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

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**MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**

TAX INCREMENT ALLOCATION REDEVELOPMENT ACT

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
AMENDED AND RESTATED
REDEVELOPMENT AGREEMENT**

DATED AS OF July 19, 2012

BY AND BETWEEN

THE CITY OF CHICAGO

AND

MGM/TGI 105th STREET LLC,
an Illinois limited liability company

105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA

MGM/TGI 105th STREET LLC
AMENDED AND RESTATED
REDEVELOPMENT AGREEMENT

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**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
AMENDED AND RESTATED
REDEVELOPMENT AGREEMENT**

LIST OF SCHEDULES AND EXHIBITS

Schedules

Schedule A	Definitions
Schedule B	Insurance Requirements

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

Exhibits

Exhibit A	Redevelopment Area Legal Description
Exhibit B-1	Legal Description of the Phase 1 Property
Exhibit B-2	*Legal Description of the Property
Exhibit B-3	Legal Description of the Dispersed Lots
Exhibit B-3.5	*Boundary of Infrastructure Construction
Exhibit B-4	*Site Plan for the Project
Exhibit B-5	Affordable Sales Prices
Exhibit B-6	Planned Development No. 1008
Exhibit C	Redevelopment Plan
Exhibit D-1	*Project Budget
Exhibit D-2	*Construction (MBE/WBE) Budget
Exhibit E	Schedule of TIF-Funded Improvements
Exhibit F	Reserved
Exhibit G	Construction Contract
Exhibit H	Approved Prior Expenditures
Exhibit I	Permitted Liens
Exhibit J	Form of Opinion of Developer's Counsel
Exhibit K	Park Site Plan
Exhibit L	Form of Payment and Performance Bond

Exhibit M	Form of City Note and Certificate of Expenditure
Exhibit N	City Funds Requisition Form
Exhibit O	Form of City Subordination Agreement
Exhibit P	Form of City Recapture Mortgage

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**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
AMENDED AND RESTATED
REDEVELOPMENT AGREEMENT**

This MGM/TGI 105th Street LLC Amended and Restated Redevelopment Agreement (the “**Agreement**”) is made as of this 19th day of July, 2012, by and between the City of Chicago, an Illinois municipal corporation (the “**City**”), through its Department of Housing and Economic Development (“**HED**”), and MGM/TGI 105th Street LLC, an Illinois limited liability company (“**Developer**”).

RECITALS:

A. Constitutional Authority: As a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois (the “**State**”), the City has the power to regulate for the protection of the public health, safety, morals, and welfare of its inhabitants and, pursuant thereto, has the power to encourage private development in order to enhance the local tax base and create employment opportunities, and to enter into contractual agreements with private parties in order to achieve these goals.

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

C. **City Council Authority:** To induce redevelopment under the provisions of the Act, the City Council of the City (the “**City Council**”) adopted the following ordinances on October 3, 2001: (1) ”An Ordinance of the City of Chicago, Illinois Approving a Tax Increment Redevelopment Plan for the 105th Street and Vincennes Avenue Redevelopment Project Area” (the “**Plan Adoption Ordinance**”); (2) ”An Ordinance of the City of Chicago, Illinois Designating the 105th Street and Vincennes Avenue Redevelopment Project Area as a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act”; and (3) ”An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Allocation Financing for the 105th Street and Vincennes Avenue Redevelopment Project Area” (the “**TIF Adoption Ordinance**”). Collectively the three ordinances are defined as the “**TIF Ordinances**”. The redevelopment project area (the “**Redevelopment Area**”) is legally described in Exhibit A. The Redevelopment Plan approved by the Plan Adoption Ordinance was amended on April 26, 2006 to provide for changes in the Act concerning the date for the retirement of obligations and the completion of redevelopment projects.

D. **The Project:**

(i) Developer presently owns, or previously owned, real property consisting of approximately 20.4 acres bounded on the north by 105th Street; on the east by Throop Street; on the south by 107th Street; and on the west by Vincennes Avenue/Rock Island METRA right-of-way (the “**Phase 1 Property**”). A legal description of the Phase 1 Property is attached as Exhibit B-1. The Phase 1 Property is the former Chicago Bridge & Iron Steel Fabricating Plant which had been vacant and unused since 1976.

(ii) Within the Phase 1 Property, there are presently three categories of property lots: (1) those eighty-four (84) lots currently owned by Developer and legally described on Exhibit B-2 (collectively referred to herein as the “**Property**”), including eighty-three (83) lots to be developed with single family homes in accordance with the terms of this Agreement and the one (1) lot to be developed with a park in accordance with the terms of this Agreement (the “**Park Site**”); (2) eight (8) lots previously improved by Developer with single-family homes and sold by Developer to individuals or families; and (3) the eighteen (18) lots legally described on Exhibit B-3 (the “**Dispersed Lots**”) that were previously owned by Developer but are currently owned by a third-party developer or by individuals and families who have acquired single-family homes constructed thereon. As used herein, the term “Property”: (i) shall exclude each of the eighty-three (83) lots that has been improved with a single-family home, upon its conveyance to an individual or family, and (ii) also shall exclude the Park Site from and after its conveyance to the Chicago Park District or other grantee approved by the City.

(iii) Developer plans to construct approximately ninety-one (91) residential for-sale units on the Phase 1 Property, including the eight (8) already constructed and sold units and an additional eighty-three (83) residential for-sale units to be constructed. No fewer than eighteen (18) units to be constructed and sold by Developer within the Phase 1 Property will be affordable housing to households whose incomes are at or below 100% of Area Median Income.

(iv) Developer also plans to complete the following infrastructure construction: improvement of Throop Street from 105th Street to 107th Street, the creation of an approximately 2-acre park on the Park Site, the construction of new interior streets, and the creation of landscaping, street lighting and sidewalk improvements within and adjacent to certain portions of the Property as described and as shown on Exhibit B-3.5 (collectively the “**Infrastructure Construction**”).

(v) Construction of the eighty-three (83) units and construction of the Infrastructure Construction is defined as the “**Project**”. The Site Plan for the Project is attached as Exhibit B-4. Completion of the Project would not reasonably be anticipated without the financing contemplated in this Agreement.

E. Redevelopment Plan and Planned Development: The Project will be carried out in accordance with: (i) this Agreement, (ii) the City of Chicago 105th Street and Vincennes Avenue Redevelopment Project Area Tax Increment Finance Program Redevelopment Plan and Project attached as Exhibit C, as amended on April 26, 2006 and as further amended following the date hereof (the “**Redevelopment Plan**”), and (iii) Planned Development No. 1008 approved by the City Council on February 8, 2006, a copy of which is attached as Exhibit B-6, as further amended or administratively adjusted by the City following the date hereof (“**PD 1008**”), unless and until PD1008 is sunsetted by the City.

F. City Financing and Assistance: Subject to Developer fulfilling those obligations under this Agreement that are the applicable conditions precedent to obligate the City to do so, the City will make a total of \$1.4 million in cash payments on the Closing Date, issue a \$3.2 million taxable note to Developer on the Closing Date, and make no more than \$7.3 million in Pay-As-You Go TIF Payments to Developer to reimburse Developer as provided in this Agreement for the costs of the TIF-Funded Improvements (as defined below) under the terms and conditions of this Agreement. In addition, the City may, in its discretion, issue tax increment allocation bonds (“**TIF Bonds**”) secured by Incremental Taxes (as defined below) as provided in a TIF bond ordinance (the “**TIF Bond Ordinance**”), at a later date as described and conditioned in Section 4.07. The proceeds of the TIF Bonds (the “**TIF Bond Proceeds**”) may be used to pay for the costs of the TIF-Funded Improvements not previously paid for from Incremental Taxes, or in order to reimburse the City for the costs of TIF-Funded Improvements.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

AGREEMENT:

ARTICLE ONE: INCORPORATION OF RECITALS

The recitals stated above are an integral part of this Agreement and are hereby incorporated into this Agreement by reference and made a part of this Agreement.

ARTICLE TWO: DEFINITIONS

The definitions stated in Schedule A and those definitions stated in the recitals and preamble are hereby incorporated into this Agreement by reference and made a part of this Agreement.

ARTICLE TWO-A: TERMINATION OF PRIOR AGREEMENT

On the Closing Date, that certain Redevelopment Agreement dated as of October 20, 2006 and recorded October 24, 2006 as Document No. 0629731077 by and between the City and Developer (the "2006 RDA"), and each and every provision thereof, shall be terminated, ended and no longer of any express or implied force or effect, with all rights and duties of any party to the 2006 RDA and each and every provision thereof being extinguished, and including, but not limited to: (i) the certificate of expenditure issued by the City under the 2006 RDA; and (ii) the promissory note issued by the City under the 2006 RDA, both of which will be tendered back to the City for cancellation on the Closing Date of this Agreement, with no payment of principal or interest due or owing, and with any accrued but unpaid interest cancelled; provided, however, that the 2006 RDA Article Thirteen-Indemnification, shall survive this termination of the 2006 RDA. Also on the Closing Date, the parties will cause a release of the 2006 RDA to be recorded in the Office of the Recorder of Deeds of Cook County.

ARTICLE THREE: THE PROJECT

3.01 **The Project.** Developer will: (i) resume redevelopment construction on or about the Closing Date, and (ii) complete redevelopment construction of the Project no later than June 30, 2019, subject to: (a) Section 18.17 (Force Majeure); (b) applicable Change Orders, if any, issued under Section 3.04; and (c) the receipt of all applicable permits and Project approvals.

3.02 **Scope Drawings and Plans and Specifications.** Developer has delivered the Scope Drawings and Plans and Specifications to HED, and HED has approved them. Subsequent proposed changes to the Scope Drawings or Plans and Specifications within the scope of Section 3.04 will be submitted to HED as a Change Order under Section 3.04. The Scope Drawings and Plans and Specifications will at all times conform to the Redevelopment Plan as in effect on the date of this Agreement, and to all applicable Federal, State and local laws, ordinances and regulations. Developer will submit all necessary documents to the City's Department of Buildings, Department of Transportation, and to such other City departments or governmental authorities as may be necessary to acquire building permits and other required approvals for the Project.

3.03 **Project Budget.** Developer has furnished to HED, and HED has approved, a Project Budget which is Exhibit D-1, showing total costs for the Project in an amount not less than \$49,616,220. Developer hereby certifies to the City that: (a) it has Lender Financing and/or Equity in an aggregate amount sufficient to pay for all Project costs; and (b) the Project Budget

is true, correct and complete in all material respects. Developer will promptly deliver to HED copies of any Change Orders with respect to the Project Budget as provided in Section 3.04.

3.04 Change Orders.

(a) Except as provided in subparagraph (b) below, all Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to changes to the Project must be submitted by Developer to HED concurrently with the progress reports described in Section 3.07; provided, however, that any Change Orders relating to any of the following must be submitted by Developer to HED for HED's prior written approval: (i) a reduction by more than five percent (5%) in the square footage of the Project from the square footage approved by HED under Section 3.02, or (ii) a change in the primary use of the Project, or (iii) a delay in the Project completion date, or (iv) change orders resulting in an aggregate increase to the Project Budget of 10% or more. Developer will not authorize or permit the performance of any work relating to any Change Order requiring HED's prior written approval or the furnishing of materials in connection therewith prior to the receipt by Developer of HED's written approval. The Construction Contract, and each contract between the General Contractor and any subcontractor, will contain a provision to this effect or for compliance with this Agreement generally. An approved Change Order will not be deemed to imply any obligation on the part of the City to increase the amount of City Funds or to provide any other additional assistance to Developer.

(b) Notwithstanding anything to the contrary in this Section 3.04, Change Orders other than those stated in subsection (a) above do not require HED's prior written approval as stated in this Section 3.04, but HED must be notified in writing of all such Change Orders within 10 Business Days after the execution of such change order, and Developer, in connection with such notice, must identify to HED the source of funding therefor in the progress reports described in Section 3.07.

3.05 HED Approval. Any approval granted by HED under this Agreement of the Scope Drawings, Plans and Specifications and the Change Orders is for the purposes of this Agreement only, and any such approval does not affect or constitute any approval required by any other City department or under any City ordinance, code, regulation, or any other governmental approval, nor does any such approval by HED under this Agreement constitute approval of the utility, quality, structural soundness, safety, habitability, or investment quality of the Project. Developer will not make any verbal or written representation to anyone to the contrary. Developer shall not undertake construction of the Project unless Developer has obtained all necessary permits and approvals (including but not limited to permits and approvals from the City's Department of Transportation and the City's Department of Water Management and HED's approval of the Scope Drawings and Plans and Specifications) and proof of the General Contractor's and each subcontractor's bonding as required under this Agreement.

3.06 Other Approvals. Any HED approval under this Agreement will have no effect upon, nor will it operate as a waiver of, Developer's obligations to comply with the provisions of Section 5.03 (Other Governmental Approvals).

3.07 **Progress Reports and Survey Updates.** After the Closing Date, on or before the 15th day of each reporting month, Developer will provide HED, the Assistant Commissioner of the Department of Transportation Division of Project Development / Maps and Plats, and the Assistant Chief Engineer of Sewers of the Department of Water Management with written quarterly construction progress reports detailing the status of the Project, including a revised completion date, if necessary (with any delay in completion date being considered a Change Order, requiring HED's written approval under Section 3.04), and also including (i) detailed descriptions of progress by Developer with respect to the completion of the Infrastructure Construction, (ii) copies of any deficiency notices received by Developer from the City since the prior reporting month regarding the Infrastructure Construction, and (iii) Developer's forward-looking action plans to address such identified deficiencies, if any. Developer must also deliver to the City written monthly progress reports detailing compliance with the requirements of Section 8.08 (Prevailing Wage), Section 10.02 (City Resident Construction Worker Employment Requirement) and Section 10.03 (Developer's MBE/WBE Commitment) (collectively, the "City Requirements"). If the reports reflect a shortfall in compliance with the requirements of Sections 8.08, 10.02 and 10.03, then there must also be included a written plan from Developer acceptable to HED to address and cure such shortfall.

3.08 **Inspecting Agent or Architect.** An independent agent or architect, if any (other than Developer's architect), selected by the lender providing Lender Financing (the "Lender"), if any, will also act as the inspecting agent or architect for HED for the Project, and any fees and expenses connected with its work or incurred by such independent agent or architect will be solely for Developer's account and will be promptly paid by Developer. The inspecting agent or architect shall perform periodic inspections with respect to the Project, providing certifications with respect thereto to HED, prior to requests for disbursement for costs related to the Project.

3.09 **Barricades.** Prior to commencing any construction requiring barricades, Developer will install a construction barricade of a type and appearance satisfactory to the City and constructed in compliance with all applicable Federal, State or City laws, ordinances, rules and regulations. HED retains the right to approve the maintenance, appearance, color scheme, painting, nature, type, content, and design of all barricades (other than the name and logo of Developer or the Project).

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

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

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

3.13 **Accessibility for Disabled Persons.** Developer acknowledges that it is in the public interest to design, construct and maintain the Project in a manner which promotes, enables, and maximizes universal access throughout the Project. Plans for all buildings on the Property and improvements on the Property will be reviewed and approved by the Mayor's Office for People with Disabilities ("MOPD") to ensure compliance with all applicable laws and regulations related to access for persons with disabilities and to promote the highest standard of accessibility.

3.14 **Affordable Housing Requirements.** Developer acknowledges that the Project is subject to the requirements of the City's Affordable Housing Ordinance, Chapter 2-44, Section 2-44-090 of the City's Municipal Code (the "**Affordable Housing Ordinance**"). Developer agrees as follows:

(a) **Affordable Housing Ordinance.** Developer acknowledges receipt of a copy of Section 2-44-090 of the Municipal Code and that Developer has read and understands such Municipal Code section.

(b) **Affordable Housing Undertaking.** Developer agrees to sell no fewer than eighteen (18) residential for-sale units within the Phase 1 Property to households at or below 100% of area median income ("**AMI**"). Current affordable prices, which shall be subject to updating during the course of the Project, are listed in Exhibit B-5.

(c) **City Lien.** Developer agrees that by recording this Agreement against the Property, Developer hereby grants the City a lien against the Property as security for Developer's performance to sell affordable units as provided in Municipal Code Section 2-44-090(i)(1).

(d) **City Recapture Mortgage.** A form of the City recapture mortgage (the "**City Recapture Mortgage**") is Exhibit P to this Agreement. In connection with the marketing of each affordable residential unit, Developer agrees to attach as an exhibit to each purchase contract a copy of the City Recapture Mortgage. Developer agrees to require in each of its affordable residential unit purchase contracts that the purchaser of each affordable residential unit must execute the City Recapture Mortgage as a junior mortgage and must comply with the on-going requirements stated in the City Recapture Mortgage. At each closing of the sale of an affordable residential unit, Developer will cause the fully signed and acknowledged City Recapture Mortgage to be recorded as a junior mortgage lien against the purchaser's affordable residential unit.

(e) **Eligibility Record Keeping.** Prior to the time that the City will reimburse Developer under Section 4.03 for TIF-Funded Improvements related to an affordable residential unit which is intended by Developer to meet the affordability requirements described above, Developer must present evidence to HED, in a form satisfactory to HED, that the person(s)

purchasing such unit meet the income eligibility criteria defined by the Affordable Housing Ordinance. Developer will maintain records at its principal place of business with complete documentation on income eligibility in a form acceptable to HED. The City's Monitoring and Compliance Section will monitor each affordable residential sale.

3.15 Additional Project Features

(a) Landscaping. Developer will perform all landscaping work within the scope of the Project, if any, consistent with the landscaping requirements stated in the City of Chicago Open Space Impact Fee Ordinance, Journal of Proceedings of the City Council dated April 1, 1998 at pp 65269 - 65275.

(b) Park Construction. Developer will use its best efforts to work with HED and the Chicago Park District ("**Park District**") to determine mutually acceptable specifications for the Park Site (which specifications are expected to include seeding, lighting, fencing, sidewalks and other minimally standard requirements). Developer will negotiate a written agreement with the Park District to provide for the Park District's acceptance of the Park Site if the Park Site is improved to the agreed-upon specifications and other standard requirements of the Park District. If such a written agreement is executed by the Park District, then Developer shall complete the agreed-upon Park Site improvements and dedicate the Park Site and improvements to the Park District as provided in the terms of such written agreement. If within one (1) year following the date hereof, Developer and the Park District do not reach agreement on the specifications for the Park Site or execute a written agreement for the Park District's acceptance of the Park Site as described above, Developer shall then commence to promptly improve the Park Site in accordance with the specifications shown on Exhibit K hereto and to thereafter offer conveyance of and convey fee simple title in the improved Park Site: (i) to the Park District in the first instance, (ii) if the Park District declines such offer, then to the City for acceptance by either the City or a delegate agency of the City; and (iii) if both the Park District and City decline such offer, to an association or non-profit corporation formed by or on behalf of families and individuals then residing in the Phase 1 Property, subject to a covenant that the Park Site will be maintained as a park for the residents of the Phase I Property. Until such time, if any, that the Park District, City, owners association or non-profit corporation takes title to the improved Park Site, Developer shall maintain the Park Site as improved.

(c) Green Construction. All construction of the Project, including but not limited to building construction, green space and surface parking, if any, shall be built in accordance with the "green construction" standards of applicable HED policies as incorporated in and required by PD 1008. Developer will submit written evidence demonstrating compliance with such requirements.

ARTICLE FOUR: FINANCING

4.01 Total Project Cost and Sources of Funds. The cost of the Project is estimated

to be \$49,616,220, to be applied in the manner stated in the Project Budget. Such costs will be funded from the following sources:

Equity (subject to <u>Section 4.06</u>)	\$ 2,100,000
Lender Financing	23,434,703
Residential Sale Proceeds	<u>23,881,517</u>
ESTIMATED TOTAL	\$49,616,220

4.02 **Developer Funds.** Equity, Lender Financing and residential sales proceeds will be used to pay all Project costs, including but not limited to costs of TIF-Funded Improvements. All Project costs will be front-funded by Developer.

4.03 **City Funds.**

(a) **City Funds.** Any funds expended by the City under this Agreement or otherwise related to the Project or to the TIF-Funded Improvements are defined as “**City Funds**”. City Funds may be used to reimburse Developer only for costs of TIF-Funded Improvements that constitute Redevelopment Project Costs, which TIF-Funded Improvements are stated on Exhibit E. At Closing, Developer will submit a City Funds Requisition Form in the form of Exhibit N (the “**Requisition Form**”) to request payment of City Funds.

(b) **Sources of City Funds.** Subject to the terms and conditions of this Agreement, including this Section 4.03 and Article Five, the City hereby agrees to provide no more than \$11.9 million in City Funds to Developer as follows:

(i) \$1,100,000 cash on the Closing Date, payable only from Available Incremental Taxes deposited to the account associated with the 105th Street and Vincennes Redevelopment Project Area Special Tax Allocation Fund.

(ii) \$300,000 cash on the Closing Date to be deposited and disbursed only in accordance with Section 5.16 hereof, payable first from Available Incremental Taxes deposited to the account associated with the 105th Street and Vincennes Redevelopment Project Area Special Tax Allocation Fund, and only secondarily with additional funding as needed from cash on hand ported from the 119th Street/I-57 Redevelopment Project Area which is contiguous with the Redevelopment Area, with such ported funds not to exceed \$200,000.

(iii) The taxable \$3,200,000 note to be issued on the Closing Date as described in Section 4.03(c).

(iv) Not more than \$7,300,000 in Pay-As-You-Go TIF payments over the life of the Redevelopment Area as described in Section 4.03(d).

(c) Taxable City Note and Developer Account.

On the Closing Date, the City will issue to Developer a promissory note the “City Note”) with the following terms and conditions:

(i) Principal. The principal balance for the City Note will be equal to \$3,200,000, in accordance with the Certificate of Expenditure to be issued by the City in the form of Exhibit M for \$3,200,000 of Developer’s expenditures for TIF-Funded Improvements prior to the Closing Date, Developer having provided satisfactory evidence prior to the date hereof for such expenditures.

(ii) Interest. When issued at closing, interest on the City Note will be subject to federal income taxes. The City Note annual interest rate will be based on the annual interest rate equal to the median value of the Corporate BBB Bond Index Rate (20 year) as published by Bloomberg for the 15 Business Days prior to the date of issuance of the City Note plus 200 basis points, but in no event exceeding eight and one-half per cent (8.50%) per annum. Accrued but unpaid interest will also bear interest at the interest rate set when the City Note is issued and will compound annually, all payable each February 1.

(iii) Term. The City Note will have a term ending on December 31, 2025; provided, however, such term will be extended if and to the extent the term of the Redevelopment Area is extended and an extension of the City Note term is necessary for payment of unpaid principal and interest.

(iv) Payment of Principal and Interest.

(A) Interest on the City Note will begin to accrue on the Closing Date.

(B) Payments of principal and interest on the City Note will be funded first from funds to be ported from the 119th Street/I-57 Redevelopment Project Area, which is contiguous with the Redevelopment Area, in accordance with Section 4.03(c)(v)(A). In the event such funds are insufficient to pay the amounts of principal and interest under the City Note when due, payments of principal and interest on the City Note shall be paid from Available Incremental Taxes in accordance with Section 4.03(c)(v)(B).

(C) Payments of principal and interest on the City Note will be made as provided in the debt service schedule attached thereto.

(D) Developer Account. Except as provided in Section 4.03(c)(v)(B), the ported funds, only, will be used to pay principal and interest on the City Note and unpaid interest, if any. In the ordinance authorizing the issuance of the City Note, the City will establish an account denominated the “MGM/TGI 105th Street LLC Developer Account” within the 105th Street and the Vincennes Avenue Redevelopment Project Area Special Tax Allocation Fund. All Available

Incremental Taxes and all ported funds for the required payments of the City Note will be deposited into the MGM/TGI 105th Street LLC Developer Account.

(E) Insufficient Available Incremental Taxes or Ported Funds. If the amount of the ported funds pledged under this Agreement are insufficient to make any scheduled payment on the City Note, due but unpaid scheduled payments (or portions thereof) on the City Note will be paid, if possible, from Available Incremental Taxes as provided in Section 4.03(c)(v)(B). If the amount of the ported funds and such Available Incremental Taxes are still insufficient to make any scheduled payment on the City Note: (1) the City will not be in default under this Agreement or the City Note, and (2) interest per annum at the rate set when the City Note is issued will accrue on any principal or interest payments which are unpaid because the ported funds or Available Incremental Taxes are insufficient.

(F) Prepayment. The City may pre-pay the City Note at any time, in whole or in part.

(v) Other Provisions

(A) Except for the 119th Street/I-57 Prior Obligations, as scheduled in the Agreement definition section, the City has not pledged available incremental taxes from the 119th Street/I-57 Redevelopment Project Area and will not subordinate the City Note to or place the City Note on a parity basis with any subsequent or other pledge of available incremental taxes from the 119th Street/I-57 Redevelopment Project Area without the prior written consent of the then registered owner of the City Note. Subject to the 119th Street/I-57 Prior Obligations and such other obligations to which the then registered owner of the City Note has consented, the incremental taxes from the 119th Street/I-57 Redevelopment Project Area (less the applicable TIF District Administration Fee described in Section 4.05(b)) will be pledged as the primary source of funds for payment of principal and interest under the City Note.

(B) Available Incremental Taxes will be pledged as an additional source of funds for payment on the City Note but only if: (X) funds from the 119th Street/I-57 Redevelopment Project Area are insufficient for full payment of the City Note; and (Y) Pay-as-you-go payments to Developer under this Agreement have been made in an amount no less than \$6,400,000.

(d) Pay-As-You-Go TIF Payments

(i) Amount. Developer shall receive no more than \$7,300,000 of the payments described in this Section 4.03(d) (“**Pay-As-You-Go TIF Payments**”) during the life of the Redevelopment Area, which is scheduled to end on December 31, 2025, such date being the last date of the calendar year in which taxes levied in the year that is 23 years after the creation of the Redevelopment Area are paid.

(ii) Sources of Payment.

(A) Pay-As-You-Go TIF Payments will be made from Available Incremental Taxes. "Available Incremental Taxes" is defined as: (i) 100% of the Incremental Taxes from parcels within the current boundaries of the Redevelopment Area plus not less than 25% of the incremental taxes from parcels (if any) added to the Redevelopment Area during the Term of Agreement, with the final percentage (not less than 25%) determined administratively by the Commissioner in writing; less (ii) the applicable TIF District Administration Fee (up to 5%) described in Section 4.05(b). The addition of parcels to the Redevelopment Area, if any, shall in no event increase the \$7,300,000 maximum amount of Pay-As-You-Go TIF Payments under this Agreement.

(iii) Annual Payments.

(A) Annual payments will commence September 1, 2012. Annual payments thereafter are to be made on September 1st.

(B) 2012 Payment. The September 1, 2012 annual payment will include all Available Incremental Taxes, excluding, however, any Available Incremental Taxes already remitted at Closing Date in accordance with the terms of this Agreement.

(C) 2013 and 2014 Payments. As a precondition to any payments made during 2013 or 2014, Developer shall have provided the City (prior to June 30th of the calendar year in which the annual payment will be made) an affidavit and standard supporting material verifying that Developer has complied with all City Requirements for all construction completed during that preceding calendar year.

(D) Payments of Available Incremental Taxes collected for tax years 2014 and 2015. As a precondition to any payments of Available Incremental Taxes collected for tax years 2014 and 2015, Developer shall have provided the City prior to June 30th of the calendar year in which the annual payments will be made) with an additional affidavit and standard supporting material verifying that Developer has:

- (x) completed construction in the aggregate of no fewer than 20 homes (including the 8 homes already built and sold) within the Phase 1 Property; and
- (y) sold no fewer than 4 homes as affordable housing to household whose incomes are at or below 100% of AMI.

(E) Payments of Available Incremental Taxes collected for tax year 2016. As a precondition to any payments of Available Incremental Taxes

collected for tax year 2016, Developer shall have provided the City (prior to June 30th of the calendar year in which the annual payment will be made) with an additional affidavit and standard supporting material verifying that Developer has:

- (x) completed construction in the aggregate of no fewer than 40 homes (including the 8 homes already built and sold) within the Phase 1 Property; and
- (y) sold, in the aggregate no fewer than 8 homes as affordable housing to households whose incomes are at or below 100% of AMI; and
- (z) completed the Infrastructure Construction in accordance with applicable provisions of the Municipal Code and the provisions of any permits and approvals issued by the Department of Transportation or the Department of Water Management.

(F) Payments of Available Incremental Taxes collected for tax year 2017 and subsequent tax years. As a precondition to any payments of Available Incremental Taxes collected for tax year 2017 and subsequent tax years, Developer shall have provided the City with an additional affidavit and standard supporting material verifying that Developer has:

- (x) completed construction in the aggregate of no fewer than 91 homes (including the 8 homes already built and sold) within the Phase 1 Property; and
- (y) sold in the aggregate no fewer than 18 homes as affordable housing to household whose incomes are at or below 100% of AMI.

(iv) Reduction in Pay-As-You-Go TIF Payments. Developer's entitlement to pay-as-you-go TIF funds shall be reduced by \$900,000 to \$6,400,000 unless Developer has provided the City by June 30, 2019 with an additional affidavit and standard supporting material verifying that:

- (x) the Dispersed Lots were improved with 18 homes, each home conforming to plans and specifications approved by HED; and
- (y) Either 4 homes on the Dispersed Lots were sold as affordable housing to households whose incomes are at or below 100% of AMI; or else at least 22 homes within the Phase 1 Property were sold as affordable housing to

households whose incomes are at or below 100% of AMI;
and

- (z) Work to construct or complete single family homes on the Dispersed Lots has complied with the City Residency and MBE/WBE requirements stated in this Agreement, or else shortfalls in compliance were satisfied by Developer in construction of the Project; and
- (aa) Work to construct or complete single-family homes on the Dispersed Lots has complied with the Prevailing Wage requirements stated in this Agreement.

4.04 Adjustment in Principal Amount of City Note.

(a) City Note. Prior to the issuance of the Certificate of Completion as provided in Section 7.01, Developer shall certify to the City the calculation of Excess Profits (as defined below) for Developer's sales of homes from the Project. If there are Excess Profits, then the principal amount then outstanding on the City Note will be reduced by \$0.50 for each \$1.00 of Excess Profits in the Project. If there are no Excess Profits, then the principal amount then outstanding on the City Note will remain unadjusted. Any reduction in principal on the City Note will be a one-time reduction.

(b) Calculation of Excess Profit. Excess Profit will be calculated using the following formulas:

(i) Excess Profit ("Excess Profit") = Actual Profit minus Threshold Profit.

(ii) Threshold Profit = 15% of Actual Project Costs.

(iii) Actual Profit = Net Sales Proceeds plus City Funds received to the date of calculation minus Actual Project Costs.

(c) Definitions Applicable to the Calculation of Excess Profit.

(i) Gross Sales Proceeds is defined as all revenue generated by the Project on an accrual basis under generally accepted accounting principles and practices, consistently applied, including the proceeds from the sale of residential units, parking spaces, upgrades or add-ons to residential units, sales of additional services such as extended warranties, follow-on landscaping or snow removal, provided, however, that the definition of Gross Sales Proceeds will not include any revenue not accrued by Developer as of the date of calculation under generally accepted accounting principles and practices, consistently applied.

(ii) Net Sales Proceeds is defined as Gross Sales Proceeds minus: actual sales commissions, closing costs and other Project costs the City reasonably determines should be deducted from Gross Sales Proceeds rather than included in Project Costs.

(iii) Estimates to be Used. If all of the market rate residential units have not been sold at the date of calculation of Excess Profits, then estimates of the gross and net sales proceeds for the unsold residential units by type of unit (i.e. town home or single-family home) will be used for calculation purposes. Such estimates will be based on the average of the gross and net sales proceeds (including upgrades, parking spaces and other additional revenues) for the market rate residential units by the type of unit already sold in the Project Phase.

(iv) Actual Project Costs is defined to include all hard and soft costs actually expended to implement the Project by Developer or the registered owner of the City Note, less the following costs:

(A) sales commissions

(B) closing costs

(C) Developer fee

(D) Threshold Profit

(E) Other Project costs the City reasonably determines should be deducted from gross sales proceeds rather than included in Project Costs.

(v) Prove-up of Costs. Developer must prove-up all cost information to the satisfaction of the City.

4.05 Treatment of Prior Expenditures/Administration Fee.

(a) Prior Expenditures. Only those expenditures made by Developer with respect to the Project prior to the Closing Date, evidenced by documentation satisfactory to HED and approved by HED as satisfying costs covered in the Project Budget, will be considered previously contributed Equity or Lender Financing, if any, hereunder (the “**Prior Expenditure(s)**”). HED has the right, in its sole discretion, to disallow any such expenditure (not listed on Exhibit H) as a Prior Expenditure as of the date of this Agreement. Exhibit H identifies the prior expenditures approved by HED as Prior Expenditures. Prior Expenditures made for items other than TIF-Funded Improvements will not be reimbursed to Developer, but will reduce the amount of Equity and/or Lender Financing, if any, required to be contributed by Developer under Section 4.01.

(b) TIF District Administration Fee. As reflected in the definition of Available Incremental Taxes, the City may annually allocate an amount not to exceed ten percent (10%) of the Incremental Taxes for payment of costs incurred by the City for the administration and

monitoring of the Redevelopment Area, including the Project. Likewise, the City may annually allocate an amount not to exceed five percent (5%) of the incremental taxes from the 119th Street/I-57 Redevelopment Project Area for payment of costs incurred by the City for the administration and monitoring of that District, including redevelopment project located within its boundaries. Both of the foregoing fees shall be in addition to and shall not be deducted from or considered a part of the City Funds, and the City shall have the right to receive such funds prior to any payment of City Funds hereunder.

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

4.07 **TIF Bonds.** The Commissioner of HED may, in his or her sole discretion, recommend that the City Council approve an ordinance or ordinances authorizing the issuance of TIF Bonds in an amount which, in the opinion of the City Comptroller, is marketable under the then current market conditions. The proceeds of TIF Bonds may be used to pay City Funds due under this Agreement and for other purposes as the City may determine. The costs of issuance of the TIF Bonds would be borne solely by the City. Developer will cooperate with the City in the issuance of the TIF Bonds, as provided in Section 8.05.

4.08 **Preconditions of Disbursement.** Prior to each disbursement of City Funds hereunder, Developer shall submit documentation regarding the applicable expenditures to HED, which shall be satisfactory to HED in its sole discretion. Delivery by Developer to HED of any request for disbursement of 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 Developer is in compliance with all covenants contained herein;
- (b) Developer has received no notice and has no knowledge of any lien or claim of lien either filed or threatened against the Property or the Project except for the 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 Developer to submit further documentation as the City may require in order to verify that the matters certified to above are true and correct, and any 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 Developer. In addition, Developer shall have satisfied all other preconditions of disbursement of City Funds for each disbursement, including not limited to the

requirements set forth in the Bond Ordinance, if any; the TIF Bond Ordinance, if any; the Bonds, if any; the TIF Bonds, if any; the TIF Ordinances and this Agreement.

ARTICLE FIVE: CONDITIONS PRECEDENT TO CLOSING

The following conditions precedent to closing must be complied with to the City's satisfaction within the time periods set forth below or, if no time period is specified, prior to the Closing Date:

5.01 **Project Budget.** Developer will have submitted to HED, and HED will have approved, the Project Budget stated in Exhibit D-1, in accordance with the provisions of Section 3.03. This condition precedent has been satisfied prior to the date hereof.

5.02 **Scope Drawings and Plans and Specifications.** Developer will have submitted to HED, and HED will have approved, the Scope Drawings and Plans and Specifications in accordance with the provisions of Section 3.02. This condition precedent has been satisfied prior to the date hereof.

5.03 **Other Governmental Approvals.** Not less than 5 Business Days prior to the Closing Date, Developer will have secured or applied for or provided HED 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 Project, and will submit evidence thereof to HED.

5.04 **Financing.**

(a) Developer will have furnished evidence acceptable to the City that Developer has Equity and Lender Financing, if any, at least in the amounts stated in Section 4.01 to complete the Project and satisfy its obligations under this Agreement. If a portion of such financing consists of Lender Financing, Developer will have furnished evidence as of the Closing Date that the proceeds thereof are available to be drawn upon by Developer as needed and are sufficient (along with the Equity and other financing sources, if any, stated in Section 4.01) to complete the Project.

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

(c) Any financing liens against the Property or the Project in existence at the 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 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 **Title.** On the Closing Date, Developer will furnish the City with a copy of the Title Policy for the Property, showing Developer as the named insured. The Title Policy will be dated as of the Closing Date and will contain only those title exceptions listed as Permitted Liens on Exhibit I and will evidence the recording of 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 Closing Date, Developer will provide to HED documentation related to the Property and copies of all easements and encumbrances of record with respect to the Property not addressed, to HED's satisfaction, by the Title Policy and any endorsements thereto.

5.06 **Evidence of Clear Title.** Not less than 5 Business Days prior to the Closing Date, Developer, at its own expense, will have provided the City with current searches under Developer's name 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, the Property or any fixtures now or hereafter affixed thereto, except for the Permitted Liens.

5.07 **Surveys.** If requested by HED, not less than 5 Business Days prior to the Closing Date, Developer will have furnished the City with 3 copies of the Survey.

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

5.09 **Opinion of Developer's Counsel.** On the Closing Date, Developer will furnish the City with an opinion of counsel, substantially in the form of Exhibit J, with such changes as may be required by or acceptable to Corporation Counsel. If Developer has engaged special counsel in connection with the 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 Developer from its general corporate counsel.

5.10 **Evidence of Prior Expenditures.** Not less than 20 Business Days prior to the Closing Date, Developer will have provided evidence satisfactory to HED of the Prior Expenditures as provided in Section 4.05. Such evidence of Prior Expenditures may be updated to the Closing Date by Developer.

5.11 **Financial Statements.** Not less than 30 days prior to the Closing Date, Developer will have provided Financial Statements to HED for its 2009 and 2010 fiscal years, if available, and its most recently publicly available unaudited interim Financial Statements, in each case together with any opinions and management letters prepared by auditors.

5.12 **Additional Documentation.** Developer will have provided documentation to HED, satisfactory in form and substance to HED, with respect to current employment profile, if requested by HED, and copies of any ground leases or operating leases and other tenant leases executed by Developer for leaseholds on the Property, if any.

5.13 **Environmental Reports.** Not less than 30 days prior to the Closing Date, Developer will provide HED with copies of all environmental reports or audits, if any, obtained by Developer with respect to the Property, together with any notices addressed to Developer from any agency regarding environmental issues at the Property. Prior to the 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 **Entity Documents; Economic Disclosure Statement.**

(a) **Entity Documents.** Developer will provide a copy of its current 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 Developer is registered to do business; its limited liability company operating agreement; a roster of limited liability company members showing their respective membership interests; 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.** Developer will provide the City an EDS, in the City's then current form, dated as of the Closing Date, which is incorporated by reference and Developer 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 EDS, failure of the EDS to include all information required under the Municipal Code renders this Agreement voidable at the option of the City. Developer and any other parties required by this Section 5.14 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 **Litigation.** Developer has provided to Corporation Counsel and HED in writing, a description of all pending or threatened litigation or administrative proceedings: (a) involving Developer's property located in the City, (b) that Developer is otherwise required to publicly disclose or that may affect the ability of Developer to perform its 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 **TIF Expansion Study.** In conjunction with the Closing, Developer will cause Lender to create a segregated, non-interest-bearing account (the "**TIF Expansion Study Account**") and will immediately deposit into such account: (i) the entire \$300,000 cash payment referenced in Section 4.03(b)(ii) hereof; and (ii) \$100,000 of Developer funds. Except with respect to a termination of the TIF Expansion Study Account in accordance with this Section 5.16, funds in the TIF Expansion Study Account shall be disbursed only to pay for the costs of professional studies and services in connection with a potential expansion of the boundaries of the Redevelopment Area. In no event shall the terms of this Agreement or any other action or conduct by or on behalf of the City prior to the date hereof suggest that the City has agreed to or will approve any such expansion or otherwise exercise its governmental powers in connection with any expansion of the Redevelopment Area. In no event shall the terms of this Agreement or any other action or conduct by or on behalf of the City or Developer prior to the date hereof suggest that Developer will provide, or is obligated hereunder to provide, any additional funds in connection with any such expansion or associated studies. Until the exhaustion of the amounts held in the TIF Expansion Study Account, each Requisition Form submitted by Developer to the City in accordance with the terms of this Agreement shall include: (i) the balance held in the TIF Expansion Study Account on the date of such Requisition Form; (ii) an itemized list of payments made from the TIF Expansion Study Account made or occurring since the most recent Requisition Form submitted by Developer to City; together with (iii) supporting documentation from the recipients of such payments indicating the funds were utilized for the TIF expansion study described herein and for no other purpose. In the event the City Council of the City of Chicago should approve an ordinance containing provisions that expand the boundaries of the Redevelopment Area (if approved, an "**Expansion Ordinance**"), seventy-five percent (75%) of those funds, if any, remaining in the TIF Expansion Study Account shall be disbursed to the City within thirty (30) calendar days of said ordinance's publication, and the remaining twenty-five percent (25%) shall be released to Developer. In the event the City Council of the City of Chicago has not approved an Expansion Ordinance within three (3) years of the date hereof, the TIF study shall be terminated, and the funds remaining in the TIF Expansion Study Account, if any, shall be disbursed to the City and released to Developer in the same proportions as the preceding sentence.

ARTICLE SIX: AGREEMENTS WITH CONTRACTORS

6.01 Bid Requirement for General Contractor and Subcontractors.

(a) HED has approved Developer's selection of Developer or The Terrell Group, Inc., an Illinois corporation, as the general contractor for the construction of the Project (the "**General Contractor**"). Developer must solicit, or must cause the General Contractor to solicit, bids from qualified contractors eligible to do business with the City.

(b) For the TIF-Funded Improvements, Developer must cause the General Contractor to select the subcontractor submitting the lowest responsible bid who can complete the Project (or phase thereof) in a timely and good and workmanlike manner; provided, however, that Developer may consider a bidder's ability to meet the unique challenges of the Project in evaluating the "lowest responsible bid" rather than the lowest bid. If the General Contractor selects any subcontractor submitting other than the lowest responsible bid for the TIF-Funded Improvements, the difference between the lowest responsible bid and the bid selected may not be paid out of City Funds.

(c) Developer must submit copies of the Construction Contract to HED as required under Section 6.02 below. Photocopies of all subcontracts entered or to be entered into in connection with the TIF-Funded Improvements must be provided to HED within 20 Business Days of the execution thereof. Developer must ensure that the General Contractor will not (and must cause the General Contractor to ensure that the subcontractors will not) begin work on the Project (or any phase thereof) until the applicable Plans and Specifications for that phase have been approved by HED and all requisite permits have been obtained.

6.02 **Construction Contract.** Prior to the execution thereof, Developer must deliver to HED a copy of the proposed Construction Contract with the General Contractor selected to work on the TIF-Funded Improvements under Section 6.01 above, for HED's prior written approval. Within 10 Business Days after execution of such contract by Developer, the General Contractor and any other parties thereto, Developer must deliver to HED and Corporation Counsel a certified copy of such contract together with any modifications, amendments or supplements thereto.

6.03 **Performance and Payment Bonds.** Prior to commencement of construction of any work in the public way, if any, Developer will require that the General Contractor and any applicable subcontractor(s) be bonded (as to such work in the public way) for their respective payment and performance by sureties having an AA rating or better using the form of payment and performance bond form attached as Exhibit L. The City will be named as obligee or co-obligee on such bond.

6.04 **Employment Opportunity.** Developer will contractually obligate and cause the General Contractor to agree and contractually obligate each subcontractor to agree to the provisions of Article Ten.

6.05 **Other Provisions.** In addition to the requirements of this Article Six, the Construction Contract and each contract with any subcontractor working on the Project must contain provisions required under Section 3.04 (Change Orders), Section 8.08 (Prevailing Wage), Section 10.01(e) (Employment Opportunity), Section 10.02 (City Resident Construction Worker Employment Requirement), Section 10.03 (Developer's MBE/WBE Commitment), Article Twelve (Insurance) and Section 14.01 (Books and Records).

ARTICLE SEVEN: COMPLETION OF CONSTRUCTION

7.01 **Certificate of Completion of Construction.** Upon completion of the construction of the Project in compliance with the terms and conditions of this Agreement, and upon Developer's written request, HED will issue to Developer a certificate of completion of construction in recordable form (the "**Certificate of Completion**") certifying that Developer has fulfilled its obligation to complete the Project in compliance with the terms and conditions of this Agreement. HED will respond to Developer's written request for a Certificate of Completion within 30 days by issuing either a Certificate of Completion or a written statement detailing the ways in which the Project does not conform to this Agreement or has not been satisfactorily completed and the measures which must be taken by Developer in order to obtain the Certificate of Completion. Developer may resubmit a written request for a Certificate of Completion upon completion of such measures, and the City will respond within 30 days in the same way as the procedure for the initial request. Such process may repeat until the City issues a Certificate of Completion.

7.02 **Effect of Issuance of Certificate of Completion; Continuing Obligations.**

(a) The Certificate of Completion relates only to the construction of the Project, and upon its issuance, the City will certify that the terms of the Agreement specifically related to Developer's obligation to complete such activities have been satisfied. After the issuance of a Certificate of Completion, however, all executory terms and conditions of this Agreement and all representations and covenants contained herein will continue to remain in full force and effect throughout the Term of the Agreement as to the parties described in the following paragraph, and the issuance of the Certificate of Completion 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 Section 8.16 (Real Estate Taxes) as covenants that run with the land comprising the Property are the only covenants in this Agreement intended to be binding throughout the Term of the Agreement upon any transferee of the Developer holding title to the Property or any portion thereof, regardless of whether or to what extent that owner is also an assignee of Developer as described in this paragraph and regardless of whether or not a Certificate of Completion has been issued. Unless a Certificate of Completion has been issued, those covenants specifically described at Section 8.02 (Covenant to Redevelop) as covenants that run with the land comprising the Property are the only other covenants in this Agreement intended to be binding throughout the Term of the Agreement upon

any transferee of the Developer holding title to the Property or any portion thereof, regardless of whether or to what extent that owner is also an assignee of Developer as described in this paragraph. The other executory terms of this Agreement that remain after the issuance of a Certificate of Completion will be binding only upon Developer or a permitted assignee of Developer who, as provided in Section 18.15 (Assignment) of this Agreement, has contracted to take an assignment of Developer's rights under this Agreement and assume Developer's liabilities hereunder.

7.03 **Failure to Complete.** If Developer fails to timely complete the Project in compliance with the terms of this Agreement, then the City will have, but will not be limited to, any of the following rights and remedies, in addition to those stated in Section 15.02.

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

(b) the right (but not the obligation) to complete those TIF-Funded Improvements that are public improvements and to pay for the costs of such TIF-Funded Improvements (including interest costs) out of the payment and performance bond form attached as Exhibit L, and, if such funds are insufficient, then from City Funds or other City monies. If the aggregate costs incurred by the City to complete the TIF-Funded Improvements exceeds the amount of funds described in the preceding sentence, Developer will reimburse the City for all reasonable costs and expenses incurred by the City in completing such TIF-Funded Improvements in excess of those funds.

7.04 **Notice of Expiration or Termination.** Upon the expiration of the Term of the Agreement, HED will provide Developer, at Developer's written request, with a written notice in recordable form stating that the Term of the Agreement has expired.

ARTICLE EIGHT: REPRESENTATIONS, WARRANTIES AND COVENANTS OF DEVELOPER.

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

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

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

(c) the execution, delivery and performance by Developer of this Agreement has been duly authorized by all necessary limited liability company action, and does not and will not violate its Articles of Organization as amended and supplemented, its 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 Developer is now a party or by which Developer or any of its assets is now or may become bound;

(d) Developer has acquired and will maintain good, indefeasible and merchantable fee simple title to the Property (and improvements located thereon) free and clear of all liens (except for the Permitted Liens or Lender Financing, if any, as disclosed in the Project Budget, and those liens otherwise bonded or insured over in accordance with the terms of this Agreement).

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

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

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

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

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

(j) prior to the issuance of a Certificate of Completion, if it would adversely affect Developer's ability to perform its obligations under this Agreement, Developer will not do any of the following without the prior written consent of HED: (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 Property or the Project (including but not limited to any fixtures or equipment now or hereafter attached thereto) except in the ordinary course of business, and except to buyers of the residential for-sale units on the Property; (3) enter into any transaction outside the ordinary course of Developer's 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 Developer's ability to perform its obligations under this Agreement; or (5) enter into any transaction that would cause a material and detrimental change to Developer's financial condition. Notwithstanding the foregoing provisions set forth in this Section 8.01(j), Developer or either of

Developer's Members may assign their interests in Developer, the Property or the Project to one or more entities that are at least fifty percent (50%) owned and controlled (directly or indirectly) by one of the two current Members of Developer as of the date hereof or by Lender, so long as each of the following conditions are satisfied:

(i) no fewer than thirty (30) days prior to such assignment, the assigning entity provides the City with written notice of such assignment, together with an EDS, in the City's then current form, dated as of the date of such notice and any other affidavits or certifications as may be required by Federal, State or local law in the award of public contracts executed by each proposed assignee (plus such supplemental EDSs, affidavits and certifications as are required for entities that will own or control the assignee);

(ii) neither the assignee nor any entity or individual that owns or controls the assignee is then ineligible to do business with the City under Chapter 1-23 of the Municipal Code;

(iii) the assignee assumes the obligations and liabilities of the assigning entity under this Agreement in a written instrument; and

(iv) the assigning entity or assignee delivers written notice to the City with a correct and complete copy of the written instrument pursuant to which the assignment and assumption was accomplished;

(k) Developer has not incurred and, prior to the issuance of a Certificate of Completion, will not, without the prior written consent of the Commissioner of HED, allow the existence of any liens against the Property other than the Permitted Liens; or incur any indebtedness secured or to be secured by the Property or the Project or any fixtures now or hereafter attached thereto, except Lender Financing disclosed in the Project Budget;

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

(m) neither Developer nor any Affiliate thereof is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment: the Specially Designated Nationals List, the Denied Persons Lists, the Unverified List, the Entity List and the Debarred List.

8.02 Covenant to Redevelop. Upon HED's approval of the Scope Drawings and Plans and Specifications, and the Project Budget as provided in Sections 3.02 and 3.03, and Developer's receipt of all required building permits and governmental approvals, Developer will redevelop the Property and the Project in compliance with this Agreement and all

exhibits attached hereto, the TIF Ordinances, the Scope Drawings, the Plans and Specifications, the Project Budget and all amendments thereto, and all Federal, State and local laws, ordinances, rules, regulations, executive orders and codes applicable to the Property, the Project and/or Developer. The covenants set forth in this Section 8.02 will run with the land comprising the Property (as defined herein) and will be binding upon any transferee, until fulfilled as evidenced by the issuance of a Certificate of Completion.

8.03 **Redevelopment Plan.** Developer represents that the Project is and will be in compliance with all applicable terms of the Redevelopment Plan, as in effect on the date of this Agreement.

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

8.05 **Other Bonds.** At the request of the City, Developer 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 TIF-Funded Improvements (the “Bonds”); provided, however, that any such amendments will not have a material adverse effect on Developer or the Project. Developer will, at Developer’s expense, cooperate and provide reasonable assistance in connection with the marketing of any such Bonds, including but not limited to providing written descriptions of the Project, making representations, providing information regarding its financial condition (but not including proprietary sales and operating information), and assisting the City in its preparation of an offering statement with respect thereto. Developer 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 Developer that is determined to be false and misleading.

8.06 **Employment Opportunity.**

(a) Developer covenants and agrees to abide by, and contractually obligate and use reasonable efforts to cause the General Contractor and, as applicable, to cause the General Contractor to contractually obligate each subcontractor to abide by the terms set forth in Section 8.08 (Prevailing Wage) and Article Ten (Developer’s Employment Obligations). Developer will submit a plan to HED describing its compliance program prior to the Closing Date.

(b) Developer will deliver to the City written monthly progress reports detailing compliance with the requirements of Sections 8.08, (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,

Developer will also deliver a plan to HED which will outline, to HED's satisfaction, the manner in which Developer will correct any shortfall.

8.07 **Employment Profile.** Developer will submit, and contractually obligate and cause the General Contractor to submit and contractually obligate any subcontractor to submit, to HED, from time to time, statements of its employment profile upon HED's request.

8.08 **Prevailing Wage.** Developer covenants and agrees 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 Project or otherwise completing the 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 Developer 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, Developer will provide the City with copies of all such contracts entered into by Developer or the General Contractor to evidence compliance with this Section 8.08.

8.09 **Arms-Length Transactions.** Unless HED shall have given its prior written consent with respect thereto, no Affiliate of Developer (other than the General Contractor or The Terrell Materials Corporation, an Illinois corporation, for TIF-Funded Improvements) may receive any portion of City Funds, directly or indirectly, in payment for work done, services provided or materials supplied in connection with any TIF-Funded Improvement. Developer will provide information with respect to any entity to receive City Funds directly or indirectly (whether through payment to an Affiliate by Developer and reimbursement to Developer for such costs using City Funds, or otherwise), upon HED's request, prior to any such disbursement.

8.10 **Financial Statements.** Developer will obtain and provide to HED Financial Statements for 2009 and 2010, if available, and each year thereafter for the Term of the Agreement.

8.11 **Insurance.** Solely at its own expense, Developer will comply with all applicable provisions of Article Twelve (Insurance) hereof.

8.12 **Non-Governmental Charges.**

(a) **Payment of Non-Governmental Charges.** Except for the Permitted Liens, and subject to subsection (b) below, Developer agrees to pay or cause to be paid when due any Non-Governmental Charges assessed or imposed upon the Property or the Project or the or any fixtures that are or may become attached thereto and which are owned by Developer, which creates, may create, or appears to create a lien upon all or any portion of the Property; provided however, that if such Non-Governmental Charges may be paid in installments, Developer may pay the same together with any accrued interest thereon in installments as they become due and before any fine, penalty, interest, or cost may be added thereto for nonpayment. Developer will furnish to HED, within thirty (30) days of HED's request, official receipts from the appropriate

entity, or other evidence satisfactory to HED, evidencing payment of the Non-Governmental Charges in question.

(b) Right to Contest. Developer 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 Property (so long as no such contest or objection shall be deemed or construed to relieve, modify or extend Developer's covenants to pay any such Non-Governmental Charges at the time and in the manner provided in this Section 8.12); or

(ii) at HED's sole option, to furnish a good and sufficient bond or other security satisfactory to HED in such form and amounts as HED 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 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.

8.13 Developer's Liabilities. Developer will not enter into any transaction that would materially and adversely affect its ability to: (i) perform its obligations under this Agreement or (ii) repay any material liabilities or perform any material obligations of Developer to any other person or entity. Developer will immediately notify HED of any and all events or actions which may materially affect Developer's ability to carry on its business operations or perform its obligations under this Agreement or under any other documents and agreements.

8.14 Compliance with Laws.

(a) Representation. To Developer's knowledge, after diligent inquiry, the Property and the 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 Property and the Project. Upon the City's request, Developer will provide evidence reasonably satisfactory to the City of such current compliance.

(b) Covenant. Developer covenants that the Property and the 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, Developer will provide evidence to the City of its compliance with this covenant.

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

8.16 **Real Estate Provisions.**

(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 Property or the 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 Property or the Project. “**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 Property or the 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 Property or the Project. Developer’s right to challenge real estate taxes applicable to the Property or the Project is limited as provided for in Section 8.16(c) below; provided, that such real estate taxes must be paid in full when due. 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 HED of Developer’s intent to contest or object to a Governmental Charge and, unless, at HED’s sole option:

(x) Developer will demonstrate to HED’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 Property or the 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 HED in such form and amounts as HED 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 Property or the 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 HED thereof in writing, at which time HED may, but will not be obligated to, and without waiving or releasing any obligation or liability of Developer under this Agreement, in HED's sole discretion, make such payment, or any part thereof, or obtain such discharge and take any other action with respect thereto which HED deems advisable. All sums so paid by HED, if any, and any expenses, if any, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto, will be promptly disbursed to HED 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 Financial Statements at Developer's own expense.

(c) Real Estate Taxes.

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

(ii) No Reduction in Real Estate Taxes.

(A) Neither Developer, nor any person acting on behalf of Developer, will, during the Term of this Agreement, directly or indirectly, initiate, seek or apply for proceedings in order to lower the assessed value of all or any portion of the Property or the Project, provided, however, that this restriction does not apply to any purchases of a home from Developer.

(B) After diligent inquiry, Developer knows of no pending application, appeal or request for reduction of the assessed value of all or any portion of the Property or the Project filed by Developer for any tax year prior to or including the tax year in which this Agreement is executed.

(iii) No Objections. Neither Developer, nor any person acting by, through or on behalf of Developer, will object to or in any way seek to interfere with, on procedural or any other grounds, the filing of any Under Assessment Complaint (as defined below) or subsequent proceedings related thereto with the Cook County Assessor or with the Cook County Board of Appeals, by either the City or any taxpayer. The term "Under

Assessment Complaint” as used in this Agreement means any complaint seeking to increase the assessed value of the Property or the Project.

(iv) **Covenants Running with the Land Comprising the Property.** The parties agree that the restrictions contained in this Section 8.16(c) are covenants running with the land comprising the Property (as defined herein). This Agreement will be recorded by Developer against the Property as a memorandum thereof, at Developer’s expense, with the Cook County Recorder of Deeds on the Closing Date. These restrictions will be binding upon any owner of the Property, from and after the date hereof, provided however, that the covenants will be released when the Redevelopment Area is no longer in effect, or upon expiration of the Term of Agreement. Developer agrees that any sale, transfer, lease, conveyance, or transfer of title to all or any portion of the Property or the Project from and after the date hereof shall be made explicitly subject to such covenants and restrictions (other than conveyances of homes to individuals and families and conveyance of the Park Site). Notwithstanding anything contained in this Section 8.16(c) to the contrary, the City, in its sole discretion and by its sole action, without the joinder or concurrence of Developer, its successors or assigns, may waive and terminate Developer’s covenants and agreements set forth in this Section 8.16(c).

8.17 **Annual Compliance Report.** Throughout the Term of the Agreement, Developer shall submit to HED the Annual Compliance Report within 30 days after the end of the calendar year to which the Annual Compliance Report relates.

8.18 **Reserved.**

8.19 **Broker’s Fees.** Developer has no liability or obligation to pay any fees or commissions to any broker, finder, or agent with respect to any of the transactions contemplated by this Agreement for which the City could become liable or obligated.

8.20 **No Conflict of Interest.** Under Section 5/11-74.4-4(n) of the Act, Developer represents, warrants and covenants that to the best of its knowledge, no member, official, or employee of the City, or of any commission or committee exercising authority over the Project, the Redevelopment Area or the Redevelopment Plan, or any consultant hired by the City, (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, in Developer, the Property, the Property, the Project, or to Developer’s actual knowledge, any other property in the Redevelopment Area.

8.21 **Disclosure of Interest.** Developer’s counsel has no direct or indirect financial ownership interest in Developer, the Property or any other feature of the Project.

8.22 **No Business Relationship with City Elected Officials.** Developer acknowledges receipt of a copy of Section 2-156-030(b) of the Municipal Code and that Developer has read and understands such provision. Under Section 2-156-030(b) of the Municipal Code of Chicago, it is illegal for any elected official of the City, or any person acting

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

8.23 **Inspector General.** It is the duty of Developer and the duty of any bidder, proposer, contractor, subcontractor, and every applicant for certification of eligibility for a City contract or program, and all of Developer's officers, directors, agents, partners, and employees and any such bidder, proposer, contractor, subcontractor or such applicant: (a) to cooperate with the Inspector General in any investigation or hearing undertaken pursuant to Chapter 2-56 of the Municipal Code and (b) to cooperate with the Legislative Inspector General in any investigation undertaken pursuant to Chapter 2-55 of the Municipal Code. Developer represents that it understands and will abide by all provisions of Chapters 2-56 and 2-55 of the Municipal Code and that it will inform subcontractors of this provision and require their compliance.

8.24 **Prohibition on Certain Contributions – Mayoral Executive Order No. 05-1.** Developer agrees that Developer, any person or entity who directly or indirectly has an ownership or beneficial interest in Developer of more than 7.5 percent ("Owners"), spouses and domestic partners of such Owners, Developer's contractors (i.e., any person or entity in direct contractual privity with Developer regarding the subject matter of this Agreement) ("Contractors"), any person or entity who directly or indirectly has an ownership or beneficial interest in any Contractor of more than 7.5 percent ("Sub-owners") and spouses and domestic partners of such Sub-owners (Developer and all the other preceding classes of persons and entities are together, the "Identified Parties"), will not make a contribution of any amount to the Mayor of the City of Chicago (the "Mayor") or to his political fundraising committee: (i) after execution of this Agreement by Developer, (ii) while this Agreement or any Other Contract is executory, (iii) during the Term of this Agreement or any Other Contract between Developer and the City, or (iv) during any period while an extension of this Agreement or any Other Contract is being sought or negotiated.

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

Developer agrees that it will not: (a) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fundraising committee; (b) reimburse its employees for a contribution of any amount made to the Mayor or to the

Mayor's political fundraising committee; or (c) bundle or solicit others to bundle contributions to the Mayor or to his political fundraising committee.

Developer agrees that the Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 05-1 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 05-1.

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

If Developer intentionally violates this provision or Mayoral Executive Order No. 05-1 prior to the closing of this Agreement, the City may elect to decline to close the transaction contemplated by this Agreement.

For purposes of this provision:

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

"Other Contract" means any other agreement with the City of Chicago to which Developer is a party that is: (i) formed under the authority of chapter 2-92 of the Municipal Code of Chicago; (ii) entered into for the purchase or lease of real or personal property; or (iii) for materials, supplies, equipment or services which are approved or authorized by the City Council of the City of Chicago.

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

Individuals are **"Domestic Partners"** if they satisfy the following criteria:

- (A) they are each other's sole domestic partner, responsible for each other's common welfare; and
- (B) neither party is married; and
- (C) the partners are not related by blood closer than would bar marriage in the State of Illinois; and
- (D) each partner is at least 18 years of age, and the partners are the same sex, and the partners reside at the same residence; and
- (E) two of the following four conditions exist for the partners:
 - 1. The partners have been residing together for at least 12 months.

2. The partners have common or joint ownership of a residence.
3. The partners have at least two of the following arrangements:
 - a. joint ownership of a motor vehicle;
 - b. a joint credit account;
 - c. a joint checking account;
 - d. a lease for a residence identifying both domestic partners as tenants.
4. Each partner identifies the other partner as a primary beneficiary in a will.

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

8.25 **Survival of Covenants.** All warranties, representations, covenants and agreements of Developer contained in this Article Eight and elsewhere in this Agreement are true, accurate and complete at the time of Developer’s execution of this Agreement, and will survive the execution, delivery and acceptance by the parties and (except as provided in Article Seven upon the issuance of a Certificate of Completion) will be in effect throughout the Term of the Agreement.

ARTICLE NINE: REPRESENTATIONS, WARRANTIES AND COVENANTS OF CITY

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

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

ARTICLE TEN: DEVELOPER’S EMPLOYMENT OBLIGATIONS

10.01 **Employment Opportunity.** Developer, on behalf of itself and its successors and assigns, hereby agrees, and will contractually obligate its or their various contractors, subcontractors or any Affiliate of Developer on the Project (collectively, with Developer, 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 Developer and during the period of any other party’s provision of services in connection with the construction of the Project:

- (a) No Employer shall discriminate against any employee or applicant for employment based upon race, religion, color, sex, national origin or ancestry, age, handicap or

disability, sexual orientation, military discharge status, marital status, parental status or source of income as defined in the City of Chicago Human Rights Ordinance, Chapter 2-160, Section 2-160-010 et seq., Municipal Code, except as otherwise provided by said ordinance and as amended from time-to-time (the “**Human Rights Ordinance**”). Each Employer shall take affirmative action to ensure that applicants are hired and employed without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income and are treated in a non-discriminatory manner with regard to all job-related matters, including without limitation: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Each Employer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this nondiscrimination clause. In addition, the Employers, in all solicitations or advertisements for employees, shall state that all qualified applicants shall receive consideration for employment without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income.

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

(c) Each Employer 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 Project, after the Closing Date, and will require inclusion of these provisions in every subcontract entered into by any subcontractors, after the Closing Date, and every agreement with any Affiliate operating on the Property or at the Project, after the 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 will be a basis for the City to pursue remedies under the provisions of Section 15.02 hereof, subject to the cure rights under Section 15.03.

10.02 City Resident Construction Worker Employment Requirement.

(a) Developer agrees for itself and its successors and assigns, and will contractually obligate its General Contractor and will cause the General Contractor to contractually obligate its subcontractors, as applicable, to agree, that during the construction of the 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, Developer, its 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. Developer, 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 Project.

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

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

(g) At the direction of HED, affidavits and other supporting documentation will be required of Developer, 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 Developer, the General Contractor and each subcontractor to provide utilization of actual Chicago residents (but not sufficient for the granting of a waiver request as provided for in the standards and procedures developed by the Chief Procurement Officer) 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 Project is completed, in the event that the City has determined that Developer has 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 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 Developer, the General Contractor and/or the subcontractors to prosecution. Any retainage to cover contract performance that may become due to Developer pursuant to Section 2-92-250 of the Municipal Code of Chicago may be withheld by the City pending the Chief Procurement Officer's determination as to whether Developer 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) Developer will cause or require the provisions of this Section 10.02 to be included in all construction contracts and subcontracts related to the Project, entered into after the Closing Date.

10.03 Developer's MBE/WBE Commitment. Developer agrees for itself and its 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 Project:

(a) Consistent with the findings which support, as applicable: (i) the Minority-Owned and Women-Owned Business Enterprise Procurement Program, Section 2-92-420 et seq., Municipal Code of Chicago (the "**Procurement Program**"), and (ii) the Minority- and Women-Owned Business Enterprise Construction Program, Section 2-92-650 et seq., Municipal Code of Chicago (the "**Construction Program**"), and collectively with the Procurement Program, the "**MBE/WBE Program**"), and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, and as qualified by, the provisions of this Section 10.03, during the course of

the Project, at least the following percentages of the MBE/WBE Budget (as stated in Exhibit D-2) must be expended for contract participation by Minority-Owned Businesses (“MBEs”) and by Women-Owned Businesses (“WBEs”):

- (1) At least 24 percent by MBEs.
- (2) At least four percent by WBEs.

(b) For purposes of this Section 10.03 only:

(i) Developer (and any party to whom a contract is let by Developer in connection with the Project) is deemed a “**contractor**” and this Agreement (and any contract let by Developer in connection with the 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, Developer’s MBE/WBE commitment may be achieved in part by Developer’s status as an MBE or WBE (but only to the extent of any actual work performed on the Project by Developer) or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of: (i) the MBE or WBE participation in such joint venture or (ii) the amount of any actual work performed on the Project by the MBE or WBE), by Developer utilizing a MBE or a WBE as the General Contractor (but only to the extent of any actual work performed on the Project by the General Contractor), by subcontracting or causing the General Contractor to subcontract a portion of the Project to one or more MBEs or WBEs, or by the purchase of materials or services used in the Project from one or more MBEs or WBEs, or by any combination of the foregoing. Those entities which constitute both a MBE and a WBE shall not be credited more than once with regard to Developer’s MBE/WBE commitment as described in this Section 10.03. In compliance with Section 2-92-730, Municipal Code of Chicago, Developer will not substitute any MBE or WBE General Contractor or subcontractor without the prior written approval of HED.

(d) Developer must deliver quarterly reports to the City’s monitoring staff during the 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 Developer or the General Contractor to work on the Project, and the responses received from such solicitation; the name and business address of each MBE or WBE actually involved in the Project; a description of the work performed or products or services supplied; the date and amount of such work, product or service; and such other information as may assist the City's monitoring staff in determining Developer's compliance with this MBE/WBE commitment. Developer will maintain records of all relevant data with respect to the utilization of MBEs and WBEs in connection with the Project for at least 5 years after completion of the Project, and the City's monitoring staff will have access to all such records maintained by Developer, on 5 - Business Days' notice, to allow the City to review Developer's compliance with its commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the Project.

(e) Upon the disqualification of any MBE or WBE General Contractor or subcontractor, if such status was misrepresented by the disqualified party, Developer is 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 Developer's MBE/WBE commitment as described in this Section 10.03 shall be undertaken in accordance with Sections 2-92-450 and 2-92-730, Municipal Code of Chicago, as applicable.

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

ARTICLE ELEVEN: ENVIRONMENTAL MATTERS

11.01 **Environmental Matters.** Developer hereby represents and warrants to the City that Developer has conducted environmental studies sufficient to conclude that the Project may be constructed, completed and operated in accordance with all Environmental Laws.

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

ARTICLE TWELVE: INSURANCE

12.01 **Insurance Requirements.** Developer's insurance requirements are stated in Schedule B which is hereby incorporated into this Agreement by reference and made a part of this Agreement.

ARTICLE THIRTEEN: INDEMNIFICATION

13.01 **General Indemnity.** Developer agrees to indemnify, pay and hold the City, and its elected and appointed officials, employees, agents and affiliates (individually an "**Indemnitee,**" and collectively the "**Indemnites**") 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 Indemnites in connection with any investigative, administrative or judicial proceeding commenced or threatened, whether or not such Indemnites shall be designated a party thereto), that may be imposed on, suffered, incurred by or asserted against the Indemnites by a third party in any manner relating to or arising out of:

- (i) Any cost overruns as described in Section 4.06; or
- (ii) Developer's failure to comply with any of the terms, covenants and conditions contained within this Agreement; or

(iii) Developer's or any contractor's failure to pay General Contractors, subcontractors or materialmen in connection with the TIF-Funded Improvements or any other Project improvement; or

(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 Developer or its agents, employees, contractors or persons acting under the control or at the request of Developer or any affiliate of Developer; or

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

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

provided, however, that Developer shall have no obligation to an Indemnitee arising from the wanton or willful misconduct of that Indemnitee. To the extent that the preceding sentence may be unenforceable because it is violative of any law or public policy, Developer 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 will survive the termination of this Agreement.

ARTICLE FOURTEEN: MAINTAINING RECORDS/RIGHT TO INSPECT

14.01 **Books and Records.** Developer will keep and maintain separate, complete, accurate and detailed books and records necessary to reflect and fully disclose the total actual costs of the Project and the disposition of all funds from whatever source allocated thereto, and to monitor the Project. All such books, records and other documents, including but not limited to Developer's loan statements, if any, General Contractors' and contractors' sworn statements, general contracts, subcontracts, purchase orders, waivers of lien, paid receipts and invoices, will be available at Developer's offices for inspection, copying, audit and examination by an authorized representative of the City, at Developer's expense. Developer will not pay for salaries or fringe benefits of auditors or examiners. Developer must incorporate this right to inspect, copy, audit and examine all books and records into all contracts entered into by Developer with respect to the Project. The City shall provide three (3) Business Days' prior written notice to Developer in accordance with Section 17. The notice shall indicate the date and time of the inspection. All inspections shall be conducted between the hours of 9:00 a.m. and 5:00 p.m., Monday through Friday.

14.02 **Inspection Rights.** Upon three (3) Business Days' notice, any authorized representative of the City shall have access to all portions of the Property or the Project during normal business hours for the Term of the Agreement. The City shall provide three (3) Business Days' prior written notice to Developer in accordance with Section 17. The notice shall indicate

the date and time of the inspection. All inspections shall be conducted between the hours 9:00 a.m. and 5:00 p.m., Monday through Friday.

ARTICLE FIFTEEN: DEFAULT AND REMEDIES

15.01 **Events of Default.** The occurrence of any one or more of the following events, subject to the provisions of Section 15.03, will constitute an “**Event of Default**” by Developer hereunder:

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

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

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

(d) except as otherwise permitted hereunder, the creation (whether voluntary or involuntary) of, or any attempt by Developer to create, any lien or other encumbrance upon the Property or the Project, including any fixtures now or hereafter attached thereto, other than the 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 Developer or Developer’s ultimate parent entity, if any, or for the liquidation or reorganization of Developer or Developer’s ultimate parent entity, if any, or alleging that Developer or Developer’s ultimate parent entity, if any, is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of Developer’s or Developer’s 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 Developer or Developer’s 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 Developer or Developer’s ultimate parent entity, if any, for any substantial part of Developer’s or Developer’s 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 Developer or Developer’s 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 Developer, 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) the occurrence of an event of default under the Lender Financing, if any, which default is not cured within any applicable cure period; or

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

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

(k) prior to the expiration of the Term of the Agreement, the sale or transfer of all of the ownership interests of Developer without the prior written consent of the City; or

(l) The failure of Developer, or the failure by any party that is a Controlling Person (defined in Section 1-23-010 of the Municipal Code) with respect to Developer, 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.

For purposes of Section 15.01(j), hereof, a natural person with a material interest in Developer is one owning in excess of seven and a half percent (7.5%) of Developer's or Developer's ultimate parent entity, if any, issued and outstanding ownership shares or interests. For purposes of Section 15.01, "ultimate parent entity" does not mean a person or entity that is a Member of Developer.

15.02 Remedies. Upon the occurrence of an Event of Default, the City may terminate this Agreement and all related agreements, and may suspend disbursement of City Funds. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to injunctive relief or the specific performance of the agreements contained herein. To the extent permitted by law, the City may also lien the Property.

15.03 Curative Period.

(a) In the event Developer fails to perform a monetary covenant which Developer is 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

Developer has 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 Developer fails 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 Developer has 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, Developer will not be deemed to have committed an Event of Default under this Agreement if it has 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.

ARTICLE SIXTEEN: MORTGAGING OF THE PROJECT

16.01 **Mortgaging of the Project.** Any and all mortgages or deeds of trust in place as of the date hereof with respect to the Property or Project or any portion thereof are listed on Exhibit I hereto (including but not limited to mortgages made prior to or on the date hereof in connection with Lender Financing, if any) and are referred to herein as the “**Existing Mortgages.**” Any mortgage or deed of trust that Developer may hereafter elect to execute and record or execute and permit to be recorded against the Property or Project or any portion thereof without obtaining the prior written consent of the City is referred to herein as a “**New Mortgage.**” Any mortgage or deed of trust that Developer may hereafter elect to execute and record or execute and permit to be recorded against the Property or Project or any portion thereof with the prior written consent of the City is referred to herein as a “**Permitted Mortgage.**” It is hereby agreed by and between the City and Developer as follows:

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

(b) Notwithstanding any provision of this Agreement to the contrary, the exercise of the remedies of foreclosure of a mortgage or any sale of Developer’s interest in the Property in connection with a foreclosure, whether by judicial proceedings or by virtue of any power of sale contained in the mortgage, or any conveyance of Developer’s interest in the Property to the mortgagee or its nominee or designee by virtue of or in lieu of foreclosure or other appropriate proceedings, or any conveyance of Developer’s interest in the Property by the mortgagee or its nominee or designee, or any other exercise of remedies under the documents evidencing Lender

Financing shall not require the consent or approval of the City or constitute a breach of any provision of or a default under this Agreement.

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

(d) Prior to the issuance by the City to Developer of a Certificate of Completion under Article Seven hereof, no New Mortgage will be executed with respect to the Property or the Project or any portion thereof without the prior written consent of the Commissioner of HED. A feature of such consent will be that any New Mortgage will subordinate its mortgage lien to the covenants in favor of the City that run with the land. After the issuance of a Certificate of Completion, consent of the Commissioner of HED is not required for any such New Mortgage.

ARTICLE SEVENTEEN: NOTICES

17.01 Notices. All notices and any other communications under this Agreement will: (A) be in writing; (B) be sent by: (i) telecopier/fax machine, (ii) delivered by hand, (iii) delivered by an overnight courier service which maintains records confirming the receipt of documents by the receiving party, or (iv) registered or certified U.S. Mail, return receipt requested; (c) be given at the following respective addresses:

If to the City: City of Chicago
 Department of Housing and Economic Development
 Attn: Commissioner
 121 North LaSalle Street, Room 1000
 Chicago, IL 60602
 312/744-4190 (Main No.)
 312/744-2271 (Fax)

With Copies To: City of Chicago
 Corporation Counsel

Attn: Finance and Economic Development Division
121 North LaSalle Street, Room 600
Chicago, IL 60602
312/744-0200 (Main No.)
312/742-0277 (Fax)

If to Developer: MGM/TGI 105th Street LLC
c/o the Terrell Group, Inc.
PO Box 66241
South Access Road, Building 616
[O'Hare International Airport]
Chicago, Illinois 60666
312/376.0579 (Telephone)
312/376.0036 (Fax)

With Copies To: To be determined.

or at such other address or telecopier/fax or telephone number or to the attention of such other person as the party to whom such information pertains may hereafter specify for the purpose in a notice to the other specifically captioned "Notice of Change of Address" and, (D) be effective or deemed delivered or furnished: (i) if given by telecopier/fax, when such communication is confirmed to have been transmitted to the appropriate telecopier/fax number specified in this section, and confirmation is deposited into the U.S. Mail, postage prepaid to the recipient's address shown herein; (ii) if given by hand delivery or overnight courier service, when left at the address of the addressee, properly addressed as provided above.

17.02 **Developer Requests for City or HED Approval**. Any request under this Agreement for City or HED approval submitted by Developer will comply with the following requirements:

- (a) be in writing and otherwise comply with the requirements of Section 17.01 (Notices);
- (b) expressly state the particular document and section thereof relied on by Developer to request City or HED approval;
- (c) if applicable, note in bold type that failure to respond to Developer's request for approval by a certain date will result in the requested approval being deemed to have been given by the City or HED;
- (d) if applicable, state the outside date for the City's or HED's response; and
- (e) be supplemented by a delivery receipt or time/date stamped notice or other documentary evidence showing the date of delivery of Developer's request.

ARTICLE EIGHTEEN: ADDITIONAL PROVISIONS

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, which is Exhibit C hereto. For purposes of this Agreement, Developer is only obligated to comply with the Redevelopment Plan as in effect on the date of this Agreement. It is agreed that no material amendment or change to this Agreement shall be made or be effective unless ratified or authorized by an ordinance duly adopted by the City Council. The term “**material**” for the purpose of this Section 18.01 shall be defined as any deviation from the terms of the Agreement which operates to cancel or otherwise reduce any developmental, construction or job-creating obligations of Developer (including those set forth in Sections 10.02 and 10.03 hereof) by more than five percent (5%) or materially changes the Project site or character of the Project or any activities undertaken by Developer affecting the Project site, the Project, or both, or increases any time agreed for performance by Developer by more than 90 days.

18.02 **Complete Agreement, Construction, Modification.** This Agreement, including any exhibits and the other agreements, documents and instruments referred to herein or contemplated hereby, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all previous negotiations, commitments and writings with respect to such subject matter. This Agreement and the Schedules and Exhibits attached hereto may not be contradicted by evidence of prior, contemporaneous, or subsequent verbal agreements of the parties. There are no unwritten verbal agreements between the parties.

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

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

18.05 **Waivers.** No party hereto will be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by such party. No delay or omission on the part of a party in exercising any right will operate as a waiver of such right or any other right unless pursuant to the specific terms hereof. A waiver by a party of a provision of this Agreement will not prejudice or constitute a waiver of such party’s right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by a party, nor any course of dealing between the parties hereto, will constitute a waiver of any of such parties’ rights or of any obligations of any other party hereto as to any future transactions.

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

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 or 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 or Developer.

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

18.09 **Counterparts.** This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, with the same effect as if all parties had signed the same document. All such counterparts shall be deemed an original, must be construed together and will constitute one and the same instrument.

18.10 **Counterpart Facsimile Execution.** For purposes of executing this Agreement, a document signed and transmitted by facsimile machine will be treated as an original document. The signature of any party thereon will be considered as an original signature, and the document transmitted will be considered to have the same binding legal effect as an original signature on an original document. At the request of either party, any facsimile document will be re-executed by other parties in original form. No party hereto may raise the use of a facsimile machine as a defense to the enforcement of this Agreement or any amendment executed in compliance with this section. This section does not supersede the requirements of Article Seventeen: Notices.

18.11 **Severability.** If any provision of this Agreement, or the application thereof, to any person, place or circumstance, is held by a court of competent jurisdiction to be invalid, unenforceable or void, the remainder of this Agreement and such provisions as applied to other persons, places and circumstances will remain in full force and effect only if, after excluding the portion deemed to be unenforceable, the remaining terms will provide for the consummation of the transactions contemplated hereby in substantially the same manner as originally set forth herein. In such event, the parties will negotiate, in good faith, a substitute, valid and enforceable provision or agreement which most nearly affects the parties' intent in entering into this Agreement.

18.12 **Conflict.** In the event of a conflict between any provisions of this Agreement and the provisions of the TIF Ordinances in effect as of the date of this Agreement, such ordinance(s) will prevail and control.

18.13 **Governing Law.** This Agreement is governed by and construed in accordance with the internal laws of the State, without regard to its conflicts of law principles.

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

18.15 **Assignment.** Prior to the issuance by the City to Developer of a Certificate of Completion, Developer may not sell, assign or otherwise transfer its interest in this Agreement in whole or in part without the written consent of the City; provided, however, that Developer may assign, on a collateral basis, the right to receive City Funds to a lender providing Lender Financing, if any, which has been identified to the City as of the Closing Date. Any successor in interest to Developer under this Agreement (excluding any Lender that has been assigned only the right to received 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 8.16 (Real Estate Provisions) and Section 8.25 (Survival of Covenants) hereof, for the Term of the Agreement. Developer hereby consents to the City's assignment or other transfer of this Agreement at any time in whole or in part.

18.16 **Binding Effect.** This Agreement is binding upon Developer, the City and their respective successors and permitted assigns (as provided herein) and will inure to the benefit of Developer, the City and their respective successors and permitted assigns (as provided herein).

18.17 **Force Majeure.** Neither the City nor Developer nor any successor in interest to either of them will be considered in breach of or in default of its obligations under this Agreement in the event of any delay caused by damage or destruction by fire or other casualty, war, acts of terrorism, imposition of martial law, plague or other illness, bank holidays or stock or commodity exchange closures or wire transfer interruptions, civil disorders, rebellions or revolutions, strike, shortage of material, power interruptions or blackouts, fuel shortages or rationing, adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or for an abnormal duration, tornadoes or cyclones, and other events or conditions beyond the reasonable control of the party affected which in fact interferes with the ability of such party to discharge its obligations hereunder, except to the extent that, the non-performing party is at fault in failing to prevent or causing such default or delay; and provided that such default or delay can not reasonably be circumvented by the non-performing party through the use of alternative sources, work around plans or other means. The individual or entity relying on this section with respect to any such delay will, upon the occurrence of the event causing such delay, immediately give written notice to the other parties to this Agreement. The individual or entity relying on this section with respect to any such delay may rely on this section only to the extent of the actual number of days of delay effected by any such events described above.

18.18 **Exhibits and Schedules.** All of the exhibits and schedules to this Agreement are incorporated herein by reference. Any exhibits and schedules to this Agreement will be construed to be an integral part of this Agreement to the same extent as if the same has been set forth verbatim herein.

18.19 **Business Economic Support Act.** Under the Business Economic Support Act (30 ILCS 760/1 *et seq.* (2006 State Bar Edition), as amended), if Developer is required to provide notice under the WARN Act, Developer will, in addition to the notice required under the WARN Act, provide at the same time a copy of the WARN Act notice to the Governor of the State, the Speaker and Minority Leader of the House of Representatives of the State, the President and Minority Leader of the Senate of State, and the Mayor of each municipality where Developer has locations in the State. Failure by Developer to provide such notice as described above may result in the termination of all or a part of the payment or reimbursement obligations of the City set forth herein.

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

18.21 **Construction of Words.** The use of the singular form of any word herein includes the plural, and vice versa. Masculine, feminine and neuter pronouns are fully interchangeable, where the context so requires. The words "herein", "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or other subdivision. The term "include" (in all its forms) means "include, without limitation" unless the context clearly states otherwise. The word "shall" means "has a duty to."

18.22 **Date of Performance.** If any date for performance under this Agreement falls on a Saturday, Sunday or other day which is a holiday under Federal law or under State Law, the date for such performance will be the next succeeding Business Day.

18.23 **Survival of Agreements.** All covenants and agreements of the parties contained in this Agreement will survive the Closing Date in accordance with the provisions of this Agreement.

18.24 **Equitable Relief.** In addition to any other available remedy provided for hereunder, at law or in equity, to the extent that a party fails to comply with the terms of this Agreement, any of the other parties hereto shall be entitled to injunctive relief with respect thereto, without the necessity of posting a bond or other security, the damages for such breach hereby being acknowledged as unascertainable.

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

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

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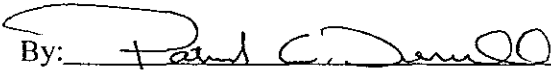
**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105TH STREET LLC
REDEVELOPMENT PROJECT**

**AMENDED AND RESTATED
REDEVELOPMENT AGREEMENT**

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

MGM/TGI 105TH STREET LLC, an Illinois limited liability company

By:  _____

Printed Name: Patrick Terrell

Title: Manager

CITY OF CHICAGO

By: _____

Printed Name: Andrew Mooney

Title: Commissioner,
Department of Housing and Economic Development

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105TH STREET LLC
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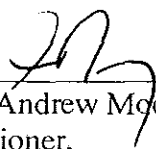
**MGM/TGI 105TH STREET LLC, an Illinois limited
liability company**

By: _____

Printed Name: Patrick Terrell

Title: Manager

CITY OF CHICAGO

By: _____ 

Printed Name: Andrew Mooney

Title: Commissioner,

Department of Housing and Economic Development

105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA

MGM/TGI 105TH STREET LLC
REDEVELOPMENT PROJECT

AMENDED AND RESTATED
REDEVELOPMENT AGREEMENT

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

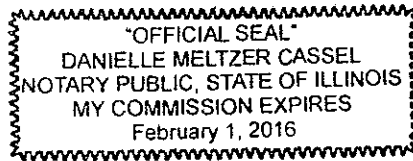
I, Danielle Meltzer Casse, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Patrick Terrell, personally known to me to be the Manager of MGM/TGI 105th Street LLC, an Illinois limited liability company, (the "Developer"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed, and delivered said instrument, pursuant to the authority given to him/her by Developer, as his/her 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 19th day of JULY, 2012.

Danielle Meltzer Casse
Notary Public

My Commission Expires 2/1/2016

(SEAL)



105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA

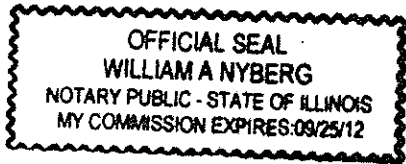
MGM/TGI 105TH STREET LLC
REDEVELOPMENT PROJECT

AMENDED AND RESTATED
REDEVELOPMENT AGREEMENT

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

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

GIVEN under my hand and official seal this 19th day of JULY, 2012.



William A. Nyberg
Notary Public

My Commission Expires 09/25/12

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105TH STREET LLC
REDEVELOPMENT PROJECT**

Amended and Restated
Redevelopment Agreement
dated as of July 19, 2012

SCHEDULE A

DEFINITIONS

For purposes of this Agreement the following terms shall have the meanings stated forth below:

“105th Street and Vincennes Avenue Redevelopment Project Area Special Tax Allocation Fund” means the special tax allocation fund created by the City in connection with the Redevelopment Area into which the Incremental Taxes (as defined below) will be initially deposited and then redeposited, together with any ported funds, to the MGM/TGI 105th Street LLC Developer Account.

“119th Street/I-57 Prior Obligations” means only the following City obligations: (i) for Renaissance Estates, pursuant to Ordinance adopted November 12, 2003; (ii) for NIF, pursuant to Ordinance adopted March 29, 2006; (iii) for Marshfield Plaza, pursuant to Ordinance adopted June 17, 2007; (iv) for the Small Business Improvement Fund, pursuant to Ordinance adopted December 31, 2007; and (v) for Blackwelder Park Improvements, pursuant to Ordinance adopted November 17, 2010.

“2006 RDA” has the meaning defined in Article Two-A.

“Act” has the meaning defined in Recital B.

“Actual Residents of the City” has the meaning defined for such phrase in Section 10.02(c).

“Affiliate(s)” 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 person 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.

“Affordable Housing Ordinance” has the meaning defined in Section 3.14.

“Agreement” has the meaning defined in the Agreement preamble.

“AMI” has the meaning defined in Section 3.14.

“Annual Compliance Report” shall mean a signed report from Developer to the City: (a) itemizing each of Developer’s obligations under the Agreement during the preceding calendar year; (b) certifying Developer’s compliance or noncompliance with such obligations; (c) attaching evidence (whether or not previously submitted to the City) of such compliance or noncompliance; and (d) certifying that Developer is not in default beyond applicable notice and cure periods with respect to any provision of the Agreement, the agreements evidencing the Lender Financing, if any, or any related agreements; provided, that the obligations to be covered by the Annual Compliance Report shall include the following: (1) delivery of Financial Statements and unaudited financial statements (Section 8.13); (2) delivery of updated insurance certificates, if applicable (Section 8.11); (3) delivery of evidence of payment of Non-Governmental Charges, if applicable (Section 8.12); (4) delivery of evidence of Developer’s compliance with the green construction requirements of Section 3.15(c); and (5) compliance with all other executory provisions of the RDA.

“Available Incremental Taxes” has the meaning defined in Section 4.03(d).

“Bonds” has the meaning defined in Section 8.05.

“Bond Ordinance” means the City Ordinance authorizing the issuance of Bonds.

“Bundle” has the meaning defined in Section 8.24.

“Business Day” means any day other than Saturday, Sunday or a legal holiday in the State.

“Certificate of Completion” has the meaning defined in Section 7.01.

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

“City” has the meaning defined in the Agreement preamble.

“City Contract” has the meaning defined in Section 8.01(l).

“City Council” means the City Council of the City of Chicago as defined in Recital C.

“City Funds” means the funds described in Section 4.03(a).

“City Group Member” has the meaning defined in Section 8.20.

“City Note” has the meaning defined in Section 4.03(c).

“City Requirements” has the meaning defined in Section 3.07.

“City Recapture Mortgage” has the meaning defined in Section 3.14.

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

“Commissioner” or **“Commissioner of HED”** means that individual holding the office and exercising the responsibilities of the Commissioner or Acting Commissioner of the City’s Department of Housing and Economic Development and any successor City Department.

“Construction Contract” means that certain contract substantially in the form of Exhibit G, to be entered into between Developer and the General Contractor (as defined below) providing for construction of, among other things, the TIF-Funded Improvements. The parties to this Agreement may agree that the Construction Contract may be provided after Closing Date.

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

“Contractors” has the meaning defined in Section 8.24.

“Contribution” has the meaning defined in Section 8.24.

“Corporation Counsel” means the City’s Department of Law.

“Developer” has the meaning defined in the Agreement preamble.

“Dispersed Lots” has the meaning defined in Recital D.

“Domestic Partners” has the meaning defined in Section 8.24.

“EDS” means the City’s Economic Disclosure Statement and Affidavit, on the City’s then-current form, whether submitted in paper or via the City’s online submission process.

“Employer(s)” has the meaning defined in Section 10.01.

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

seq.); (ix) the Illinois Environmental Protection Act (415 ILCS 5/1 et seq.); and (x) the Municipal Code of Chicago (as defined below), and 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.

“**Equity**” means funds of Developer (other than funds derived from Lender Financing (as 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).

“**Event of Default**” has the meaning defined in Section 15.01.

“**Excess Profit**” has the meaning defined in Section 4.05(c).

“**Existing Mortgages**” has the meaning defined in Section 16.01.

“**Expansion Ordinance**” has the meaning described in Section 5.16.

“**Financial Statements**” means the financial statements regularly prepared by Developer, if any, 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 Developer’s auditor.

“**General Contractor**” means the general contractor(s) hired by Developer under Section 6.01.

“**Governmental Charge**” has the meaning defined in Section 8.16(a)(i).

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

“**HED**” has the meaning defined in the Agreement preamble.

“**Human Rights Ordinance**” has the meaning defined in Section 10.01(a).

“**Identified Parties**” has the meaning defined in Section 8.24.

“**Incremental Taxes**” means such ad valorem taxes which, pursuant to the TIF Adoption Ordinance and Section 5/11-74.4-8(b) of the Act, are allocated to, and when collected are paid to, the Treasurer of the City for deposit by the Treasurer into a special tax allocation fund established to pay Redevelopment Project Costs (as defined below) and obligations incurred in

the payment thereof, such fund for the purposes of this Agreement being the 105th Street and Vincennes Avenue Redevelopment Project Area Special Tax Allocation Fund.

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

“Infrastructure Construction” has the meaning defined in Recital D.

“Labor Department” has the meaning defined in Section 8.08.

“Lender” has the meaning defined in Section 3.08. As of the date hereof, the only Lender is Bridgeview Bank Group.

“Lender Financing” means funds borrowed by Developer from lenders, if any, and available to pay for costs of the Project, in the amount stated in Section 4.01.

“Mayor” has the meaning defined in Section 8.24.

“MBE(s)” has the meaning defined in Section 10.03(b).

“MBE/WBE Program” has the meaning defined in Section 10.03(a).

“Minimum Assessed Value” has the meaning defined in Section 8.16(c)(i).

“Minority-Owned Business” has the meaning defined in Section 10.03(b).

“MOPD” has the meaning defined in Section 3.13.

“Municipal Code” means the Municipal Code of the City of Chicago as presently in effect and as hereafter amended from time to time.

“New Mortgage” has the meaning defined in Section 16.01.

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

“Other Contract” has the meaning defined in Section 8.24.

“Owners” has the meaning defined in Section 8.24.

“Park District” has the meaning defined in Section 3.15.

“Park Site” has the meaning defined in Recital D.

“Pay-As-You-Go TIF Payments” has the meaning defined in Section 4.03(d).

“PD1008” has the meaning defined in Recital E.

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

“**Permitted Mortgage**” has the meaning defined in Section 16.01.

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

“**Plan Adoption Ordinance**” has the meaning defined in Recital C.

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

“**Political fundraising committee**” has the meaning defined in Section 8.25.

“**Prior Expenditure(s)**” has the meaning defined in Section 4.04.

“**Procurement Program**” has the meaning defined in Section 10.03(a).

“**Project**” has the meaning defined in Recital D.

“**Project Budget**” means the budget stated in Exhibit D-1, showing the total cost of the Project by line item, as furnished by Developer to HED, in accordance with Section 3.03.

“**Property**” has the meaning defined in Recital D.

“**Redevelopment Area**” means the 105th Street and Vincennes Avenue Redevelopment Project Area as legally described in Exhibit A, and defined in Recital C.

“**Redevelopment Plan**” has the meaning defined in Recital E.

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

“**Requisition Form**” has the meaning defined in Section 4.03(a).

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

“**State**” means the State of Illinois as defined in Recital A.

“**Sub-Owners**” has the meaning defined in Section 8.24.

“**Survey**” means a plat of survey in the most recently revised form of ALTA/ACSM land title survey of the Property 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, 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 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 as required by the City or the lender(s) providing Lender Financing, if any).

“Term of the Agreement” means the period of time commencing on the Closing Date and ending on December 31, 2025 (such date being the last date of the calendar year in which taxes levied in the year that is 23 years after the creation of the Redevelopment Area are paid) or such later date as the Redevelopment Area expires in accordance with the TIF Ordinances.

“TIF Adoption Ordinance” has the meaning stated in Recital C.

“TIF Bonds” has the meaning defined for such term in Recital F.

“TIF Bond Ordinance” has the meaning stated in Recital F.

“TIF Bond Proceeds” has the meaning stated in Recital F.

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

“TIF Expansion Study Account”) has the meaning described in Section 5.16.

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

“TIF Ordinances” has the meaning stated in Recital C.

“Title Company” means that Chicago Title Insurance Company or such other title insurance company agreed to by Developer and the City.

“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, and a subordination agreement in favor of the City with respect to previously recorded liens against the Property related to Lender Financing, if any, issued by the Title Company.

“Under Assessment Complaint” has the meaning set forth in Section 8.16(c)(iii).

“WARN Act” means the Worker Adjustment and Retraining Notification Act (29 U.S.C. Section 2101 et seq.).

“WBE(s)” has the meaning defined in Section 10.03(b).

“Women-Owned Business” has the meaning defined in Section 10.03(b).

105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA

MGM/TGI 105TH STREET LLC
REDEVELOPMENT PROJECT

Amended and Restated
Redevelopment Agreement
dated as of July 19, 2012

SCHEDULE B

ARTICLE TWELVE: INSURANCE REQUIREMENTS

12.01 **Insurance.** Developer will provide and maintain, or cause to be provided and maintained, at Developer's own expense, during the Term of this Agreement, the insurance coverages and requirements specified below, insuring all operations related to the Agreement.

(a) Prior to Execution and Delivery of this Agreement

(i) Workers' Compensation and Employers Liability Insurance

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

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

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

(b) Construction. Prior to the construction of any portion of the Project, Developer will cause its architects, contractors, sub-contractors, project managers and other parties constructing the Project to procure and maintain the following kinds and amounts of insurance:

(i) Workers Compensation and Employers Liability Insurance

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

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

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

(iii) Automobile Liability Insurance (Primary and Umbrella)

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

(iv) Railroad Protective Liability Insurance

When any work is to be done adjacent to or on railroad or rail transit property or within 50 feet of railroad or rail transit property, contractor must provide, or cause to be provided with respect to the operations that the contractor performs, Railroad Protective Liability Insurance in the name of railroad or transit entity. The policy must have limits of not less than \$2,000,000 per occurrence and \$6,000,000 in the aggregate for losses arising out of injuries to or death of all persons, and for damage to or destruction of property, including the loss of use thereof.

(v) All Risk Builders Risk Insurance

When the contractor undertakes any construction, including improvements, betterments, and/or repairs, Developer must cause each contractor to provide, or cause to be provided All Risk Blanket Builders Risk Insurance at replacement cost for materials, supplies, equipment,

machinery and fixtures that are or will be part of the Project. Coverages shall include but are not limited to the following: collapse, boiler and machinery if applicable, flood including surface water backup. The City will be named as an additional insured and loss payee.

(vi) Professional Liability

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

(vii) Valuable Papers Insurance

When any plans, designs, drawings, specifications and documents are produced or used under this Agreement by Developer's architects, contractors, sub-contractors, project managers and other parties constructing the Project, Developer will cause such parties to maintain Valuable Papers Insurance which must be maintained in an amount to insure against any loss whatsoever, and which must have limits sufficient to pay for the re-creations and reconstruction of such records.

(viii) Contractor's Pollution Liability

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

(ix) Blanket Crime

Developer must provide Crime Insurance or equivalent covering all persons handling funds under this Agreement, against loss by dishonesty, robbery, destruction or disappearance, computer fraud, credit card forgery, and other related crime risks. The policy limit must be written to cover

losses in the amount of the maximum monies collected or received and in the possession of Developer at any given time.

(c) Other Insurance Required.

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

(d) Other Requirements

- (i) Developer will furnish the City of Chicago, Department of Housing and Economic Development, City Hall, Room 1000, 121 North LaSalle Street, Chicago, Illinois 60602, original Certificates of Insurance evidencing the required coverage to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the Term of this Agreement. Developer will submit evidence of insurance on the City Insurance Certificate Form or commercial equivalent prior to closing. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. The failure of the City to obtain certificates or other insurance evidence from Developer must not be deemed to be a waiver by the City. Developer will advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance will not relieve Developer of the obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to terminate this Agreement until proper evidence of insurance is provided.
- (ii) The insurance will provide for 60 days prior written notice to be given to the City in the event coverage is substantially changed, canceled, or non-renewed.
- (iii) Any and all deductibles or self insured retentions on referenced insurance coverages are borne by Developer.

- (iv) Developer agrees that insurers must waive rights of subrogation against the City, its employees, elected officials, agents, or representatives.
- (v) Developer expressly understands and agrees that any coverages and limits furnished by Developer will in no way limit Developer's liabilities and responsibilities specified within the Agreement documents or by law.
- (vi) Developer expressly understands and agrees that Developer's insurance is primary and any insurance or self insurance programs maintained by the City will not contribute with insurance provided by Developer under the Agreement.
- (vii) The required insurance will not be limited by any limitations expressed in the indemnification language herein or any limitation placed on the indemnity therein given as a matter of law.
- (viii) Developer will require its general contractor and all subcontractors to provide the insurance required herein or Developer may provide the coverages for the contractor or subcontractors. All contractors and subcontractors will be subject to the same requirements of Developer unless otherwise specified herein.
- (ix) If Developer, contractor or subcontractor desires additional coverages, Developer, contractor and each subcontractor will be responsible for the acquisition and cost of such additional protection.
- (x) The City Risk Management Department maintains the right to modify, delete, alter or change these requirements, so long as such action does not, without Developer's written consent, increase such requirements.

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**

Amended and Restated
Redevelopment Agreement
dated as of July 19, 2012
EXHIBIT B-2

Legal Description of the Property

A legal description of the Property is attached to this exhibit cover sheet.

EXHIBIT B-2

LEGAL DESCRIPTION OF THE PROPERTY

LOTS 1-9, 11, 13, 15-44, 48-50, 52, 53, 55, 56, 59, 60, 63-69, 71, 72, 75-77, 79, 81-83, 85, 86, 102-105, 107, 114-123 AND OUTLOT A IN THE RENAISSANCE OF BEVERLY RIDGE BEING A SUBDIVISION OF THE NORTHWEST QUARTER OF SECTION 17, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

PIN	Lot #	PIN	Lot #
25-17-121-001-0000	79	25-17-124-004-0000	19
25-17-121-003-0000	81	25-17-124-005-0000	20
25-17-121-004-0000	82	25-17-124-006-0000	21
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25-17-121-008-0000	86	25-17-124-009-0000	24
25-17-121-010-0000	102	25-17-124-010-0000	25
25-17-121-011-0000	103	25-17-124-011-0000	60
25-17-121-012-0000	104	25-17-124-014-0000	63
25-17-121-013-0000	105	25-17-124-015-0000	64
25-17-121-015-0000	107	25-17-124-016-0000	65
25-17-121-022-0000	114	25-17-124-017-0000	66
25-17-121-023-0000	115	25-17-124-018-0000	67
25-17-121-024-0000	116	25-17-124-019-0000	68
25-17-121-025-0000	117	25-17-124-020-0000	69
25-17-121-026-0000	118	25-17-124-022-0000	71
25-17-121-027-0000	119	25-17-124-023-0000	72
25-17-121-028-0000	120	25-17-124-026-0000	75
25-17-121-029-0000	121	25-17-124-027-0000	76
25-17-121-030-0000	122	25-17-124-028-0000	77
25-17-121-031-0000	123	25-17-125-001-0000	1
25-17-122-001-0000	4	25-17-125-002-0000	2
25-17-122-002-0000	5	25-17-125-003-0000	3
25-17-122-003-0000	6		
25-17-122-004-0000	7		
25-17-122-005-0000	8		
25-17-122-006-0000	9		
25-17-122-008-0000	11		
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25-17-122-027-0000	40		
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25-17-122-029-0000	42		
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25-17-122-031-0000	44		
25-17-122-035-0000	48		
25-17-122-036-0000	49		
25-17-122-037-0000	50		
25-17-122-039-0000	52		
25-17-122-040-0000	53		
25-17-122-042-0000	55		
25-17-122-043-0000	56		
25-17-122-046-0000	59		
25-17-123-001-0000	A		
25-17-124-001-0000	16		
25-17-124-002-0000	17		
25-17-124-003-0000	18		

NOTE: In the event the subdivision plat creating The Renaissance at Beverly Ridge, which plat was recorded December 19, 2007 by the Cook County Recorder of Deeds (the "Recorder") as Document Number 0735303073 (the "Original Subdivision Plat"), is amended or superseded or made subject to any other form of corrective instrument recorded with the Recorder (a "Corrective Instrument"), the Lots referenced in this Exhibit shall thereafter mean each of the corresponding lots created or described pursuant to the Corrective Instrument, and the term "Property" as used in the attached instrument shall mean all of such corresponding lots created or described pursuant to the Corrective Instrument.

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA
MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**

Amended and Restated
Redevelopment Agreement
dated as of July 19, 2012

EXHIBIT B-3.5

Boundary of Infrastructure Construction

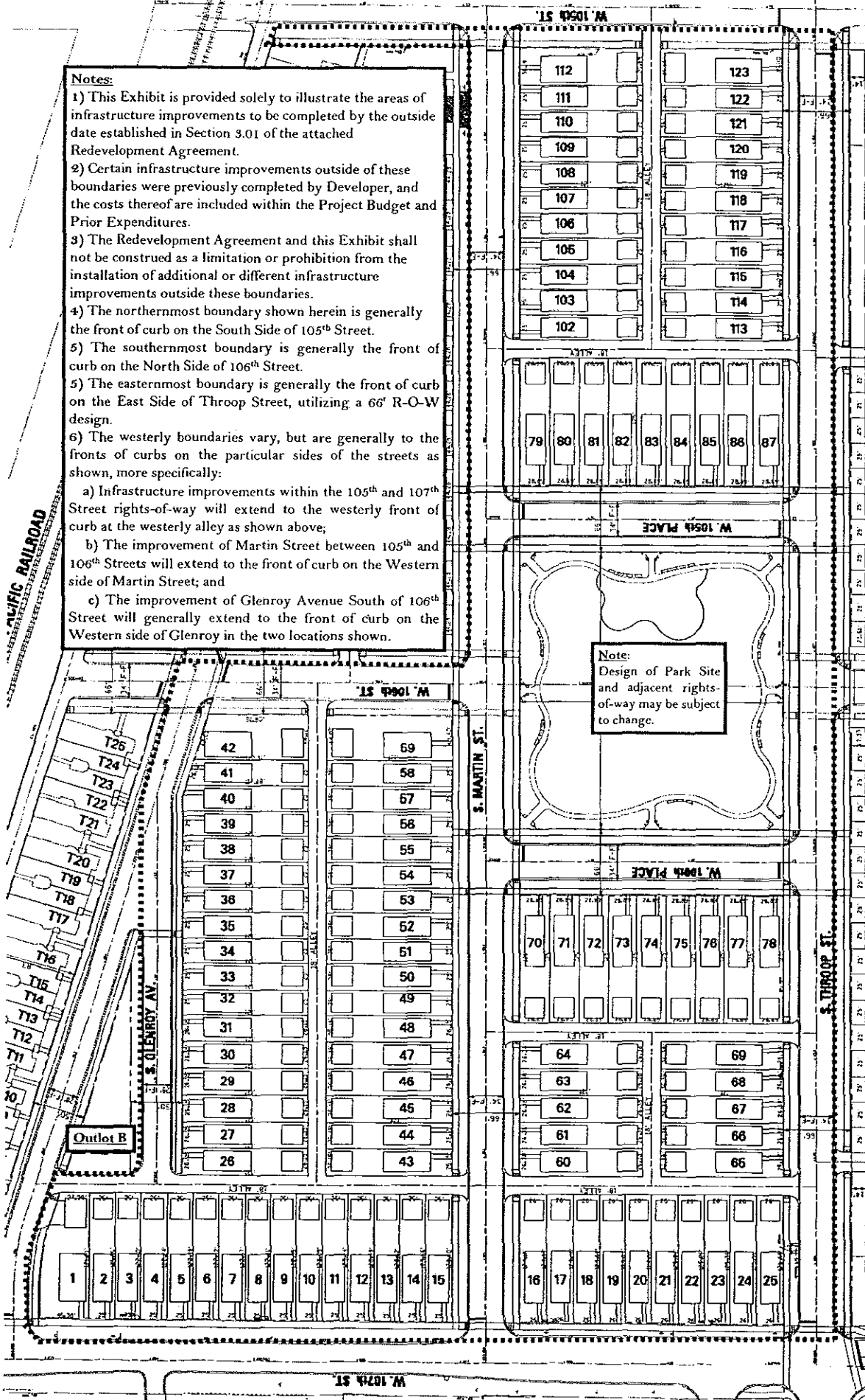
The Boundary of Infrastructure Construction is attached to this exhibit cover sheet

EXHIBIT B-3.5
INFRASTRUCTURE BOUNDARY EXHIBIT

Notes:

- 1) This Exhibit is provided solely to illustrate the areas of infrastructure improvements to be completed by the outside date established in Section 3.01 of the attached Redevelopment Agreement.
- 2) Certain infrastructure improvements outside of these boundaries were previously completed by Developer, and the costs thereof are included within the Project Budget and Prior Expenditures.
- 3) The Redevelopment Agreement and this Exhibit shall not be construed as a limitation or prohibition from the installation of additional or different infrastructure improvements outside these boundaries.
- 4) The northernmost boundary shown herein is generally the front of curb on the South Side of 105th Street.
- 5) The southernmost boundary is generally the front of curb on the North Side of 106th Street.
- 5) The easternmost boundary is generally the front of curb on the East Side of Throop Street, utilizing a 66' R-O-W design.
- 6) The westerly boundaries vary, but are generally to the fronts of curbs on the particular sides of the streets as shown, more specifically:
 - a) Infrastructure improvements within the 105th and 107th Street rights-of-way will extend to the westerly front of curb at the westerly alley as shown above;
 - b) The improvement of Martin Street between 105th and 106th Streets will extend to the front of curb on the Western side of Martin Street; and
 - c) The improvement of Glenroy Avenue South of 106th Street will generally extend to the front of curb on the Western side of Glenroy in the two locations shown.

Note:
Design of Park Site and adjacent rights-of-way may be subject to change.



**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**
Amended and Restated Redevelopment Agreement
dated as of July 19, 2012

EXHIBIT B-4


SITE PLAN FOR THE PROJECT


A site plan for the Project is attached to this exhibit cover sheet


This site reflects 83 Developer owned lots and the Park Site, for 84 lots in total.

**EXHIBIT B-4
SITE PLAN**


Legend


 105th/Vincennes TIF


 Phase I

 Phase II

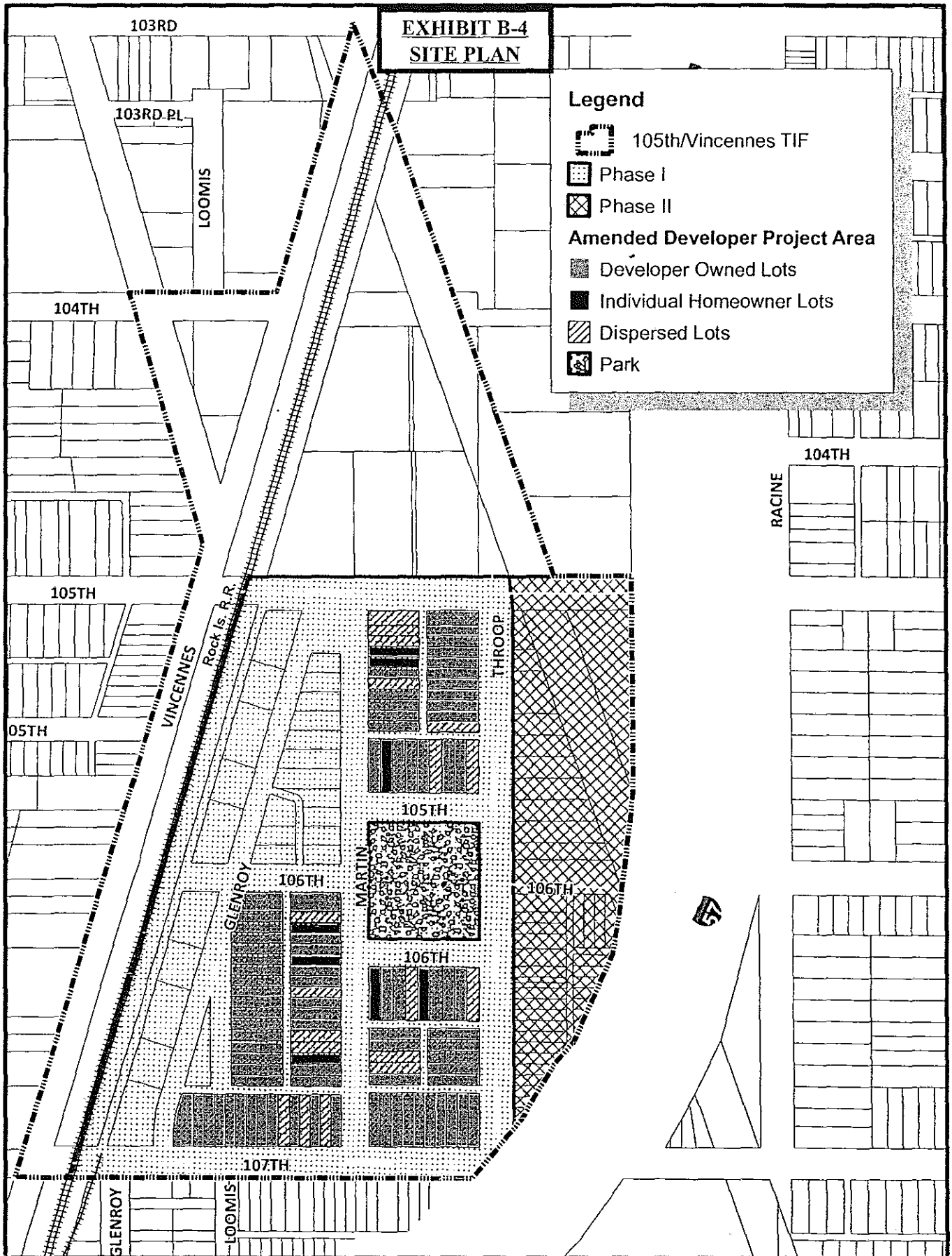
Amended Developer Project Area

 Developer Owned Lots

 Individual Homeowner Lots

 Dispersed Lots

 Park



105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA

MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT

Amended and Restated
Redevelopment Agreement
dated as of July 19, 2012

EXHIBIT D-1

PROJECT BUDGET

	TOTAL
Land Acquisition	\$ 7,748,469
Site work, clearing and grading of land, infrastructure and public works or improvements (roadways, streetscape, lighting, park, etc.)	\$ 10,155,433
Hard costs in connection with the construction of residential units (foundation to finishes)	\$ 22,640,720
Soft Costs (professional fees, surveys, marketing, etc.)	\$ 6,321,598
<u>Financing & Interest Expense</u>	<u>\$ 2,750,000</u>
<u>TOTAL</u>	<u>\$ 49,616,220</u>

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**

Amended and Restated
Redevelopment Agreement
dated as of July 19, 2012

EXHIBIT D-2

CONSTRUCTION (MBE/WBE) BUDGET

	TOTAL*	MBE 24%	WBE 4%
Land Acquisition	n/a	n/a	n/a
Site work, clearing and grading of land, infrastructure and public works or improvements (roadways, streetscape, lighting, park, etc.)	\$10,155,433	\$2,437,304	\$406,217
Hard costs in connection with the construction of residential units (foundation to finishes)	\$22,640,720	\$5,433,773	\$905,629
Soft Costs (professional fees, surveys, marketing, etc.)	\$5,775,598	\$1,386,144	\$231,024
Financing & Interest Expense	n/a	n/a	n/a
<u>TOTAL</u>	<u>\$38,571,751</u>	<u>\$9,257,221</u>	<u>\$1,542,870</u>

*Total Costs subject to MBE/WBE Requirements
Actual MBE/WBE expenditures may vary among budgeted line items. However, the Total
Actual MBE/WBE expenditures will equal or exceed the Total MBE/WBE budget.

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

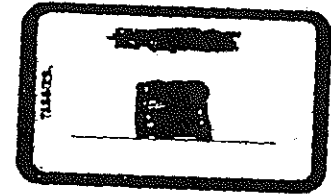
**MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**

Amended and Restated
Redevelopment Agreement
dated as of July 19, 2012

EXHIBIT A

REDEVELOPMENT AREA LEGAL DESCRIPTION

A legal description of the Redevelopment Area is attached to this exhibit cover sheet.



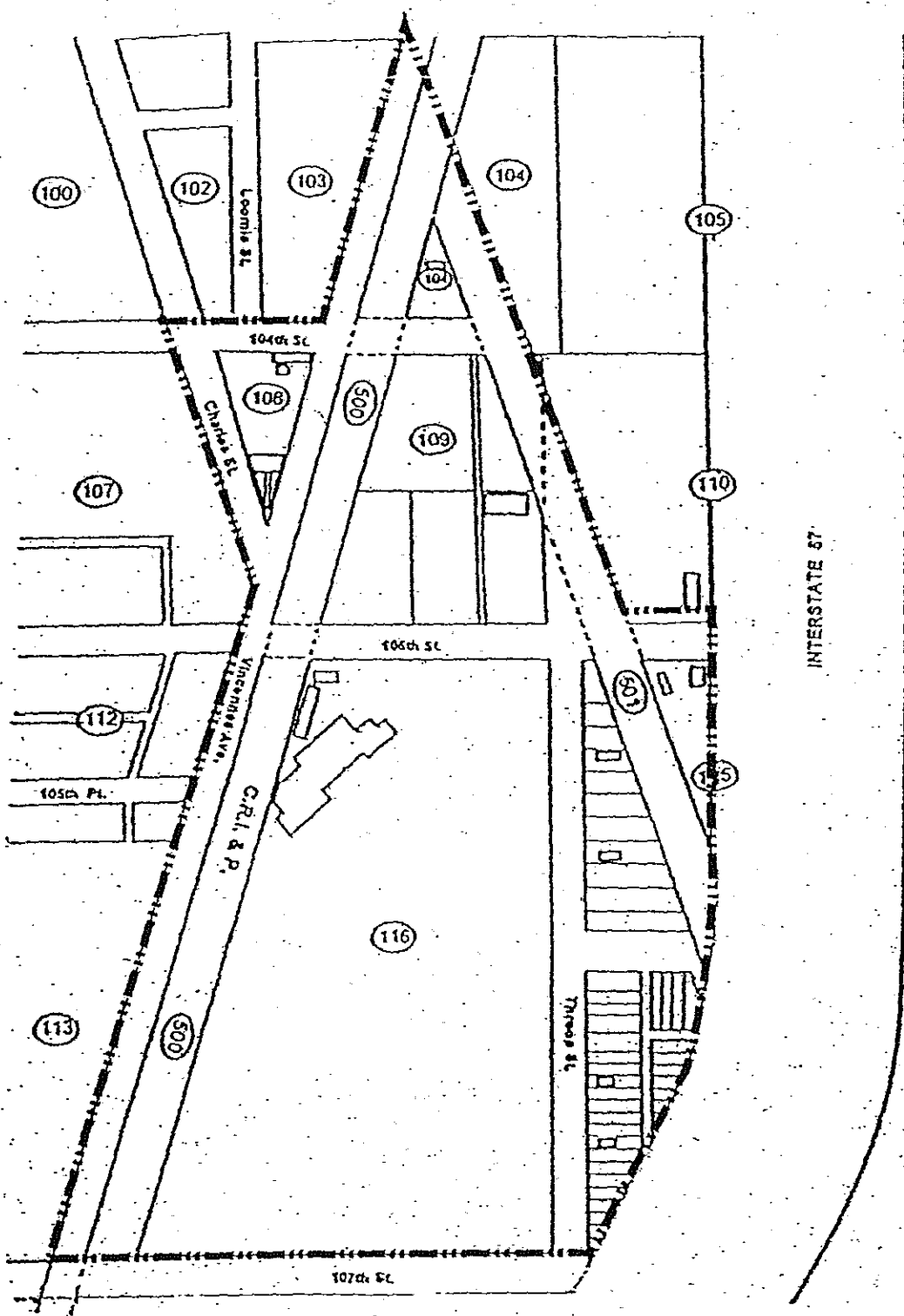
The boundaries of the Project Area are legally described as follows:

THAT PART OF THE NORTHWEST 1/4 OF SECTION 17, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN TAKEN AS A TRACT AND MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTH RIGHT-OF-WAY LINE OF 107TH STREET WITH THE WESTERLY RIGHT-OF-WAY LINE OF VINCENNES AVENUE; THENCE NORTHEASTERLY ON THE LAST DESCRIBED LINE TO ITS INTERSECTION WITH THE WESTERLY RIGHT-OF-WAY LINE OF CHARLES STREET; THENCE NORTHWESTERLY ON THE LAST DESCRIBED LINE TO ITS INTERSECTION WITH THE NORTH RIGHT-OF-WAY LINE OF 104TH STREET; THENCE EASTERLY ON THE LAST DESCRIBED LINE TO ITS INTERSECTION WITH THE WESTERLY RIGHT-OF-WAY LINE OF VINCENNES AVENUE; THENCE NORTHEASTERLY ON THE LAST DESCRIBED LINE TO ITS INTERSECTION WITH THE EASTERLY RIGHT-OF-WAY LINE OF THE FORMER PITTSBURGH CINCINNATI CHICAGO & ST. LOUIS RAILROAD; THENCE SOUTHEASTERLY ON THE LAST DESCRIBED LINE TO THE NORTH RIGHT-OF-WAY LINE OF 105TH STREET; THENCE EASTERLY ON THE LAST DESCRIBED LINE TO ITS INTERSECTION WITH THE WESTERLY RIGHT-OF-WAY LINE OF INTERSTATE 57 EXPRESSWAY; THENCE SOUTHERLY ON THE LAST DESCRIBED LINE TO ITS INTERSECTION WITH THE SOUTH RIGHT-OF-WAY LINE OF 107TH STREET; THENCE WESTERLY ON THE LAST DESCRIBED LINE TO THE POINT OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS.



Street Boundaries of the Area

The Area is located along the western edge of the Washington Heights community area on the City's south side and is generally bordered on the north by 103rd Street; on the east by the I-57 Expressway right-of way; on the south by 107th Street; and on the west by Vincennes Avenue, including the small triangular block bordered by Charles Street and 104th Street.



INTERSTATE 57

Project Area Boundary



Project Area Boundary

7th Street & Vincennes Avenue

Chicago, IL

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**

Amended and Restated
Redevelopment Agreement
dated as of July 19, 2012

EXHIBIT B-1

LEGAL DESCRIPTION OF THE PHASE 1 PROPERTY

A legal description of the Phase 1 Property is attached to this exhibit cover sheet.

EXHIBIT B-1
LEGAL DESCRIPTION OF THE PHASE 1 PROPERTY

LOTS 1 THROUGH 133, INCLUSIVE, OUTLOT A AND OUTLOT B IN THE RENAISSANCE AT BEVERLY RIDGE BEING A SUBDIVISION OF THE NORTHWEST QUARTER OF SECTION 17, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT OF RESUBDIVISION THEREOF, RECORDED DECEMBER 19, 2007, AS DOCUMENT 0735303073, IN COOK COUNTY, ILLINOIS

PINS:

25-17-116-003-0000 through 25-17-116-007-0000, inclusive
25-17-119-001-0000 through 25-17-119-005-0000, inclusive
25-17-120-001-0000 through 25-17-120-014-0000, inclusive
25-17-121-001-0000 through 25-17-121-031-0000, inclusive
25-17-122-001-0000 through 25-17-122-046-0000, inclusive
25-17-123-001-0000
25-17-124-001-0000 through 25-17-124-129-0000, inclusive
25-17-125-001-0000 through 25-17-125-004-0000, inclusive

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**

Amended and Restated
Redevelopment Agreement
dated as of July 19, 2012
EXHIBIT B-2

Legal Description of the Property

A legal description of the Property is attached to this exhibit cover sheet.

EXHIBIT B-2

LEGAL DESCRIPTION OF THE PROPERTY

LOTS 1-9, 11, 13, 15-44, 48-50, 52, 53, 55, 56, 59, 60, 63-69, 71, 72, 75-77, 79, 81-83, 85, 86, 102-105, 107, 114-123 AND OUTLOT A IN THE RENAISSANCE OF BEVERLY RIDGE BEING A SUBDIVISION OF THE NORTHWEST QUARTER OF SECTION 17, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

PIN	Lot #	PIN	Lot #
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25-17-121-028-0000	120	25-17-124-026-0000	75
25-17-121-029-0000	121	25-17-124-027-0000	76
25-17-121-030-0000	122	25-17-124-028-0000	77
25-17-121-031-0000	123	25-17-125-001-0000	1
25-17-122-001-0000	4	25-17-125-002-0000	2
25-17-122-002-0000	5	25-17-125-003-0000	3
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25-17-122-004-0000	7		
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25-17-122-006-0000	9		
25-17-122-008-0000	11		
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25-17-122-015-0000	28		
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25-17-122-040-0000	53		
25-17-122-042-0000	55		
25-17-122-043-0000	56		
25-17-122-046-0000	59		
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25-17-124-003-0000	18		

NOTE: In the event the subdivision plat creating The Renaissance at Beverly Ridge, which plat was recorded December 19, 2007 by the Cook County Recorder of Deeds (the "Recorder") as Document Number 0735303073 (the "Original Subdivision Plat"), is amended or superseded or made subject to any other form of corrective instrument recorded with the Recorder (a "Corrective Instrument"), the Lots referenced in this Exhibit shall thereafter mean each of the corresponding lots created or described pursuant to the Corrective Instrument, and the term "Property" as used in the attached instrument shall mean all of such corresponding lots created or described pursuant to the Corrective Instrument.

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**

Amended and Restated
Redevelopment Agreement
dated as of July 19, 2012
EXHIBIT B-3

Legal Description of the Dispersed Lots

A legal description of the Dispersed Lots is attached to this exhibit cover sheet.

EXHIBIT B-3
LEGAL DESCRIPTION OF THE DISPERSED LOTS

LOTS 10, 12, 14, 46, 47, 51, 58, 61, 62, 73, 78, 84, 87, 106 AND 110-113 IN THE RENAISSANCE OF BEVERLY RIDGE BEING A SUBDIVISION OF THE NORTHWEST QUARTER OF SECTION 17, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

PIN	Lot #
25-17-121-006-0000	84
25-17-121-009-0000	87
25-17-121-014-0000	106
25-17-121-018-0000	110
25-17-121-019-0000	111
25-17-121-020-0000	112
25-17-121-021-0000	113
25-17-122-007-0000	10
25-17-122-009-0000	12
25-17-122-011-0000	14
25-17-122-033-0000	46
25-17-122-034-0000	47
25-17-122-038-0000	51
25-17-122-045-0000	58
25-17-124-012-0000	61
25-17-124-013-0000	62
25-17-124-024-0000	73
25-17-124-029-0000	78

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA
MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**

Amended and Restated
Redevelopment Agreement
dated as of July 19, 2012

EXHIBIT B-3.5

Boundary of Infrastructure Construction

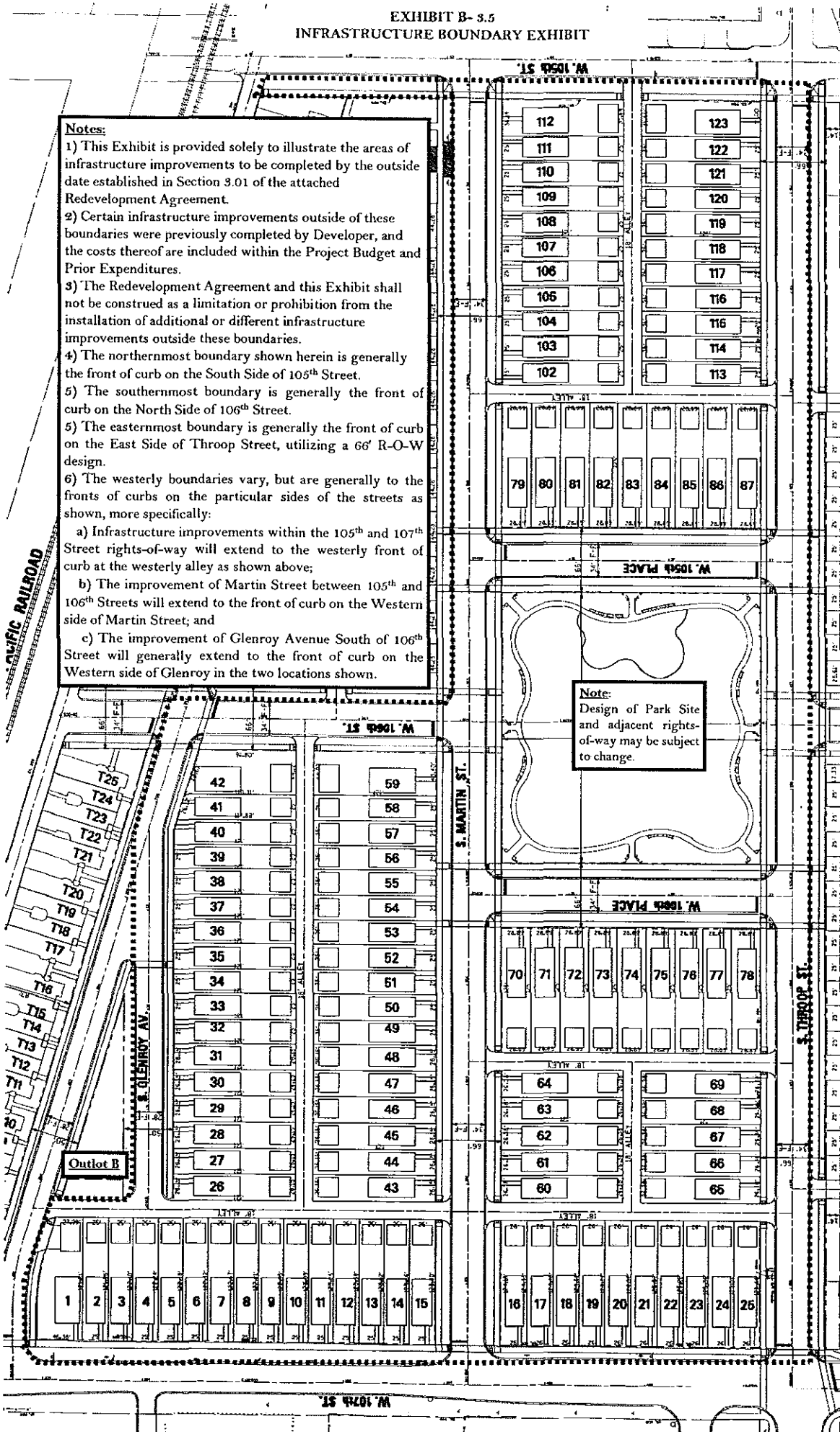
The Boundary of Infrastructure Construction is attached to this exhibit cover sheet

EXHIBIT B-3.5
 INFRASTRUCTURE BOUNDARY EXHIBIT

Notes:

- 1) This Exhibit is provided solely to illustrate the areas of infrastructure improvements to be completed by the outside date established in Section 3.01 of the attached Redevelopment Agreement.
- 2) Certain infrastructure improvements outside of these boundaries were previously completed by Developer, and the costs thereof are included within the Project Budget and Prior Expenditures.
- 3) The Redevelopment Agreement and this Exhibit shall not be construed as a limitation or prohibition from the installation of additional or different infrastructure improvements outside these boundaries.
- 4) The northernmost boundary shown herein is generally the front of curb on the South Side of 105th Street.
- 5) The southernmost boundary is generally the front of curb on the North Side of 106th Street.
- 5) The easternmost boundary is generally the front of curb on the East Side of Throop Street, utilizing a 66' R-O-W design.
- 6) The westerly boundaries vary, but are generally to the fronts of curbs on the particular sides of the streets as shown, more specifically:
 - a) Infrastructure improvements within the 105th and 107th Street rights-of-way will extend to the westerly front of curb at the westerly alley as shown above;
 - b) The improvement of Martin Street between 105th and 106th Streets will extend to the front of curb on the Western side of Martin Street; and
 - c) The improvement of Glenroy Avenue South of 106th Street will generally extend to the front of curb on the Western side of Glenroy in the two locations shown.

Note:
 Design of Park Site and adjacent rights-of-way may be subject to change.



**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**

Amended and Restated Redevelopment Agreement
dated as of July 19, 2012

EXHIBIT B-4

SITE PLAN FOR THE PROJECT

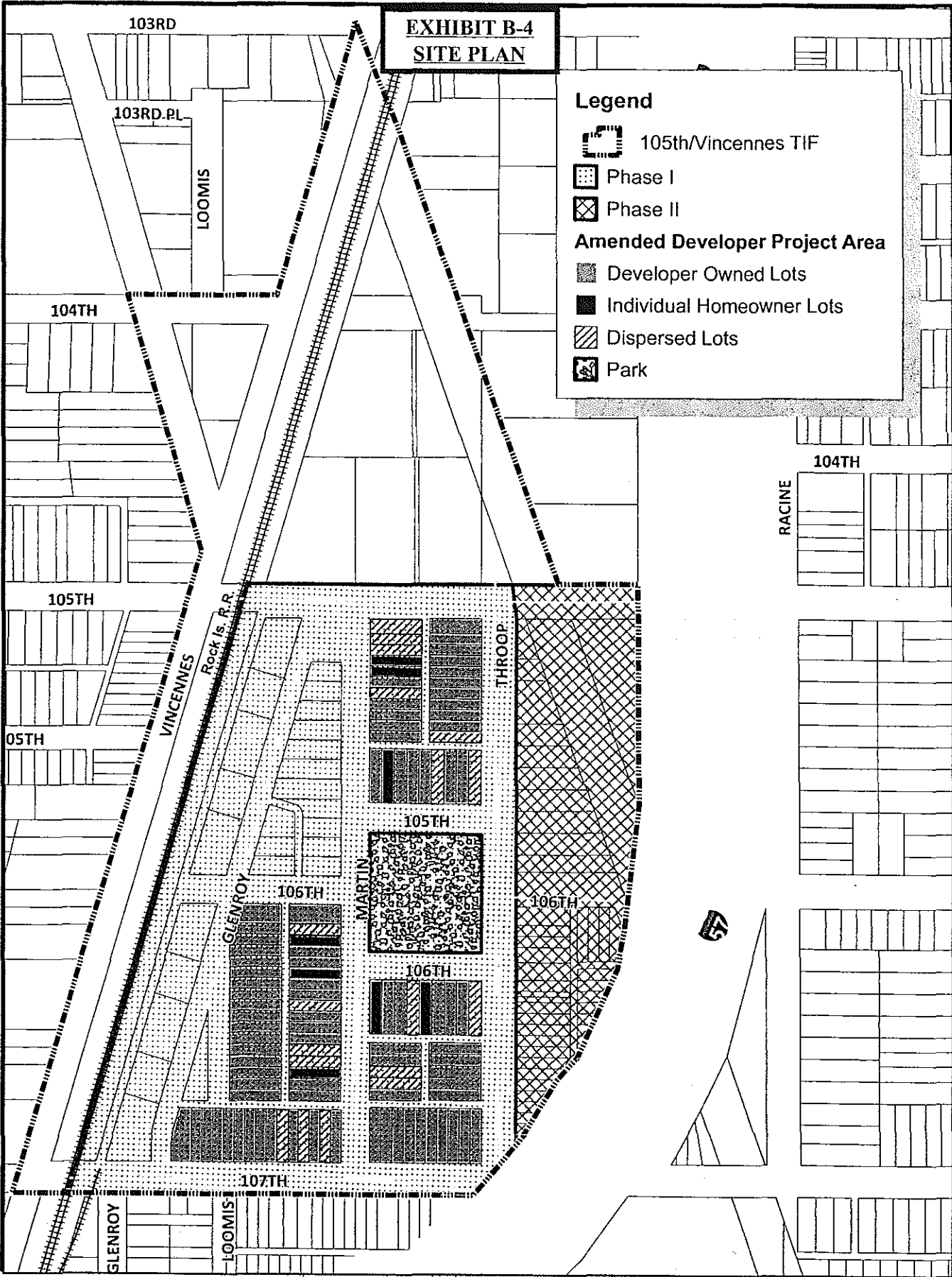
A site plan for the Project is attached to this exhibit cover sheet

This site reflects 83 Developer owned lots and the Park Site, for 84 lots in total.

**EXHIBIT B-4
SITE PLAN**

Legend

-  105th/Vincennes TIF
-  Phase I
-  Phase II
- Amended Developer Project Area**
-  Developer Owned Lots
-  Individual Homeowner Lots
-  Dispersed Lots
-  Park



**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA
MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**

Amended and Restated
Redevelopment Agreement
dated as of July 19, 2012

EXHIBIT B-5

AFFORDABLE SALES PRICES

A Schedule of Affordable Sales Prices is attached to this exhibit cover sheet.

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**

Amended and Restated
Redevelopment Agreement
dated as of _____, 2012

EXHIBIT B-5

AFFORDABLE SALES PRICES

Model	Units	S.F.	Estimated Price/S.F.	Estimated Price	Total Revenue
Single Family (3 BR, 1.5 BA)	10	1,444	\$138.50	\$199,990	\$1,999,900
Single Family (3 BR, 1.5 BA)	12	1,250	\$140.19	\$179,990	\$2,159,880
Total/Average	22	1,338	\$139.42	\$189,081	\$4,159,780

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**

Amended and Restated
Redevelopment Agreement
dated as of July 19, 2012

EXHIBIT B-6

PLANNED DEVELOPMENT 1008

A copy of Planned Development 1008 is attached to this exhibit cover sheet.



DEPARTMENT OF HOUSING AND ECONOMIC DEVELOPMENT
CITY OF CHICAGO

March 21, 2012

Danielle Meltzer Cassel
Vedder Price P.C.
222 North LaSalle Street, Suite 2600
Chicago, Illinois 60601

**Re: One-year sunset extension for Residential Planned Development No. 1008
West 105th Street, South Vincennes Avenue, West 107th Street**

Dear Ms. Cassel:

Please be advised that your request for a one-year sunset extension to the six-year construction period for Residential Planned Development No. 1008 has been considered by the Department of Housing and Economic Development pursuant to Section 17-13-0612-B of the Chicago Zoning Ordinance and Statement No. 14 of the Planned Development (PD).

Residential Planned Development No. 1008 was passed by the Chicago City Council on February 8, 2006. Statement No. 14 of the Planned Development contains the sunset provisions, which requires commencement of substantial construction of the improvements within six years of the effective date of the ordinance. As a result of economic conditions, the owner and developer of the site, is requesting a one-year extension of the sunset provisions.

Accordingly, pursuant to the authority granted by the Chicago Zoning Ordinance and Residential Planned Development No. 1008, I hereby approve a one-year sunset extension from February 8, 2012 to February 8, 2013.

Your letter also seeks clarification on what needs to be satisfied in order to avoid expiration on February 8, 2013. Each Planned Development is uniquely established for an individual site and can vary greatly in size, scale and complexity. While a specific value is not assigned to the term 'substantial compliance' in the ordinance, the Department has to balance a number of factors in determining whether the planned development will ever be completed.

These factors include, but are not limited to: whether the planned development will ever be realized as envisioned if it has not been diligently pursued to completion within the six-year timeframe under Section 17-13-0612; whether or not a neighborhood would be better served by re-establishing as-of-right zoning and allowing smaller developments to take hold; and whether or not rezoning would create too many non-conforming structures. The Department has concluded that constructing the infrastructure and building only 15% of the dwelling units does not meet the clause "diligently pursued to completion" under Section 17-13-0612. We encourage the property owners to continue their efforts in developing this site.

Sincerely,

Patricia A. Scudiero
Zoning Administrator

PAS:HG:tm

2/8/2006

REPORTS OF COMMITTEES

15074
70479

*Reclassification Of Area Shown On Map Number 26-G.
(As Amended)*

(Application Number 15074) *EPD 1008*

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

SECTION 1. That the Chicago Zoning Ordinance be amended by changing all the current M2-3 Light Industry District symbols and M1-1 Limited Manufacturing/Business Park District symbols and indications as shown on Map Number 26-G in the area bounded by:

West 105th Street; South Throop Street; West 107th Street; and the eastern boundary line of the Chicago Rock Island and Pacific Railroad right-of-way,

to those of the RS3 Residential Single-Unit District.

SECTION 2. That the Chicago Zoning Ordinance be amended by changing the current RS3 Residential Single-Unit District symbols and indications as shown on Map Number 26-G in the area bounded by:

West 105th Street; South Throop Street, West 107th Street; and the eastern boundary line of the Chicago Rock Island and Pacific Railroad right-of-way,

to those of a Residential Planned Development which is hereby established in the area described above, subject to such use and bulk regulations as are set forth in the Plan of Development Statements and Bulk Regulations and Data Table attached hereto and to no others.

SECTION 3. This ordinance shall be in force and effect from and after its passage and due publication.

Plan of Development Statements referred to in this ordinance read as follows:

Residential Planned Development Number 1008.

Plan Of Development Statements.

1. The area delineated herein as Residential-Institutional Planned Development Number 1008 (the "Planned Development") consists of approximately six hundred thirty-four thousand ninety-eight (634,098) net square feet (approximately fourteen and fifty-three hundredths (14.53) acres) of property located in the area generally bounded on the north by

West 105th Street; on the east by South Throop Street; on the south by West 107th Street; and on the west by the eastern boundary line of the Chicago Rock Island and Pacific Railroad right-of-way (the "Property"). For purposes of this Planned Development, the Property is controlled by the applicant, MGM/TGI 105th Street L.L.C., an Illinois limited liability company.

2. All applicable official reviews, approvals or permits are required to be obtained by the applicant. Any dedication or vacation of streets, alleys or easements or any adjustment of rights-of-way shall require a separate submittal on behalf of the applicant, its successors, assignees or grantees and approval by the City Council.
3. The requirements, obligations and conditions contained within this Planned Development shall be binding upon the applicant, its successors and assigns and, if different than the applicant, the legal titleholders and any ground lessors and their respective successors and assigns. All rights granted hereunder to the applicant shall inure to the benefit of its successors and assigns and, if different than the applicant, the legal titleholder and any ground lessors and their respective successors and assigns. Furthermore, pursuant to the requirements of Section 17-8-0400 of the Chicago Zoning Ordinance, the Property, at the time applications for amendments, modifications or changes (administrative, legislative or otherwise) to this Planned Development are made, shall be under single ownership or under single designated control. Single designated control for purposes of this statement shall mean that any application to the City for any amendment to this Planned Development or any other modification or change thereto (administrative, legislative or otherwise) shall be made or authorized by all the owners of the Property and any ground lessors of the Property. For purposes of this Planned Development, where portions of the improvements located on the Property have been submitted to the Illinois Condominium Property Act, the term "owner" shall be deemed to refer solely to the condominium association of the owners of such portions of the improvements and not to the individual unit owners therein. In addition, where portions of the improvements located on the Property are owned by different persons, the term "owners" shall mean all of the owners (including any condominium association(s) with respect to any portions of the Property that consist of condominiums and all legal titleholders to any portions of the Property and any and all ground lessors of any portions of the Property). Nothing herein shall prohibit or in any way restrict the alienation, sale or any other transfer of all or any portion of the Property or any rights, interests or obligations therein. Upon any alienation, sale or any other transfer of all or any portion of the Property or the rights therein (other than an assignment or transfer of rights pursuant to a mortgage or otherwise as collateral for any indebtedness) and solely with respect to the portion of the Property so transferred, the term applicant shall be deemed amended to apply to the transferee thereof (and its

beneficiaries if such transferee is a land trust) and the seller or transferor thereof (and its beneficiaries if such seller or transferor is a land trust) shall thereafter be released from any and all obligations or liability hereunder with respect to the portion of the Property so transferred.

4. This plan of development consists of these fourteen (14) statements; a Bulk Regulations and Data Table; the following documents prepared by Johnson and Lee dated December 15, 2005 (collectively, the "Johnson Plans"): an Existing Zoning Map; a Property Line and Right-of-Way Adjustment Map; an Existing Land-Use Map; a Site and Landscape Plan; and the following documents prepared by the Shalvis Group dated December 15, 2005 (collectively, the "Shalvis Plans"): Building Elevations (the Johnson Plans and the Shalvis Plans are collectively referred to herein as the "Plans"). Full-sized copies of the Site and Landscape Plan and Building Elevations are on file with the Department of Planning and Development (the "Department"). These and no other zoning controls shall apply to the Property. This Planned Development conforms to the intent and purpose of the Chicago Zoning Ordinance, Title 17 of the Municipal Code of Chicago, and all requirements thereof, and satisfies the established criteria for approval as a Planned Development.
5. The following uses of the Property shall be permitted: dwelling units, accessory parking; recreational uses; open space; and accessory uses.
6. Identification signs shall be permitted upon the Property provided that such signs are compatible with the character of development authorized by this Planned Development and with the character of the area in which it is located. Temporary signs such as construction and marketing signs and temporary business identification signs shall be permitted within the Planned Development subject to the review and approval of the Department.
7. Service drives or other means of ingress or egress, including for emergency vehicles, shall be adequately designed and paved in accordance with the Municipal Code and the regulations of the Department of Transportation in effect at the time of construction. There shall be no parking within such paved areas or fire lanes. Ingress and egress shall be subject to the review and approval of the Departments of Transportation and Planning and Development. All work proposed in the public way must be designed and constructed in accordance with the Chicago Department of Transportation Construction Standards for Work in the Public Way and in accordance with Municipal Code of the City of Chicago. Off-street parking and loading facilities shall be provided in compliance with this Planned Development. A minimum of two percent (2%) of all parking spaces provided pursuant to this Planned Development shall be designated and designed for parking for the handicapped.

8. Height restrictions of any building or any appurtenance thereto, in addition to the Bulk Regulations and Data Table, shall be subject to height limitations as approved by the Federal Aviation Administration.
9. For purposes of floor area ratio ("F.A.R.") calculations, the definitions in the Chicago Zoning Ordinance in effect as of the date hereof shall apply.
10. The improvements on the Property shall be designed, constructed and maintained in substantial conformance with the exhibits described in Statement 4 of this Planned Development and shall not require site plan approval. The Building Elevations are illustrative and the applicant shall have the right to modify, substitute or add to the Building Elevations so long as the same are generally consistent with the nature and design of the improvements contemplated by this Planned Development and, subject to Statement Number 11 of this Planned Development, in such event no additional approvals (whether administrative, legislative or otherwise) shall be required. The park area shown on the Site and Landscape Plan shall be dedicated to the Chicago Park District at such time as applicant or its successors, assignees or grantees shall have acquired marketable title to the Property (or applicable portion thereof) and undertaken redevelopment thereof as provided herein. Applicant shall have no obligation to landscape or maintain the same.
11.
 - (a) The requirements of the Planned Development may be modified administratively by the Commissioner of the Department upon application and a determination by the Commissioner of the Department that such modification is minor, appropriate and consistent with the nature of the improvements contemplated by this Planned Development and the purposes underlying the provisions hereof. Any such modification of the requirements of the Planned Development by the Commissioner of the Department shall be deemed to be a minor change in the Planned Development as contemplated by Section 17-13-0611 of the Chicago Zoning Ordinance. Notwithstanding the provisions of Section 17-13-0611 of the Chicago Zoning Ordinance, such minor changes may include a reduction in the minimum required distance between structures, a reduction in periphery setbacks and an increase of the maximum percent of land covered and modifications, substitutions or deletions relating to Building Elevations.
 - (b) The Department acknowledges that the design, size and layout of the park and rights-of-way shown on the Plans may be modified prior to Part II Approval.
12. The Applicant acknowledges that it is in the public interest to design, construct and maintain all buildings in a manner, which promotes and maximizes the conservation of natural resources. The applicant shall use

commercially reasonable efforts to design, construct and maintain all buildings located within the Property in a manner generally consistent with the Leadership in Energy and Environmental Design ("L.E.E.D.") Green Building Rating provided, however, nothing set forth in this Planned Development shall be construed to require applicant to obtain L.E.E.D. certification for any of the improvements on the Property.

In the event a portion of the improvements in the Planned Development include affordable dwelling units, such affordable units will adhere to the Green Criteria that have been adopted by the Department of Housing as of the date of approval of this Planned Development; provided, however, nothing in this Planned Development requires applicant to provide affordable dwelling units. In the event a portion of any affordable dwelling units provided on the Property include townhouse units, such townhouse units will adhere to the Department of Housing requirements with respect to (i) the number of affordable townhouse units; and (ii) Green Criteria, as have been adopted by the Department of Housing as of the date of approval of this Planned Development. If no affordable dwelling units are provided, applicant will adhere to the Green Criteria that have been adopted by the Department as of the date of approval of this Planned Development.

13. The applicant acknowledges that it is in the public interest to design, construct and maintain the project in a manner which promotes, enables and maximizes universal access throughout the Property. Plans for all new buildings and improvements on the Property shall be reviewed and approved by the Mayor's Office for People with Disabilities ("M.O.P.D.") to ensure compliance with all applicable laws and regulations related to access for persons with disabilities and to promote the highest standard of accessibility. No approvals shall be granted pursuant to Section 17-13-0610 of the Chicago Zoning Ordinance until the Director of M.O.P.D. has approved detailed construction drawings for each new building or improvement.
14. Unless substantial construction of the improvements contemplated by this Planned Development has commenced within six (6) years following adoption of this Planned Development, and unless completion of such improvements is pursued thereafter, then this Planned Development shall expire. If this Planned Development expires under the provisions of this section, then the zoning of the Property shall automatically revert to the pre-existing classification of an RT3.5 Residential Two-Flat, Townhouse and Multi-Unit District. Said six (6) year period may be extended for up to one (1) additional year if, before expiration, the Commissioner of the Department determines that good cause for such an extension is shown.

[Location Map; Plan Development Boundary and Property Line Map; Existing Land-Use Map; Property Line and Right-of-Way Adjustment Map; Site Plan; Landscape Plan; and Building Elevations referred to in these Plan of Development Statements printed on pages 70485 through 70500 of this *Journal*.]

Bulk Regulations and Data Table referred to in these Plan of Development Statements reads as follows:

Residential Planned Development Number 1008

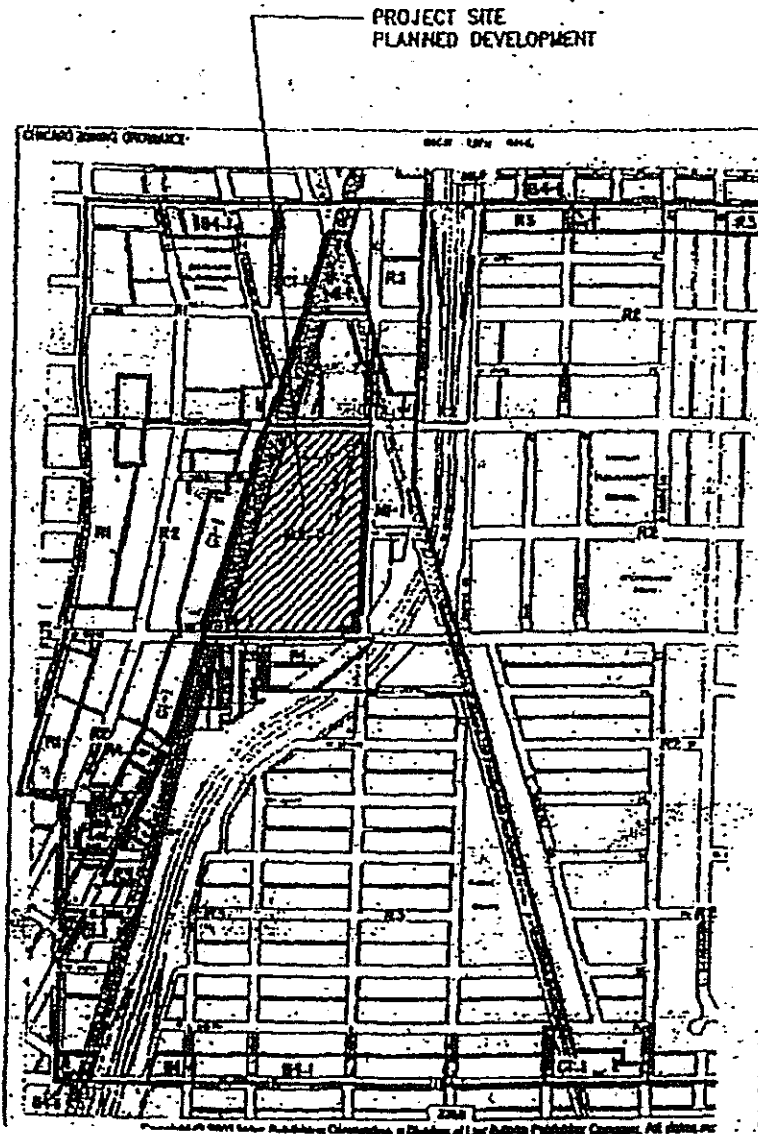
Plan Of Development.

Bulk Regulations And Data Table.

Gross Site Area (1,043,706 square feet) (23.91 acres) = Net Site Area (634,098 square feet)(14.53 acres) + Area Remaining in Public Right-of-Way (409,608 square feet)(9.38 acres)

Net Site Area:	634,098 square feet (14.53 acres)
Maximum Floor Area Ratio (F.A.R.):	.90
Minimum Building Setbacks:	15 feet
Maximum Number of Dwelling Units:	172
Maximum Site Coverage:	In accordance with the Site Plan
Minimum Number of Parking Spaces:	172
Minimum Number of Loading Berths:	0
Maximum Building Height:	35 feet

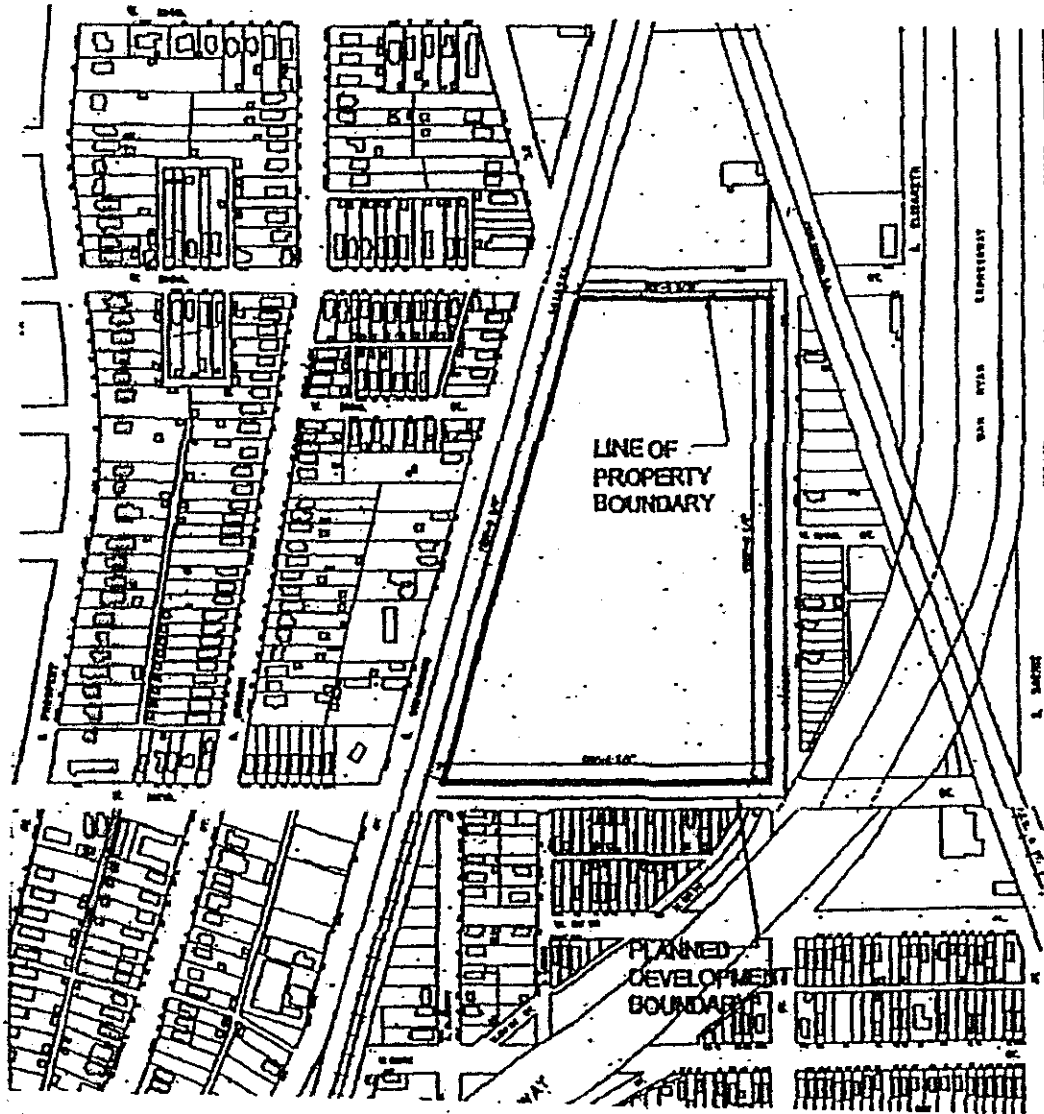
Location Map.



LOCATION MAP
EXISTING ZONE



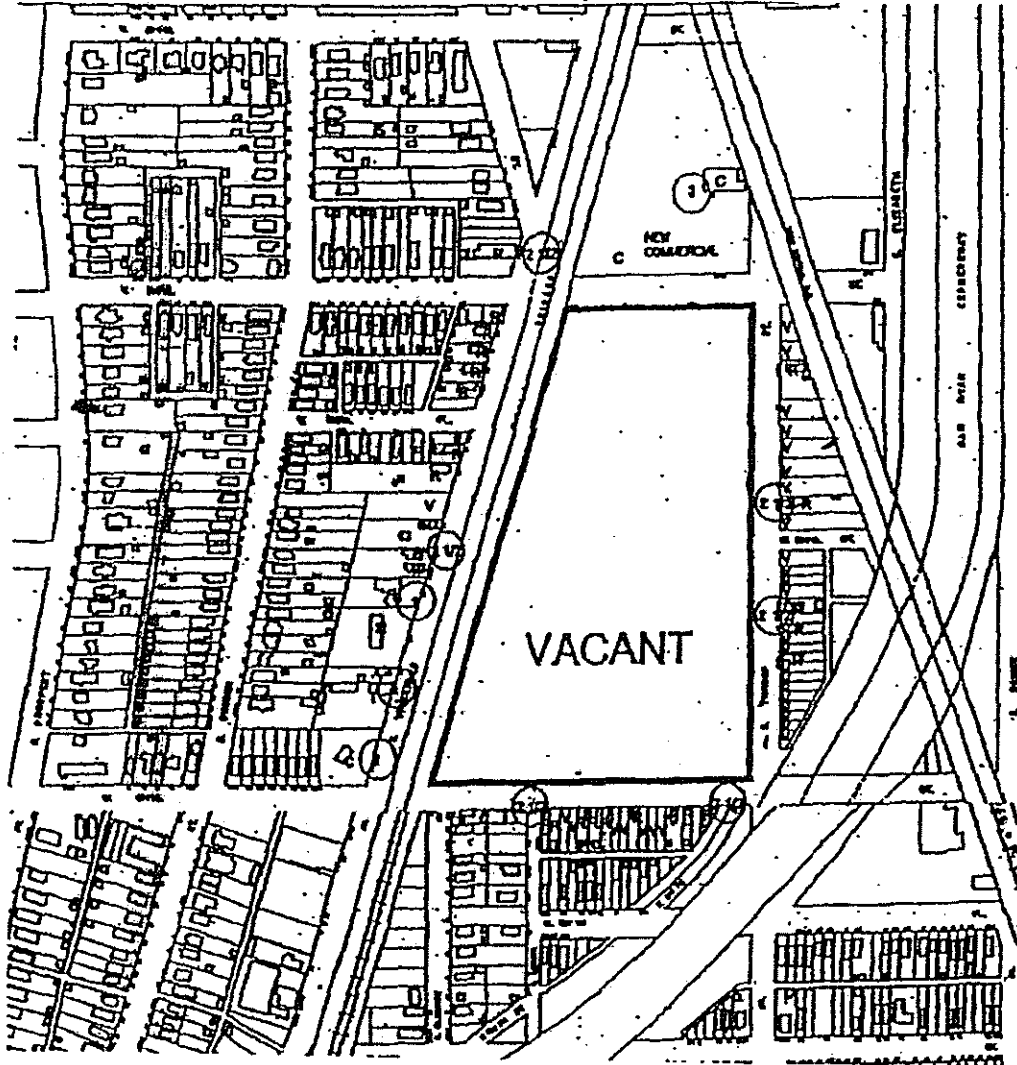
Plan Development Boundary And Property Line Map.



PLAN DEVELOPMENT BOUNDARY
AND PROPERTY LINE MAP



Existing Land-Use Map.

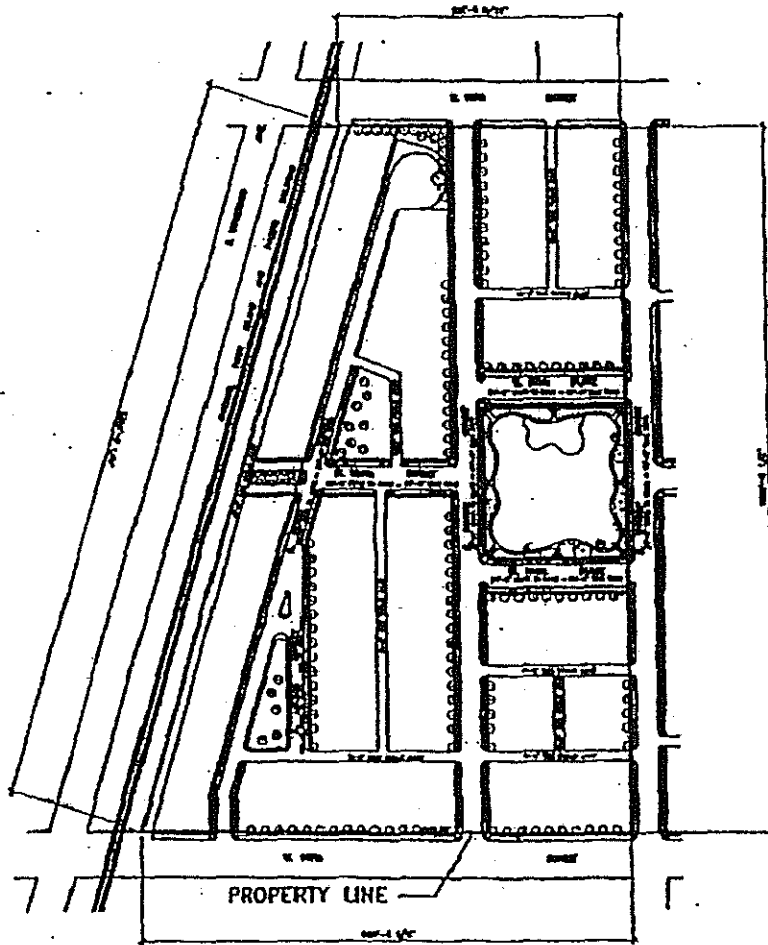


RESIDENTIAL	R
COMMERCIAL	C
VACANT	V
INSTITUTIONAL	I
NO. OF STORIES	X

EXISTING LAND USE MAP



Property Line And Right-Of-Way Adjustment Map.

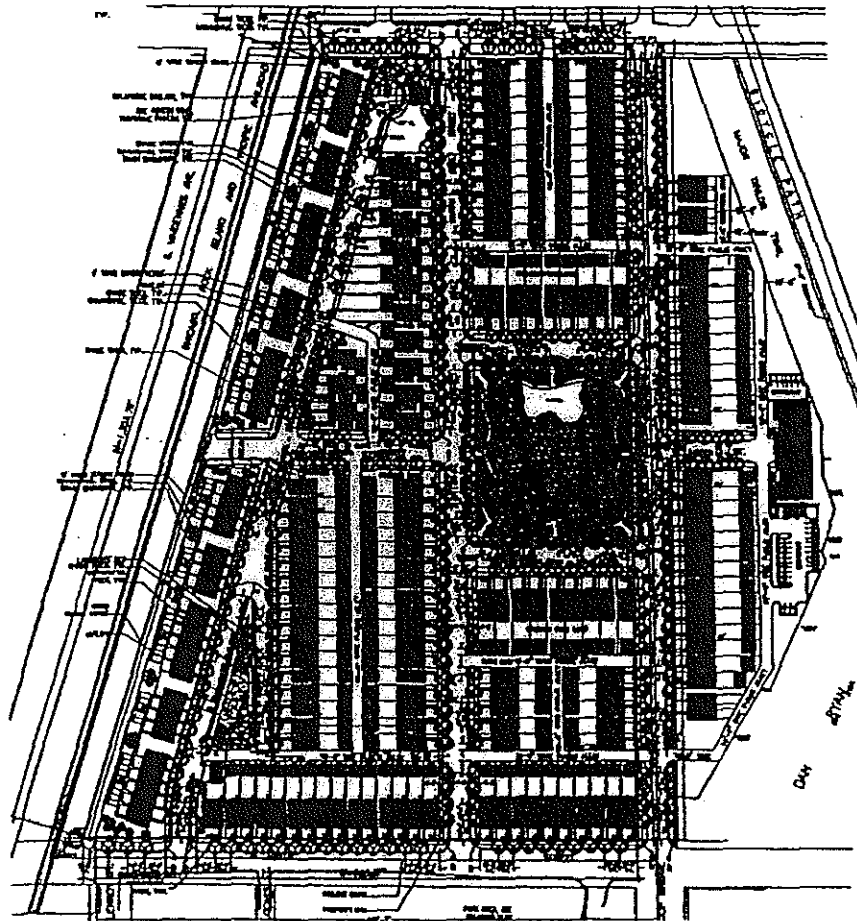


NOTE:
ALL STREETS AND ALLEYS
WITHIN BOUNDARY TO BE
DEDICATED.

PROPERTY LINE & R.O.W. ADJUSTMENT MAP
EXISTING ZONE



Site Plan.



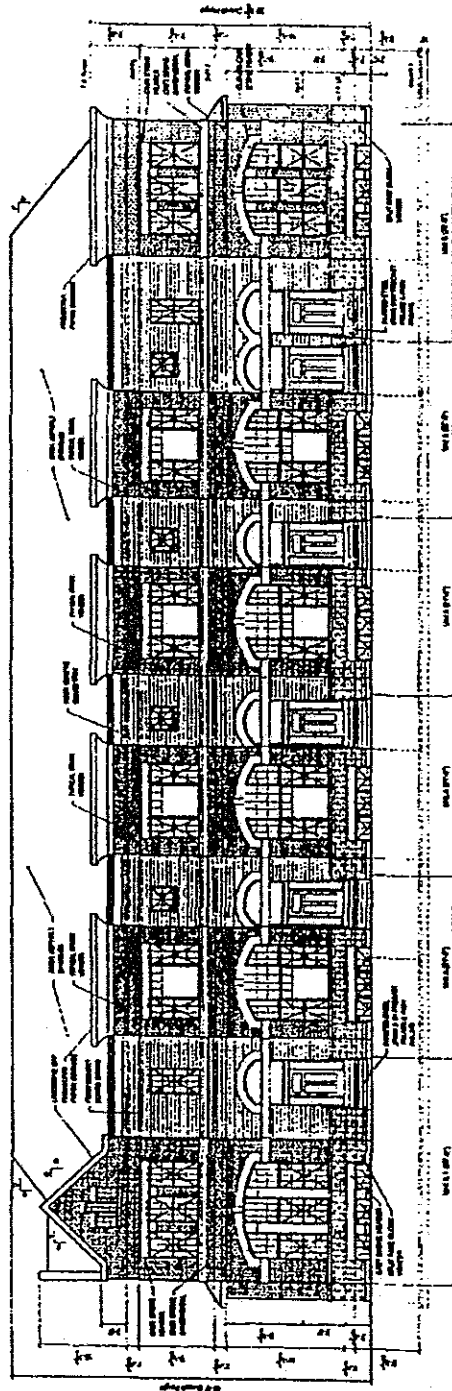
SITE PLAN
SCALE: "1"=1"



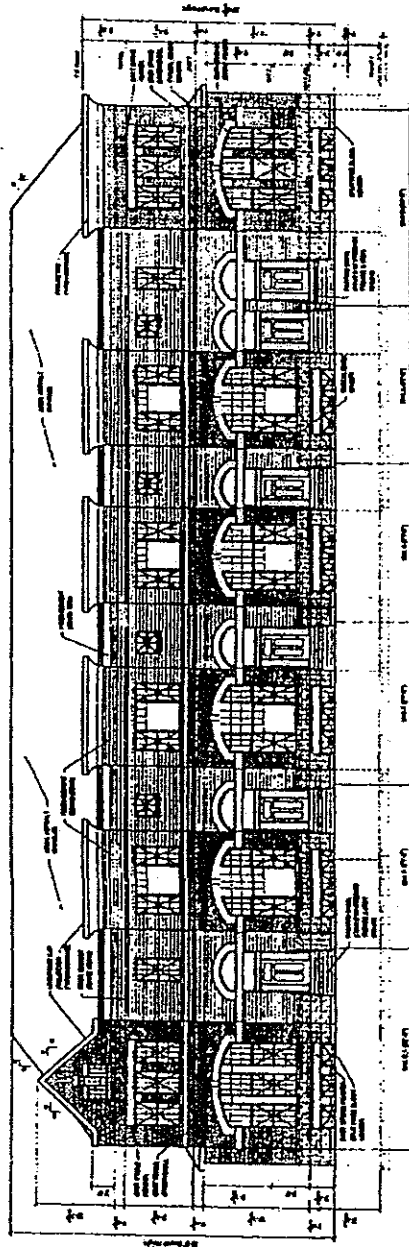
BRAND NEW AREA - PHASE 1	LA. 1/16 OF	25.0 ACRES
NET SITE AREA	23.1/16 OF	14.0 ACRES
AREA PUBLIC'S USE	4.0/16 OF	2.5 ACRES
SHALL P.A.R.	6.00 ACRES	
ACTUAL P.A.R.	6.00	
AC PAV. SURF COVERAGE	4.00	
MIN. ROAD WIDTH	10 FEET	
MIN. WIDEN. OF WYTH.	17.0	
MIN. PARKING	170	
MIN. LAUNDRY BERTHS	0	
SHALL ROAD WIDTH	10 FEET	

BRAND NEW AREA - PHASE 2 23.1/16 OF 14.0 ACRES

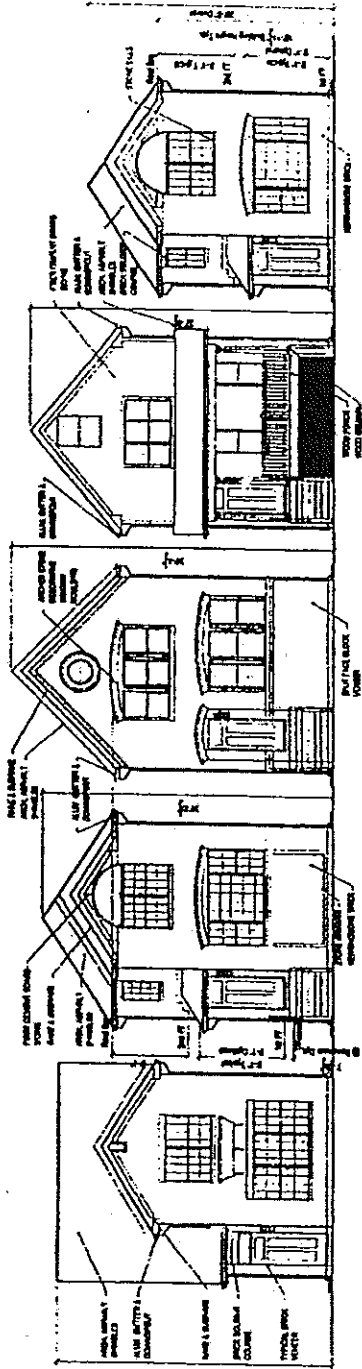
Townhome Product -- Front Elevation.
(Page 1 of 2)



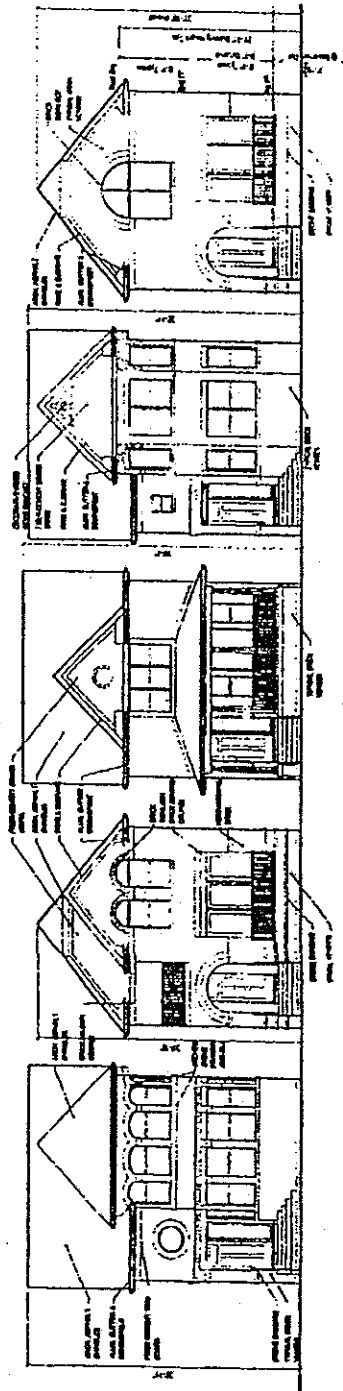
Townhome Product -- Front Elevation.
(Page 2 of 2)



Single-Family 25 Foot Product -- Front Elevations.



Single-Family 28 Foot Product -- Front Elevations.

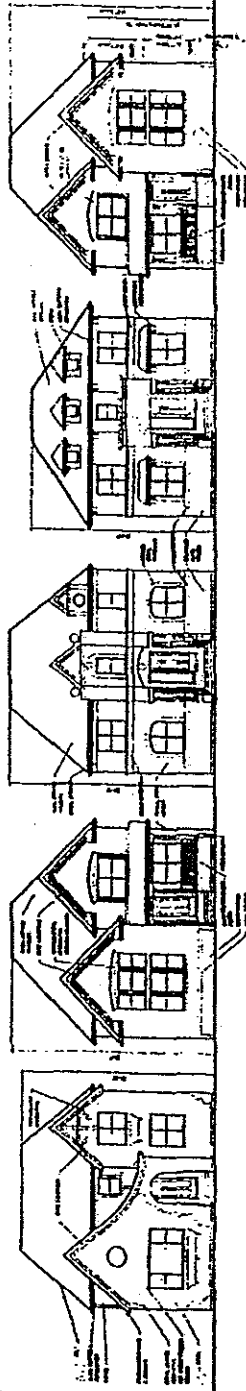


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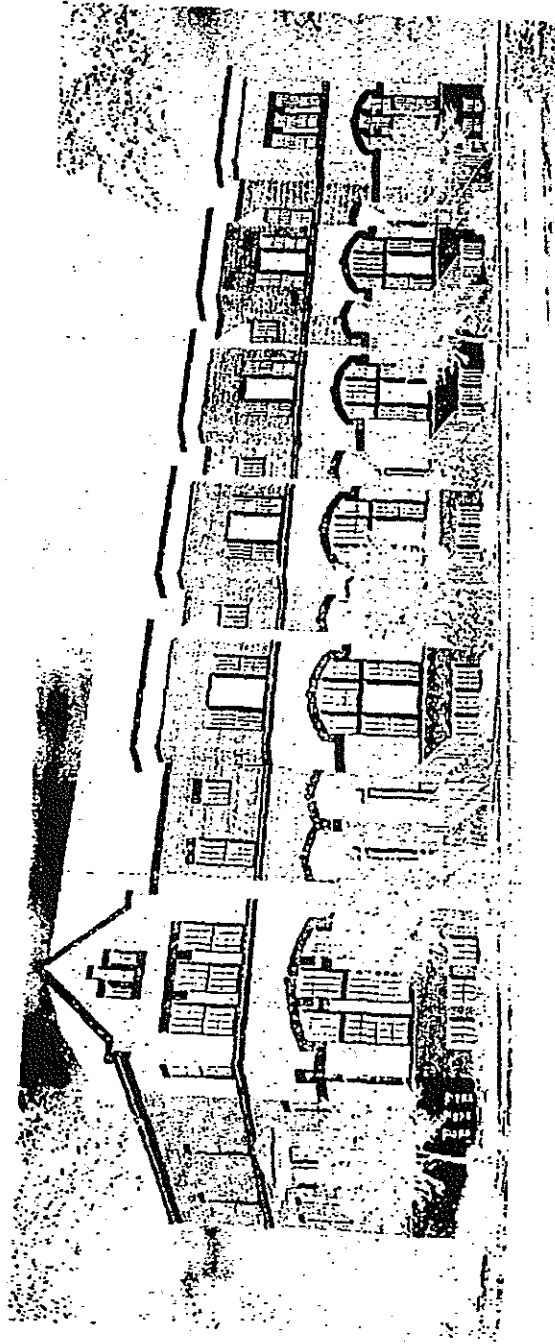
REPORTS OF COMMITTEES

70495

Single-Family 44 Foot Product -- Front Elevations.



Townhome Product -- Front Elevation.
(Page 1 of 2)

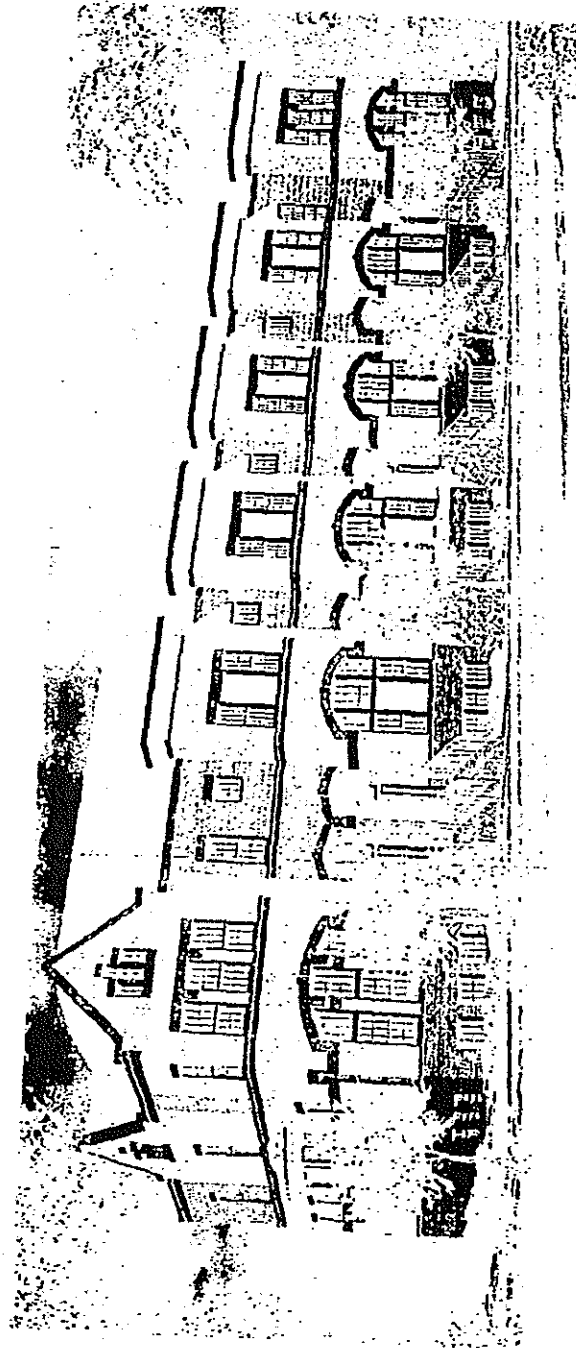


2/8/2006

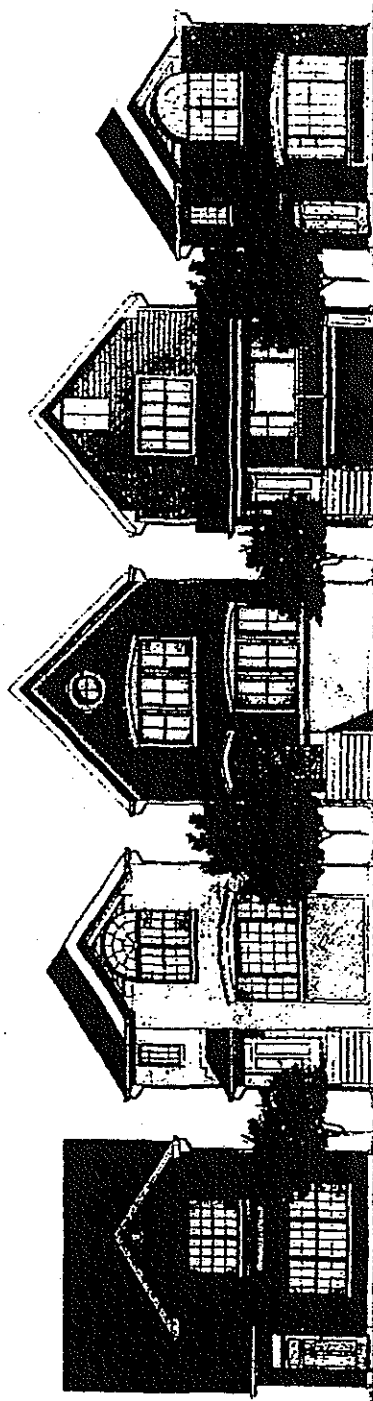
REPORTS OF COMMITTEES

70497

Townhome Product -- Front Elevation.
(Page 2 of 2)



Single-Family 25 Foot Product -- Front Elevations.



2/8/2006

REPORTS OF COMMITTEES

70499

Single-Family 28 Foot Product -- Front Elevations.



Single-Family 44 Foot Product -- Front Elevations.

