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KAREN A. YARBROUGH
COOK COUNTY RECORDER OF DEEDS
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NORTH PULLMAN REDEVELOPMENT PROJECT AREA

FIRST AMENDMENT TO CHICAGO NEIGHBORHOOD INITIATIVES, INC.
REDEVELOPMENT AGREEMENT

This First Amendment to Chicago Neighborhood Initiatives, Inc. Redevelopment Agreement (the "First Amendment") is made as of this 24th day of August, 2017, between the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Planning and Development ("DPD"), Chicago Neighborhood Initiatives, Inc., an Illinois not-for-profit corporation (the "Developer") and Pullman Park Development 2, LLC, an Illinois limited liability company and wholly owned subsidiary of Developer (the "Gateway Vertical Developer"). Gateway Vertical Developer is being added as a party to the Redevelopment Agreement solely in regard to the Gateway Project (as defined below). Developer and Gateway Vertical Developer shall be known herein as the "Gateway Developer Parties." The City, the Developer, and the Gateway Vertical Developer shall be known herein as the "Parties."

Ryan Companies US, Inc., a Minnesota corporation ("Vertical Developer") signed a limited joinder to the Redevelopment Agreement with respect to Section 18.27 of the Agreement, but is not a party to this First Amendment because Section 18.27 is not amended by this First Amendment.

RECITALS

A. As a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois, 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. 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. To induce certain redevelopment pursuant to the Act, in accordance with the provisions of the Act, pursuant to ordinances adopted on June 30, 2009, and published at pages 65068 through 65179 of the Journal of Proceedings of the City Council (the "Journal") for such date, the City Council of the City (the "City Council"): (1) approved and adopted a redevelopment plan for the North Pullman Redevelopment Project Area (the "North Pullman Redevelopment Area") of the City; (2) designated the North Pullman Redevelopment Area as a "redevelopment project area" pursuant to the Act; and (3) adopted tax increment allocation financing for the North Pullman Redevelopment Area. The North Pullman Redevelopment Area is legally described in Exhibit A to the Redevelopment Agreement (defined below). The Roseland/Michigan Redevelopment Project Area of the City is directly adjacent to the North Pullman Redevelopment Area.

D. Pursuant to an ordinance adopted by the City Council on June 22, 2016, the City entered into that certain Chicago Neighborhood Initiatives, Inc. Redevelopment Agreement dated as of July 22, 2016 and recorded on August 5, 2016 as Document Number 1621816054 in the Office of the Cook County Recorder of Deeds (the "Redevelopment Agreement") with the Developer.

E. Subsequent to the execution of the Redevelopment Agreement, Developer has encountered a number of challenges that have caused changes to the timing for the completion of the original project. Developer and the City have agreed to enter into this First Amendment to memorialize a change to the required completion date of the project. In addition, the Gateway Developer Parties seek to undertake a second component to the overall project to be known as the Gateway Project, which also is authorized by this First Amendment.

F. Such aforementioned change to the timing for the completion of the Project requires an amendment to the Redevelopment Agreement.

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 ONE: INCORPORATION; DEFINITIONS

1. The recitals set forth above are incorporated herein by reference and made a part hereof.

2. Any capitalized term used but not otherwise defined herein shall have the same meaning as set forth in the Redevelopment Agreement.

SECTION TWO: AMENDMENT TO THE REDEVELOPMENT AGREEMENT

1. Add the following Recital to the Redevelopment Agreement:

D.1. The Gateway Project: Pursuant to that certain Development Agreement (111th Street Retail Gateway Project), dated as of June 30, 2017, by and between Developer and the Gateway Vertical Developer, Developer is authorized to perform work at certain property located within the North Pullman Redevelopment Area located along East 111th Street between South

Doty Avenue and the Norfolk-Southern Railroad tracks, as legally described on Exhibit B-2 (the "Gateway Property"). Within the time frames set forth in Section 3.01.1, the Developer shall: (i) commence and complete site preparation, erosion control, demolition, construction of private and public utility improvements, construction of engineered barrier, improvements to East 111th Street and other site preparation work as needed to create a development pad for construction by the Gateway Vertical Developer of an approximately 9,800 square foot retail building to be leased, in part, by Potbelly Corporation, Inc., a Delaware corporation ("Potbelly"), for use as a Potbelly restaurant. All work at the Gateway Property to be completed by Gateway Developer Parties for the creation of a development pad, along with associated public and private infrastructure, and the construction and leasing of the approximately 9,800 square foot retail building to be occupied by a Potbelly Restaurant and several other smaller tenants shall be known herein as the "Gateway Project." It is anticipated that the Gateway Project will have approximately seventy (70) full-time equivalent temporary construction jobs during the construction period and will have approximately forty (40) full-time equivalent employees when fully operational. Both the Project and the Gateway Project are part of the larger, 173-acre Pullman Park Development, a multi-phased project being undertaken by the Developer. The entire Pullman Park Development was previously an industrial site and home of Ryerson Steel. The completion of the Gateway Project and the leasing of the Property to Potbelly and other tenants would not reasonably be anticipated without the financing contemplated in this Agreement.

2. Replace Recital F of the Redevelopment Agreement with the following:

F. City Financing and Assistance for the Project: Subject to Developer fulfilling those obligations under this Agreement applicable to the Project for the Whole Foods Warehouse and Distribution Facility that are the applicable conditions precedent to obligate the City to do so, the City will grant the Developer Incremental Taxes as defined in Schedule A in an amount of up to a maximum of \$500,000 and issue the City Note in a principal amount not to exceed \$7,400,000 (collectively, the "City Funds"). The Developer, and not the Vertical Developer or Whole Foods, will be the sole recipient of the City Funds.

3. Add the following Recital to the Redevelopment Agreement:

F.1. City Financing and Assistance for the Gateway Project: Subject to the Gateway Developer Parties fulfilling those obligations under this Agreement applicable to the Gateway Project that are the applicable conditions precedent to obligate the City to do so, the City will grant the Developer Incremental Taxes as defined in Schedule A in an amount of up to a maximum of \$500,000 (the "Gateway City Funds"). The Developer, and not the Gateway Vertical Developer, will be the sole recipient of the Gateway City Funds.

4. Rename Article III as follows: The Project and Gateway Project.

5. Replace Section 3.01 of the Redevelopment Agreement with the following:

3.01 The Project.

(a) Developer will commence and complete construction of each part of the Project as follows:

- (i) Demolition, site grading and utility installation (development pad preparation) shall commence and be completed no later than December 30, 2016;
- (ii) Extension of the industrial roadway on the Roadway Extension Parcel shall commence and be completed no later than December 31, 2017;
- (iii) Purchase of the Property and the Roadway Extension parcel from North Pullman 111th, Inc. shall commence and be completed no later than March 3, 2017; and
- (iv) Conveyance of title to the Property to the Vertical Developer shall commence and be completed no later than March 3, 2017.

(b) The requirements in subsection 3.01(a) shall be subject to: (a) Section 18.17 (Force Majeure); (b) applicable Change Orders, if any, issued under Section 3.04; (c) the receipt of all applicable permits and Project approvals; and (d) issuance of a "No Further Remediation" letter, which shall not be required to be completed by December 30, 2017, but which shall be diligently pursued to completion."

6. Add the following section to the Redevelopment Agreement:

3.01.1 The Gateway Project. The Gateway Developer Parties will commence and complete construction of the Gateway Project no later than September 30, 2017, subject to: (a) Section 18.17 (Force Majeure); (b) applicable Change Orders, if any, issued under Section 3.04; (c) the receipt of all applicable permits and Gateway Project approvals; and (d) issuance of a "No Further Remediation" letter, which shall not be required to be completed by September 30, 2017, but which shall be diligently pursued to completion.

7. Replace Section 3.03 of the Redevelopment Agreement with the following:

3.03 Project Budget. Developer has furnished to DPD, and DPD has approved, a Project Budget which is Exhibit D-1, showing total costs for the Project in an amount not less than \$7,642,176. The Note Issuance Costs are estimated to be a total of \$1,003,101. The Project Costs and the Note Issuance Costs, together, are estimated to exceed \$7,900,000. The Developer hereby certifies to the City that: (a) it has Lender Financing and/or Equity, along with the City Funds, in an aggregate amount sufficient to pay for all Project costs and Note Issuance Costs; and (b) the Project Budget is true, correct and complete in all material respects. Developer will promptly deliver to DPD copies of any Change Orders with respect to the Project Budget as provided in Section 3.04.

8. Add the following section to the Redevelopment Agreement:

3.03.1 Gateway Project Budget. The Gateway Developer Parties have furnished to DPD, and DPD has approved, a Gateway Project Budget which is Exhibit D-3, showing total costs for the Gateway Project in an amount not less than \$5,136,699. The Gateway Developer Parties hereby certify to the City that: (a) they have Lender Financing and/or Equity, along with the Gateway City Funds, in an aggregate amount sufficient to pay for all Gateway Project costs; and (b) the Gateway Project Budget is true, correct and complete in all material respects. The Gateway Developer Parties will promptly deliver to DPD copies of any Change Orders with respect to the Gateway Project Budget as provided in Section 3.04.

9. Replace Section 4.01(a) of the Redevelopment Agreement with the following:

4.01 (a) Total Whole Foods Project Cost and Sources of Funds. The total cost of the Project is estimated to be approximately \$7,642,176 to be applied in the manner set forth in the Project Budget.

Lender Financing/City Note Net Proceeds (to be deposited into Construction Escrow)	\$ 6,396,899.00*
Equity (Property sale proceeds; subject to Section 4.06)	\$ 745,277.00
City Funds – Construction Phase Assistance (to be deposited into Construction Escrow)	\$ 500,000.00
ESTIMATED TOTAL	\$ 7,642,176.00

*Note: Developer reserves the right to use Lender Financing to initially pay for all or any portion of the Project costs, and Developer shall not be required to deposit Lender Financing proceeds into the Construction Escrow.

10. Add the following section to the Agreement:

4.01.1 Total Gateway Project Cost and Sources of Funds. The total cost of the Gateway Project is estimated to be approximately \$5,136,699 to be applied in the manner set forth in the Gateway Project Budget.

Lender Financing	\$ 4,636,699.00*
Equity	\$ 0
Gateway City Funds (to be deposited into Construction Escrow)	\$ 500,000.00
ESTIMATED TOTAL	\$ 5,136,699.00

*Note: The Gateway Developer Parties reserve the right to use Lender Financing to initially pay for all or any portion of the Gateway Project costs, and the Gateway Developer Parties shall not be required to deposit Lender Financing proceeds into the Construction Escrow.

11. Replace Sections 4.03(b) through 4.03(e) of the Redevelopment Agreement with the following:

(b) Sources of Whole Foods 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 the Developer for the costs of the TIF-Funded Improvements, in the manner described herein:

Source of City Funds	Maximum Amount
(Construction Phase Assistance, City Note, Note Issuance Costs and Reserve Account)	\$7,900,000

The City hereby agrees to issue the City Note to Developer on the Closing Date. The principal amount of the City Note shall be in an amount equal to \$7,400,000; provided, however, that payments under the City Note are subject to the amount of Incremental Taxes deposited into the applicable TIF Fund being sufficient for such payments; and further provided, however, that the City has received written acknowledgement from the Phase IB Noteholder of its understanding and acceptance of the City Note structure related to this Project, as set forth in Exhibit G. If the amount of Incremental Taxes is insufficient to make any anticipated payment of City Funds, then: (1) the City will not be in default under this Agreement, and (2) unpaid payments (or portions thereof) will be paid as provided in this Section 4.03 as promptly as funds become available for their payment.

(c) Construction Phase Assistance. An amount equal to \$500,000 in City Funds (the "Construction Phase Assistance") will be deposited into the Construction Escrow (defined below) on the Closing Date as follows: \$500,000 in existing Incremental Taxes from the North Pullman TIF Special Tax Allocation Fund. The Construction Phase Assistance will be paid to the Developer pursuant to the terms of the Escrow Agreement, subject to City certification of sufficient costs related to TIF-Funded Improvements incurred by the Developer related to the Project.

(d) The City Funds will be reduced on a dollar-for-dollar basis if the final Project cost (as evidenced by the final owner's sworn statement for the Project submitted pursuant to Section 7.01) is less than \$7,642,176. Any such reduction in the City Note shall occur through the operation of the redemption provisions set forth in the City Note.

(e) The Developer acknowledges and agrees that the City's obligation to pay Construction Phase Assistance, up to a maximum of \$500,000, is contingent upon the fulfillment of the conditions set forth above in this Section 4.03 and upon satisfaction of all applicable terms and conditions of this Agreement, including without limitation, compliance with the covenants in Section 8 (Covenants/Representations/ Warranties of the Developer). In the event that such conditions are not fulfilled, the amount of Equity to be contributed pursuant to Section 4.01 hereof shall be increased, as necessary, to complete the Project.

12. Add the following sections to Article IV of the Redevelopment Agreement:

4.02.1 Developer Funds for Gateway Project. Equity, Lender Financing and Gateway City Funds shall be used to pay all Gateway Project costs, including but not limited to Redevelopment Project Costs and costs of Gateway TIF-Funded Improvements.

4.03.1 Gateway City Funds.

(a) Uses of Gateway City Funds. Gateway City Funds may only be used to reimburse the Developer for costs of Gateway TIF-Funded Improvements that constitute Redevelopment Project Costs. Exhibit E-1 sets forth, by line item, the Gateway TIF-Funded Improvements for the Gateway Project, and the maximum amount of costs that may be paid by or reimbursed from Gateway City Funds for each line item therein (subject to Sections 4.03.1(b) and 4.03.1(d)), contingent upon receipt by the City of documentation in form and substance satisfactory to DPD evidencing such cost and its eligibility as a Redevelopment Project Cost. The foregoing notwithstanding, DPD may consent to transfers of costs and expenses from one line item to another. Developer will submit a Requisition Form in the form of Exhibit N (the "Requisition Form") to request

payment of Gateway City Funds from the Construction Escrow. The Developer shall submit the Requisition Form for the initial payment request no later than 45 days prior to the Gateway Closing.

- i. Sources of Gateway City Funds. Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03.1 and Article 5 hereof, the City hereby agrees to provide City funds from the sources and in the amounts described directly below (the "Gateway City Funds") to pay for or reimburse the Developer for the costs of the Gateway TIF-Funded Improvements, in the manner described herein:

Source of City Funds	Maximum Amount
Gateway Available Incremental Taxes	\$500,000

If the amount of Gateway Available Incremental Taxes is insufficient to make any anticipated payment of Gateway City Funds, then: (1) the City will not be in default under this Agreement, and (2) unpaid payments (or portions thereof) will be paid as provided in this Section 4.03.1 as promptly as funds become available for their payment.

(c) Gateway City Funds in Escrow. An amount equal to \$500,000 in Gateway City Funds are deposited in the Construction Escrow (defined below). The Gateway City Funds will be paid to the Developer pursuant to the terms of this Agreement and the Escrow Agreement, subject to City certification of sufficient costs related to Gateway TIF-Funded Improvements incurred by the Developer related to the Gateway Project.

(d) Subject to the terms and conditions of this Agreement, and after the delivery of a Requisition, payments shall be made in two (2) installments (each an "Installment") to the Developer. The first Installment shall be made after the issuance of the Gateway Site Work Certificate of Completion and the second and final installment shall be made after the issuance of the Gateway Vertical Construction Certificate of Completion. Each Installment shall be a maximum of \$250,000.

(e) The Gateway City Funds will be reduced on a dollar-for-dollar basis if the final Gateway Project cost (as evidenced by the final owner's sworn statement(s) for the Gateway Project submitted pursuant to Section 7.01.1 and 7.01.2) is less than \$5,136,699.

(f) The Developer acknowledges and agrees that the City's obligation to pay the Gateway City Funds, up to a maximum of \$500,000, is contingent upon the fulfillment of the conditions set forth above in this Section 4.03.1 and upon satisfaction of all applicable terms and conditions of this Agreement, including without limitation, compliance with the covenants in Section 8 (Covenants/Representations/ Warranties of the Developer). In the event that such conditions are not fulfilled, the amount of Equity to be contributed pursuant to Section 4.01.1 hereof shall be increased, as necessary, to complete the Gateway Project.

(g) Construction Escrow. On the Gateway Closing Date, the Gateway Developer Parties will enter into an amendment of the Escrow Agreement with the City and the Title Company. Funds on deposit in the Construction Escrow will be used to pay for or reimburse Developer for the costs of Gateway TIF-Funded Improvements

associated with the Gateway Project. Disbursements of Gateway City Funds from the Construction Escrow shall be made through the funding of draw requests upon the approval of a Requisition Form submitted by the Gateway Developer Parties under the terms of the Escrow Agreement, as amended, and this Agreement. In the event of any conflict between the terms of this Agreement and the terms of the Escrow Agreement concerning the Gateway Project (including the dispersal of funds for the Gateway Project through the Escrow), the terms of this Agreement shall control. All costs associated with the Construction Escrow shall be the responsibility of the Gateway Developer Parties.

4.05.1 Gateway Project Administration Fee.

(a) Reserved.

(b) TIF District Administration Fee. The City may annually allocate an amount not to exceed five (5%) of the Incremental Taxes, exclusive of Incremental Taxes attributable to the Gateway Property, (the "Gateway City Fee") for payment of costs incurred by the City for the administration and monitoring of the North Pullman Redevelopment Area, including the Gateway Project. The foregoing fee shall be in addition to and shall not be deducted from or considered a part of the Gateway City Funds, and, to the extent Incremental Taxes are disbursed to the Developer, the City shall have the right to receive the Gateway City Fee only after payment to Developer of such Incremental Taxes.

4.06.1 Gateway Project Cost Overruns. If the aggregate cost of the Gateway TIF-Funded Improvements exceeds Gateway City Funds available under Section 4.031, the City will not be responsible for such excess costs, and the Developer will hold the City harmless from any and all costs and expenses of completing the Gateway TIF-Funded Improvements in excess of Gateway City Funds and from any and all costs and expenses of completing the Gateway Project in excess of the Gateway Project Budget.

4.07.1 Gateway City Funds Conditional Grant. The Gateway City Funds being provided hereunder, up to a maximum of \$500,000, are being granted on a conditional basis, subject to the Gateway Developer Parties' compliance with the provisions of this Agreement.

4.08.1 Preconditions of Disbursement of Gateway City Funds. Prior to each disbursement of Gateway City Funds from the Escrow Account, the Gateway Developer Parties shall submit a Requisition Form, along with documentation regarding the applicable expenditures to DPD, which shall be satisfactory to DPD in its sole discretion. Delivery by the Gateway Developer Parties to DPD of any request for disbursement of Gateway City Funds hereunder shall, in addition to the items therein expressly set forth, constitute a certification to the City, as of the date of such request for disbursement, that:

(a) the representations and warranties contained in this Agreement are true and correct and the Gateway Developer Parties are in compliance with all covenants contained herein (including but not limited to Sections 8.08.1, 10.02 and 10.03 hereof);

(b) Gateway Developer Parties have received no notice and has no knowledge of any lien or claim of lien either filed or threatened against the Gateway Property or the Gateway Project except for the Gateway Permitted Liens;

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

The City shall have the right, in its discretion, to require the Gateway Developer Parties 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 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 Gateway Developer Parties. In addition, Gateway Developer Parties shall have satisfied all other preconditions of disbursement of Gateway City Funds for each disbursement, including not limited to the requirements set forth in the TIF Ordinances and this Agreement.

13. Add the following sections to Article 5 of the Redevelopment Agreement:

5.01.1 Gateway Project Budget. The Gateway Developer Parties will have submitted to DPD, and DPD will have approved, the Gateway Project Budget stated in Exhibit D-3, in accordance with the provisions of Section 3.03.1. This condition precedent has been satisfied prior to the date hereof.

5.03.1 Other Governmental Approvals for Gateway Project. Not less than 5 Business Days prior to the Gateway Closing Date, Gateway Developer Parties will have secured or applied for or provided DPD with an application time schedule for all other necessary approvals and permits required by any Federal, State, or local statute, ordinance, rule or regulation to begin or continue construction of the Gateway Project, and will submit evidence thereof to DPD.

5.04.1 Financing for Gateway Project.

(a) The Gateway Developer Parties will have furnished evidence acceptable to the City that Developer has Equity and/or Lender Financing, if any, at least in the amounts stated in Section 4.01.1, along with Gateway City Funds, to complete the Gateway Project and satisfy their obligations under this Agreement. If a portion of such financing consists of Lender Financing, the Gateway Developer Parties will have furnished evidence as of the Gateway Closing Date that the proceeds thereof are available to be drawn upon by the Gateway Developer Parties as needed and are sufficient (along with the Equity and other financing sources, if any, stated in Section 4.01.1) to complete the Gateway Project.

(b) Prior to the Gateway Closing Date, the Gateway Developer Parties will deliver to DPD a copy of any construction escrow agreement entered into by the Gateway Developer Parties regarding Lender Financing, if any. Such construction escrow agreement(s) must provide that the City will receive copies of all construction draw request materials submitted by the Gateway Developer Parties after the date of this Agreement.

(c) Any financing liens against the Gateway Property or the Gateway Project in existence at the Gateway Closing Date will be subordinated to certain encumbrances of the City stated in this Agreement under a subordination agreement, in the form of Exhibit O, executed on or prior to the Gateway Closing Date, which is to be recorded, at the expense of Developer, in the Office of the Recorder of Deeds of Cook County.

5.05.1 Gateway Project Title. On the Gateway Closing Date, Developer will furnish the City with a copy of the Title Policy for the Gateway Property showing the Gateway Vertical Developer as the named insured. The Title Policy will be dated as of the Gateway Closing Date and will contain only those title exceptions listed as Gateway Permitted Liens on Exhibit I-1 and will evidence the recording of this Agreement and the First Amendment to this Agreement under

the provisions of Section 8.15. The Title Policy will also contain the following endorsements as required by Corporation Counsel: an owner's comprehensive endorsement and satisfactory endorsements regarding location, access, and survey. On or prior to the Gateway Closing Date, Developer will provide to DPD documentation related to the Gateway Property and copies of all easements and encumbrances of record with respect to the Gateway Property not addressed, to DPD's satisfaction, by the Title Policy and any endorsements thereto.

5.06.1 Evidence of Clear Title for Gateway Project. Not less than 5 Business Days prior to the Gateway Closing Date, Developer, at its own expense, will have provided the City with current searches as follows:

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

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

5.07.1 Gateway Project Surveys. If requested by DPD, not less than 5 Business Days prior to the Gateway Closing Date, Developer will have furnished the City with 3 copies of the Survey.

5.08.1 Gateway Project Insurance. Developer, at its own expense, will have insured the Gateway Property as required under Article Twelve. At least 5 Business Days prior to the Gateway Closing Date, certificates required under Article Twelve evidencing the required coverages will have been delivered to DPD.

5.09.1 Gateway Project Opinion of Developer's Counsel. On the Gateway Closing Date, the Gateway Developer Parties will furnish the City with an opinion of counsel, substantially in the form of Exhibit J (to be modified as appropriate for the Gateway Project), with such changes as may be required by or acceptable to Corporation Counsel. If the Gateway Developer Parties have engaged special counsel in connection with the Gateway Project, and such special counsel is unwilling or unable to give some of the opinions stated in Exhibit J, such opinions shall be obtained by the Gateway Developer Parties from their general corporate counsel.

5.10.1 Reserved.

5.11.1 Financial Statements for Gateway Closing. Not less than 30 days prior to the Gateway Closing Date, Developer and Gateway Vertical Developer will have provided the audited Gateway Financial Statements to DPD for 2015 and 2016 fiscal years, if available (or unaudited Gateway Financial Statements if audited Gateway Financial Statements are not yet available for such years), and the most recently publicly available unaudited interim Gateway Financial Statements, in each case together with any opinions and management letters prepared by auditors.

5.12.1 Reserved.

5.13.1 Environmental Reports for Gateway Property. Not less than 30 days prior to the Gateway Closing Date, Developer will provide DPD with copies of all environmental reports or audits, if any, obtained by Developer with respect to the Gateway Property, together with any notices addressed to Developer from any agency regarding environmental issues at the Gateway Property. Prior to the Gateway Closing Date, Developer will have provided the City with a letter from the environmental engineer(s) who completed such report(s) or audit(s), authorizing the City to rely on such report(s) or audit(s).

5.14.1 Gateway Closing -- Entity Documents; Economic Disclosure Statement.

(a) Entity Documents. The Gateway Developer Parties will provide a copy of their current Articles of Incorporation/Articles of Organization, with all amendments, containing the original certification of the Secretary of State of its state of organization; certificates of good standing from the Secretary of State of Illinois and all other states, if any, in which the Gateway Developer Parties are registered to do business; bylaws/operating agreement; a secretary's certificate in such form and substance as the Corporation Counsel may require; and such other organizational documentation as the City may request.

(b) Economic Disclosure Statement. The Gateway Developer Parties each will provide the City an EDS, in the City's then current form, dated as of the Gateway Closing Date, which is incorporated by reference and the Gateway Developer Parties further will provide any other affidavits or certifications as may be required by Federal, State or local law in the award of public contracts, all of which affidavits or certifications are incorporated by reference. Notwithstanding acceptance by the City of the EDSs, failure of the EDSs to include all information required under the Municipal Code renders this Agreement, as applicable to the Gateway Project, voidable at the option of the City. The Gateway Developer Parties and any other parties required by this Section 5.14.1 to complete an EDS must promptly update their EDS(s) on file with the City whenever any information or response provided in the EDS(s) is no longer complete and accurate, including changes in ownership and changes in disclosures and information pertaining to ineligibility to do business with the City under Chapter 1-23 of the Municipal Code, as such is required under Sec. 2-154-020, and failure to promptly provide the updated EDS(s) to the City will constitute an event of default under this Agreement.

5.15.1 Gateway Closing -- Litigation. The Gateway Developer Parties have provided to Corporation Counsel and DPD, in writing, a description of all pending or threatened litigation or administrative proceedings: (a) involving their property located in the City, (b) that they are otherwise required to publicly disclose or that may affect the ability of them to perform their duties and obligations under this Agreement, or (c) involving the City or involving the payment of franchise, income, sales or other taxes by such party to the State of Illinois or the City. In each case, the description shall specify the amount of each claim, an estimate of probable liability, the amount of any reserves taken in connection therewith, and whether (and to what extent) such potential liability is covered by insurance.

5.16.1 Ownership of Gateway Property. Developer has provided the City with a copy of the recorded deed(s) demonstrating that the Gateway Vertical Developer owns the Gateway Property.

5.17.1 Contribution of Gateway Property. Developer has provided the City with a recorded copy of the deed whereby the Developer conveyed title to the Gateway Property to

Gateway Vertical Developer in the nature of a capital contribution as the sole member of Gateway Vertical Developer for the Gateway Vertical Developer to construct the retail building.

5.18.1 Potbelly Lease. The Gateway Developer Parties have provided the City with a certified copy of the lease(s), if any, of the Gateway Property to Potbelly and other tenants by the Gateway Vertical Developer.

14. Add the following sections to Article 7 of the Redevelopment Agreement:

7.01.1 Gateway Site Work Certificate of Completion of Construction. DPD will issue to Developer a certificate of completion of construction in recordable form (the "Gateway Site Work Certificate of Completion") certifying that Developer has fulfilled its obligation to complete the site work portion of the Gateway Project pursuant to Section 8.02 hereof upon completion of the required site work for the Gateway Project in compliance with the terms and conditions of this Agreement, and upon Developer's written request, including:

(a) Evidence sufficient to DPD that the site preparation, erosion control, demolition, construction of private and public utility improvements, construction of engineered barrier, improvements to East 111th Street and other site preparation work as needed to create a development pad have been commenced and completed in compliance with Section 3.01.1 and in accordance with the terms of this Agreement.

(b) a final owner's sworn statement for the site work portion of the Gateway Project;

(c) evidence that the total Gateway Project Cost for the site work portion is equal to or greater than \$1,627,345;

(d) evidence that the Developer has incurred TIF-eligible costs in an amount equal to or greater than \$500,000; and

(e) evidence that the Developer has conveyed the Gateway Property to the Gateway Vertical Developer.

DPD will respond to Developer's written request for a Gateway Site Work Certificate of Completion within 45 days by issuing either a Gateway Site Work Certificate of Completion or a written statement detailing the ways in which the site work portion of the Gateway Project does not conform to this Agreement or has not been satisfactorily completed and the measures which must be taken by Developer in order to obtain the Gateway Site Work Certificate of Completion. Developer may resubmit a written request for a Gateway Site Work Certificate of Completion upon completion of such measures, and the City will respond within 45 days in the same way as the procedure for the initial request. Such process may repeat until the City issues a Gateway Site Work Certificate of Completion.

7.01.2 Gateway Vertical Construction Certificate of Completion of Construction. DPD will issue to Developer a certificate of completion of construction in recordable form (the "Gateway Vertical Construction Certificate of Completion") certifying that Developer has caused the Gateway Vertical Developer to fulfill its obligation to complete the vertical construction portion of the Gateway Project pursuant to Section 8.02 hereof upon completion of the construction of the vertical construction portion of the Gateway Project, in compliance with the terms and conditions of this Agreement, and upon Developer's written request, including:

(a) evidence acceptable to DPD that construction of the approximately 9,800 square foot retail building been commenced and completed in compliance with Section 3.01.1 and in accordance with the terms of this Agreement.

(b) final owner's sworn statement(s) from the Gateway Developer Parties for the Gateway Project;

(c) evidence that the total Gateway Project Cost (including all site work and vertical construction) is equal to or greater than \$5,136,699 (as described in Section 4.03.1(d), the Gateway City Funds will be reduced on a dollar-for-dollar basis if the total Gateway Project Cost is less than \$5,136,699);

(d) if DPD requests the City's Department of Buildings to issue a Certificate of Occupancy despite the size of the Project falling below the 10,000 square foot threshold, then issuance of a Certificate of Occupancy by the City's Department of Buildings; otherwise, a copy of the final building permit bearing signatures reflecting that final inspection has been completed in a satisfactory manner;

(e) evidence acceptable to DPD that the Potbelly restaurant has leased space in the retail building and is fully operational and that at least 65% of the overall leaseable space in the retail building is occupied;

(f) the City's Construction Compliance unit has determined in writing that the Gateway Developer Parties are in complete compliance with all City M/WBE, City Residency, and Prevailing Wage requirements, as provided in this Agreement; and

(g) audited Gateway Financial Statements, if available; otherwise, unaudited Gateway Financial Statements if audited Gateway Financial Statements are not yet available.

DPD will respond to Developer's written request for a Gateway Vertical Construction Certificate of Completion within 45 days by issuing either a Gateway Vertical Construction Certificate of Completion or a written statement detailing the ways in which the vertical construction portion of the Gateway Project does not conform to this Agreement or has not been satisfactorily completed and the measures which must be taken by Developer in order to obtain the Gateway Vertical Construction Certificate of Completion. Developer may resubmit a written request for a Gateway Vertical Construction Certificate of Completion upon completion of such measures, and the City will respond within 45 days in the same way as the procedure for the initial request. Such process may repeat until the City issues a Gateway Vertical Construction Certificate of Completion.

7.02.1 Effect of Issuance of Certificates of Completion for the Gateway Project; Continuing Obligations.

(a) The Gateway Site Work Certificate of Completion and Gateway Vertical Construction Certificate of Completion relate only to the construction of the applicable portions of the Gateway Project, and upon their issuance, the City will certify that the terms of the Agreement specifically related to the Gateway Developer Parties' obligation to complete such activities have been satisfied. After the issuance of either 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, and the

issuance of either certificate must not be construed as a waiver by the City of any of its rights and remedies under such executory terms.

(b) Those covenants specifically described at Sections 8.02.1, 8.18.1, and 8.30.1 as covenants that run with the land are the only covenants in this Agreement intended to be binding upon any transferee of the Gateway Property (including an assignee as described in the following sentence) throughout the Term of the Agreement notwithstanding the issuance of either the Gateway Site Work Certificate of Completion or the Gateway Vertical Construction Certificate of Completion; provided, that upon the issuance of the Gateway Vertical Construction Certificate of Completion, the covenants set forth in Section 8.02.1 shall be deemed to have been fulfilled. The other executory terms of this Agreement that remain after the issuance of either certificate shall be binding only upon the Gateway Developer Parties or a permitted assignee of the Gateway Developer Parties who, pursuant to Section 18.15 of this Agreement, has contracted to take an assignment of the Gateway Developer Parties' rights under this Agreement and assume the Gateway Developer Parties' liabilities hereunder.

7.03.1 Failure to Complete. If the Gateway Developer Parties fail to complete or cause to complete the Gateway 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 as it relates to the Gateway Project, to cease all disbursement of Gateway City Funds not yet disbursed under this Agreement, and to seek repayment of any Gateway City Funds disbursed under this Agreement; and

(b) the right (but not the obligation) to complete those Gateway TIF-Funded Improvements that are public improvements and to pay for the costs of Gateway TIF-Funded Improvements (including interest costs) out of Gateway City Funds or other City monies. In the event that the aggregate cost of completing the Gateway TIF-Funded Improvements exceeds the amount of Gateway City Funds available pursuant to Section 4.01.1, Developer shall reimburse the City for all reasonable costs and expenses incurred by the City in completing such Gateway TIF-Funded Improvements in excess of the available Gateway City Funds.

15. Add the following sections to Article 8 of the Redevelopment Agreement:

8.01.1 General -- Gateway Project. The Gateway Developer Parties represent, warrant, and covenant, as of the date of the First Amendment to the Agreement and as of the date of each disbursement of Gateway City Funds hereunder, that:

(a) the Gateway Developer Parties are an Illinois not-for-profit corporation or limited liability company, as applicable, duly organized, validly existing, qualified to do business in Illinois, and licensed to do business in any other state where, due to the nature of its activities or properties, such qualification or license is required;

(b) the Gateway Developer Parties have the right, power and authority to enter into, execute, deliver and perform the First Amendment to the Agreement;

(c) the execution, delivery and performance by the Gateway Developer Parties of the Agreement, as amended by the First Amendment to the Agreement, has been duly authorized by all necessary corporate action, and does not and will not violate its Articles of Incorporation/Articles of Organization, as amended and supplemented, its bylaws/operating agreement, any applicable provision of law, or constitute a breach of, default under or require

any consent under any agreement, instrument or document to which the Gateway Developer Parties are now a party or by which the Gateway Developer Parties or any of their assets is now or may become bound;

(d) until Developer conveys (or causes to be conveyed) the Gateway Property to the Gateway Vertical Developer as permitted by this Agreement, Developer shall maintain good, indefeasible and merchantable fee simple title to the Gateway Property (and all improvements thereon) free and clear of all liens (except for the Gateway Permitted Liens, Lender Financing as disclosed in the Gateway Project Budget and non-governmental charges that Developer is contesting in good faith pursuant to Section 8.12.1 hereof) and after Developer conveys the Gateway Property to the Gateway Vertical Developer as permitted by this Agreement, Gateway Vertical Developer shall maintain good, indefeasible and merchantable fee simple title to the Gateway Property (and all improvements thereon) free and clear of all liens (except for the Gateway Permitted Liens, Lender Financing as disclosed in the Gateway Project Budget and non-governmental charges that Developer is contesting in good faith pursuant to Section 8.12.1 hereof);

(e) the Gateway Developer Parties are now, and for the Term of the Agreement, will remain solvent and able to pay their 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 or, to the Gateway Developer Parties' actual knowledge threatened or affecting the Gateway Developer Parties' which would impair its ability to perform under this Agreement;

(g) the Gateway Developer Parties have and will maintain all government permits, certificates and consents (including, without limitation, appropriate environmental approvals) necessary to construct and complete the Gateway Project;

(h) the Gateway Developer Parties are 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 either of the Gateway Developer Parties is a party or by which the Gateway Developer Parties or any of their assets is bound beyond applicable notice and cure periods;

(i) the Gateway 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 entity for which a financial statement is submitted; and there has been no material adverse change in the assets, liabilities, results of operations or financial condition of the Gateway Developer Parties since the date of the Gateway Developer Parties' most recent Gateway Financial Statements;

(j) prior to the issuance of the Gateway Vertical Construction Certificate of Completion, if it would adversely affect the Gateway Developer Parties' ability to perform their obligations under this Agreement, the Gateway Developer Parties will not do any of the following without the prior written consent of DPD: (1) be a party to any merger, liquidation or consolidation; (2) sell, transfer, convey, lease or otherwise dispose (directly or indirectly) of all or substantially all of its assets or any portion of the Gateway Property or the Gateway Project (including but not limited to any fixtures or equipment now or hereafter attached thereto) except in the ordinary course of business, and except with respect to the conveyance of the Gateway Property by Developer to the Gateway Vertical Developer; (3) enter into any transaction outside

the ordinary course of the Gateway Developer Parties' business; (4) assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity to the extent that such action would have an adverse effect on the Gateway Developer Parties' ability to perform their obligations under this Agreement; or (5) enter into any transaction that would cause a material and detrimental change to the Gateway Developer Parties' financial condition.

(k) the Gateway Developer Parties have not incurred and, prior to the issuance of a Gateway Vertical Construction Certificate of Completion, will not, without the prior written consent of the Commissioner of DPD, allow the existence of any liens against the Gateway Property other than the Gateway Permitted Liens; or incur any indebtedness secured or to be secured by the Gateway Property or the Gateway Project or any fixtures now or hereafter attached thereto;

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

(m) neither the Gateway Developer Parties nor any Affiliate thereof are 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 Lists, 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.

(n) the Gateway Developer Parties understand that (i) the Gateway City Funds are limited obligations of the City, payable solely from moneys on deposit in the TIF Fund; (ii) the Gateway City Funds do not constitute indebtedness of the City within the meaning of any constitutional or statutory provision or limitation; (iii) the Gateway Developer Parties will have no right to compel the exercise of any taxing power of the City for payment of the Gateway City Funds; and (iv) the Gateway City Funds do not and will not represent or constitute a general obligation or a pledge of the faith and credit of the City, the State of Illinois or any political subdivision thereof;

(o) the Gateway Developer Parties have sufficient knowledge and experience in financial and business matters, including municipal projects and revenues of the kind represented by the Gateway City Funds, and have been supplied with access to information to be able to evaluate the risks associated with the receipt of Gateway City Funds;

(p) the Gateway Developer Parties understand that there is no assurance as to the amount or timing of receipt of Gateway City Funds, and that the amounts of Gateway City Funds actually received by the Developer may be less than the maximum amounts set forth in Section 4.03.1(b);

(q) the Gateway Developer Parties understand they may not sell, assign, pledge or otherwise transfer their interests in this Agreement or Gateway City Funds, as applicable, in whole or in part except in accordance with the terms of Section 18.15 of this Agreement, and, to the fullest extent permitted by law, the Developer agrees to indemnify the City for any losses, claims, damages or expenses relating to or based upon any sale, assignment, pledge or transfer of Gateway City Funds in violation of this Agreement; and

(r) Developer acknowledges that with respect to Gateway City Funds, the City has no obligation to provide any continuing disclosure to the Electronic Municipal Market Access System maintained by the Municipal Securities Rulemaking Board, to any holder of a note relating to Gateway City Funds or any other person under Rule 15c2-12 of the Commission promulgated under the Securities Exchange Act of 1934 or otherwise, and shall have no liability with respect thereto.

8.02.1 Gateway Project Covenant to Redevelop. Upon DPD's approval of the Scope Drawings and Plans and Specifications, and the Gateway Project Budget as provided in Section 3.03.1, and the Gateway Developer Parties' receipt of all required building permits and governmental approvals, the Gateway Developer Parties will redevelop, or cause to redevelop, the Gateway Property and the Gateway Project in compliance with this Agreement (as amended) and all applicable exhibits attached hereto, the TIF Ordinances, the Scope Drawings, the Plans and Specifications, the Gateway Project Budget and all amendments thereto, and all Federal, State and local laws, ordinances, rules, regulations, executive orders and codes applicable to the Gateway Property, the Gateway Project and/or the Gateway Developer Parties. The covenants set forth in this Section 8.02.1 will run with the land comprising the Gateway Property (as defined herein) and will be binding upon any transferee, until fulfilled as evidenced by the issuance of a Gateway Vertical Construction Certificate of Completion.

8.03.1 Redevelopment Plan. The Gateway Developer Parties represent that the Gateway Project is and will be in compliance with all applicable terms of the Redevelopment Plan, as in effect on the date of the First Amendment to this Agreement.

8.04.1 Use of Gateway City Funds. Gateway City Funds disbursed to Developer will be used by Developer solely to reimburse Developer for its payment for the Gateway TIF-Funded Improvements as provided in this Agreement.

8.05.1 Other Bonds. At the request of the City, the Gateway Developer Parties will agree to any reasonable amendments to this Agreement that are necessary or desirable in order for the City to issue (in its sole and absolute discretion) any Bonds in connection with the Redevelopment Area, the proceeds of which may be used to reimburse the City for expenditures made in connection with or provided a source of funds for the payment for the Gateway TIF-Funded Improvements (the "Bonds"); provided, however, that any such amendments will not have a material adverse effect on the Gateway Developer Parties or the Gateway Project. The Gateway Developer Parties will, at their expense, cooperate and provide reasonable assistance in connection with the marketing of any such Bonds, including but not limited to providing written descriptions of the Gateway Project, making representations, providing information regarding its financial condition (but not including proprietary sales and

operating information), and assisting the City in its preparation of an offering statement with respect thereto. The Gateway Developer Parties will not have any liability with respect to any disclosures made in connection with any such issuance that are actionable under applicable securities laws unless such disclosures are based on factual information provided by the Gateway Developer Parties that is determined to be false and misleading.

8.06.1 Employment Opportunity – Gateway Project.

(a) In regard to the Gateway Project, the Gateway Developer Parties covenant and agree to abide by, and contractually obligate and use reasonable efforts to contractually obligate, and, as applicable, to cause the General Contractor to contractually obligate, each subcontractor to abide by the terms set forth in Section 8.08.1 (Prevailing Wage) and Article Ten (Developer's Employment Obligations). The Gateway Developer Parties will submit a plan to DPD describing their compliance program prior to the Gateway Closing Date.

(b) In regard to the Gateway Project, the Gateway Developer Parties will deliver to the City written quarterly progress reports detailing compliance with the requirements of Sections 8.08.1, (Prevailing Wage) 10.02 (City Resident Construction Worker Employment Requirement) and 10.03 (Developer's MBE/WBE Commitment) of this Agreement. If any such reports indicate a shortfall in compliance, the Gateway Developer Parties will also deliver a plan to DPD which will outline, to DPD's satisfaction, the manner in which the Gateway Developer Parties will correct any shortfall.

8.07.1 Employment Profile – Gateway Project. The Gateway Developer Parties will submit, and contractually obligate and cause the General Contractor to submit and contractually obligate any subcontractor to submit, to DPD, from time to time, statements of its employment profile upon DPD's request.

8.08.1 Prevailing Wage – Gateway Project. The Gateway Developer Parties covenant and agree to pay, and to contractually obligate and cause the General Contractor to pay and to contractually cause each subcontractor to pay, the prevailing wage rate as ascertained by the State Department of Labor (the "Labor Department"), to all of their respective employees working on constructing the Gateway Project or otherwise completing the Gateway TIF-Funded Improvements. All such contracts will list the specified rates to be paid to all laborers, workers and mechanics for each craft or type of worker or mechanic employed under such contract, or alternatively the Gateway Developer Parties will provide applicable schedules evidencing wage rates paid. If the Labor Department revises such prevailing wage rates, the revised rates will apply to all such contracts. Upon the City's request, the Gateway Developer Parties will provide the City with copies of all such contracts entered into by the Gateway Developer Parties or the General Contractor to evidence compliance with this Section 8.08.1.

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

8.10.1 Gateway Financial Statements. The Gateway Developer Parties will obtain and provide to DPD audited Gateway Financial Statements for 2016, if available, and each year thereafter for the Term of the Agreement; provided, that the Gateway Developer Parties shall provide to DPD unaudited Gateway Financial Statements if audited Gateway Financial Statements are not yet available for such years.

8.11.1 Insurance – Gateway Project. Solely at their own expense, the Gateway Developer Parties will comply with all applicable provisions of Article Twelve (Insurance) hereof.

8.12.1 Non-Governmental Charges – Gateway Project.

(a) Payment of Non-Governmental Charges. Except for the Gateway Permitted Liens, and subject to subsection (b) below, the Gateway Developer Parties agree to pay or cause to be paid when due any Non-Governmental Charges assessed or imposed upon the Gateway Property or the Gateway Project or any fixtures that are or may become attached thereto and which are owned by Developer or Gateway Vertical Developer, which creates, may create, or appears to create a lien upon all or any portion of the Gateway Property; provided however, that if such Non-Governmental Charges may be paid in installments, the Gateway Developer Parties 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 Gateway Developer Parties will furnish to DPD, within thirty (30) days of DPD's request, official receipts from the appropriate entity, or other evidence satisfactory to DPD, evidencing payment of the Non-Governmental Charges in question.

(b) Right to Contest – Gateway Project. The Gateway Developer Parties will have the right, before any delinquency occurs:

(i) to contest or object in good faith to the amount or validity of any Non-Governmental Charges by appropriate legal proceedings properly and diligently instituted and prosecuted, in such manner as shall stay the collection of the contested Non-Governmental Charges, prevent the imposition of a lien or remove such lien, or prevent the transfer or forfeiture of the Gateway Property (so long as no such contest or objection shall be deemed or construed to relieve, modify or extend the Gateway Developer Parties' covenants to pay any such Non-Governmental Charges at the time and in the manner provided in this Section 8.12.1); or

(ii) at DPD's sole option, to furnish a good and sufficient bond or other security satisfactory to DPD in such form and amounts as DPD will require, or a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of any such transfer or forfeiture of the Gateway 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 Charges and all interest and penalties upon the adverse determination of such contest.

8.14.1 Compliance with Laws – Gateway Project.

(a) Representation. To the Gateway Developer Parties' knowledge, after diligent inquiry, the Gateway Property and the Gateway Project are in compliance with all applicable Federal, State and local laws, statutes, ordinances, rules, regulations, executive orders and codes pertaining to or affecting the Gateway Property and the Gateway Project. Upon the City's

request, the Gateway Developer Parties will provide evidence reasonably satisfactory to the City of such current compliance.

(b) **Covenant.** The Gateway Developer Parties covenant that the Gateway Property and the Gateway Project will be operated and managed in compliance with all applicable Federal, State and local laws, statutes, ordinances, rules, regulations, executive orders and codes pertaining to or affecting the Property or the Project, including the following Municipal Code Sections: 7-28-390, 7-28-440, 11-4-1410, 11-4-1420, 11-4-1450, 11-4-1500, 11-4-1530, 11-4-1550 or 11-4-1560, whether or not in performance of this Agreement. Upon the City's request, the Gateway Developer Parties will provide evidence to the City of its compliance with this covenant.

8.15.1 **Recording and Filing.** The Gateway Developer Parties will cause the Agreement and the First Amendment to this Agreement, certain exhibits (as specified by Corporation Counsel) and all amendments and supplements hereto to be recorded and filed on the effective date of the First Amendment to this Agreement in the conveyance and real property records of Cook County, Illinois against the Gateway Property. Such recordings shall be recorded prior to any mortgage made in connection with Lender Financing, if any. The Gateway Developer Parties will pay all fees and charges incurred in connection with any such recording. Upon recording, the Gateway Developer Parties will immediately transmit to the City an executed original of this Agreement and the First Amendment to this Agreement showing the date and recording number of record.

8.16.1 Real Estate Provisions – Gateway Project.

(a) Governmental Charges.

(i) **Payment of Governmental Charges.** Subject to subsection (ii) below, Developer agrees to pay or cause to be paid when due all Governmental Charges (as defined below) which are assessed or imposed upon Developer, the Gateway Property or the Gateway Project, or become due and payable, and which create, may create, or appear to create a lien upon Developer or all or any portion of the Gateway Property or the Gateway Project, provided, however, that this section shall not impose on Developer any obligation to be personally liable on any tax that does not generally impose personal liability (except that the City's rights and remedies attributable to the Gateway City Funds shall not be affected). "Governmental Charge" means all Federal, State, county, the City, or other governmental (or any instrumentality, division, agency, body, or department thereof) taxes, levies, assessments, charges, liens, claims or encumbrances relating to Developer, the Gateway Property or the Gateway Project, including but not limited to real estate taxes.

(ii) **Right to Contest.** 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 transfer or forfeiture of the Gateway Property or the Gateway Project. No such contest or objection will be deemed or construed in any way as relieving, modifying or extending Developer's covenants to pay any such Governmental Charge at the time and in the manner provided in this Agreement unless Developer has given prior written notice to DPD of Developer's intent to contest or object to a Governmental Charge and, unless, at DPD's sole option:

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

(y) Developer will furnish a good and sufficient bond or other security satisfactory to DPD in such form and amounts as DPD may require, or a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of any such sale or transfer or forfeiture of the Gateway Property or the Gateway Project 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 Developer fails to pay or contest any Governmental Charge or to obtain discharge of the same, Developer will advise DPD thereof in writing, at which time DPD may, but will not be obligated to, and without waiving or releasing any obligation or liability of Developer under this Agreement in regard to the Gateway Project, in DPD's sole discretion, make such payment, or any part thereof, or obtain such discharge and take any other action with respect thereto which DPD deems advisable. All sums so paid by DPD, if any, and any expenses, if any, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto, will be promptly disbursed to DPD by Developer. Notwithstanding anything contained herein to the contrary, this paragraph must not be construed to obligate the City to pay any such Governmental Charge. Additionally, if Developer fails to pay any Governmental Charge, the City, in its sole discretion, may require Developer to submit to the City audited Gateway Financial Statements at Developer's own expense.

8.17.1 Annual Reports – Gateway Project. (a) Developer or Vertical Developer, throughout the Compliance Period, shall submit to DPD the Gateway Project Annual Compliance Report within 30 days after the end of the calendar year to which the Gateway Project Annual Compliance Report relates.

(b) Beginning with the issuance of the Gateway Vertical Construction Certificate of Completion and continuing throughout the Term of the Agreement, the Gateway Developer Parties shall cause to be submitted to DPD each calendar year an Annual Report of Incremental Taxes not later than February 1st of the subsequent calendar year. Failure by the Gateway Developer Parties to submit the Annual Report of Incremental Taxes before February 15th of a relevant year shall constitute an Event of Default under Section 15.01.1 hereof, without notice or opportunity to cure pursuant to Section 15.03.1 hereof. If the Gateway Developer Parties default in submitting the Annual Report of Incremental Taxes in any year, the City may engage its own financial consultant to prepare the report and the cost thereof shall be reimbursed to the City by the Gateway Developer Parties.

8.18.1 Conveyance of Gateway Property and Construction and Operation of Retail Building; Occupancy Covenant. Upon completion of certain initial work on the Gateway Project by Developer, the Developer shall convey (or cause to be conveyed) the Gateway Property to the Gateway Vertical Developer and the Gateway Vertical Developer shall commence and complete construction on the Gateway Property of an approximately 9,800 square foot retail building and lease the retail building to Potbelly and other tenants. After conveyance of the

Gateway Property to the Gateway Vertical Developer by the Developer, the Gateway Vertical Developer shall be the owner of the Gateway Property and all improvements constructed thereon throughout the Compliance Period. The Gateway Vertical Developer is prohibited from selling the Gateway Property without prior written approval of the City, which shall be at the City's sole discretion. In the event that the Gateway Property is not conveyed to the Gateway Vertical Developer by the Developer and/or the retail building is not constructed thereon by September 30, 2017, subject to Force Majeure, such failure shall be considered an Event of Default by the Developer Parties. The Gateway Vertical Developer will be required to maintain an occupancy level of at least 65% ("Minimum Occupancy") of leasable space during the Compliance Period.

Gateway Vertical Developer (a) shall, through the Compliance Period, lease the Gateway Property to tenants whose operations shall not include any Prohibited Uses as set forth in Exhibit Q, without prior written approval of the City, which shall be at the City's sole discretion, and (b) shall not, through the Compliance Period, except for the Declaration of Restrictions dated as of August 20, 2010 between North Pullman 111th, Inc. and U.S. Bank National Association and recorded with the Office of the Cook County Recorder of Deeds on September 1, 2010 as document number 1024404004 (until the restrictions described therein terminate according to such Declaration of Restrictions), include any restriction upon the use and operation of the Gateway Property in any contract of sale or deed (or similar instrument) of conveyance that is more restrictive or in conflict with the restrictions relating to Prohibited Uses. The covenants set forth in this Section 8.18.1 will run with the land comprising the Gateway Property (as defined herein) and will be binding upon any transferee, until the expiration of the Compliance Period.

8.20.1 No Conflict of Interest – Gateway Project. Under Section 5/11-74.4-4(n) of the Act, the Gateway Developer Parties represent, warrant and covenant that to the best of their knowledge, no member, official, or employee of the City, or of any commission or committee exercising authority over the Gateway Project, the Redevelopment Area or the Redevelopment Plan, or any consultant hired by the City, (a "City Group Member") owns or controls, has owned or controlled or will own or control any interest, and no such City Group Member will 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, either of the Gateway Developer Parties, the Gateway Property, the Gateway Project, or to the Gateway Developer Parties' actual knowledge, any other property in the Redevelopment Area.

8.21.1 Disclosure of Interest – Gateway Project. The Gateway Developer Parties' counsel has/have no direct or indirect financial ownership interest in either of the Gateway Developer Parties, the Gateway Property or any other feature of the Gateway Project.

8.27.1 Employment Plan – Gateway Project. The Gateway Developer Parties must meet with the Workforce Solutions Unit of DPD to discuss the Gateway Project and to formulate an Employment Plan for the Gateway Project (the "Employment Plan"), including, without limitation, the Developer's estimates of future job openings, titles, position descriptions, qualifications, recruiting, training, placement and such other information as DPD has requested relating to the Project. In addition, the Developer shall cause the Gateway Vertical Developer to require through its lease that any subsequent tenant on the Gateway Property meet with Workforce Solutions to prepare an Employment Plan.

8.29.1 Survival of Covenants. All warranties, representations, covenants and agreements of the Gateway Developer Parties, in regard to the Gateway Project, contained in

this Article Eight and elsewhere in this Agreement are true, accurate and complete at the time of the Gateway Developer Parties' execution of the First Amendment to this Agreement, and will survive the execution, delivery and acceptance by the parties and (except as provided in Article Seven upon the issuance of any certificate of completion) will be in effect throughout the Term of the Agreement.

8.30.1 Payment upon Sale or Refinancing. With respect to a Sale or Refinancing during the Compliance Period, Developer (in the case of a Sale of Gateway Vertical Developer's membership interests by Developer) or Gateway Vertical Developer, as applicable (a) shall provide the City within thirty business days before the closing, a copy of the signed purchase and sale or refinancing agreement, including all exhibits, an estimate of the Net Proceeds from such transaction, and an estimate of the anticipated amount to be paid to the City, and (b) shall provide the City within five business days after the closing, a certified closing statement for such Sale or Refinancing and a check or wire transfer in the amount of 50% of the Net Proceeds of such Sale or Refinancing.

Notwithstanding the foregoing, the further investment of equity capital in the Gateway Vertical Developer by Developer to finance construction or operations of the Gateway Project shall not by itself be considered to be a Sale or Refinancing.

If Developer (in the case of a Sale of Gateway Vertical Developer's membership interests by Developer) or Gateway Vertical Developer, as applicable, pursuant to this Section 8.30.1 repays the entire amount of City Funds previously disbursed by the City plus compounded interest from the date the City Funds were disbursed, then promptly following such repayment the City shall execute and deliver to Developer a release of this Agreement in recordable form, to be recorded by Developer at Developer's expense.

"Foreclosure" shall mean the succession by a lender providing Lender Financing to the interest of either of the Gateway Developer Parties 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 proceeding in lieu of foreclosure or otherwise, and excluding any subsequent Sale.

"Net Proceeds" of any Sale or Refinancing shall mean an amount equal to the proceeds of any Sale or Refinancing realized by Developer (in the case of a Sale of Gateway Vertical Developer's membership interests by Developer) or Gateway Vertical Developer, as applicable, minus (w) all accrued and unpaid Lender Financing on the Gateway Project or the portion thereof sold or refinanced, not forgiven, assumed or taken subject to by the buyer, (x) in the case of a Sale by a lender after Foreclosure, the amount of Lender Financing satisfied by the Foreclosure, and (y) reasonable and customary closing costs and expenses of any such Sale or Refinancing, subject to approval by the City.

"Refinancing" shall mean the refinancing by the Developer of the Lender Financing.

"Sale" shall mean (a) the sale, exchange or other disposition of all or any portion of the Gateway Project and/or the Gateway Property by the Gateway Developer Party(ies) to a buyer for cash, property, assumption of indebtedness or other consideration, or (b) the sale, exchange or other disposition of all or any portion of Gateway Vertical Developer's membership interests by Developer, or the issuance of additional membership interests by Gateway Vertical Developer, for cash, property, assumption of indebtedness or other consideration; provided, however, that while a Foreclosure shall not constitute a Sale, any subsequent sale, exchange or

other disposition of all or any portion of the Gateway Project and/or the Gateway Property after Foreclosure shall constitute a Sale.

The covenants set forth in this Section shall run with the land and be binding upon any transferee throughout the Compliance Period.

16. Add the following sections to Article 9 of the Redevelopment Agreement:

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

9.02.1 Survival of Covenants – Gateway Project. All warranties, representations, and covenants of the City, in regard to the Gateway Project, contained in this Article Nine or elsewhere in this Agreement shall be true, accurate, and complete at the time of the City's execution of the First Amendment to 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.

17. Add the following sections to Article 10 of the Redevelopment Agreement:

10.01.1 Employment Opportunity – Gateway Project. The Gateway Developer Parties, on behalf of themselves and their successors and assigns, hereby agree, and will contractually obligate their various contractors, subcontractors or any Affiliate of the Gateway Developer Parties on the Gateway Project (collectively, with the Gateway Developer Parties, such parties are defined herein as the "Employers", and individually defined herein as an "Employer") to agree, that for the Term of this Agreement with respect to the Gateway Developer Parties and during the period of any other party's provision of services in connection with the construction of the Gateway Project:

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

(b) To the greatest extent feasible, each Employer is required to present opportunities for training and employment of low- and moderate-income residents of the City and preferably of the Redevelopment Area; and to provide that contracts for work in connection with the construction of the Gateway 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 will comply with all applicable 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 State Human Rights Act, 775 ILCS 5/1-101 et. seq. (2006 State Bar Edition), as amended, and any subsequent amendments and regulations promulgated thereto.

(d) Each Employer, in order to demonstrate compliance with the terms of this Section, will 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 will include the foregoing provisions of subparagraphs (a) through (d) in every construction contract entered into in connection with the Gateway Project, after the Gateway Closing Date, and will require inclusion of these provisions in every subcontract entered into by any subcontractors, after the Gateway Closing Date, and every agreement with any Affiliate operating on the Gateway Property or at the Gateway Project, after the Gateway Closing Date, so that each such provision will 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 10.01.1 will be a basis for the City to pursue remedies under the provisions of Section 15.02.1 hereof, subject to the cure rights under Section 15.03.1.

10.02.1 City Resident Construction Worker Employment Requirement – Gateway Project.

(a) The Gateway Developer Parties agree for themselves and their successors and assigns, and will contractually obligate their General Contractor and will cause the General Contractor to contractually obligate its subcontractors, as applicable, to agree, that during the construction of the Gateway Project they will 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 will be performed by actual residents of the City); provided, however, that in addition to complying with this percentage, the Gateway Developer Parties, their General Contractor and each subcontractor will be required to make good faith efforts to utilize qualified residents of the City in both unskilled and skilled labor positions. The Gateway Developer Parties, the General Contractor and each subcontractor will use their respective best efforts to exceed the minimum percentage of hours stated above, and to employ neighborhood residents in connection with the Gateway Project.

(b) The Gateway Developer Parties 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.

(c) "Actual residents of the City" means persons domiciled within the City. The domicile is an individual's one and only true, fixed and permanent home and principal establishment.

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

(e) Weekly certified payroll reports (U.S. Department of Labor Form WH-347 or equivalent) will be submitted to the Commissioner of DPD in triplicate, which will 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.

(f) Upon 2 Business Days prior written notice, the Gateway Developer Parties, the General Contractor and each subcontractor will provide full access to their employment records related to the construction of the Gateway Project to the Chief Procurement Officer, the Commissioner of DPD, the Superintendent of the Chicago Police Department, the Inspector General or any duly authorized representative of any of them. The Gateway Developer Parties, the General Contractor and each subcontractor will maintain all relevant personnel data and records related to the construction of the Gateway Project for a period of at least 3 years after final acceptance of the work constituting the Gateway Project.

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

(h) Good faith efforts on the part of the Gateway Developer Parties, 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) will not suffice to replace the actual, verified achievement of the requirements of this Section concerning the worker hours performed by actual Chicago residents.

(i) When work at the Gateway Project is completed, in the event that the City has determined that the Gateway Developer Parties have failed to ensure the fulfillment of the requirement of this Article concerning the worker hours performed by actual residents of the City 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 Article. 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 Gateway Project Budget (the product of .0005 x such aggregate hard construction costs) (as the same will be evidenced by approved contract value for the actual contracts) will be surrendered by 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 will 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 Gateway Developer Parties, the General Contractor and/or the subcontractors to prosecution. Any retainage to cover contract performance that may become due to the Gateway Developer Parties 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 Gateway Developer Parties must surrender damages as provided in this paragraph.

(j) Nothing herein provided will 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.

(k) The Gateway Developer Parties will cause or require the provisions of this Section 10.02.1 to be included in all construction contracts and subcontracts related to the Gateway Project, entered into after the Gateway Closing Date.

10.03.1 Gateway Developer Parties' MBE/WBE Commitment. The Gateway Developer Parties agree for themselves and their successors and assigns, and, if necessary to meet the requirements stated in this section, will contractually obligate the General Contractor to agree that during the construction of the Gateway 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 10.03.1, during the course of the Project, at least the following percentages of the MBE/WBE Budget (as stated in Exhibit D-4) must be expended for contract participation by Minority-Owned Businesses ("MBEs") and by Women-Owned Businesses ("WBEs"):

- (1) At least 26 percent by MBEs.
- (2) At least six percent by WBEs.

(b) For purposes of this Section 10.03.1 only:

(i) The Gateway Developer Parties (and any party to whom a contract is let by the Gateway Developer Parties in connection with the Gateway Project) are deemed a "contractor" and this Agreement (and any contract let by the Gateway Developer Parties in connection with the Gateway Project) is 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.

(ii) The term "minority-owned business" or "MBE" 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.

(iii) The term "women-owned business" or "WBE" 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.

(c) Consistent with Sections 2-92-440 and 2-92-720, Municipal Code of Chicago, the Gateway Developer Parties' MBE/WBE commitment may be achieved in part by the Gateway Developer Parties' status as an MBE or WBE (but only to the extent of any actual work performed on the Gateway Project by the Gateway Developer Parties) 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 Gateway Project by the MBE or WBE), by the Gateway Developer Parties utilizing a MBE or a WBE as the General Contractor (but only to the extent of any actual work performed on the Gateway Project by the General Contractor), by subcontracting or causing the General Contractor to subcontract a portion of the Gateway Project to one or more MBEs or WBEs, or by the purchase of materials or services used in the Gateway 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 Developer's MBE/WBE commitment as described in this Section 10.03.1. In compliance with Section 2-92-730, Municipal Code of Chicago, the Gateway Developer Parties will not substitute any MBE or WBE General Contractor or subcontractor without the prior written approval of DPD.

(d) The Gateway Developer Parties must deliver monthly reports to the City's monitoring staff during the Gateway Project describing its efforts to achieve compliance with this MBE/WBE commitment. Such reports will include, inter alia: the name and business address of each MBE and WBE solicited by the Gateway Developer Parties or the General Contractor to work on the Gateway Project, and the responses received from such solicitation; the name and business address of each MBE or WBE actually involved in the Gateway 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 Gateway Developer Parties' compliance with this MBE/WBE commitment. The Gateway Developer Parties will maintain records of all relevant data with respect to the utilization of MBEs and WBEs in connection with the Gateway Project for at least 5 years after completion of the Gateway Project, and the City's monitoring staff will have access to all such records maintained by the Gateway Developer Parties, on 5 Business Days' notice, to allow the City to review the Gateway Developer Parties' compliance with their commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the Gateway Project.

(e) Upon the disqualification of any MBE or WBE General Contractor or subcontractor, if such status was misrepresented by the disqualified party, the Gateway Developer Parties are 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 Gateway Developer Parties' MBE/WBE commitment as described in this Section 10.03.1 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 Gateway Project, the Gateway Developer Parties shall be required to meet with the City's monitoring staff with regard to Developer's compliance with its obligations under this Section 10.03.1. The General Contractor and all major subcontractors are required to attend this pre-construction meeting. During said meeting,

the Gateway Developer Parties will demonstrate to the City's monitoring staff their plan to achieve their obligations under this Section 10.03.1, the sufficiency of which will be approved by the City's monitoring staff. During the Gateway Project, the Gateway Developer Parties shall submit the documentation required by this Section 10.03.1 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 Gateway Project via written notice and hearings; and (viii) evidence of compliance with job creation/job retention requirements. Failure to submit such documentation on a timely basis, or a determination by the City's monitoring staff, upon analysis of the documentation, that the Gateway Developer Parties are not complying with its obligations under this Section 10.03.1, will, upon the delivery of written notice to the Gateway Developer Parties, 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 Gateway Developer Parties to halt the Gateway Project, (2) withhold any further payment of any Gateway City Funds to Developer or the General Contractor, or (3) seek any other remedies against the Gateway Developer Parties available at law or in equity.

18. Add the following section to Article 13 of the Redevelopment Agreement:

13.01.1 General Indemnity – Gateway Project. The Gateway Developer Parties agree to indemnify, pay 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 (arising out of a third party action against the City), 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 Indemnitees shall be designated a party thereto), that may be imposed on, suffered, incurred by or asserted against the Indemnitees by a third party in any manner relating to or arising out of:

- (i) any cost overruns as described in Section 4.06.1; or
- (ii) the Gateway Developer Parties failure to comply with any of the terms, covenants and conditions contained within this Agreement; or
- (iii) the Gateway Developer Parties or any contractor's failure to pay General Contractors, subcontractors or materialmen in connection with the Gateway TIF-Funded Improvements or any other Gateway Project improvement; or
- (iv) 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 Gateway Developer Parties or their agents, employees, contractors or persons acting under the control or at the request of the Gateway Developer Parties or any affiliate of the Gateway Developer Parties; or
- (v) the Gateway Developer Parties' failure to cure any misrepresentation in this Agreement or any other document or agreement relating hereto; or

(vi) any act or omission by the Gateway Developer Parties or any Affiliate of the Gateway Developer Parties;

provided, however, that the Gateway Developer Parties shall have no obligation to an Indemnitee arising from the wanton or willful misconduct of that Indemnitee. To the extent that the preceding sentence may be unenforceable because it is violative of any law or public policy, the Gateway Developer Parties will contribute the maximum portion that it is permitted to pay and satisfy under 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 13.01.1 will survive the termination of this Agreement.

19. Add the following sections to Article 15 of the Redevelopment Agreement:

15.01.1 Events of Default – Gateway Project. The occurrence of any one or more of the following events, subject to the provisions of Section 15.03.1, will constitute an “Event of Default” by the Gateway Developer Parties hereunder:

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

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

(c) the making or furnishing by the Gateway Developer Parties 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 by the Gateway Developer Parties to create, any lien or other encumbrance upon the Gateway Property or the Gateway Project, including any fixtures now or hereafter attached thereto, other than the Gateway Permitted Liens or any Permitted Mortgage, or the making or any attempt to make any levy, seizure or attachment thereof;

(e) the commencement of any proceedings in bankruptcy by or against the Gateway Developer Parties or the Gateway Developer Parties’ ultimate parent entity, if any, or for the liquidation or reorganization of the Gateway Developer Parties or the Gateway Developer Parties’ ultimate parent entity, if any, or alleging that the Gateway Developer Parties or the Gateway Developer Parties’ ultimate parent entity, if any, is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of the Gateway Developer Parties’ or the Gateway Developer Parties’ ultimate parent entity’s, if any, debts, whether under the United States Bankruptcy Code or under any other state or Federal law, now or hereafter existing for the relief of debtors, or the commencement of any analogous statutory or non-statutory proceedings involving the Gateway Developer Parties or the Gateway Developer Parties’ ultimate parent entity, if any; provided, however, that if such commencement of proceedings is

involuntary, such action will not constitute an Event of Default unless such proceedings are not dismissed within 60 days after the commencement of such proceedings;

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

(g) the entry of any judgment or order against the Gateway Developer Parties, not covered by insurance for an amount in excess of \$1.0 million which remains unsatisfied or undischarged and in effect for 60 days after such entry without a stay of enforcement or execution;

(h) [reserved];

(i) the dissolution of the Gateway Developer Parties or the Gateway Developer Parties' ultimate parent entity, if any;

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

(k) [reserved]; or

(l) The failure of the Gateway Developer Parties, or the failure by any party that is a Controlling Person (defined in Section 1-23-010 of the Municipal Code) with respect to the Gateway Developer Parties, to maintain eligibility to do business with the City in violation of Section 1-23-030 of the Municipal Code; such failure shall render this Agreement voidable or subject to termination, at the option of the Chief Procurement Officer.

(m) The failure of the Developer and/or Gateway Vertical Developer to meet their obligations under Section 8.18.1. In the event of a deficiency in the Minimum Occupancy (as defined in Section 8.18.1) level there will be two, non-consecutive one-year cure periods allowed (notwithstanding Section 15.03.1). If either of the Gateway Developer Parties fails to cure the deficiency within the applicable one-year cure period the City will consider it an event of default and will have the right to seek any available remedy pursuant to Section 15.02.1. If the City seeks repayment of Gateway City Funds, such repayment will be 100% of the Gateway City Funds paid to the Developer if the City is seeking repayment during years 1-5 of the Compliance Period and will decrease by 20% annually for years 6-10 of the Compliance Period. Any year of non-compliance will add one year to the Compliance Period.

For purposes of Section 15.01(j), hereof, a natural person with a material interest in the Gateway Developer Parties is one owning in excess of seven and a half percent (7.5%) of either of the Gateway Developer Parties or the Gateway Developer Parties' ultimate parent entity, if

any, issued and outstanding ownership shares or interests. For purposes of Section 15.01.1, "ultimate parent entity" does not mean a person or entity that is a Member of the Gateway Developer Parties.

15.02.1 Remedies – Gateway Project. Upon the occurrence of an Event of Default, the City may terminate this Agreement and all related agreements, may suspend disbursement of Gateway City Funds, and recover any Gateway City Funds previously disbursed. 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. To the extent permitted by law, the City may also lien the Gateway Property. In the event the Gateway Vertical Developer sells the Gateway Property during the Compliance Period, the City has the right to payment from the Gateway Developer Parties as described in Section 8.30.1.

15.03.1 Curative Period – Gateway Project.

(a) In the event the Gateway Developer Parties fail to perform a monetary covenant which the Gateway Developer Parties are required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default will not be deemed to have occurred unless the Gateway Developer Parties or a Lender have failed to perform such monetary covenant within 10 days of its receipt of a written notice from the City specifying that it has failed to perform such monetary covenant.

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

20. Add the following party to Article 17 of the Redevelopment Agreement for notices relating to the Gateway Project:

If to Gateway Vertical Developer:

Pullman Park Development 2, LLC
1000 East 111th Street, 10th Floor
Chicago, Illinois 60628

21. Replace the following sections to Article 18 of the Redevelopment Agreement:

18.01 Amendments. This Agreement and the Schedules and Exhibits attached hereto may not be modified or amended except by an agreement in writing signed by the parties; provided, however, that the City in its sole discretion, may amend, modify or supplement the Redevelopment Plan. For purposes of this Agreement, the Developer or the Gateway Developer Parties are only obligated to comply with the Redevelopment Plan as in effect on the date of this Agreement for the Project and as of the date of the First Amendment for the

Gateway Project, as applicable. 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 the Developer or the Gateway Developer Parties (including those set forth in Sections 10.02, 10.2.1, 10.03 and 10.03.1 hereof) by more than five percent (5%) or materially changes the Project site or Gateway Project site, as applicable, or character of the Project or Gateway Project, as applicable, or any activities undertaken by Developer or the Gateway Developer Parties affecting the Property or Gateway Property, as applicable, the Project or Gateway Project, as applicable, or both, or increases any time agreed for performance by Developer or the Gateway Developer Parties by more than 90 days.

18.07 Parties in Interest/No Third Party Beneficiaries. The terms and provisions of this Agreement are binding upon and inure to the benefit of, and are enforceable by, the respective successors and permitted assigns of the parties hereto. This Agreement will 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. Nothing contained in this Agreement, nor any act of the City, Developer, Vertical Developer or Gateway Vertical Developer, will be deemed or construed by any of the parties hereto or by third persons, to create any relationship of third party beneficiary, principal, agent, limited or general partnership, joint venture, or any association or relationship involving the City, Developer, Vertical Developer or Gateway Vertical Developer.

18.15 Assignment. Prior to the issuance by the City to the Gateway Developer Parties of a Gateway Project Vertical Construction Certificate of Completion, the Developer or Gateway Developer Parties may not sell, assign or otherwise transfer their interest in this Agreement in whole or in part without the written consent of the City; provided, however, that the Developer or the Gateway Developer Parties may assign, on a collateral basis, the right to receive City Funds or Gateway City Funds, as applicable, to a lender providing Lender Financing, if any, which has been identified to the City as of the Closing Date or the Gateway Closing Date. Any successor in interest to Developer or the Gateway Developer Parties under this Agreement (excluding any Lender that has been assigned only the right to received City Funds or Gateway City Funds on a collateral basis) will certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, including but not limited to Section 8.25 (Survival of Covenants) hereof, for the Term of the Agreement. The Developer and Gateway Developer Parties hereby consent to the City's assignment or other transfer of this Agreement at any time in whole or in part.

18.23 Survival of Agreements. All covenants and agreements of the parties contained in this Agreement will survive the Closing Date or Gateway Closing Date, as applicable, in accordance with the provisions of this Agreement.

22. Replace the following definitions in Schedule A to the Redevelopment Agreement:

"Actual Residents of the City" has the meaning defined for such phrase in Section 10.02(c) and 10.02.1(c).

“Annual Report of Incremental Taxes” means a signed report from a recognized financial consultant approved by the City that sets forth as of its date (i) a description of the Redevelopment Area, (ii) a description of the Project or Gateway Project, as applicable, (iii) a status update of the Project or Gateway Project, as applicable, including information on construction, occupancy, leasing or sales, as applicable; and (iv) a calculation of the Available Incremental Taxes constituting the source of funds for payment on any City Note, showing for the Property or Gateway Property or applicable tax codes the current year equalized assessed value, the initial equalized assessed value, the incremental equalized assessed value and the composite tax rates for the last five years.

“Change Order” means any amendment or modification to the Scope Drawings, the Plans and Specifications, the Project Budget, the Gateway Project Budget (all as defined below) within the scope of Sections 3.03 or 3.03.1, as applicable, 3.04 and 3.05.

“City Contract” has the meaning defined in Sections 8.01(l) and 8.01.1(l).

“Construction Contract” means a contract, if any, to be entered into between Developer or either of the Gateway Developer Parties and the General Contractor (as defined below) for either the Project or the Gateway Project providing for construction of, among other things, the TIF-Funded Improvements or Gateway TIF-Funded Improvements, as applicable. The parties to this Agreement may agree that the Construction Contract may be provided after the Closing Date or the Gateway Closing Date, as applicable.

“Construction Program” has the meaning defined in Sections 10.03(a) and Section 10.03.1(a).

“Employer(s)” has the meaning defined in Sections 10.01 and 10.01.1.

“Equity” means, in regard to the Project, net proceeds received by Developer from the sale of the Property to the Vertical Developer (defined below) irrevocably available for the Project, in the amount stated in Section 4.01 hereof, which amount may be increased under Section 4.06 (Cost Overruns), and excluding without limitation funds derived from Lender Financing (as defined below), or, in regard to the Gateway Project, shall mean funds of the Developer Parties (other than funds derived from Lender Financing) irrevocably available for the Gateway Project, in the amount set forth in Section 4.01.1 hereof, which amount may be increased pursuant to Section 4.06.1 (Gateway Project Cost Overruns).

“Event of Default” has the meaning defined in Sections 15.01 and 15.01.1.

“Foreclosure” has the meaning defined in Section 8.30.1.

“General Contractor” means the general contractor(s) hired by Developer or the Gateway Vertical Developer under Section 6.01 for either the Project or Gateway Project.

“Governmental Charge” has the meaning defined in Sections 8.16(a)(i) and 8.16.1(a)(i).

“Indemnitee” and “Indemnitees” have the respective meanings defined in Sections 13.01 and 13.01.1.

“Lender Financing” means funds borrowed by Developer or the Gateway Vertical Developer from lenders, if any, and available to pay for costs of the Project in the amount stated

in Section 4.01 or to pay for costs of the Gateway Project in the amount stated in Section 4.01.1.

“Net Proceeds” has the meaning defined in Section 8.30.1.

“Non-Governmental Charges” means all non-governmental charges, liens, claims, or encumbrances relating to Developer, the Property or the Gateway Property, as applicable, or the Project or Gateway Project, as applicable.

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

“Project” has the meaning defined in Recital D. In regard to Sections 3.02 and 3.04-3.13, Articles 6, 11, 14 and 16 and Schedule B, and when the context clearly supports such interpretation, Project shall also, in the alternative, mean the Gateway Project.

“Property” has the meaning defined in Recital D. In regard to Sections 3.10 and 3.13, and Articles 11, 14 and 16, and when the context clearly supports such interpretation, Property shall also, in the alternative, mean the Gateway Property.

“Refinancing” has the meaning defined in Section 8.30.1.

“Sale” has the meaning defined in Section 8.30.1.

“Scope Drawings” means preliminary construction documents containing a site plan and preliminary drawings and specifications for the Project or the Gateway Project, as applicable.

“Survey” means a plat of survey in the most recently revised form of ALTA/ACSM land title survey of the Property or the Gateway Property, as applicable, meeting the 2011 minimum standard detail requirements for ALTA/ACSM Land Title Surveys, effective February 23, 2011, dated within 75 days prior to the Closing Date or Gateway Closing Date, as applicable, acceptable in form and content to the City and the Title Company, prepared by a surveyor registered in the State, certified to the City and the Title Company, and indicating whether the Property or Gateway Property, as applicable, is in a flood hazard area as identified by the United States Federal Emergency Management Agency (and any updates thereof to reflect improvements to the Property or the Gateway Property, as applicable, as required by the City or the lender(s) providing Lender Financing, if any).

“TIF District Administration Fee” has the meaning described in Sections 4.05(b) and Section 4.05.1(b).

“Title Policy” means a title insurance policy in the most recently revised ALTA or equivalent form, showing Developer as the insured, noting the recording of this Agreement as an encumbrance against the Property as of the Closing Date, this Agreement and the First Amendment to the Agreement as encumbrances against the Gateway Property as of the Gateway Closing Date, and a subordination agreement in favor of the City with respect to previously recorded liens against either the Property or Gateway Property related to Lender Financing, if any, issued by the Title Company.

23. Add the following definitions to Schedule A to the Redevelopment Agreement:

“Compliance Period” shall mean the ten-year period of time from the date of the issuance of the Gateway Vertical Construction Certificate of Completion through and including the tenth anniversary of the issuance of the Gateway Vertical Construction Certificate of Completion; provided, however, this the Compliance Period shall be increased by one year if the Developer has elected to use a one-year cure period under Section 15.01.1(m) and has cured the deficiency in the Minimum Occupancy within such one-year cure period.

“Gateway Annual Compliance Report” shall mean a signed report from the Developer and/or the Gateway Vertical Developer, submitted on or about February 1st, consisting of a letter from the Developer and/or Gateway Vertical Developer itemizing all ongoing requirements of the Agreement, with evidence and certification attached sufficient to prove that all of the ongoing requirements have been satisfied during the preceding year. This Compliance Period will extend at least 10 years from the issuance of the Gateway Vertical Construction Certificate of Completion. The Developer and/or Vertical Developer will also be required to submit audited Gateway Financial Statements. Failure by the Developer to submit or cause the Gateway Vertical Developer to submit the Gateway Annual Compliance Report or required audited Gateway Financial Statements shall constitute an Event of Default, for which there shall be no cure. However, if the Developer or Gateway Vertical Developer fails to provide a Gateway Annual Compliance Report and/or required audited Gateway Financial Statements in a given year, the City will be required to provide notice to the Developer and Gateway Vertical Developer, and they will have ten (10) calendar days after receipt of such notice to file, or cause to be filed, the Gateway Annual Compliance Report and/or submit required audited Gateway Financial Statements. The Gateway Annual Report also shall include financials for the Gateway Project, the “Occupancy Report” and the “Jobs Report”.

“Gateway Available Incremental Taxes” shall mean Incremental Taxes (as defined below) deposited in the TIF Fund attributable to, and payable from, the increment generated area-wide from the North Pullman Redevelopment Area, adjusted to exclude the Gateway City Fee (defined below).

“Gateway City Fee” has the meaning defined in Section 4.05.1(b).

“Gateway City Funds” means the funds described in Section 4.03.1(b) hereof.

“Gateway Closing Date” means the date of execution and delivery of the First Amendment to the Agreement by all parties hereto, which shall be deemed to be the date appearing in the first paragraph of the First Amendment.

“Gateway Developer Parties” means the Developer and the Gateway Vertical Developer.

“Gateway Financial Statements” means the audited financial statements regularly prepared by Developer, Gateway Vertical Developer and any of their affiliated or related or subsidiary entities which reflect all assets, liabilities and income thereof, and including, but not limited to, a balance sheet, income statement and cash-flow statement, in accordance with generally accepted accounting principles and practices consistently applied throughout the appropriate periods, for business enterprises operating for profit in the United States of America, and also includes financial statements (both audited and unaudited) prepared by a certified public accountant, together with any audit opinion and management letter issued by the auditor

for Developer, Gateway Vertical Developer and any of their affiliated or related or subsidiary entities.

“Gateway Permitted Liens” means those liens and encumbrances against the Gateway Property and/or the Gateway Project stated in Exhibit I-1.

“Gateway Prior Expenditure” has the meaning defined in Section 4.05.1.

“Gateway Project” has the meaning defined in Recital D.1.

“Gateway Project Budget” means the budget stated in Exhibit D-3, showing the total cost of the Gateway Project by line item, as furnished by Developer to DPD, in accordance with Section 3.03.1.

“Gateway Property” has the meaning defined in Recital D.1.

“Gateway Site Work Certificate of Completion” has the meaning defined in Section 7.01.1.

“Gateway TIF-Funded Improvements” means those improvements of the Gateway Project listed in Exhibit E-1, all of which have been determined by the City prior to the date of the First Amendment to the Agreement to be qualified Redevelopment Project Costs and costs that are eligible under the Redevelopment Plan for reimbursement by the City out of the Gateway City Funds, subject to the terms of this Agreement.

“Gateway Vertical Construction Certificate of Completion” has the meaning defined in Section 7.01.2.

“Jobs Report” means the report, in a form acceptable to DPD, that shall be filed with the Gateway Annual Compliance Report providing the name of all tenants leasing space in the retail building and identifying the number of full- and part-time employees employed by such tenants, all with supporting documentation as may be required by DPD.

“Occupancy Report” means the report, in a form acceptable to DPD, that shall be filed with the Gateway Annual Compliance Report providing the name of all tenants leasing space in the retail building and certifying that at least 65% of the overall leaseable space in the retail building is occupied, all with supporting documentation as may be required by DPD.

“Pullman Park Development 2, LLC” has the meaning defined in the Agreement Preamble.

24. Add the attached Exhibits B-2, D-3, D-4, E-1, I-1 to the Redevelopment Agreement.

25. Replace Exhibit D-1 to the Redevelopment Agreement with the new Exhibit D-1 attached.

26. Replace Exhibit D-2 to the Redevelopment Agreement with the new Exhibit D-2 attached.

27. Replace Exhibit E to the Redevelopment Agreement with the new Exhibit E attached.

SECTION THREE: MISCELLANEOUS

1. Except as amended hereby, the provisions of the Redevelopment Agreement remain in full force and effect in accordance with its terms.

2. In the event of any conflict between the provisions of the Redevelopment Agreement and the provisions of this First Amendment, the provisions of this First Amendment shall control.

3. All prior agreements, whether written or oral, regarding the amendment of the Redevelopment Agreement are superseded by this First Amendment.

4. This First Amendment may be executed in counterparts, each of which shall be deemed an original.

5. The Developer shall cause one original counterpart of this First Amendment to be recorded with the Office of the Cook County Recorder of Deeds. 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 First Amendment showing the date and recording number of record.

[The remainder of this page is intentionally left
blank and the signature page follows]

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

CHICAGO NEIGHBORHOOD INITIATIVES, INC.,
an Illinois not-for-profit corporation

By:  _____
David Doig
President

PULLMAN PARK DEVELOPMENT 2 LLC,
an Illinois limited liability company

By:  _____
Name: David Doig
Title: President of Chicago Neighborhood Initiatives, Inc., an
Illinois not-for-profit corporation and the sole member and
manager of Pullman Park Development 2 LLC

CITY OF CHICAGO

By: _____
David L. Reifman
Commissioner,
Department of Planning and Development

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

CHICAGO NEIGHBORHOOD INITIATIVES, INC.,
an Illinois not-for-profit corporation


By: _____
David Doig
President

PULLMAN PARK DEVELOPMENT 2, LLC,
an Illinois limited liability company

By: Chicago Neighborhood Initiatives, Inc., an
Illinois not-for-profit corporation, its sole member

By: _____
Name: David Doig
Title: President

CITY OF CHICAGO

By: _____

David L. Reifman
Commissioner,
Department of Planning and Development

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Maria G. Meduga, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that David Doig, personally known to me to be the President of Chicago Neighborhood Initiatives, Inc., an Illinois not-for-profit corporation (the "Developer"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed, and delivered said instrument, pursuant to the authority given to him/her by Developer, as his free and voluntary act and as the free and voluntary act of Developer, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 9th day of August, 2017.



Maria G. Meduga
Notary Public

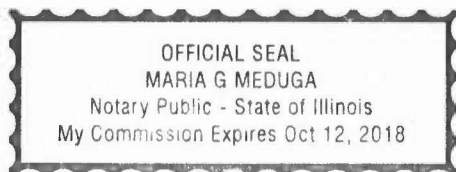
My Commission Expires Oct. 12, 2018

(SEAL)

STATE OF Illinois)
COUNTY OF Cook) SS

I, Maria G. Meduga, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that David Deja, personally known to me to be the President of Chicago Neighborhood Initiatives, Inc., an Illinois not-for-profit corporation and the sole member and manager of Pullman Park Development 2 LLC, an Illinois limited liability company ("Gateway Vertical 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 Gateway Vertical Developer, as his/her free and voluntary act and as the free and voluntary act of Gateway Vertical Developer, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 9th day of August, 2017.



Maria G. Meduga
Notary Public

My Commission Expires Oct. 12, 2018

(SEAL)

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Patricia Sulewski, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that David L. Reifman, personally known to me to be the Commissioner of the Department of Planning and Development of the City of Chicago (the "City"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed, and delivered said instrument pursuant to the authority given to him by the City, as his free and voluntary act of the City, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 24th day of August, 2017.



Patricia Sulewski
Notary Public

My Commission Expires 5/7/18

(SEAL)

NORTH PULLMAN REDEVELOPMENT PROJECT AREA

CHICAGO NEIGHBORHOOD INITIATIVES INC.
REDEVELOPMENT PROJECT

Redevelopment Agreement dated as of July 22, 2016
(First Amendment dated as of August 24, 2017 adding this exhibit)

EXHIBIT B-2

LEGAL DESCRIPTION OF GATEWAY PROPERTY

THAT PART OF LOT 6 IN PULLMAN PARK – PHASE 3, BEING A SUBDIVISION OF PART OF THE SOUTHWEST QUARTER OF SECTION 14 AND THE SOUTHEAST QUARTER OF SECTION 15, ALL IN TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 5, 2016 AS DOCUMENT 1634044081, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID LOT 6; THENCE SOUTH 01 DEGREES 23 MINUTES 26 SECONDS EAST, ALONG THE EAST LINE OF SAID LOT 6, A DISTANCE OF 252.84 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING SOUTH 01 DEGREES 23 MINUTES 26 SECONDS EAST, ALONG SAID EAST LINE, 38.00 FEET; THENCE SOUTH 88 DEGREES 36 MINUTES 34 SECONDS WEST, PERPENDICULAR TO THE LAST COURSE, 50.11 FEET; THENCE NORTH 78 DEGREES 58 MINUTES 59 SECONDS WEST, 51.20 FEET; THENCE SOUTH 88 DEGREES 36 MINUTES 34 SECONDS WEST, PERPENDICULAR TO THE EAST LINE OF SAID LOT 6, A DISTANCE OF 139.89 FEET TO A POINT ON A LINE 240.00 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF SAID LOT 6; THENCE SOUTH 01 DEGREES 23 MINUTES 26 SECONDS EAST, ALONG SAID PARALLEL LINE, 231.16 FEET TO THE SOUTH LINE OF SAID LOT 6; THENCE SOUTH 88 DEGREES 36 MINUTES 34 SECONDS WEST, ALONG SAID SOUTH LINE, 306.00 FEET TO A POINT ON A LINE 546.00 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF SAID LOT 6; THENCE NORTH 01 DEGREES 23 MINUTES 26 SECONDS WEST, ALONG SAID PARALLEL LINE, 48.46 FEET; THENCE NORTH 10 DEGREES 20 MINUTES 08 SECONDS EAST, 29.52 FEET TO A POINT ON A LINE 540.00 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF SAID LOT 6; THENCE NORTH 01 DEGREES 23 MINUTES 26 SECONDS WEST, ALONG SAID PARALLEL LINE, 180.80 FEET; THENCE NORTH 88 DEGREES 36 MINUTES 34 SECONDS EAST, PERPENDICULAR TO THE LAST COURSE, 540.00 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

CONTAINING 85,131 SQUARE FEET OR 1.954 ACRES, MORE OR LESS.

PINS :

25-14-300-019-0000 (PART OF)

25-14-300-027-0000 (PART OF)

NORTH PULLMAN REDEVELOPMENT PROJECT AREA

CHICAGO NEIGHBORHOOD INITIATIVES INC.
REDEVELOPMENT PROJECT
(WHOLE FOODS WAREHOUSE AND DISTRIBUTION FACILITY)

Redevelopment Agreement dated as of July 22, 2016
(First Amendment dated as of August 24, 2017 amending this exhibit)

EXHIBIT D-1
PROJECT BUDGET

Land Acquisition	\$2,215,301
Hard Costs	
Miscellaneous Hard Costs	\$560,939
Pad Construction	\$459,285
Site Prep- Earthwork	\$2,617,442
Construction Management	\$200,000
Hard Cost Contingency	<u>\$15,739</u>
Total Hard Costs	\$3,853,405
Soft Costs/Fees	
Architecture and Engineering	\$125,000
Legal, Title, Closing Costs	\$450,000
Environmental Consulting	\$150,000
Geotech/Soils/Testing	\$110,000
Insurance	\$55,000
Appraisal	\$5,000
Utility Consulting	\$25,000
Entitlement- site planning	\$10,000
IEPA Fees	\$10,000
TIF Consulting	\$25,000
Financing Costs	\$150,000
Developer Fee	\$233,470
Permits	\$85,000
Contingency	<u>\$140,000</u>
Total Soft Costs	\$1,573,470
Total Project Budget	\$7,642,176

NORTH PULLMAN REDEVELOPMENT PROJECT AREA

CHICAGO NEIGHBORHOOD INITIATIVES INC.
REDEVELOPMENT PROJECT
(WHOLE FOODS WAREHOUSE AND DISTRIBUTION FACILITY)

Redevelopment Agreement dated as of July 22, 2016
(First Amendment dated as of August 24, 2017 amending this exhibit)

EXHIBIT D-2
PROJECT MBE/WBE BUDGET

Hard Costs	\$2,468,259
Soft Costs	<u>\$125,000</u>
MBE/WBE Project Budget	\$2,593,259
MBE Total at 26%	\$674,247
WBE Total at 6%	\$155,596

NORTH PULLMAN REDEVELOPMENT PROJECT AREA

CHICAGO NEIGHBORHOOD INITIATIVES INC.
REDEVELOPMENT PROJECT
(WHOLE FOODS WAREHOUSE AND DISTRIBUTION FACILITY)

Redevelopment Agreement dated as of July 22, 2016
(First Amendment dated as of August 24, 2017 adding this exhibit)

EXHIBIT D-3

GATEWAY PROJECT BUDGET

Land Acquisition (Donated) \$0

Hard Costs

Site Prep Material Cut/Fill	\$9,000
Fine Grade entire site	\$46,950
Erosion Control	\$33,650
Sidewalk Removal along Doty	\$625
Demolition/Crushing	
Underground Structures	\$18,000
Sanitary Sewer	\$18,275
Water Main	\$31,100
Storm Sewer	\$339,400
Asphalt	\$243,450
Concrete	\$114,585
Geotextile and Clean Fill	\$21,900
Landscaping Improvements	\$50,000
Site Lighting	\$170,000
111th Street Improvements	\$145,510
Bypass Sewer Construction	\$150,750
Detention Vault Construction	\$234,150
Subtotal Site Prep Costs	\$1,627,345

**111th Street Retail Vertical
Construction Detail**

Caissons	\$81,750
Excavation and Backfill	\$38,512
Concrete	\$169,461
Masonry	\$276,750
Structural and misc. steel	\$108,900
Carpentry	\$115,686
Roofing and Sheet Metal	\$164,270
Aluminum and glazing	\$106,360

EIFS	\$27,230
Metal Stud and Drywall	\$75,080
Flooring	\$1,280
Painting	\$7,000
Plumbing	\$55,600
Mechanical	\$126,334
Electrical	\$219,300
General Conditions	\$150,000
Overhead and Profit	\$86,543
111th Street Subtotal	\$1,810,056
Hard Cost Total	\$3,437,401
Debt Service Reserve	\$143,546
Soft Costs	
Engineering/Owner's Rep	\$75,000
Traffic	\$15,000
Environmental Consulting	\$30,000
IPEA NFR Costs	\$10,000
Utility Consultant	\$12,000
Geotechnical reports	\$25,000
Architectural and Planning - PD	\$15,000
Legal	\$255,000
Insurance	\$17,500
Brokerage	\$80,000
Taxes during construction	\$10,000
Permits and Approvals	\$10,000
Signage	\$75,000
NMTC Projections	\$25,000
Equity Fund Level Fees	\$90,000
CDE Level Fees	\$135,000
Asset Management Fee	\$220,500
Audit and Tax Reserve	\$68,000
Tenant Reimbursements	\$97,120
Soft Cost Contingency	\$190,632
Soft Costs	
Subtotal	\$1,455,752
Developer Fee	\$100,000
Project Total	\$5,136,699

NORTH PULLMAN REDEVELOPMENT PROJECT AREA

CHICAGO NEIGHBORHOOD INITIATIVES INC.
REDEVELOPMENT PROJECT
(WHOLE FOODS WAREHOUSE AND DISTRIBUTION FACILITY)

Redevelopment Agreement dated as of July 22, 2016
(First Amendment dated as of August 24, 2017 adding this exhibit)

EXHIBIT D-4

GATEWAY (MBE/WBE) BUDGET

Hard Costs	\$3,119,108
MBE/WBE Project Budget	\$3,119,108
MBE Total at 26%	\$810,968
WBE Total at 6%	\$187,146

NORTH PULLMAN REDEVELOPMENT PROJECT AREA

CHICAGO NEIGHBORHOOD INITIATIVES INC.
REDEVELOPMENT PROJECT
(WHOLE FOODS WAREHOUSE AND DISTRIBUTION FACILITY)

Redevelopment Agreement dated as of July 22, 2016
(First Amendment dated as of August 24, 2017 amending this exhibit)

EXHIBIT E
SCHEDULE OF TIF-FUNDED IMPROVEMENTS

Total Acquisition	\$2,215,301
Hard Costs	
Miscellaneous Hard Costs	\$560,939
Pad Construction	\$342,024
Site Prep- Earthwork	\$2,617,442
Construction Management	\$200,000
Hard Cost Contingency	\$0
Total Hard Costs	\$3,720,405
Soft Costs/Fees	
	Amount
Architecture and Engineering	\$125,000
Legal, Title, Closing Costs	\$400,000
Environmental Consulting	\$150,000
Geotech/Soils/Testing	\$110,000
Insurance	\$55,000
Appraisal	\$5,000
Entitlement- site planning	\$10,000
IEPA Fees	\$10,000
Financing Costs	\$45,000
Permits	\$85,000
Contingency	\$140,000
Total Soft Costs	\$1,135,000
Note Issuance Costs	
	Amount
Reserve	\$740,000
Costs of Issuance	\$213,000
Total Issuance Costs	\$953,000
Total TIF Funded Improvements*	\$8,023,706

*Notwithstanding the total of TIF-Funded Improvements or the amount of TIF-eligible costs, the assistance to be provided by the City shall not exceed \$7,900,000.

NORTH PULLMAN REDEVELOPMENT PROJECT AREA
 CHICAGO NEIGHBORHOOD INITIATIVES INC.
 REDEVELOPMENT PROJECT
 (WHOLE FOODS WAREHOUSE AND DISTRIBUTION FACILITY)

Redevelopment Agreement dated as of July 22, 2016
 (First Amendment dated as of August 24, 2017 adding this exhibit)

EXHIBIT E-1
 SCHEDULE OF GATEWAY TIF-FUNDED IMPROVEMENTS*

Land Acquisition (Donated)	\$0
Site Prep Material Cut/Fill	\$9,000
Fine Grade entire site	\$46,950
Erosion Control	\$33,650
Sidewalk Removal along Doty	\$625
Demoliton/Crushing Underground Structures	\$18,000
Sanitary Sewer Watermain	\$20,000
Asphalt	\$243,450
Concrete	\$114,585
Geotextile and Clean Fill	\$21,900
111th Street Improvements	\$145,510
Bypass Sewer Construction	\$0
Detention Vault Construction	\$0
Engineering	\$75,000
Environmental Consulting	\$30,000
IPEA NFR Costs	\$10,000
Geotechnical reports	\$25,000
Total	\$793,670

*Notwithstanding the total of TIF-Funded Improvements or the amount of TIF-eligible costs, the assistance to be provided by the City is limited to the amount described in **Section 4.03** and shall not exceed \$500,000.

NORTH PULLMAN REDEVELOPMENT PROJECT AREA
CHICAGO NEIGHBORHOOD INITIATIVES INC.
REDEVELOPMENT PROJECT
(WHOLE FOODS WAREHOUSE AND DISTRIBUTION FACILITY)

Redevelopment Agreement dated as of July 22, 2016
(First Amendment dated as of August 24, 2017 adding this exhibit)

EXHIBIT I-1

GATEWAY PERMITTED LIENS

Liens or encumbrances against the Gateway Property (and related improvements):

1. Those matters set forth as Schedule B title exceptions in the owner's title insurance policy issued by the Title Company as of the Gateway Closing Date, 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. Equitable interest of Potbelly Sandwich Works, LLC, pursuant to that certain lease executed by Potbelly Sandwich Works, LLC, and Pullman Park Development 2 LLC, dated as of October 26, 2016.
3. Equitable interest of Star Linear Corp., pursuant to that certain Pullman Park/111th Retail Lease between Pullman Park Development 2 LLC, and Star Linear Corp., dated as of January 5, 2017.

NORTH PULLMAN REDEVELOPMENT PROJECT AREA

CHICAGO NEIGHBORHOOD INITIATIVES INC.
REDEVELOPMENT PROJECT
(WHOLE FOODS WAREHOUSE AND DISTRIBUTION FACILITY)

Redevelopment Agreement dated as of July 22, 2016
(First Amendment dated as of August 24, 2017 adding this exhibit)

EXHIBIT Q

PROHIBITED USES

Uses that shall not be permitted on the Gateway Property are as follows:

1. Funeral homes.
2. Production, manufacturing and/or industrial use (as such terms are generally used and understood in commerce) of any kind or nature.
3. "Head Shops," pornographic "adult" bookstores, tattoo parlors, massage parlors.
4. Car washes, gasoline or service stations, or the display, repair, lease, rent or sale of any motor vehicle, boat or trailer.
5. Convenience stores, storage/warehouse uses, currency exchange, tavern, video stores, dollar stores, resale store or packaged goods stores.
6. Any use which creates a nuisance or materially increases noise or emissions of dust, odor, smoke or gases.
7. Any use which materially increases the risk of fire, explosion or radioactive hazard.
8. Any use involving Hazardous Materials.
9. Thrift stores or flea markets, excluding auction rooms, art or antique stores, or establishments selling books on a consignment basis.
10. Any trade or business consisting of the operation of any private or commercial golf course, country club, massage parlor, hot tub facility, suntan facility, racetrack or other facility used for gambling, or any store the principal business of which is the sale of alcoholic beverages for consumption off premises.