the internal laws and decisions of the State of Illinois, without regard to its conflict of laws principles, and shall be binding upon and inure to the benefit of the respective successors and assigns of the City and the Lender.

5. **Section Titles; Plurals.** The section titles contained in this Agreement are and shall be without substantive meaning or content of any kind whatsoever and are not a part of the agreement between the parties hereto. The singular form of any word used in this Agreement shall include the plural form.

6. **Notices.** Any notice required hereunder shall be in writing and addressed to the party to be notified as follows:

If to the City: City of Chicago Department of Community Development
121 North LaSalle Street, Room 1000
Chicago, Illinois 60602
Attention: Commissioner

With a copy to: City of Chicago Department of Law
121 North LaSalle Street, Room 600
Chicago, Illinois 60602
Attention: Finance and Economic
Development Division

If to the Lender: _____

Attention: _____

With a copy to: _____

Attention: _____

or to such other address as either party may designate for itself by notice. Notice shall be deemed to have been duly given (i) if delivered personally or otherwise actually received, (ii) if sent by overnight delivery service, (iii) if mailed by first class United States mail, postage prepaid, registered or certified, with return receipt requested, or (iv) if sent by facsimile with facsimile confirmation of receipt (with duplicate notice sent by United States mail as provided above). Notice mailed as provided in clause (iii) above shall be effective upon the expiration of three (3) business days after its deposit in the United States mail. Notice given in any other manner described in this paragraph shall be effective upon receipt by the addressee thereof; provided, however, that if any notice is tendered to an addressee and delivery thereof is refused by such addressee, such notice shall be effective upon such tender.

7. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall constitute an original and all of which, when taken together, shall constitute one instrument.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, this Subordination Agreement has been signed as of the date first written above.

[LENDER], [a national banking association]

By: _____

Its: _____

CITY OF CHICAGO

By: _____

Its: _____

Commissioner
Department of Community Development

ACKNOWLEDGED AND AGREED TO THIS

___ DAY OF _____, ____

[Developer], a

By:

Its:

EXHIBIT A
LEGAL DESCRIPTION

COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____

COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____

EXHIBIT P
FORM OF PAYMENT & PERFORMANCE BOND

COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____

COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____

EXHIBIT Q
GREEN INITIATIVES
[TO BE ATTACHED]

COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____

COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____