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Karen A.Yarbrough
Cook County Recorder of Deeds
Date: 11/18/2013 12:54 PM Pg: 1 of 104

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

BREAKTHROUGH URBAN MINISTRIES REDEVELOPMENT AGREEMENT

This Breakthrough Urban Ministries Redevelopment Agreement (this "**Agreement**") is made as of this 13th day of November, 2013, by and between the City of Chicago, an Illinois municipal corporation (the "**City**"), through its Department of Housing and Economic Development ("**HED**"), and Breakthrough Urban Ministries, Inc., an Illinois not-for-profit corporation ("**Breakthrough**") and Breakthrough Holdings, Inc. NFP, an Illinois not-for-profit corporation ("**Holdings**"; together with Breakthrough, collectively, the "**Developer**").

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RECITALS

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

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

C. City Council Authority: To induce redevelopment pursuant to the Act, the City Council of the City (the "**City Council**") adopted the following ordinances on February 27, 2002: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the Chicago/Central Park Tax Increment Financing Redevelopment Project Area" (the "**Plan Adoption Ordinance**"); (2) "An Ordinance of the City of Chicago, Illinois Designating the Chicago/Central Park

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Tax Increment Financing Redevelopment Project Area as a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act”; and (3) “An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Allocation Financing for the Chicago/Central Park Tax Increment Financing Redevelopment Project Area” (the “**TIF Adoption Ordinance**”) (items(1)-(3) collectively referred to herein as the “**TIF Ordinances**”). The redevelopment project area referred to above (the “**Redevelopment Area**”) is legally described in Exhibit A hereto.

D. The Project: Breakthrough has purchased and intends to purchase (the “**Acquisition**”) and transfer to Holdings certain property located within the Redevelopment Area at the addresses indicated below in Chicago, Illinois and legally described on Exhibit B hereto (the “**Property**”), and, within the time frames set forth in Section 3.01 hereof, Holdings shall commence and complete construction and/or rehabilitation of three buildings offering youth and family services, women’s services and a food pantry (the “**Facility**”) thereon and approximately 22 on-site parking spaces. The Facility and related improvements (including but not limited to those TIF-Funded Improvements as defined below and set forth on Exhibit C) are collectively referred to herein as the “**Project.**” The completion of the Project would not reasonably be anticipated without the financing contemplated in this Agreement. It is anticipated that the Project will consist of two components, each as described below.

FamilyPlex Center. Breakthrough intends to purchase from the City and transfer to Holdings the following parcels at the addresses indicated below (the “**City Parcels**”):

Use of Parcel	Street Address	PIN
FamilyPlex Center	3227 W. Carroll	16-11-405-034
FamilyPlex Center	3209 W. Carroll	16-11-405-035
FamilyPlex Center parking lot	328 N. Kedzie	16-11-405-037
FamilyPlex Center parking lot	326 N. Kedzie	16-11-405-038

The Family Plex Center component of Project (the “**Family Plex Center**”) will consist of a newly-constructed 2-story, approximately 42,500 square feet building on the site. The Family Plex Center will include (a) health clinic with 10 exam rooms to be operated by Lawndale Christian Health Center, an Illinois not-for-profit corporation (the “**Tenant**”) (5,300 square feet), (b) full service licensed day care center (5,500 square feet), (c) community café (5,000 square feet), (d) gymnasium for Breakthrough’s athletic and fitness programs (9,750 square feet), (e) second floor classrooms for pre-school, K-8 high school preparation, and college preparation programs (9,200 square feet), (f) fitness center with affordable membership fee (2,600 square feet), and (g) offices (2,200 square feet).

Joshua Center. Breakthrough has purchased and intends to transfer to Holdings, and Holdings intends to rehabilitate, the buildings at the addresses indicated below:

Use of Parcel	Street Address	PIN
Joshua Center	3330 W. Carroll	16-11-402-014
Joshua Center	3322 W. Carroll	16-11-402-015
Fresh Market Pantry	3334 W. Carroll	16-11-402-013

The Joshua Center component of Project (the “**Joshua Center**”) will consist of two buildings that will be used to offer services under Breakthrough’s Women’s Program and a new food pantry program in partnership with the Greater Chicago Food Depository.

3322-3330 W. Carroll building. The building located at 3322-3330 W. Carroll occupies a 24,486 square foot site and is an approximately 19,470 square foot two-story building. The Developer intends to rehabilitate the building as follows:

Ground Floor

- Install accessible entry ramp at front entrance to the building
- Install elevator in new 235 square foot addition
- Install fire stair
- Modify two stairwells to current City of Chicago building code

Second Floor

- Construct new art workshop with new lighting and electrical
- Construct fire rated enclosure around storage room

General Building Upgrades

- Extend fire protection system, including sprinklers, throughout the building
- Upgrade of A/V life safety systems (e.g., exit signs, fire alarms)
- Upgrade of existing plumbing fixtures to be accessible where required
- Remodel floor surfaces and wall finishes throughout
- New doors, locks and windows at various locations

Building Exterior

- Reconstruct masonry parapet on south façade of roof, including (structural) lintels above 2nd floor windows and main entrance
- Install parking pad and recreational surface in the rear courtyard.

The planned renovations are intended to bring the building into compliance with current municipal and accessibility codes. After completing the FamilyPlex Center and relocating its' family and youth programs from the Joshua Center to the FamilyPlex Center, Breakthrough intends to expand its programming enabling them to serve approximately 250 homeless and abused women annually (current capacity is 200).

3334 W. Carroll building. The Developer plans to renovate a one story, approximately 3,630 square foot brick building located at 3334 W. Carroll to install the Fresh Market Pantry. The planned renovations are intended to bring the building in compliance with current municipal and accessibility codes and will include dry and walk-in cold storage, a client-choice shopping area with shelves and baskets that resembles a grocery store, private offices for referrals and case management, and a waiting area made to resemble a small café. The Fresh Market Pantry will provide food to approximately 800 families. There will not be parking on-site.

In connection with these operations, (a) Holdings, as landlord, and Breakthrough, as tenant, have executed that certain Master Lease dated as of the date hereof (as amended from time to time, the "**Master Lease**") pursuant to which Breakthrough shall, among other matters, lease the Project from Holdings.

E. **Redevelopment Plan:** The Project will be carried out in accordance with this Agreement and the City of Chicago Chicago/Central Park Tax Increment Financing Redevelopment Area Project and Plan (the "**Redevelopment Plan**") included in the Plan Adoption Ordinance and published at pages 79799-79987 of the Journal of the Proceedings of the City Council.

F. **City Financing:** The City agrees to use, in the amounts set forth in **Section 4.03** hereof, (i) the proceeds of the City Note (defined below) and/or (ii) Incremental Taxes (as defined

below), to pay for or reimburse Developer for the costs of TIF-Funded Improvements pursuant to the terms and conditions of this Agreement and the City Note.

In addition, the City may, in its discretion, issue tax increment allocation bonds (“**TIF Bonds**”) secured by Incremental Taxes pursuant to a TIF bond ordinance (the “**TIF Bond Ordinance**”) at a later date as described in **Section 4.03(d)** hereof, the proceeds of which (the “**TIF Bond Proceeds**”) may be used to pay for the costs of the TIF-Funded Improvements not previously paid for from Incremental Taxes (including any such payment made pursuant to any City Note provided to the Developer pursuant to this Agreement), to make payments of principal and interest on the City Note subject to the terms described in the City Note, or in order to reimburse the City for the costs of TIF-Funded Improvements.

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

SECTION 1. RECITALS, HEADINGS AND EXHIBITS

The foregoing recitals are hereby incorporated into this Agreement by reference. The paragraph and section headings contained in this Agreement, including without limitation those set forth in the following table of contents, are for convenience only and are not intended to limit, vary, define or expand the content thereof. Developer agrees to comply with the requirements set forth in the following exhibits which are attached to and made a part of this Agreement. All provisions listed in the Exhibits have the same force and effect as if they had been listed in the body of this Agreement.

Table of Contents	List of Exhibits
1. Recitals, Headings and Exhibits	A *Redevelopment Area
2. Definitions	B *Property
3. The Project	C *TIF-Funded Improvements
4. Financing	D *Jobs and Occupancy Certificate
5. Conditions Precedent	E Construction Contract
6. Agreements with Contractors	F Escrow Agreement
7. Completion of Construction or Rehabilitation	G *Permitted Liens
8. Covenants/Representations/Warranties of Developer	H-1 *Project Budget
9. Covenants/Representations/Warranties of the City	H-2 *MBE/WBE Budget
10. Developer’s Employment Obligations	I Approved Prior Expenditures
11. Environmental Matters	J Opinion of Developer’s Counsel
12. Insurance	K *Junior Mortgage
13. Indemnification	L Requisition Form
14. Maintaining Records/Right to Inspect	M *Form of City Note
15. Defaults and Remedies	N Form of Subordination Agreement
16. Mortgaging of the Project	O Form of Payment Bond
17. Notice	P LEED Certification Affidavit
18. Miscellaneous	Q Requisition Form for TIF-Funded Interest Costs
	(An asterisk (*) indicates which exhibits are to be recorded.)

SECTION 2. DEFINITIONS

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

"2009 RDA" shall mean the Breakthrough Urban Ministries Redevelopment Agreement dated as of February 26, 2009 and recorded with the Office of the Recorder of Deeds of Cook County, Illinois on April 14, 2009 as document number 0910410047 by and between Breakthrough and the City, for a project located at 402 N. St. Louis Avenue, Chicago, Illinois 60624.

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

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

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

"Annual Compliance Report" shall mean a signed report from Developer to the City (a) itemizing each of Developer's obligations under the RDA 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 with respect to any provision of the RDA, the agreements evidencing the Lender Financing, if any, or any related agreements; provided, that the obligations to be covered by the Annual Compliance Report shall include the following: (1) compliance with the Operating Covenant (**Section 8.06**); (2) disclosure of Construction Jobs and Permanent Jobs (**Section 8.06**); (3) delivery of Financial Statements and unaudited financial statements (**Section 8.13**); (4) delivery of updated insurance certificates, if applicable (**Section 8.14**); (5) delivery of evidence of payment of Non-Governmental Charges, if applicable (**Section 8.15**); (6) delivery of evidence that LEED Certification has been obtained or applied for (**Section 8.23**) and (7) compliance with all other executory provisions of the RDA.

"Available Incremental Taxes" shall mean, for each payment, an amount equal to the Incremental Taxes on deposit in the Chicago/Central Park Redevelopment Project Area TIF Fund as of December 31st of the calendar year prior to the year in which the Requisition Form for such payment is received by the City, and which are available for the financing or payment of Redevelopment Project Costs, after deducting (i) the 10.0% City Fee, (ii) all Incremental Taxes from a New Project pledged or allocated to assist the New Project, (iii) all Incremental Taxes previously allocated or pledged by the City before the date of this Agreement, specifically Incremental Taxes allocated or pledged to Rosa Parks Limited Partnership, Breakthrough Urban Ministries, Inc. (with respect to a project located at 402 N St. Louis Avenue), and the Modern Schools Across Chicago Series 2007 and Series 2010 bonds, provided, however that if this Agreement is not executed within 6 months after the effective date of the ordinance approving this Agreement, then the City may deduct the Incremental Taxes pledged or allocated to this Project or to other projects, and (iv) debt service payments with respect to the Bonds, if any, provided that such debt service payments shall not prevent the City from paying the full amount of any of the City Funds.

"Available Project Funds" shall have the meaning set forth for such term in **Section 4.07** hereof.

"Bond(s)" shall have the meaning set forth for such term in **Section 8.05** hereof.

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

"Certificate" shall mean the Certificate of Completion described in **Section 7.01** hereof.

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

"Change Order" shall mean any amendment or modification to the Scope Drawings, Plans and Specifications or the Project Budget as described in **Section 3.03, Section 3.04** and **Section 3.05**, respectively.

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

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

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

"City Funds" shall mean a) with respect to the Construction Phase Assistance, the funds described in **Section 4.03(b)** hereof and (b) with respect to the City Note, the funds paid to the Developer pursuant to the City Note

"City Note" shall mean the taxable City of Chicago Tax Increment Allocation Revenue Note (Chicago/Central Park Redevelopment Project Area), to be in the form attached hereto as **Exhibit M-1**, in the maximum principal amount of \$2,800,000, issued by the City to the Developer as provided herein. City Note shall bear interest at the City Note Interest Rate and shall not provide for accrued, but unpaid, interest to bear interest at the same annual rate.

"City Note Interest Rate" shall mean an annual interest rate equal to the interest rate per annum (exclusive of any fees, charges, insurance premiums, or other amounts) charged by PNC Bank on the TIF Bridge Loan Promissory Note portion of the permanent Lender Financing, but in no event exceeding seven percent (7.0%) per annum.

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

"City Parcels Closing" shall have the meaning set forth in **Section 3.13** hereof.

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

"Construction Contract" shall mean that certain contract, substantially in the form attached hereto as **Exhibit E**, to be entered into between Developer and the General Contractor providing for construction of the Project.

"Construction Jobs" shall have the meaning set forth in **Section 8.06(b)** hereof.

"Construction Phase Assistance" shall have the meaning set forth in **Section 4.03(c)** hereof.

“Contract” shall have the meaning set forth in **Section 10.03** hereof.

“Contractor” shall have the meaning set forth in **Section 10.03** hereof.

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

“Deed” shall have the meaning set forth in **Section 3.13** hereof.

“EDS” shall mean 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)” shall have the meaning set forth in **Section 10** hereof.

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

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

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

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

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

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

“Final Project Cost” shall have the meaning set forth in **Section 7.01** hereof.

“Financial Interest” shall have the meaning set forth for such term in Section 2-156-010 of the Municipal Code.

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

“Full-Time Equivalent Employee” or **“FTE”** shall mean an employee of the Developer or an Affiliate (or, with respect to job shares or similar work arrangements, two such employees counted collectively as a single FTE) who is employed in a permanent position at least 35 hours per week at the Project during the applicable month, excluding (a) persons engaged as or employed by independent contractors, third party service providers or consultants and (b) persons employed or engaged by the Developer or by third parties in positions ancillary to the Developer’s operations at the Project including, without limitation, food service workers, security guards, cleaning personnel, or similar positions.

“General Contractor” shall mean the general contractor(s) hired by Developer pursuant to **Section 6.01**.

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

“Holdings Title Policy” shall mean a title insurance policy in the most recently revised ALTA or equivalent form, showing fee simple title to the Property in Holdings, subject to Permitted Mortgage(s) securing the NMTC Loan and the leasehold interest of Breakthrough under the Master Lease and naming the City as the insured mortgagee in the full amount of the City Funds, noting the recording of this Agreement and the Junior Mortgage as encumbrances against the Property, and a subordination agreement with respect to previously recorded liens against the Property related to Lender Financing, if any, issued by the Title Company.

“Human Rights Ordinance” shall have the meaning set forth in **Section 10** hereof.

“IEPA” shall mean the Illinois Environmental Protection Agency.

“In Balance” shall have the meaning set forth in **Section 4.07** hereof.

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

“Incremental Taxes From a New Project” shall mean (a) individually, Incremental Taxes attributable to the equalized assessed value (**“EAV”**) of the parcel(s) comprising a New Project over and above the initial EAV of such affected parcel(s) as certified by the Cook County Clerk in the certified initial EAV of all tax parcels in the Redevelopment Area and (b) collectively, the sum of Incremental Taxes From a New Project for all New Projects, if there are multiple New Projects.

“Indemnitee” and **“Indemnitees”** shall have the meanings set forth in **Section 13.01** hereof.

“Initial Title Policy” shall mean a title insurance policy in the most recently revised ALTA or equivalent form, showing fee simple title to the Property in Breakthrough and naming the City as the insured mortgagee in the full amount of the City Funds, noting the recording of this Agreement and the Junior Mortgage as encumbrances against the Property, issued by the Title Company.

“Investment Fund” means Breakthrough Investment Fund, LLC, a Delaware limited liability company.

“Jobs and Occupancy Certificate” shall mean the certificate attached hereto as **Exhibit D**.

“Junior Mortgage” shall mean a Junior Mortgage substantially in the form of **Exhibit K**, with such changes as may be approved by HED and Corporation Counsel, executed by Breakthrough as mortgagor and owner of the real property identified therein, in favor of the City, as mortgagee, securing certain of the Developer’s obligations under this Agreement and the Junior Mortgage; and which shall be a second mortgage unless the Lender Financing is secured by two separate mortgage loans, in which event the Junior Mortgage may be a third mortgage.

“Junior Mortgage Amount” shall mean an amount equal to the aggregate amount of City Funds that the City has paid to the Developer.

“Laws” shall mean all applicable federal, state, local or other laws (including common law), statutes, codes, ordinances, rules, regulations or other requirements, now or hereafter in effect, as amended or supplemented from time to time, and any applicable judicial or administrative interpretation thereof, including any applicable judicial or administrative orders, consent decrees or judgments, including, without limitation, Sections 7-28 and 11-4 of the Municipal Code relating to waste disposal.

“Lease” shall mean the Lease Agreement between Developer and Tenant dated as of the date hereof.

“LEED Certification” shall mean a basic Certification of the Project under the Leadership in Energy and Environmental Design (LEED) Green Building Rating System maintained by the U.S. Green Building Council and applicable to New Construction and Major Renovations.

“Lender Financing” shall mean funds borrowed by Developer from lenders and irrevocably available to pay for Costs of the Project, in the amount set forth in **Section 4.01** hereof, including, without limitation, the NMTC Loan and the Senior Loan.

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

“Material Amendment” shall mean an amendment of either the Master Lease or the Lease the net effect of which is to directly or indirectly do any of the following with respect to the Project: (a) materially reduce, increase, abate or rebate base rent, other amounts deemed rent, operating expense payments, tax payments, tenant improvement allowances or credits, or other monetary amounts payable (or monetary credits) under the Master Lease or the Lease, as applicable, or otherwise confer or take away any material economic benefit, in each case taking into account all direct economic effects under the Master Lease or the Lease, as applicable, of the amendment; or (b) shorten the initial term of the Master Lease or the Lease, as applicable, or grant additional early termination rights that, if exercised, would shorten the initial term of the Master Lease or the Lease, as applicable.

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

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

“MBE/WBE Program” shall have the meaning set forth in **Section 10.03** hereof.

“Minimum Occupancy” shall mean the occupancy of (a) the Family Plex Center, (b) the 3322-3330 W. Carroll building of the Joshua Center, and (c) the 3334 W. Carroll building of the Joshua Center.

“Municipal Code” shall mean the Municipal Code of the City of Chicago, as amended from time to time.

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

“New Project” shall mean a development project (a) for which the related redevelopment agreement is recorded on or after the date of this Agreement and (b) which will receive assistance in the form of Incremental Taxes; provided, however, that “New Project” shall not include any development project that is or will be exempt from the payment of ad valorem property taxes.

“NFR Letter” shall mean a “no further remediation” letter issued by IEPA pursuant to the Site Remediation Program.

“NMTC” shall mean Federal New Markets Tax Credits.

“NMTC Compliance Period” shall mean the earlier of (a) the seventh (7th) anniversary of the closing date of the Senior Loan or (b) the termination or repayment of the Senior Loan.

“NMTC Lender” shall mean collectively CDF Suballocatee XX, LLC, an Illinois limited liability company and PNC CDE 30, LP, a Delaware limited partnership.

“NMTC Loan” shall mean those certain loans made by the NMTC Lender to Holdings for the Project.

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

“Operating Covenant” shall have the meaning set forth in **Section 8.06(a)** hereof.

“Permanent Jobs” shall have the meaning set forth in **Section 8.06(b)** hereof.

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

“Permitted Mortgage” shall have the meaning set forth in **Article 16** hereof.

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

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

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

"Project Budget" shall mean the budget attached hereto as **Exhibit H-1**, showing the total cost of the Project by line item, furnished by the Developer to HED, in accordance with **Section 3.03** hereof.

"Purchase Price" shall have the meaning set forth in **Section 3.13** hereof.

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

"Reconveyance Deed" shall have the meaning set forth in **Section 5.20** hereof.

"Redevelopment Area" shall have the meaning set forth in the Recitals hereof.

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

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

"Requisition Form" shall mean the document, in the form attached hereto as **Exhibit L**, to be delivered by Developer to HED pursuant to **Section 4.04** of this Agreement.

"Right of Reverter" shall have the meaning set forth in **Section 15.02** hereof.

"Scope Drawings" shall mean preliminary construction documents containing a site plan and preliminary drawings and specifications for the Project.

"Senior Loan" shall mean the approximately \$5,401,731 loaned by PNC Bank, N.A. to Breakthrough.

"Site Remediation Program" shall mean the program for the environmental remediation of the Property undertaken by the Developer and overseen by the IEPA, upon completion of which (to the satisfaction of the IEPA) the IEPA shall issue an NFR Letter with respect to the Property to the Developer.

"Survey" shall mean 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 of Illinois, certified to the City and the Title Company, and indicating whether the Property is in a flood hazard area as identified by the United States Federal Emergency Management Agency (and updates thereof to reflect improvements to the Property in connection with the construction of the Facility and related improvements as required by the City or lender(s) providing Lender Financing).

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

“Term of the Agreement” shall mean the period of time commencing on the Closing Date and ending on the date which is ten years after the issuance of the Certificate.

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

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

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

“TIF Bond Proceeds” shall have the meaning set forth in the Recitals hereof.

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

“TIF-Funded Improvements” shall mean those improvements of the Project which (i) qualify as Redevelopment Project Costs, (ii) are eligible costs under the Redevelopment Plan and (iii) the City has agreed to pay for out of the City Funds, subject to the terms of this Agreement. Exhibit C lists the TIF-Funded Improvements for the Project.

“TIF-Funded Interest Costs” shall have the meaning set forth in Section 4.03(f) hereof.

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

“Title Company” shall mean First American Title Insurance Company.

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

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

SECTION 3. THE PROJECT

3.01 The Project. With respect to the Facility, the Developer shall, pursuant to the Plans and Specifications and subject to the provisions of **Section 18.17** hereof, commence construction no later than January 12, 2014, the date which is 60 days after the Closing Date; and complete construction and conduct operations no later than January 12, 2016, the date which is 24 months after the deadline to commence construction.

3.02 Scope Drawings and Plans and Specifications. Developer has delivered the Scope Drawings and Plans and Specifications to HED and HED has approved same. After such initial approval, subsequent proposed changes to the Scope Drawings or Plans and Specifications shall be submitted to HED as a Change Order pursuant to **Section 3.04** hereof. The Scope Drawings and Plans and Specifications shall at all times conform to the Redevelopment Plan and all applicable federal, state and local laws, ordinances and regulations. Developer shall submit all necessary documents to the City’s Building Department, Department of Transportation and such other City departments or governmental authorities as may be necessary to acquire building permits and other required approvals for the Project.

3.03 Project Budget. Developer has furnished to HED, and HED has approved, a Project Budget showing total costs for the Project in an amount not less than \$15,593,770. Developer hereby certifies to the City that (a) the City Funds, together with Lender Financing and Equity described in **Section 4.02** hereof, shall be sufficient to complete the Project; and (b) the Project Budget is true, correct and complete in all material respects. Developer shall promptly deliver to HED certified copies of any Change Orders with respect to the Project Budget for approval pursuant to **Section 3.04** hereof.

3.04 Change Orders. Except as provided below in this **Section 3.04**, 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** hereof; provided, that any Change Order relating to any of the following must be submitted by Developer to HED for HED's prior written approval: (a) a reduction in the gross or net square footage of the Facility or the Project by five percent (5%) or more (either individually or cumulatively); (b) a change in the use of Property to a use other than as described in **Recital D** to this Agreement; (c) a delay in the completion of the Project by 180 days or more; or (d) Change Orders resulting in an aggregate increase to the Project Budget of ten percent (10%) or more. Developer shall not authorize or permit the performance of any work relating to any Change Order or the furnishing of materials in connection therewith prior to the receipt by Developer of HED's written approval (to the extent said City prior approval is required pursuant to the terms of this Agreement). The Construction Contract, and each contract between the General Contractor and any subcontractor, shall contain a provision to this effect. An approved Change Order shall not be deemed to imply any obligation on the part of the City to increase the amount of City Funds which the City has pledged pursuant to this Agreement or provide any other additional assistance to Developer. Notwithstanding anything to the contrary in this **Section 3.04**, Change Orders other than those set forth above do not require HED's prior written approval as set forth in this **Section 3.04**, but HED shall 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, shall identify to HED the source of funding therefor.

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

3.06 Other Approvals. Any HED approval under this Agreement shall have no effect upon, nor shall it operate as a waiver of, Developer's obligations to comply with the provisions of **Section 5.03** (Other Governmental Approvals) hereof. Developer shall not commence construction of the Project until Developer has obtained all necessary permits and approvals (including but not limited to 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 hereunder.

3.07 Progress Reports and Survey Updates. Developer shall provide HED with written quarterly progress reports detailing the status of the Project, including a revised completion date, if necessary (with any change in completion date being considered a Change Order, requiring HED's written approval pursuant to **Section 3.04**). Developer shall provide three (3) copies of an updated

Survey to HED upon the request of HED or any lender providing Lender Financing, reflecting improvements made to the Property.

3.08 Inspecting Agent or Architect. An independent agent or architect (other than Developer's architect) approved by HED shall be selected to act as the inspecting agent or architect, at Developer's expense, for the Project. The inspecting agent or architect shall perform periodic inspections with respect to the Project, providing certifications with respect thereto to HED, prior to requests for disbursement for costs related to the Project hereunder. If approved by HED, the inspecting agent or architect may be the same one being used in such role by the lender providing Lender Financing, provided that such agent or architect (a) is not also the Developer's agent or architect and (b) acknowledges in writing to the City that the City may rely on the findings of such agent or architect.

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

3.10 Signs and Public Relations. Developer shall erect a sign of size and style approved by the City in a conspicuous location on the Property during the Project, indicating that financing has been provided by the City. The City reserves the right to include the name, photograph, artistic rendering of the Project and other pertinent information regarding Developer, the Property 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 on the Property 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 shall be obligated to pay only those building, permit, engineering, tap on and inspection fees that are assessed on a uniform basis throughout the City of Chicago and are of general applicability to other property within the City of Chicago.

3.13 Conveyance of the City Parcels. The following provisions shall govern the City's conveyance of the City Parcels to the Developer:

(a) **Purchase Price.** The City hereby agrees to sell, and Developer hereby agrees to purchase, upon and subject to the terms and conditions of this Agreement, the City Parcels, for the amount of one dollar (\$1.00) (the "**Purchase Price**"), which is to be paid to the City on the date the City conveys the City Parcels (the occurrence of such conveyance, the "**City Parcels Closing**") in cash or by certified or cashier's check or wire transfer of immediately available funds. Developer shall pay all escrow fees and other title insurance fees, premiums and closing costs. Developer acknowledges and agrees that (i) the appraised fair market value of the City Parcels based on an appraisal dated June 3, 2013 was approximately \$185,000; and (ii) the City has only agreed to sell the City Parcels to Developer for the Purchase Price because Developer has agreed to execute this Agreement and comply with its respective terms and conditions.

(b) **Form of Deed.** The City shall convey the City Parcels to Breakthrough by quitclaim deed

(the "**Deed**"), subject to the terms of this Agreement and, without limiting the quitclaim nature of the deed, the following:

- (i) the Redevelopment Plan;
- (ii) the standard exceptions in an ALTA title insurance policy;
- (iii) all general real estate taxes and any special assessments or other taxes;
- (iv) all easements, encroachments, covenants and restrictions of record and not shown of record;
- (v) such other title defects as may exist; and
- (vi) any and all exceptions caused by the acts of the Developer or its agents.

(c) Title and Survey. The Developer acknowledges that it has obtained title insurance commitments for the City Parcels, showing the City in title to the City Parcels. The Developer shall be solely responsible for and shall pay all costs associated with updating such title commitments (including all search, continuation and later-date fees), and obtaining any title insurance, extended coverage or other endorsements it deems necessary. The City shall have no obligation to cure title defects; provided; however, if there are exceptions for general real estate tax liens which accrued prior to the City Parcels Closing with respect to the City Parcels, the City shall file a petition to vacate the tax sale in the Circuit Court of Cook County if the tax liens have been sold and/or seek to abate the tax liens by filing a tax abatement letter with the appropriate Cook County authorities or, filing tax injunction proceedings in the Circuit Court of Cook County, but shall have no further obligation with respect to any such taxes. If the City is unable to obtain the waiver or release of any such tax liens or is unable to cause the title company to insure over such tax liens, or if the City Parcels is encumbered with any other unpermitted exceptions, Developer shall have the option to do one of the following: (a) accept title to the City Parcels subject to the unpermitted exceptions, which shall then become permitted exceptions; or (b) terminate this Agreement by delivery of written notice to the City at least fourteen (14) days prior to the scheduled date for the City Parcels Closing.

The Developer shall furnish the City with three (3) copies of the survey at Developer's sole cost and expense.

(d) City Parcels Closing. The conveyance of the City Parcels shall take place on the date of the City Parcels Closing, which is anticipated to be the Closing Date, at the downtown offices of the Title Company or such other place as the parties may mutually agree upon in writing; provided, however, in no event shall the City Parcels Closing occur unless the Developer has satisfied all conditions precedent set forth in this Agreement, unless HED, in its sole discretion, waives such conditions. On or before the Closing Date, the City shall deliver to the Title Company the Deed, all necessary state, county and municipal real estate transfer tax declarations, and an ALTA statement. The City will not provide a gap undertaking. In the City Parcels Closing, the City Parcels shall be conveyed to Breakthrough, which shall simultaneously convey the City Parcels to Holdings,

and Holdings will take title to the City Parcels subject to encumbrances including without limitation this Agreement and the Junior Mortgage.

On the City Parcels Closing, Holdings shall furnish the City with a copy of the Holdings Title Policy for the Property, certified by the Title Company, or a binding, signed, marked-up commitment to issue such Holdings Title Policy, showing fee simple title to the Property in Holdings, subject to Permitted Mortgage(s) securing the NMTC Loan and the leasehold interest of Breakthrough under the Master Lease, naming the City as the insured mortgagee in the full amount of the City Funds. The Holdings Title Policy shall be dated as of the City Parcels Closing and contain only those title exceptions listed as Permitted Liens on **Exhibit G** hereto and evidence the recording of this Agreement and the Junior Mortgage pursuant to the provisions of **Section 8.18** hereof. The Holdings Title Policy also shall contain such endorsements as shall be required by Corporation Counsel, including but not limited to an owner's comprehensive endorsement and satisfactory endorsements regarding zoning (3.1 with parking), contiguity, location, access and survey. Holdings shall provide to HED, on or prior to the City Parcels Closing, documentation related to the purchase of the Property and certified copies of all easements and encumbrances of record with respect to the Property not addressed, to HED's satisfaction, by the Holdings Title Policy and any endorsements thereto.

(e) **Recording Costs.** The Developer shall pay to record the Deed, this Agreement, and any other documents incident to the conveyance of the City Parcels to Breakthrough.

3.14 Financing. Developer shall not, without prior written consent of the HED, which shall be in the HED's sole discretion, engage in any financing or other transaction which would create an encumbrance or lien on the City Parcels, other than Permitted Liens described on **Exhibit G**.

3.15. Recordation of Quitclaim Deed. Developer shall promptly record the Deed in the Office of the Recorder of Deeds of Cook County, Illinois. Developer shall pay all costs for so recording the Deed.

3.16. Escrow. In the event that Developer requires conveyance through an escrow, Developer shall pay all escrow fees.

3.17. Environmental Condition of the City Parcels. The City makes no covenant, representation or warranty as to the soil or environmental condition of the City Parcels or the suitability of the City Parcels for any purpose whatsoever, and Developer agrees to accept the City Parcels "as is". If after the City Parcels Closing, the soil or environmental condition of the City Parcels is not in all respects entirely suitable for the use to which the City Parcels are to be utilized, it shall be the sole responsibility and obligation of Developer to take such action as is necessary to put the City Parcels in a condition suitable for such intended use. Developer agrees to release and indemnify the City from any claims and liabilities relating to or arising from the environmental condition of the City Parcels (including, without limitation, claims under CERCLA) and to undertake and discharge all liabilities of the City arising from any environmental condition which existed on the City Parcels prior to the City Parcels Closing.

The Developer hereby waives and releases, and indemnifies the City from and against, any claims and liabilities relating to or arising from the structural, physical or environmental condition of the City Parcels, including, without limitation, claims arising under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended ("CERCLA"), and shall undertake and discharge all liabilities of the City arising from any structural, physical or environmental condition that existed on the City Parcels prior to the City Parcels Closing, including, without limitation, liabilities arising under CERCLA. The Developer hereby acknowledges that, in

purchasing the City Parcels, the Developer is relying solely upon its own inspection and other due diligence activities and not upon any information (including, without limitation, environmental studies or reports of any kind) provided by or on behalf of the City or its agents or employees with respect thereto. The Developer shall perform such studies and investigations, conduct such tests and surveys, and engage such specialists as the Developer deems appropriate to evaluate fairly the structural, physical and environmental condition and risks of the City Parcels. If, after the City Parcels Closing, the structural, physical and environmental condition of the City Parcels is not in all respects entirely suitable for their intended use, it shall be the Developer's sole responsibility and obligation to take such action as is necessary to put the City Parcels in a condition which is suitable for their intended use.

3.18 RESTRICTIONS ON USE. The Developer agrees that it:

- (a) Shall devote the Property solely to the Project.
- (b) Shall not discriminate on the basis of race, color, sex, gender identity, age, religion, disability, national origin, ancestry, sexual orientation, marital status, parental status, military discharge status, or source of income in the use or occupancy of the Property or any part thereof or the Project or any part thereof.
- (c) Shall devote the Property to a use consistent with the Redevelopment Plan.

The covenant contained in **Section 3.18 (a)** shall remain in effect for the Term of the Agreement. The covenants contained in **Section 3.18 (b)** shall remain in effect without limitation as to time. The covenant contained in paragraph **Section 3.18 (c)** shall terminate upon the expiration of the Redevelopment Plan, as such expiration may be amended from time to time in accordance with and pursuant to applicable law.

3.19 The Developer. Among their other obligations described in this Agreement, (a) Holdings shall own the Property and undertake construction of the Project in accordance with this Agreement, and (b) Breakthrough shall operate its business at the Project in accordance with this Agreement. Holdings and Breakthrough agree that neither shall take any action which shall impede the performance of the other under this Agreement. Notwithstanding any other provisions of this Agreement to the contrary, each of Holdings and Breakthrough shall be jointly and severally liable for the obligations of the other party under this Agreement.

SECTION 4. FINANCING

4.01 Total Project Cost and Sources of Funds. The cost of the Project is estimated to be \$15,593,770, to be applied in the manner set forth in the Project Budget. Such costs shall be funded through an NMTC financing structure from the following sources:

Sources of Funds	Amount
Lender Financing: Capital Campaign Bridge Loan	\$670,548
Lender Financing: PNC Term Loan	\$350,000
Lender Financing: PNC Two Day Loan	\$1,581,183

Lender Financing: Bridge Loan secured by City Note	\$2,800,000
Cash Equity (subject to Section 4.06)	\$4,985,416
Breakthrough Project Equity	\$311,554
NMTC Equity	\$4,095,069
Tenant rent deposit	\$100,000
City Funds - Construction Phase Assistance	\$700,000
Total	\$15,593,770

(1) City Funds may only be used to pay directly or reimburse the Developer for costs of TIF-Funded Improvements that constitute Redevelopment Project Costs. The payment of City Funds, including the timing of payment, is subject to the terms and conditions of this Agreement, including but not limited to **Section 4.03** and **Section 5** hereof.

4.02 Developer Funds. Equity and/or Lender Financing may be used to pay any Project cost, including but not limited to Redevelopment Project Costs. Equity and/or Lender Financing shall be used to pay all Project costs, including but not limited to Redevelopment Project costs and costs of TIF-Funded Improvements.

4.03 City Funds.

(a) Uses of City Funds. City Funds may only be used to pay directly or reimburse Developer for costs of TIF-Funded Improvements that constitute Redevelopment Project Costs. Exhibit C sets forth, by line item, the TIF-Funded Improvements for the Project, and the maximum amount of costs that may be paid by or reimbursed from City Funds for each line item therein (subject to **Sections 4.03(b)** and **4.05(d)**), contingent upon receipt by the City of documentation satisfactory in form and substance to HED evidencing such cost and its eligibility as a Redevelopment Project Cost.

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

<u>Source of City Funds</u>	<u>Maximum Amount</u>
Construction Phase Assistance, City Notes and TIF-Funded Interest Costs	
Available Incremental Taxes	\$3,500,000

provided, however, that the total amount of City Funds expended for TIF-Funded Improvements shall be an amount not to exceed the lesser of \$3,500,000 or 22.44% of the actual total Project costs; and provided further, that the \$3,500,000 to be derived from Available Incremental Taxes and/or TIF Bond proceeds, if any shall be available to pay costs related to TIF-Funded Improvements and allocated by the City for that purpose only so long as:

(i) The amount of the Available Incremental Taxes deposited into the TIF Fund shall be sufficient to pay for such costs; and

(ii) The City has been reimbursed from Available Incremental Taxes for the amount previously disbursed by the City for TIF-Funded Improvements;

The Developer acknowledges and agrees that the City's obligation to pay Construction Phase Assistance, up to a maximum of \$700,000 and the City Note, up to a maximum of \$2,800,000, is contingent upon the fulfillment of the conditions set forth above in **Section 4.03(a)** and **Section 4.03(b)**. In the event that such conditions are not fulfilled, the amount of Equity to be contributed by Developer pursuant to **Section 4.01** hereof shall increase proportionately

(c) Construction Phase Assistance. Up to \$700,000 in City Funds (the "**Construction Phase Assistance**") will be paid to Breakthrough from existing Available Incremental Taxes on the Closing Date, subject to City certification of sufficient costs related to TIF-Funded Improvements incurred by Breakthrough related to the Project.

(d) City Note. Subject to the terms and conditions of this Agreement, including but not limited to this **Section 4.03** and **Section 5** hereof, the City hereby agrees to issue the City Note to Breakthrough on the Closing Date as described in the chart below. The category headings contained in the chart below are for convenience only and are not intended to limit, vary, define or expand the content thereof.

Category	Description of City Note
Principal amount	The principal amount of the City Note shall be in an amount equal to the costs of the TIF-Funded Improvements which have been incurred by Breakthrough and are to be reimbursed by the City through payments of principal and interest on the City Note, subject to the provisions hereof; <u>provided, however</u> , that the maximum principal amount of the City Note shall be an amount not to exceed the lesser of \$2,800,000 or 17.96% of the actual total Project costs; <u>provided, further</u> , that the principal amount of the City Note may be reduced in the event that Breakthrough's Project Costs in the Project Budget exceed Breakthrough's Project Costs in the Final Project Cost, in which case the principal amount of the City Note shall be reduced by \$.50 for every \$1.00 (or portion thereof) by which the Breakthrough's Project Costs in the Project Budget exceeds the Breakthrough's Project Costs in the Final Project Cost.
Interest rate	Interest on the City Note will accrue at the City Note Interest Rate from the date the Certificate is issued, as more fully described in Exhibit M attached hereto, and will compound annually on the principal balance of the City Note.
Source and timing of payments	The City Note shall be payable from Available Incremental Taxes provided that no payments shall be made on City Note until its issuance. Payments under the City Note are subject to the amount of Available Incremental Taxes deposited into the TIF Fund being sufficient for such payments. The principal amount owed by the City under the City Note shall be reduced by the amount of TIF-Funded Interest Costs paid by the City.

Amortization and debt service schedule	<p>Payments of principal and interest on the City Note shall be made in accordance with a debt service schedule attached to the City Note, provided that payments shall be made only upon Developer's compliance with Section 8.06 herein. The debt service schedule shall reflect the following anticipated scheduled payments of principal:</p> <table border="1" data-bbox="561 443 1378 814"> <thead> <tr> <th data-bbox="561 443 971 478">Principal Amount</th> <th data-bbox="971 443 1378 478">Date of Payment</th> </tr> </thead> <tbody> <tr> <td data-bbox="561 478 971 680">\$1,400,000 (this payment, and the principal amount of the City Note, shall be reduced by the amount of TIF-Funded Interest Costs paid by the City).</td> <td data-bbox="971 478 1378 680">Issuance of Certificate</td> </tr> <tr> <td data-bbox="561 680 971 743">\$700,000</td> <td data-bbox="971 680 1378 743">First anniversary of issuance of Certificate</td> </tr> <tr> <td data-bbox="561 743 971 814">\$700,000</td> <td data-bbox="971 743 1378 814">Second anniversary of issuance of Certificate</td> </tr> </tbody> </table>	Principal Amount	Date of Payment	\$1,400,000 (this payment, and the principal amount of the City Note, shall be reduced by the amount of TIF-Funded Interest Costs paid by the City).	Issuance of Certificate	\$700,000	First anniversary of issuance of Certificate	\$700,000	Second anniversary of issuance of Certificate
Principal Amount	Date of Payment								
\$1,400,000 (this payment, and the principal amount of the City Note, shall be reduced by the amount of TIF-Funded Interest Costs paid by the City).	Issuance of Certificate								
\$700,000	First anniversary of issuance of Certificate								
\$700,000	Second anniversary of issuance of Certificate								
Sale	Breakthrough may sell the City Note at any time after the issuance of the Certificate, but only to a Qualified Investor with no view to resale and pursuant to an acceptable investment letter and in a manner and on terms, including debt service schedule, otherwise reasonably acceptable to the City.								
Event of Default	If an Event of Default occurs, the City may suspend all payments in connection to the City Note and recapture all payments previously made under the City Note.								

(f) **TIF-Funded Interest Costs.** The City hereby agrees to pay or reimburse Breakthrough from Available Incremental Taxes, if any, for up to the lesser of \$115,000 or 30% of the interest costs incurred by Breakthrough that will accrue on the Lender Financing (the "**TIF-Funded Interest Costs**") at the request of Breakthrough as set forth below. The amounts payable pursuant to this **Section 4.03(f)** shall be paid by the City to Breakthrough simultaneously with the first payment made under the City Note and so long as the TIF-Funded Interest Costs incurred by Breakthrough may, under the Act, be legally paid out of Available Incremental Taxes and comply with the Redevelopment Plan and the limitations provided in Section 11-74.4-3(q)(11) of the Act. The City will pay Breakthrough for the TIF-Funded Interest Costs for the Project upon submission by Breakthrough to HED of an executed Requisition Form for TIF-Funded Interest Costs in the form attached hereto as **Exhibit Q**. The Requisition Form for TIF-Funded Interest Costs shall be sent to HED 60 days before the first payment due under the City Note. The City Comptroller shall pay, to the extent of any Available Incremental Taxes then available in the Incremental Taxes Fund, the amount requested in the Requisition Form for TIF-Funded Interest Costs within 60 days of its receipt. The principal amount owed by the City under the City Note shall be reduced by the amount of TIF-Funded Interest Costs paid by the City. Breakthrough shall submit to HED and the Department of Finance at the addresses specified in **Section 16** copies of monthly invoices sent to Breakthrough by the provider of Lender Financing to evidence the accrual of such amounts for TIF-Funded Interest Costs. Upon the City's request, the provider of Lender Financing will provide any additional supporting documentation.

4.04 Construction Escrow; Requisition Form. On the Closing Date and prior to each October 1 (or such other date as the parties may agree to) thereafter, beginning in 2014 and

continuing throughout the earlier of (i) the Term of the Agreement or (ii) the date that Developer has been reimbursed in full under this Agreement, Developer shall provide HED with a Requisition Form, along with the documentation described therein. Requisition for reimbursement of TIF-Funded Improvements shall be made not more than one time per calendar year (or as otherwise permitted by HED). On each December 1 (or such other date as may be acceptable to the parties), beginning in 2014 and continuing throughout the Term of the Agreement, Developer shall meet with HED at the request of HED to discuss the Requisition Form(s) previously delivered.

4.05 Treatment of Prior Expenditures and Subsequent Disbursements.

(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, shall be considered previously contributed Equity or Lender Financing hereunder (the "Prior Expenditures"). HED shall have the right, in its sole discretion, to disallow any such expenditure as a Prior Expenditure. Exhibit I hereto sets forth the prior expenditures approved by HED as of the date hereof as Prior Expenditures. Prior Expenditures made for items other than TIF-Funded Improvements shall not be reimbursed to Developer, but shall reduce the amount of Equity and/or Lender Financing required to be contributed by Developer pursuant to **Section 4.01** hereof.

(b) intentionally omitted

(c) City Fee. Annually, the City may allocate an amount not to exceed ten percent of the Incremental Taxes for payment of costs incurred by the City for the administration and monitoring of the Redevelopment Area, including the Project. Such fee shall be in addition to and shall not be deducted from or considered a part of the City Funds, and the City shall have the right to receive such funds prior to any payment of City Funds hereunder.

(d) Allocation Among Line Items. Disbursements for expenditures related to TIF-Funded Improvements may be allocated to and charged against the appropriate line only, with transfers of costs and expenses from one line item to another, without the prior written consent of HED, being prohibited; provided, however, that such transfers among line items, in an amount not to exceed \$25,000 or \$100,000 in the aggregate, may be made without the prior written consent of HED.

(e) Allocation of Costs With Respect To Sources of Funds.

(i) Disbursement of City Funds. The Construction Phase Assistance shall be charged to City Funds, to be used to directly pay for, or reimburse the Developer for its previous payment for (out of Equity or Lender Financing) TIF-Funded Improvements.

(ii) Disbursement of Equity. After the disbursement of the Construction Phase Assistance, each amount paid pursuant to this Agreement, whether for TIF-Funded Improvements or otherwise, shall be charged first to Equity.

(iii) Disbursement of Lender Financing. After there is no Equity remaining, each amount paid pursuant to this Agreement, whether for TIF-Funded Improvements or otherwise, shall be charged to Lender Financing.

(iv) Disbursement of City Funds. After there is no Equity or Lender Financing remaining, each amount paid pursuant to this Agreement shall be charged to City Funds, to

be used to directly pay for, or reimburse the Developer for its previous payment for (out of Equity or Lender Financing) TIF-Funded Improvements; provided that costs of TIF-Funded Improvements that are to be paid from City Funds derived from (1) Available Incremental Taxes on deposit from time to time in the TIF Fund, and/or (2) proceeds of TIF Bonds, if any, shall be payable by the City only to the extent that such funds are available.

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

4.07 Preconditions of Disbursement; Execution of Certificate of Expenditure. Prior to each disbursement of City Funds hereunder or execution of a Certificate of Expenditure by the City-if a City Note is issued, 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, or the execution by the City of a Certificate of Expenditure hereunder shall, in addition to the items therein expressly set forth, constitute a certification to the City, as of the date of such request for disbursement or request for execution of a Certificate of Expenditure, that:

(a) the total amount of the disbursement request or request for Certificate of Expenditure represents the actual cost of the Acquisition or the actual amount payable to (or paid to) the General Contractor and/or subcontractors who have performed work on the Project, and/or their payees;

(b) all amounts shown as previous payments on the current disbursement request or request for Certificate of Expenditure have been paid to the parties entitled to such payment;

(c) Developer has approved all work and materials for the current disbursement request or request for Certificate of Expenditure, and such work and materials conform to the Plans and Specifications;

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

(e) Developer has received no notice and has no knowledge of any liens or claim of lien either filed or threatened against the Property except for the Permitted Liens;

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

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

acceptable to the City), cash in an amount that will place the Project In Balance, which deposit shall first be exhausted before any further disbursement of the City Funds shall be made.

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

4.08 Conditional Grant. The City Funds being provided hereunder are being granted on a conditional basis, subject to the Developer's compliance with the provisions of this Agreement. The City Funds are subject to being reimbursed as provided in **Section 15.02** hereof.

4.09 Cost of Issuance. Developer shall be responsible for paying all costs relating to the issuance of the City Note, including costs relating to the opinion described in **Section 5.09** hereof.

SECTION 5. CONDITIONS PRECEDENT

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

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

5.02 Scope Drawings and Plans and Specifications. Developer has submitted to HED, and HED has approved, the Scope Drawings and Plans and Specifications accordance with the provisions of **Section 3.02** hereof.

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

5.04 Financing. Developer has furnished proof reasonably acceptable to the City that Developer has Equity and Lender Financing in the amounts set forth in **Section 4.01** hereof to complete the Project and satisfy its obligations under this Agreement. If a portion of such funds consists of Lender Financing, Developer has furnished proof 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 other sources set forth in **Section 4.01**) to complete the Project. Developer has delivered to HED a copy of the construction escrow agreement entered into by Developer regarding the Lender Financing. Any liens against the Property in existence at the Closing Date have been subordinated to certain encumbrances of the City set forth herein pursuant to a Subordination Agreement, in a form acceptable to the City, in substantially the form set forth in **Exhibit N** hereto, with such changes as are acceptable to the City, executed on or prior to the Closing Date, which is to be recorded, at the expense of Developer, with the Office of the Recorder of Deeds of Cook County.

5.05 Acquisition, Master Lease and Title. On the Closing Date, Developer has furnished the City with a copy of the Initial Title Policy for the Property, certified by the Title Company, or a binding, signed, marked-up commitment to issue such Initial Title Policy, showing fee simple title to the Property in Breakthrough, and naming the City as the insured mortgagee in the full amount of the City Funds. The Initial Title Policy is dated as of the Closing Date and contains only those title exceptions listed as Permitted Liens on **Exhibit G** hereto and evidences the recording of this Agreement and the Junior Mortgage pursuant to the provisions of **Section 8.18** hereof. The Initial Title Policy also contains such endorsements as shall be required by Corporation Counsel, including but not limited to an owner's comprehensive endorsement and satisfactory endorsements regarding zoning (3.1 with parking), contiguity, location, access and survey. Developer has provided to HED, on or prior to the Closing Date, documentation related to the purchase of the Property and certified copies of all easements and encumbrances of record with respect to the Property not addressed, to HED's satisfaction, by the Initial Title Policy and any endorsements thereto.

5.06 Evidence of Clean Title. Developer, at its own expense, has provided the City with searches as indicated in the chart below under Developer's name (and the following trade names of Developer: none) showing no liens against Developer, the Property or any fixtures now or hereafter affixed thereto, except for the Permitted Liens:

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

5.07 Surveys. Developer has furnished the City with three (3) copies of the Survey, subject to approval by the City.

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

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

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

5.11 Financial Statements. Developer has provided Financial Statements to HED for its most recent fiscal year, and audited or unaudited interim financial statements.

5.12 Documentation. The Developer has provided documentation to HED, satisfactory in form and substance to HED, with respect to current employment matters in connection with the construction or rehabilitation work on the Project, including the reports described in **Section 8.07**. At

least thirty (30) days prior to the Closing Date, the Developer has met with the Workforce Solutions division of HED to review employment opportunities with the Developer after construction or rehabilitation work on the Project is completed. On or before the Closing Date, Developer has provided to HED, and HED has approved, the Employment Plan for the Project (the "**Employment Plan**"). The Employment Plan includes, without limitation, the Developer's estimates of future job openings, titles, position descriptions, qualifications, recruiting, training, placement and such other information as HED has requested relating to the Project.

5.13 Environmental. Developer has provided HED with copies of that certain phase I environmental audit completed with respect to the Property and any phase II environmental audit with respect to the Property required by the City. Developer has provided the City with a letter from the environmental engineer(s) who completed such audit(s), authorizing the City to rely on such audits. The Developer's obligations with request to the NFR Letter are described in **Section 8.26**.

5.14 Corporate Documents; Economic Disclosure Statement. Developer has provided a copy of its Articles or Certificate of Incorporation containing the original certification of the Secretary of State of its state of incorporation; certificates of good standing from the Secretary of State of its state of incorporation or organization, and all other states in which Developer is qualified to do business; a secretary's certificate in such form and substance as the Corporation Counsel may require; by-laws of the corporation; and such other corporate and organizational documentation as the City has requested.

Developer has provided to the City its EDSs, dated as of the Closing Date, which are 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 EDSs, failure of the EDSs 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, a description of all pending or threatened litigation or administrative proceedings involving Developer, specifying, in each case, the amount of each claim, an estimate of probable liability, the amount of any reserves taken in connection therewith and whether (and to what extent) such potential liability is covered by insurance.

5.18 Master Lease, Lease and Other Agreements. Complete copies of the Master Lease, the Lease, and all other written agreements, if any, setting forth the parties' understandings relating to the Developer's and Tenant's occupancy of the Property and any financial agreements between the parties in any way relating to the Property, the Master Lease or the Lease, certified by the Developer, shall have been delivered to the City.

5.19 Junior Mortgage. The Developer shall have delivered to the City the Junior Mortgage and such financing statements as the City may require.

5.20 Reconveyance Deed. Prior to Breakthrough's conveyance of the City Parcels to Holdings as described in **Section 3.13(d)**, Holdings shall deliver to the City a special warranty deed for the Property in recordable form naming the City as grantee ("**Reconveyance Deed**"), for possible recording in accordance with **Section 15.02** below, if applicable.

SECTION 6. AGREEMENTS WITH CONTRACTORS

6.01 Bid Requirement for General Contractor and Subcontractors. (a) The Developer represents that prior to entering into an agreement with a General Contractor or any subcontractor for construction of the Project, Developer has solicited, or has caused the General Contractor to solicit, bids from qualified contractors eligible to do business with the City of Chicago, and shall submit all bids received to HED for its inspection and written approval. (i) For the TIF-Funded Improvements, Developer has selected the General Contractor (or has caused the General Contractor to select the subcontractor) submitting the lowest responsible bid who can complete the Project in a timely manner. If Developer selected a General Contractor (or the General Contractor selected 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. (ii) For Project work other than the TIF-Funded Improvements, if Developer selected a General Contractor (or the General Contractor selected any subcontractor) who did not submit the lowest responsible bid, the difference between the lowest responsible bid and the higher bid selected shall be subtracted from the actual total Project costs for purposes of the calculation of the amount of City Funds to be contributed to the Project pursuant to **Section 4.03(b)** hereof. Developer has submitted copies of the Construction Contract to HED in accordance with **Section 6.02** below. Photocopies of all subcontracts entered or to be entered into in connection with the TIF-Funded Improvements have been or shall be provided to HED within five (5) business days of the execution thereof. Developer represents that the General Contractor has not (and has caused the General Contractor to ensure that the subcontractors have not) begun work on the Project until the Plans and Specifications have been approved by HED and all requisite permits have been obtained.

(b) If the Developer did not solicit bids pursuant to **Section 6.01(a)** hereof, then the fee of the General Contractor proposed to be paid out of City Funds shall not exceed 10% of the total amount of the Construction Contract. Except as explicitly stated in this paragraph, all other provisions of **Section 6.01(a)** shall apply, including but not limited to the requirement that the General Contractor shall solicit competitive bids from all subcontractors.

6.02 Construction Contract. Prior to the execution thereof, Developer shall deliver to HED a copy of the proposed Construction Contract with the General Contractor selected to handle the Project in accordance with **Section 6.01** above, for HED's prior written approval, which shall be granted or denied within ten (10) business days after delivery thereof. Within ten (10) business days after execution of such contract by Developer, the General Contractor and any other parties thereto, Developer shall 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 the commencement of any portion of the Project which includes work on the public way, Developer shall require that the General Contractor be bonded for its payment by sureties having an AA rating or better using a bond in the form attached as **Exhibit Q** hereto. The City shall be named as obligee or co-obligee on any such bonds.

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

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

SECTION 7. COMPLETION OF CONSTRUCTION OR REHABILITATION

7.01 Certificate of Completion. Upon completion of construction of the Project in accordance with the terms of this Agreement, and upon the Developer's written request, which shall include a final Project budget detailing the total actual cost of the construction of the Project (the "**Final Project Cost**"), HED shall issue to the Developer the Certificate (the "**Certificate**"), all in recordable form certifying that the Developer has fulfilled its obligation to complete the Project in accordance with the terms of this Agreement. No Certificate shall be issued unless HED is satisfied that the Developer has fulfilled all of the following obligations:

- (a) Receipt of a Certificate of Occupancy or other evidence acceptable to HED that the Developer has complied with building permit requirements for the Project;
- (b) Holdings has completed construction of the Project according to the Plans and Specifications;
- (c) The FamilyPlex Center and the Joshua Center are occupied and open for business;
- (d) The Final Project Cost is at least \$15,593,770 (as described in **Section 4.03(b)**), the principal amount of the City Note will be reduced if the Final Project Cost is less than \$15,593,770);
- (e) Evidence that the Developer has incurred TIF-eligible costs and TIF-Funded Interest Costs, in an equal amount to, or greater than, \$3,500,000;
- (f) The City's Monitoring and Compliance Unit has verified that, at the time the Certificate is issued, the Developer is in full compliance with City requirements set forth in **Section 10** and **Section 8.09** (M/WBE, City Residency and Prevailing Wage) with respect to construction of the Project, and that 100% of the Developer's MBE/WBE Commitment in **Section 10.03** has been fulfilled;
- (g) The Developer has provided (1) evidence of Installation of a green roof on the Project that satisfies the City's environmental requirements and (2) an affidavit from its project architect, substantially in the form of **Exhibit P**, certifying that the Facility would likely achieve the minimum points required for LEED Certification for New Construction and Major Renovations; and

- (h) There exists neither an Event of Default (after any applicable cure period) which is continuing nor a condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default.

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

Promptly following the recordation of the Certificate of Completion, the City shall return the Reconveyance Deed to the Developer.

7.02 Effect of Issuance of Certificate; Continuing Obligations. The Certificate 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, however, all executory terms and conditions of this Agreement and all representations and covenants contained herein will continue to remain in full force and effect throughout the Term of the Agreement as to the parties described in the following paragraph, and the issuance of the Certificate shall not be construed as a waiver by the City of any of its rights and remedies pursuant to such executory terms.

Those covenants specifically described at **Sections 8.02, 8.06, 8.19** and **8.21** as covenants that run with the land are the only covenants in this Agreement intended to be binding upon any transferee of the Property (including an assignee as described in the following sentence) throughout the Term of the Agreement notwithstanding the issuance of a Certificate; provided, that upon the issuance of a Certificate, the covenants set forth in **Section 8.02** shall be deemed to have been fulfilled. The other executory terms of this Agreement that remain after the issuance of a Certificate shall be binding only upon Developer or a permitted assignee of Developer who, pursuant to **Section 18.15** 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 complete the Project in accordance with the terms of this Agreement, then the City has, but shall not be limited to, any of the following rights and remedies:

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

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

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

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

SECTION 8. COVENANTS/REPRESENTATIONS/WARRANTIES 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 corporation and limited liability corporation duly organized, validly existing, qualified to do business in its state of incorporation and/or organization and in Illinois, and licensed to do business in any other state where, due to the nature of its activities or properties, such qualification or license is required;

(b) 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 corporate action, and does not and will not violate its Articles of Incorporation and Articles of Organization or by-laws and operating agreement as amended and supplemented, any applicable provision of law, or constitute a breach of, default under or require any consent under any agreement, instrument or document to which Developer is now a party or by which Developer is now or may become bound;

(d) unless otherwise permitted or not prohibited pursuant to or under the terms of this Agreement, Developer shall acquire and shall maintain good, indefeasible and merchantable fee simple title to the Property (and all improvements thereon) free and clear of all liens (except for the Permitted Liens, Lender Financing as disclosed in the Project Budget and non-governmental charges that Developer is contesting in good faith pursuant to **Section 8.15** hereof)

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

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

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

(h) 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 is bound;

(i) the Financial Statements are, and when hereafter required to be submitted will be, complete, correct in all material respects and accurately present the assets, liabilities, results of operations and financial condition of 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, Developer shall 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 of all or substantially all of its assets or any portion of the Property (including but not limited to any fixtures or equipment now or hereafter attached thereto) except in the ordinary course of business; (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; or (5) enter into any transaction that would cause a material and detrimental change to Developer's financial condition, provided, that the City expressly consents to (i) a guaranty of the NMTC Loan by Breakthrough and (ii) Breakthrough and Holdings agreeing to indemnify the investor member of the Investment Fund on account of a recapture or disallowance of the NMTC expected to be claimed by such party;

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

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

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

(n) 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"), shall 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 (as defined below) 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) May 16, 2011, or (ii) the date the City approached the Developer or the date the 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 shall 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. 2011-4 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 2011-4.

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. 2011-4 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. 2011-4 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 is 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; (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, 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, as amended.

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

8.03 Redevelopment Plan. Developer represents that the Project is and shall be in compliance with all of the terms of the Redevelopment Plan, which is hereby incorporated by reference into this Agreement.

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

8.05 Other Bonds. Developer shall, at the request of the City, agree to any reasonable amendments to this Agreement that are necessary or desirable in order for the City to issue (in its sole discretion) any bonds in connection with the Redevelopment Area, the proceeds of which may be used to reimburse the City for expenditures made in connection with, or provide a source of funds for the payment for, the TIF-Funded Improvements (the “**Bonds**”); provided, however, that any such amendments shall not have a material adverse effect on Developer or the Project. Developer shall, 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 and assisting the City in preparing an offering statement with respect thereto.

8.06 Job Creation and Retention; Minimum Occupancy Covenant.

(a) Minimum Occupancy Covenant. Upon the issuance of the Certificate, the Developer shall maintain Minimum Occupancy for the 12 months preceding Developer's delivery of an occupancy progress report to HED in order to receive payments on the City Note. Developer shall deliver, with the Developer's requisition for its annual City Note payments, an occupancy progress report detailing compliance with the requirement to maintain a Minimum Occupancy as part of the Jobs and Occupancy Certificate for the period beginning on January 1st of the preceding year to December 31st of the current year, such request to be submitted each year, through the 10th anniversary of the issuance of the Certificate. The Developer (i) shall cause the Property to be used to offer youth and family services, women's services and a food pantry, as permitted pursuant to the Redevelopment Plan and this Agreement; (ii) shall not lease to tenants other than the Tenant under the Lease without the consent of the Commissioner, (iii) shall not include any restriction upon the use and operation of the Property and the Project in any contract of sale or deed (or similar instrument) of conveyance; and (iv) shall maintain Minimum Occupancy (the covenants in clauses (i) through (iv) shall be referred to collectively as the "**Operating Covenant**"). Wherever there is a conflict between the permitted uses of the Property and the Project, between this Agreement and the other controlling documents set forth above, the terms of this Agreement shall control. The Developer hereby covenants and agrees to maintain Minimum Occupancy for a minimum of 10 years after the issuance of the Certificate. A default under the Minimum Occupancy Covenant shall constitute an Event of Default without notice.

(b) The Developer anticipates that the Project will result in the creation of (i) approximately 50 FTE construction jobs at the Project during the construction thereof (the "**Construction Jobs**") and (ii) approximately 60 FTE permanent jobs at the Project at the completion thereof to be retained or created at the Facility through the Term of the Agreement (the "**Permanent Jobs**"); provided, that the failure of the Project to result in the creation of the anticipated number of Construction Jobs and/or Permanent Jobs described in this sentence shall not constitute an Event of Default.

Throughout the Term of the Agreement, the Developer shall submit to HED annual certified Jobs and Occupancy Certificates disclosing information about Construction Jobs and Permanent Jobs and compliance with the Operating Covenant to HED. These Jobs and Occupancy Certificates shall be submitted to HED by February 1st for the prior calendar year. The Jobs and Occupancy Certificate shall include the names, addresses and zip codes of principal residence, and job titles of FTEs employed at the Project as of the end of the prior calendar year.

The covenants set forth in this Section shall run with the land and the leasehold interest and be binding upon any transferee.

A default by either Developer under the Master Lease shall not (a) relieve Developer from its obligations under this Agreement or (b) constitute any defense, excuse of performance, release, discharge or similar form of equitable or other relief that would prevent or limit the City's enforcement of its remedies under this Agreement.

8.07 Employment Opportunity; Progress Reports. Developer covenants and agrees to abide by, and contractually obligate and use reasonable efforts to cause the General Contractor and each subcontractor to abide by the terms set forth in **Section 10** hereof. Developer shall deliver to the City written progress reports detailing compliance with the requirements of **Sections 8.09, 10.02 and 10.03** of this Agreement. Such reports shall be delivered to the City when the Project is 25%, 50%, 70% and 100% completed (based on the amount of expenditures incurred in relation to the Project Budget). If any such reports indicate a shortfall in compliance, Developer shall also deliver a

plan to HED which shall outline, to HED's satisfaction, the manner in which Developer shall correct any shortfall.

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

8.09 Prevailing Wage. Developer covenants and agrees to pay, and to contractually obligate and cause the General Contractor and each subcontractor to pay, the prevailing wage rate as ascertained by the Illinois Department of Labor (the "**Department**"), to all Project employees. All such contracts shall list the specified rates to be paid to all laborers, workers and mechanics for each craft or type of worker or mechanic employed pursuant to such contract. If the Department revises such prevailing wage rates, the revised rates shall apply to all such contracts. Upon the City's request, Developer shall provide the City with copies of all such contracts entered into by Developer or the General Contractor to evidence compliance with this **Section 8.09.**

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

8.11 Conflict of Interest. Pursuant to 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 or Developer with respect thereto, owns or controls, has owned or controlled or will own or control any interest, and no such person shall represent any person, as agent or otherwise, who owns or controls, has owned or controlled, or will own or control any interest, direct or indirect, in Developer's business, the Property or any other property in the Redevelopment Area.

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

8.13 Financial Statements. Developer shall obtain and provide to HED Financial Statements for Developer's fiscal year ended 2011 and annually thereafter for the Term of the Agreement. In addition, Developer shall submit unaudited financial statements as soon as reasonably practical following the close of each fiscal year and for such other periods as HED may request.

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

8.15 Non-Governmental Charges. (a) Payment of Non-Governmental Charges. Except for the Permitted Liens, Developer agrees to pay or cause to be paid when due any Non-Governmental Charge assessed or imposed upon the Project, the Property or any fixtures that are or may become attached thereto, which creates, may create, or appears to create a lien upon all or any portion of the Property or Project; provided however, that if such Non-Governmental Charge

may be paid in installments, 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 shall furnish to HED, within thirty (30) days of HED's request, official receipts from the appropriate entity, or other proof satisfactory to HED, evidencing payment of the Non-Governmental Charge in question.

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

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

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

8.16 Developer's Liabilities. Developer shall not enter into any transaction that would materially and adversely affect its ability to perform its obligations hereunder or to repay any material liabilities or perform any material obligations of Developer to any other person or entity. Developer shall 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 any other documents and agreements.

8.17 Compliance with Laws.

(a) Representation. To the best of Developer's knowledge, after diligent inquiry, the Property and the Project are and shall be, as and when required, in compliance with all applicable Laws pertaining to or affecting the Project and the Property. Upon the City's request, Developer shall provide evidence satisfactory to the City of such compliance.

(b) Covenant. Developer covenants that the Property and the Project will be operated and managed in compliance with all Laws. Upon the City's request, the Developer shall provide evidence to the City of its compliance with this covenant.

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

8.19 Real Estate Provisions.

(a) Governmental Charges.

(i) Payment of Governmental Charges. 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, a lien upon Developer or all or any portion of the Property or the Project. "Governmental Charge" shall mean all federal, State, county, the City, or other governmental (or any instrumentality, division, agency, body, or department thereof) taxes, levies, assessments, charges, liens, claims or encumbrances (except for those assessed by foreign nations, states other than the State of Illinois, counties of the State other than Cook County, and municipalities other than the City) relating to 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 forfeiture of the Property. No such contest or objection shall 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.

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

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

(b) Developer's Failure To Pay Or Discharge Lien. If Developer fails to pay any Governmental Charge or to obtain discharge of the same, Developer shall advise HED thereof in writing, at which time HED may, but shall 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, shall be promptly disbursed to HED by Developer. Notwithstanding anything contained herein to the contrary, this paragraph shall not be construed to obligate the City to pay any such Governmental Charge. Additionally, if 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) Notification to the Cook County Assessor of Change in Use and Ownership. Prior to the Closing Date, Developer shall complete a letter of notification, in accordance with 35 ILCS 200/15-20, notifying the Cook County Assessor that there has been a change in use and ownership of the Property. On the Closing Date, Developer shall pay to the Title Company the cost of sending the notification to the Cook County Assessor via certified mail, return receipt requested. After delivery of the notification, Developer shall forward a copy of the return receipt to HED, with a copy to the City's Corporation Counsel's office.

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

8.21 Annual Compliance Report. Beginning with the issuance of the Certificate and continuing 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. Failure by Developer to submit the Annual Compliance Report shall constitute an Event of Default under Section 15.01 hereof, without notice or opportunity to cure pursuant to Section 15.03 hereof. The covenants contained in this Section 8.21 shall run with the land and be binding upon any transferee for the Term of the Agreement.

8.22 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.

8.23 LEED Certification. Prior to issuance of the Certificate, the Developer shall provide an affidavit from its project architect certifying that the Facility would likely achieve the minimum points required for LEED Certification for New Construction and Major Renovations. The affidavit shall be in substantially in the form attached hereto as Exhibit P.

8.24 Master Lease and Lease Representations, Warranties and Covenants. The Developer represents, warrants and covenants as follows:

(a) as of the date hereof, each of the Master Lease and the Lease is valid and binding as to Developer, is in full force and effect, and is either unmodified or modified only by approved Material Amendments and/or amendments that do not constitute Material Amendments;

(b) as of the date hereof, Developer has performed all of its current obligations under each of the Master Lease and the Lease;

(c) Throughout the Term of the Agreement, Developer: (i) shall deliver to HED a copy of written notice of any change in circumstances of which Developer has knowledge that makes the

representations and warranties in this Section 8.24 inaccurate; and (ii) shall comply with its obligations under each of the Master Lease and the Lease; and

(d) Throughout the Term of the Agreement, Developer shall not (i) execute or consent to a Material Amendment or (ii) sell, sublease, release, assign or otherwise transfer its interest in either the Master Lease or the Lease without the prior written consent of HED, which consent shall be in HED's sole discretion.

8.25 FOIA and Local Records Act Compliance

(a) FOIA. Developer acknowledges that the City is subject to the Illinois Freedom of Information Act, 5ILCS 140/1 et. seq., as amended ("FOIA"). FOIA requires the City to produce records (as defined in FOIA) in response to a FOIA request in a short period of time, unless the records requested are exempt under FOIA. If Developer receives a request from the City to produce records within the scope of FOIA, then Developer covenants to comply with such request within three business days of the date of such request. Failure by Developer to timely comply with such request will be a breach of this Agreement.

(b) Exempt Information. Documents that Developer submits to the City under Section 8.21, (Annual Compliance Report) or otherwise during the term of the Agreement that contain trade secrets and commercial or financial information may be exempt if disclosure would result in competitive harm. However, for documents submitted by Developer to be treated as a trade secret or information that would cause competitive harm, FOIA requires that Developer mark any such documents as "proprietary, privileged or confidential." If Developer marks a document as "proprietary, privileged and confidential", then HED will evaluate whether such document may be withheld under FOIA. HED, in its discretion, will determine whether a document will be exempted from disclosure, and that determination is subject to review by the Illinois Attorney General's Office and/or the courts.

(c) Local Records Act. Developer acknowledges that the City is subject to the Local Records Act, 50 ILCS 205/1 et. seq., as amended (the "Local Records Act"). The Local Records Act provides that public records may only be disposed of as provided in the Local Records Act. If requested by the City, Developer covenants to use its best efforts consistently applied to assist the City in its compliance with the Local Records Act concerning records arising under or in connection with this Agreement and the transactions contemplated in the Agreement.

8.26 Environmental. With respect to the parcels identified below (the "**Affected Parcels**"),

Use of Parcel	Street Address	PIN
FamilyPlex Center	3227 W. Carroll	16-11-405-034
FamilyPlex Center	3209 W. Carroll	16-11-405-035

Developer shall conduct a Phase II Environmental Site Assessment (ESA) with respect to the Affected Parcels in accordance with all applicable subsections of IEPA, Title 35: Environmental Protection, Subtitle G: Waste Disposal, Chapter I: Pollution Control Board and Part 740, Site Remediation Program. In addition, the laboratory procedures and methods should meet the minimum specified detection limits in accordance with 35 IAC Part 742, Tiered Approach to Corrective Action Objectives (TACO) for residential properties.

Prior to performing the Phase II ESA, the Developer will provide a sampling and analysis plan to the City for review and approval. The Developer will characterize potential impacts to the Affected Parcels in accordance with Site Remediation Program requirements for comprehensive residential remediation objectives through the advancement of borings and the laboratory analysis of soil and groundwater. Borings will be installed to characterize the fill and subsurface materials on the Affected Parcels. The Phase II ESA is intended to establish the presence or absence of environmental contamination at the Affected Parcels.

If it is determined that the presence of environmental contamination at the Affected Parcels exceeds the residential remediation objectives during the Phase II ESA, the Developer shall provide the City with a draft comprehensive NFR Letter satisfactory to the City with respect to the Affected Parcels upon issuance thereof, and a final comprehensive NFR Letter with respect to the Affected Parcels, signed by the IEPA upon issuance thereof.

SECTION 9. COVENANTS/REPRESENTATIONS/WARRANTIES OF CITY

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

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

SECTION 10. DEVELOPER'S EMPLOYMENT OBLIGATIONS

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

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

national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income.

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

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

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

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

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

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

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 in accordance with standards and procedures developed by the Chief Procurement Officer of the City.

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

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

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

Developer, the General Contractor and each subcontractor shall provide full access to their employment records 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 shall maintain all relevant personnel data and records for a period of at least three (3) years after final acceptance of the work constituting the Project.

At the direction of 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.

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) shall not suffice to replace the actual, verified achievement of the requirements of this Section concerning the worker hours performed by actual Chicago residents.

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

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

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

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

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

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

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

(c) Consistent with Sections 2-92-440 and 2-92-720, Municipal Code, 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 accordance with Section 2-92-730, Municipal Code, Developer shall not substitute any MBE or WBE General Contractor or subcontractor without the prior written approval of HED.

(d) Developer shall 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 shall 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 shall maintain records of all relevant data with respect to the utilization of MBEs and WBEs in connection with the Project for at least five years after completion of the Project, and the City's monitoring staff shall have access to all such records maintained by Developer, on five 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 shall be obligated to discharge or cause to be discharged the disqualified General Contractor or subcontractor, and, if possible, identify and engage a qualified MBE or WBE as a replacement. For purposes of this subsection (e), the disqualification procedures are further described in Sections 2-92-540 and 2-92-730, Municipal Code, 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, 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 shall be required to attend this pre-construction meeting. During said meeting, Developer shall demonstrate to the City's monitoring staff its plan to achieve its obligations under this **Section 10.03**, the sufficiency of which shall be approved by the City's monitoring staff. During the Project, 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**, shall, 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, (3) exercise all remedies available under the Junior Mortgage or (4) seek any other remedies against Developer available at law or in equity.

SECTION 11. 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 and this Agreement and all Exhibits attached hereto, the Scope Drawings, Plans and Specifications and all amendments thereto, the Bond Ordinance and the Redevelopment Plan.

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 Material on or under, or the escape, seepage, leakage, spillage, emission, discharge or release of any Hazardous Material from (A) all or any portion of the Property or (B) any other real

property in which Developer, or any person directly or indirectly controlling, controlled by or under common control with Developer, holds any estate or interest whatsoever (including, without limitation, any property owned by a land trust in which the beneficial interest is owned, in whole or in part, by Developer), or (ii) any liens against the Property permitted or imposed by any Environmental Laws, or any actual or asserted liability or obligation of the City or Developer or any of its Affiliates under any Environmental Laws relating to the Property.

SECTION 12. INSURANCE

Developer must provide and maintain, at Developer's own expense, or cause to be provided and maintained during the term of this Agreement, the insurance coverage 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

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

(ii) Commercial General Liability (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 of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

(iii) All Risk Property

All Risk Property Insurance at replacement value of the property to protect against loss of, damage to, or destruction of the building/facility. The City is to be named as an additional insured and loss payee/mortgagee if applicable.

(b) Construction. Prior to the construction of any portion of the Project, Developer will cause its architects, contractors, subcontractors, 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

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

(ii) Commercial General Liability (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 two (2) years following project completion), explosion, collapse, underground, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

(iii) Automobile Liability (Primary and Umbrella)

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

(iv) Railroad Protective Liability

When any work is to be done adjacent to or on railroad or transit property, Developer must provide cause to be provided with respect to the operations that Contractors perform, 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

When Developer undertakes any construction, including improvements, betterments, and/or repairs, Developer must provide or cause to be provided All Risk Builders Risk Insurance at replacement cost for materials, supplies, equipment, machinery and fixtures that are or will be part of the project. The City of Chicago is to be named as an additional insured and loss payee/mortgagee if applicable.

(vi) Professional Liability

When any architects, engineers, construction managers or other professional consultants perform work in connection with this Agreement, Professional Liability Insurance covering acts, errors, or omissions must 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 on the Contract. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

(vii) Valuable Papers

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

(viii) Contractors Pollution Liability

When any remediation work is performed which may cause a pollution exposure, Developer must cause remediation contractor to provide Contractor Pollution Liability covering bodily injury, property damage and other losses caused by pollution conditions that arise from the contract scope of work with limits of not less than \$1,000,000 per occurrence. Coverage must include completed operations, contractual liability, defense, excavation, environmental cleanup, remediation and disposal. When policies are renewed or replaced, the policy retroactive date must coincide with or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years. The City of Chicago is to be named as an additional insured.

(c) Post Construction:

(i) All Risk Property Insurance at replacement value of the property to protect against loss of, damage to, or destruction of the building/facility. The City is to be named as an additional insured and loss payee/mortgagee if applicable.

(d) Other Requirements:

Developer must furnish the City of Chicago, Department of Housing and Economic Development, City Hall, Room 1000, 121 North LaSalle Street 60602, original Certificates of Insurance, or such similar evidence, 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 must submit evidence of insurance on the City of Chicago Insurance Certificate Form (copy attached) or 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 is not a waiver by the City of any requirements for Developer to obtain and maintain the specified coverages. Developer shall advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance does 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 stop work and/or terminate agreement until proper evidence of insurance is provided.

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

Any deductibles or self insured retentions on referenced insurance coverages must be borne by Developer and Contractors.

Developer hereby waives and agrees to require their insurers to waive their rights of subrogation against the City of Chicago, its employees, elected officials, agents, or representatives.

The coverages and limits furnished by Developer in no way limit Developer's liabilities and responsibilities specified within the Agreement or by law.

Any insurance or self insurance programs maintained by the City of Chicago do not contribute with insurance provided by Developer under the Agreement.

The required insurance to be carried is not limited by any limitations expressed in the indemnification language in this Agreement or any limitation placed on the indemnity in this Agreement given as a matter of law.

If Developer is a joint venture or limited liability company, the insurance policies must name the joint venture or limited liability company as a named insured.

Developer must require Contractor and subcontractors to provide the insurance required herein, or Developer may provide the coverages for Contractor and subcontractors. All Contractors and subcontractors are subject to the same insurance requirements of Developer unless otherwise specified in this Agreement.

If Developer, any Contractor or subcontractor desires additional coverages, the party desiring the additional coverages is responsible for the acquisition and cost.

The City of Chicago Risk Management Department maintains the right to modify, delete, alter or change these requirements (a) without the consent of the Developer if the limits are not increased and (b) with the consent of the Developer if the limits are increased.

SECTION 13. INDEMNIFICATION

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

(i) Developer's failure to comply with any of the terms, covenants and conditions contained within this Agreement; or

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

(iii) the existence of any material misrepresentation or omission in this Agreement, any offering memorandum or information statement or the Redevelopment Plan or any other document related to this Agreement that is the result of information supplied or omitted by Developer or any Affiliate Developer or any agents, employees, contractors or persons acting under the control or at the request of Developer or any Affiliate of Developer; or

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

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

maximum portion that it is permitted to pay and satisfy under the applicable law, to the payment and satisfaction of all indemnified liabilities incurred by the Indemnitees or any of them. The provisions of the undertakings and indemnification set out in this **Section 13.01** shall survive the termination of this Agreement.

SECTION 14. MAINTAINING RECORDS/RIGHT TO INSPECT

14.01 Books and Records. Developer shall keep and maintain separate, complete, accurate and detailed books and records necessary to reflect and fully disclose the total actual cost of the Project and the disposition of all funds from whatever source allocated thereto, and to monitor the Project. All such books, records and other documents, including but not limited to Developer's loan statements, if any, General Contractors' and contractors' sworn statements, general contracts, subcontracts, purchase orders, waivers of lien, paid receipts and invoices, shall be available at Developer's offices for inspection, copying, audit and examination by an authorized representative of the City, at Developer's expense. Developer shall 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.

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

SECTION 15. DEFAULT AND REMEDIES

15.01 Events of Default. The occurrence of any one or more of the following events, subject to the provisions of **Section 15.03**, shall constitute an "Event of Default" by 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, assets, 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 to create, any lien or other encumbrance upon the Property, including any fixtures now or hereafter attached thereto, other than the Permitted Liens, or the making or any attempt to make any levy, seizure or attachment thereof;

(e) the commencement of any proceedings in bankruptcy by or against Developer or for the liquidation or reorganization of Developer, or alleging that Developer is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of Developer's debts, whether under the United States Bankruptcy Code or under any other state or federal law, now or hereafter existing for the relief of debtors, or the commencement of any analogous statutory or non-statutory

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

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

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

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

(i) the dissolution of Developer or the death of any natural person who owns a material interest in Developer;

(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 thirty (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);

(k) prior to the end of the Term of the Agreement, without the prior written consent of the City, any sale, transfer, conveyance, lease or other disposition of all or substantially all of Developer's assets or any portion of the Property (including but not limited to any fixtures or equipment now or hereafter attached thereto) except in the ordinary course of business or as otherwise expressly permitted by this Agreement;

(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;

(m) the assignment or other direct or indirect transfer by the Developer of the Master Lease or the Lease without the prior written approval of the City (which shall be in the City's sole discretion); or

(m) an Event of Default (as defined in the Master Lease or the Lease, as applicable) by the Developer under the Master Lease or the Lease, as applicable, that is not cured within the cure period, if any, granted under the Master Lease or the Lease, as applicable, or the Developer's execution of a Material Amendment without the prior written approval of the City under Section 8.24; or

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

15.02 Remedies. Upon the occurrence of an Event of Default, the City may terminate this Agreement and any other agreements to which the City and Developer are or shall be parties other than the 2009 RDA, suspend payments due on the City Note or terminate the City Note and receive reimbursement of the Construction Phase Assistance and any payments made on the City Note, place a lien on the Project in the amount of City Funds paid, and seek reimbursement of any City Funds paid; provided, however, that the Developer's obligation to reimburse City Funds shall be deferred until thirty (30) days after the end of the NMTC Compliance Period. 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 damages, foreclosure of the Junior Mortgage, injunctive relief, the specific performance of the agreements contained herein or under the Junior Mortgage, the right to re-enter and take possession of the City Parcel, terminate the estate conveyed to the Developer, and re-vest title to the City Parcel in the City pursuant to the Reconveyance Deed (the "**Right of Reverter**"); provided, however, the City's Right of Reverter shall be limited by, and shall not defeat, render invalid, or limit in any way, the lien of any mortgage authorized by this Agreement. If the Reconveyance Deed is recorded by the City, the Developer shall be responsible for all real estate taxes and assessments which accrued during the period the City Parcel was owned by the Developer, and shall cause the release of all liens or encumbrances, other than the Permitted Liens, placed on the City Parcel during the period of time the City Parcel was owned by the Developer. Upon the occurrence of an Event of Default under **Section 8.06(a)**, Developer shall be obligated to repay to the City all previously disbursed City Funds.

15.03 Curative Period. In the event Developer shall fail 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 shall not be deemed to have occurred unless Developer has failed to perform such monetary covenant within ten (10) days of its receipt of a written notice from the City specifying that it has failed to perform such monetary covenant. In the event Developer shall fail to perform a non-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 shall not be deemed to have occurred unless Developer has failed to cure such default within thirty (30) days of its receipt of a written notice from the City specifying the nature of the default; provided, however, with respect to those non-monetary defaults which are not capable of being cured within such thirty (30) day period, Developer shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured; provided, further, that that there shall be no cure period under this **Section 15.03** with respect to Developer's failure to comply with the Operating Covenant.

SECTION 16. MORTGAGING OF THE PROJECT

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

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

(b) In the event that any mortgagee shall succeed to Developer's interest in the Property or any portion thereof pursuant to the exercise of remedies under an Existing Mortgage or a Permitted Mortgage, whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of Developer's interest hereunder in accordance with **Section 18.15** hereof, the City hereby agrees to attorn to and recognize such party as the successor in interest to Developer for all purposes under this Agreement so long as such party accepts all of the obligations and liabilities of "Developer" hereunder; provided, however, that, notwithstanding any other provision of this Agreement to the contrary, it is understood and agreed that if such party accepts an assignment of Developer's interest under this Agreement, such party has no liability under this Agreement for any Event of Default of Developer which accrued prior to the time such party succeeded to the interest of Developer under this Agreement, in which case Developer shall 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 shall be entitled to no rights and benefits under this Agreement, and such party shall be bound only by those provisions of this Agreement, if any, which are covenants expressly running with the land.

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

SECTION 17. NOTICE

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

<p>If to the City:</p> <p>City of Chicago Department of Housing and Economic Development 121 North LaSalle Street, Room 1000 Chicago, Illinois 60602 Attention: Commissioner</p>	<p>If to Developer:</p> <p>Breakthrough Urban Ministries, Inc. 402 North St. Louis Avenue Chicago, IL 60624 Attention: John A. Smith</p> <p>and</p> <p>Breakthrough Holdings, Inc. NFP 402 North St. Louis Avenue</p>
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	Chicago, IL 60624 Attention: John A. Smith
With Copies To: City of Chicago Department of Law 121 North LaSalle Street, Room 600 Chicago, Illinois 60602 Attention: Finance and Economic Development Division and Department of Finance City of Chicago 121 North LaSalle Street, Room 501 Chicago, Illinois 60602 Attn: City Comptroller	With Copies To: Jenner & Block LLP 353 N. Clark Street Chicago, IL 60654-3456 Attention: Donald S. Horvath And PNC Bank One North Franklin – Suite 2900 Chicago, IL 60606 Attention: Thurman Smith

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

SECTION 18. MISCELLANEOUS

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

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

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

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

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

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

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

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

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

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

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

18.13 Approval. Wherever this Agreement provides for the approval or consent of the City, 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 or otherwise administering this Agreement for the City.

18.14 Assignment. 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 that, with the prior written consent of the City, the Developer may assign, on a collateral basis, the right to receive City Funds under the City Note to a lender providing Lender Financing, if any, prior to the issuance of the Certificate. Any successor in interest to Developer under this Agreement shall certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, including but not limited to **Sections 8.19** Real Estate Provisions and **8.23** (Survival of Covenants) hereof, for the Term of the Agreement. Developer consents to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part.

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

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

18.17 Business Economic Support Act. Pursuant to the Business Economic Support Act (30 ILCS 760/1 et seq.), if Developer is required to provide notice under the WARN Act, Developer shall, in addition to the notice required under the WARN Act, provide at the same time a copy of the WARN Act notice to the Governor of the State, the Speaker and Minority Leader of the House of Representatives of the State, the President and minority Leader of the Senate of State, and the Mayor of each municipality where 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.

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

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

judgment collection services. Developer also will pay any court costs, in addition to all other sums provided by law.

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

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

18.22. Exhibits. All of the exhibits attached to this Agreement are incorporated into this Agreement by reference.

18.23 Subordination Agreement. Upon the request of a lender providing Lender Financing, the City shall agree to subordinate its Junior Mortgage to the mortgage of such lender and the Master Lease pursuant to a written subordination agreement, the form of which shall be in a form reasonably acceptable to the City and Corporation Counsel.

18.22 No Merger. The terms of this Agreement shall not be merged with the Deed conveying the City Parcels to the Developer, and the delivery of the Deed shall not be deemed to affect or impair the terms of this Agreement.

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

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

BREAKTHROUGH URBAN MINISTRIES, INC.

By: 
Name: John A. Smith
Its: Chief Administrative Officer

BREAKTHROUGH HOLDINGS, INC. NFP

By: 
Name: John A. Smith
Its: Executive Director

CITY OF CHICAGO

By: _____
Andrew J. Mooney
Commissioner
Department of Housing and Economic Development

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

BREAKTHROUGH URBAN MINISTRIES, INC.

By: _____
Name: John A Smith
Its: Chief Administrative Officer

BREAKTHROUGH HOLDINGS, INC. NFP

By: _____
Name: John A Smith
Its: Executive Director

CITY OF CHICAGO

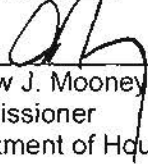
By:  _____
Andrew J. Mooney
Commissioner
Department of Housing and Economic Development

EXHIBIT A
REDEVELOPMENT AREA
(Attached)

COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____

COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____

Section 7. All resolutions, motions or orders in conflict with this resolution are hereby repealed to the extent of such conflict.

Section 8. This resolution shall be effective as of the date of its adoption.

Section 9. A certified copy of this resolution shall be transmitted to the City Council.

Adopted: December 18, 2001.

[(Sub)Exhibit "A" referred to in this Resolution 01-CDC-113 constitutes Exhibit "D" to the ordinance and is printed on page 80001 of this Journal.]

Exhibit "C".
(To Ordinance)

*Chicago/Central Park Redevelopment
Project Area Legal Description.*

All that part of Sections 2, 3 and 11 in Township 39 North, Range 13 East of the Third Principal Meridian bounded and described as follows:

beginning at the point of intersection of the east line of North Keeler Avenue with the south line of West Division Street; thence east along said south line of West Division Street to the east line of Lot 40 in Block 6 in Mills and Son's Subdivision of Blocks 1, 2, 7 and 8 in the resubdivision of Blocks 1 and 2 in the Foster Subdivision of the east half of the southeast quarter of Section 3, Township 39 North, Range 13 East of the Third Principal Meridian, said east line of Lot 40 being also the west line of the alley west of North Pulaski Road; thence south along said west line of the alley west of North Pulaski Road to the south line of Lot 29 in Block 1 in Ellsworth T. Martin's Subdivision of Blocks 1 and 2 of the resubdivision of Blocks 5 and 6 in the Foster Subdivision of the east half of the southeast quarter of Section 3, Township 39 North, Range 13 East of the

Third Principal Meridian, said south line of Lot 29 being also the north line of the alley north of West Chicago Avenue; thence east along the easterly extension of said south line of Lot 29 in Block 1 in Ellsworth T. Martin's Subdivision to the west line of Lot 19 in said Block 1 in Ellsworth T. Martin's Subdivision, said west line of Lot 19 being also the east line of the alley west of North Pulaski Road; thence north along said east line of the alley west of North Pulaski Road to the north line of said Lot 19 in Block 1 in Ellsworth T. Martin's Subdivision; thence east along said north line of said Lot 19 in Block 1 in Ellsworth T. Martin's Subdivision to the west line of North Pulaski Road; thence north along said west line of North Pulaski Road to the westerly extension of the south line of Lot 30 in Block 7 in Thomas J. Diven's Subdivision of the west half of the southwest quarter of the southwest quarter and the east half of the northwest quarter of the southwest quarter of Section 2, Township 39 North, Range 13 East of the Third Principal Meridian, said south line of Lot 30 being also the north line of the alley north of West Chicago Avenue; thence east along said westerly extension and along the north line of the alley north of West Chicago Avenue to the east line of North Harding Avenue; thence south along said east line of North Harding Avenue to the easterly extension of the north line of Lot 6 in the subdivision of Block 4 in F. Harding's Subdivision of the west half of the northwest quarter of Section 11, Township 39 North, Range 13 East of the Third Principal Meridian; thence west along said easterly extension and the north line of Lot 6 in the subdivision of Block 4 in F. Harding's Subdivision, said north line of Lot 6 being also the south line of the alley south of West Chicago Avenue, to the west line of Lots 6 through 24, both inclusive, in said subdivision of Block 4 in F. Harding's Subdivision, said west line of Lots 6 through 24, inclusive, being also the east line of the alley east of North Pulaski Road; thence south along said east line of the alley east of North Pulaski Road to the easterly extension of the north line of Lots 1 through 5, inclusive, in the subdivision of Lots 25 to 29, inclusive, of Block 4 of F. Harding's Subdivision, said north line of Lots 25 to 29, inclusive, being also the south line of the alley north of West Huron Street; thence west along said easterly extension and the south line of the alley north of West Huron Street to the east line of North Pulaski Road; thence south along said east line of North Pulaski Road to the north line of West Huron Street; thence east along said north line of West Huron Street to the east line of North Harding Avenue; thence south along said east line of North Harding Avenue to the south line of Lot 46 in Block 6 in Fitch's Subdivision of Blocks 5, 6 and 11 of F. Harding's Subdivision, in the west half of the northwest quarter of Section 11, Township 39 North, Range 13 East of the Third Principal Meridian; thence east along said south line of Lot 46 in Block 6 in Fitch's Subdivision and the easterly extension thereof to the west line of Lots 1 through

24; inclusive, in said Block 6 in Fitch's Subdivision, said west line of Lots 1 through 24, inclusive, being also the east line of the alley east of North Harding Avenue; thence south along said east line of the alley east of North Harding Avenue to the south line of West Ohio Street; thence west along said south line of West Ohio Street to the west line of North Harding Avenue; thence north along said west line of North Harding Avenue to the south line of West Erie Street; thence west along said south line of West Erie Street to the east line of North Pulaski Road; thence south along said east line of North Pulaski Road to the north line of Lot 42 in the subdivision of Block 12 of F. Harding's Subdivision, in the west half of the northwest quarter of Section 11, Township 39 North, Range 13 East of the Third Principal Meridian; thence east along said north line of Lot 42 in the subdivision of Block 12 of F. Harding's Subdivision and the easterly extension thereof to the west line of Lots 1 through 14, inclusive, in said subdivision of Block 12 of F. Harding's Subdivision, said west line of Lots 1 through 14, inclusive, being also the east line of the alley east of North Pulaski Road; thence south along said east line of the alley east of North Pulaski Road to the south line of Lot 14 in said subdivision of Block 12 of F. Harding's Subdivision; thence east along said south line of Lot 14 in said subdivision of Block 12 of F. Harding's Subdivision and the easterly extension thereof to the east line of North Harding Avenue; thence south along said east line of North Harding Avenue to the easterly extension of the south line of Lot 4 in the subdivision of the east half of Block 13 in F. Harding's Subdivision, in the west half of the northwest quarter of Section 11, Township 39 North, Range 13 East of the Third Principal Meridian; thence west along said easterly extension and the south line of Lot 4 in the subdivision of the east half of Block 13 in F. Harding's Subdivision to the west line of Lots 1 through 24, inclusive, in said subdivision of the east half of Block 13 in F. Harding's Subdivision, said west line of Lots 1 through 24, inclusive, being also the east line of the alley east of North Pulaski Road; thence south along said east line of the alley east of North Pulaski Road to the south line of Lot 15 in said subdivision of the east half of Block 13 in F. Harding's Subdivision; thence east along said south line of Lot 15 in said subdivision of the east half of Block 13 in F. Harding's Subdivision and the easterly extension thereof to the east line of North Harding Avenue; thence south along said east line of North Harding Avenue to the north line of the right-of-way of the Chicago & Northwestern Railroad; thence west along said north line of the right-of-way of the Chicago & Northwestern Railroad to the east line of North Pulaski Road; thence south along said east line of North Pulaski Road to the south line of the right-of-way of said Chicago & Northwestern Railroad; thence east along said south line of the right-of-way of said Chicago & Northwestern Railroad to the east line of North Avers Avenue; thence south

along said east line of North Avers Avenue to the south line of Lot 27 in West Lake Street and North Central Park Subdivision of part of the west half of the southwest quarter of Section 11, Township 39 North, Range 13 East of the Third Principal Meridian, said south line of Lot 27 being also the north line of the alley north of West Lake Street; thence east along said north line of the alley north of West Lake Street and the easterly extension thereof to the west line of Lot 13 in said West Lake Street and North Central Park Subdivision, said west line of Lot 13 being also the east line of the alley west of North Hamlin Avenue; thence south along said east line of the alley west of North Hamlin Avenue to the north line of West Lake Street; thence east along said north line of West Lake Street to the east line of North Hamlin Avenue; thence north along said east line of North Hamlin Avenue to the south line of the Chicago & Northwestern Railroad Company right-of-way in the east half of the southwest quarter of Section 11, Township 39 North, Range 13 East of the Third Principal Meridian; thence east along said south line of the Chicago & Northwestern Railroad Company right-of-way to the west line of vacated North Central Park Avenue, said west line of vacated North Central Park Avenue being a line 10 feet west of and parallel with the west line of the west half of the southeast quarter of Section 11, Township 39 North, Range 13 East of the Third Principal Meridian; thence south along said west line of vacated North Central Park Avenue to the south line of vacated North Central Park Avenue, said south line of vacated North Central Park Avenue being a line 86 feet south of and parallel with the south line of the Chicago & Northwestern Railroad Company right-of-way; thence east along said south line of vacated North Central Park Avenue to the east line of North Central Park Avenue; thence south along said east line of North Central Park Avenue to the north line of West Lake Street; thence easterly along said north line of West Lake Street to the west line of North Kedzie Avenue; thence north along said west line of North Kedzie Avenue to the south line of the Chicago & Northwestern Railroad Company right-of-way in the east half of the southeast quarter of Section 11, Township 39 North, Range 13 East of the Third Principal Meridian; thence east along said south line of the Chicago & Northwestern Railroad Company right-of-way to the east line of the east half of the southeast quarter of Section 11, Township 39 North, Range 13 East of the Third Principal Meridian; thence north along said east line of the east half of the southeast quarter of Section 11, Township 39 North, Range 13 East of the Third Principal Meridian to the north line of aforesaid Chicago & Northwestern Railroad Company right-of-way; thence west along said north line of the Chicago & Northwestern Railroad Company right-of-way to the west line of North Kedzie Avenue; thence north along said west line of North Kedzie Avenue to the southwesterly line of the Chicago, Milwaukee, St. Paul & Pacific Railroad right-

of-way in the east half of the southeast quarter of Section 2, Township 39 North, Range 13 East of the Third Principal Meridian; thence northwesterly along said southwesterly line of the Chicago, Milwaukee, St. Paul & Pacific Railroad right-of-way to the east line of North Spaulding Avenue; thence south along said east line of North Spaulding Avenue to the south line of West Chicago Avenue; thence west along said south line of West Chicago Avenue to the southerly extension of the east line of Lot 43 in Christiana, a subdivision of the east half of Lot 5 in Superior Court Partition of the east half of Section 2, Township 39 North, Range 13 East of the Third Principal Meridian, said east line of Lot 43 in Christiana being also the west line of North Christiana Avenue; thence north along said southerly extension and the west line of North Christiana Avenue to the south line of Lot 71 in said Christiana, a subdivision of the east half of Lot 5 in Superior Court Partition of the east half of Section 2, Township 39 North, Range 13 East of the Third Principal Meridian; thence west along said south line of Lot 71 in Christiana and along the westerly extension thereof to the east line of Lot 19 in Block 3 of Wilson and Gould's Subdivision of the west half of Lot 5 in Superior Court Partition of the east half of Section 2, Township 39 North, Range 13 East of the Third Principal Meridian, said east line of Lot 19 being also the west line of the alley west of North Christiana Avenue; thence north along said east line of Lot 19 in Block 3 of Wilson and Gould's Subdivision to the north line of said Lot 19, said north line of Lot 19 being also the south line of the alley south of West Walton Street; thence west along said south line of the alley south of West Walton Street and along the westerly extension thereof to the east line of Lots 10 and 11 in said Block 3 of Wilson and Gould's Subdivision, said east line of Lots 10 and 11 being also the west line of the alley east of North Homan Avenue; thence north along said west line of the alley east of North Homan Avenue to the south line of West Augusta Boulevard; thence west along said south line of West Augusta Boulevard to the west line of North Trumbull Avenue; thence north along said west line of North Trumbull Avenue to the westerly extension of the south line of Lot 19 in the subdivision of Block 1 in Dickey's Fourth Addition to Chicago, a subdivision of part of the northwest quarter of the southeast quarter of Section 2, Township 39 North, Range 13 East of the Third Principal Meridian, said south line of Lot 19 being also the north line of the alley north of West Augusta Boulevard; thence east along said westerly extension and the south line of Lot 19 in the subdivision of Block 1 in Dickey's Fourth Addition to Chicago to the east line of said Lot 19, said east line of Lot 19 being also the west line of the alley east of North Trumbull Avenue; thence north along said west line of the alley east of North Trumbull Avenue to the northeasterly line of Lot 22 in the subdivision of Block 1 in Dickey's Fourth Addition to Chicago, said northeasterly line of Lot 22 being also the southwesterly line of the alley east of

North Trumbull Avenue; thence northwesterly along said southwesterly line of the alley east of North Trumbull Avenue to the north line of Lot 23 in said subdivision of Block 1 in Dickey's Fourth Addition to Chicago, said north line of Lot 23 being also the south line of a public alley; thence west along said north line of Lot 23 in the subdivision of Block 1 in Dickey's Fourth Addition to Chicago and along the westerly extension thereof to the west line of North Trumbull Avenue; thence north along said west line of North Trumbull Avenue to the southwesterly line of West Grand Avenue; thence northwesterly along said southwesterly line of West Grand Avenue to the south line of West Thomas Street; thence west along said south line of West Thomas Street to the southerly extension of the east line of Lot 5 in Charles H. Kusel's Subdivision of part of the northwest quarter of the southeast quarter of Section 2, Township 39 North, Range 13 East of the Third Principal Meridian, said east line of Lot 5 being also the west line of the alley east of North Central Park Avenue; thence north along said southerly extension and the west line of the alley east of North Central Park Avenue to the south line of Lot 10 in said Charles H. Kusel's Subdivision; thence west along said south line of Lot 10 in Charles H. Kusel's Subdivision and along the westerly extension thereof to the west line of North Central Park Avenue; thence north along said west line of North Central Park Avenue to the north line of Lot 16 in Block 1 of Treat's Subdivision of the northeast quarter of the southwest quarter of Section 2, Township 39 North, Range 13 East of the Third Principal Meridian, said north line of Lot 16 being also the south line of the alley south of West Grand Avenue; thence west along said north line of Lot 16 in Block 1 of Treat's Subdivision to the west line of said Lot 16, said west line of Lot 16 being also the east line of the alley west of North Central Park Avenue; thence south along said west line of Lot 16 to the easterly extension of the south line of Lot 42 in said Block 1 of Treat's Subdivision; thence west along said easterly extension and the south line of Lot 42 in Block 1 of Treat's Subdivision and along the westerly extension thereof to the west line of North Monticello Avenue; thence north along said west line of North Monticello Avenue to the south line of West Division Street; thence west along said south line of West Division Street to a line perpendicular to the south line of West Division Street, said perpendicular line having a southerly terminus on the south line of West Division Street and a northerly terminus at the point of intersection of the north line of West Division Street with the northeasterly line of Lot 46 in Block 15 of Beebe's Subdivision of the east half of the northwest quarter of Section 2, Township 39 North, Range 13 East of the Third Principal Meridian (except 5 acres in the northeast quarter thereof), said northeasterly line of Lot 46 being also the southwesterly line of the alley southwest of West Grand Avenue; thence north along said perpendicular line to said point of intersection of the north line of West Division Street with the southwesterly line of the alley southwest of West Grand Avenue; thence northwesterly along said southwesterly line of the alley southwest of West Grand Avenue to the east line of North Hamlin Avenue; thence north along said east line of North Hamlin Avenue to the easterly extension of the north line of Lot 12 in Block 6 in Thomas J. Diven's

Subdivision in the west half of the northwest quarter of Section 2, Township 39 North, Range 13 East of the Third Principal Meridian; thence west along said easterly extension and the north line of Lot 12 in Block 6 in Thomas J. Diven's Subdivision and along the westerly extension thereof to the east line of Lot 43 in said Block 6 in Thomas J. Diven's Subdivision; thence north along said east line of Lot 43 in said Block 6 in Thomas J. Diven's Subdivision to the northeasterly line thereof; thence northwesterly along said northeasterly line of Lot 43 and along the northeasterly line of Lot 44 in said Block 6 in Thomas J. Diven's Subdivision and along the northwesterly extension thereof to the west line of North Avers Avenue; thence north along said west line of North Avers Avenue to the north line of Lot 12 in Block 5 in said Thomas J. Diven's Subdivision; thence west along said north line of Lot 12 in Block 5 in Thomas J. Diven's Subdivision and along the westerly extension thereof to the east line of Lot 57 in said Block 5 in Thomas J. Diven's Subdivision; thence north along said east line of Lot 57 in said Block 5 in Thomas J. Diven's Subdivision to the northeasterly line thereof; thence northwesterly along said northeasterly line of Lot 57 in said Block 5 in Thomas J. Diven's Subdivision and along the northeasterly line of Lot 58 in said Block 5 and along the northwesterly extension thereof to the west line of North Springfield Avenue; thence north along said west line of North Springfield Avenue to the north line of Lot 4 in the resubdivision of Lots 12 to 16 in Block 1 in Thomas J. Diven's Subdivision; thence west along said north line of Lot 4 in the resubdivision of Lots 12 to 16 in Block 1 in Thomas J. Diven's Subdivision and along the westerly extension thereof to the east line of Lot 21 in Block 1 in Thomas J. Diven's Subdivision; thence north along said east line of Lot 21 and along the east line of Lot 22 in Block 1 in Thomas J. Diven's Subdivision to the northeasterly line of said Lot 22; thence northwesterly along said northeasterly line of Lot 22 in Block 1 in Thomas J. Diven's Subdivision and along the northeasterly line of Lot 23 in said Block 1 and along the northwesterly extension thereof to the west line of North Harding Avenue; thence north along said west line of North Harding Avenue to the north line of Lot 1 in the resubdivision of Lots 12 to 15 in Block 2 in Thomas J. Diven's Subdivision; thence west along said north line of Lot 1 in the resubdivision of Lots 12 to 15 in Block 2 in Thomas J. Diven's Subdivision and along the westerly extension thereof to the east line of Lot 35 in Block 2 in Thomas J. Diven's Subdivision; thence north along said east line of Lot 35 and along the east line of Lot 36 in Block 2 in Thomas J. Diven's Subdivision to the northeasterly line of said Lot 36; thence northwesterly along said northeasterly line of Lot 36 in Block 2 in Thomas J. Diven's Subdivision and along the northeasterly line of Lot 37 in said Block 2 to the east line of North Pulaski Road; thence south along said east line of North Pulaski Road to the easterly extension of the south line of West Kamerling Avenue; thence west along said easterly extension and the south line of West Kamerling Avenue to the east line of Lot 11 in Block 4 of Damarest and Kamerling's Grand Avenue Subdivision of the north half of the southeast quarter of the northeast quarter of Section 3, Township 39 North, Range 13 East of the Third Principal Meridian, said east line of Lot 11 being also the west line of the alley west of North Pulaski

Road; thence south along said west line of the alley west of North Pulaski Road and along the southerly extension thereof to the north line of Lot 30 in Solomon Boehm's Resubdivision of Lots 1 to 43, both inclusive, in Block 1 of Strayhorn's Subdivision of the south half of the southeast quarter of the northeast quarter of Section 3, Township 39 North, Range 13 East of the Third Principal Meridian, said north line of Lot 30 being also the south line of the alley south of West Potomac Avenue; thence east along said north line of Lot 30 in Solomon Boehm's Resubdivision to the east line of said Lot 30; thence south along said east line of Lot 30 in Solomon Boehm's Resubdivision to the north line of West Crystal Street; thence west along said north line of West Crystal Street to the northerly extension of the east line of Lot 4 in the resubdivision of Lots 1 to 10, both inclusive, in Block 4 of Strayhorn's Subdivision of the south half of the southeast quarter of the northeast quarter of Section 3, Township 39 North, Range 13 East of the Third Principal Meridian; thence south along said northerly extension and the east line of Lot 4 in the resubdivision of Lots 1 to 10, both inclusive, in Block 4 of Strayhorn's Subdivision to the south line of said Lot 4, said south line of Lot 4 being also the north line of the alley north of West Division Street; thence west along said north line of the alley north of West Division Street to the east line of North Kostner Avenue; thence south along said east line of North Kostner Avenue to the north line of Lot 20 in Block 1 of Castle's Subdivision of the northwest quarter of the northwest quarter of the southeast quarter of Section 3, Township 39 North, Range 13 East of the Third Principal Meridian, said north line of Lot 3 being also the south line of the alley south of West Division Street; thence east along said south line of the alley south of West Division Street and along the easterly extension thereof to the east line of North Keeler Avenue; thence north along said east line of North Keeler Avenue to the point of beginning at the south line of West Division Street, all in the City of Chicago, Cook County, Illinois.

Exhibit "D".
(To Ordinance)

*Chicago/Central Park Redevelopment Project
Area Street Boundary Description.*

The area is made up of six hundred seventy-eight (678) acres and four thousand nine hundred one (4,901) parcels on one hundred forty-nine (149) blocks. It is irregularly shaped and is generally bounded by the alley southwest of West Grand Avenue on the north, North Kedzie Avenue on the east, West Lake Street on the south and North Pulaski Road on the west. In addition, a western arm of the area extends along West Division Street to North Kostner Avenue.

EXHIBIT B

PROPERTY

**FamilyPlex Center
(3209-3227 W. Carroll)**

LOTS 8 THROUGH 19, BOTH INCLUSIVE, IN THE SUBDIVISION OF THE NORTH HALF OF BLOCK 6 OF TYRRELL, BARRETT AND KERFOOT'S SUBDIVISION OF THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13, LYING NORTH OF LAKE STREET, LYING EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN: 16-11-405-034
16-11-405-035

**FamilyPlex Center parking lot (326 N. Kedzie)
Chicago, IL 60624**

LOT 3 IN THE SUBDIVISION OF THE NORTH 1/2 OF BLOCK 6 OF TYRRELL, BARRETT & KERFOOT'S SUBDIVISION OF THE EAST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13, LYING NORTH OF LAKE ST. EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

PIN: 16-11-405-038

**FamilyPlex Center parking lot (328 N. Kedzie)
Chicago, IL 60624**

LOT 2 IN THE SUBDIVISION OF THE NORTH 1/2 OF BLOCK 6 OF TYRRELL, BARRETT & KERFOOT'S SUBDIVISION OF THE EAST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13, LYING NORTH OF LAKE ST. EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

PIN: 16-11-405-037

**Joshua Center (3322-3330 W. Carroll)
Chicago, IL 60624**

PARCEL 1:

LOTS 20, 21, 22 AND 23 IN BLOCK 2 IN TYRRELL, BARRETT AND KERFOOT'S SUBDIVISION OF THE EAST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTH OF LAKE STREET IN THE CITY OF CHICAGO, IN COOK COUNTY, ILLINOIS.

PIN: 16-11-402-015

PARCEL 2:

LOT 1 IN TREGO AND OTHER'S SUBDIVISION OF THE EAST 158.4 FEET OF BLOCKS 3, 4, 9, AND 10 IN TYRRELL, BARRETT AND KERFOOT'S SUBDIVISION OF THE EAST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD

PRINCIPAL MERIDIAN, LYING NORTH OF LAKE STREET IN THE CITY OF CHICAGO, IN COOK COUNTY, ILLINOIS.

PIN: 16-11-402-014

Fresh Market Pantry (3334 W. Carroll)

Chicago, IL 60624

LOT 2 IN THE SUBDIVISION OF THE EAST 158.4 FEET OF BLOCKS 3, 4, 9, AND 10 IN TYRRELL, BARRETT AND KERFOOT'S SUBDIVISION OF THE EAST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTH OF LAKE STREET IN THE CITY OF CHICAGO, IN COOK COUNTY, ILLINOIS.

PIN: 16-11-402-013

EXHIBIT C
TIF-FUNDED IMPROVEMENTS

<u>Item</u>	<u>Cost</u>
Property assembly costs, including acquisition of land	\$682,000
Demolition of buildings, site preparation, the clearing and grading of land, and site improvements that serve as an engineered barrier addressing environmental contamination	\$1,709,600
Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings	\$1,352,909
Costs of the construction of public works or improvements	\$75,000
Interest cost incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project	\$114,375
*TOTAL	\$3,933,884

*Notwithstanding the total of TIF-Funded Improvements or the amount of TIF-eligible costs, the assistance to be provided by the City is limited to the amount described in **Section 4.03** and shall not exceed the lesser of \$3,500,000 or 22.44% of the Final Project Cost.

EXHIBIT D

JOBS AND OCCUPANCY CERTIFICATE

[to be retyped on letterhead of Developer]

_____, 20____

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

Re: Jobs and Occupancy Certificate
Breakthrough Urban Ministries Redevelopment Agreement

Dear Commissioner:

This Certificate is delivered pursuant to the Breakthrough Urban Ministries Redevelopment Agreement dated as of _____, 20__ (the "**Agreement**") and constitutes the Jobs and Occupancy Certificate of the Developer for the period ended _____, _____ [add month, day and year] (the "**Period**"). The undersigned certifies that (a) the Developer continues to maintain its operations at the Project, (b) the Developer has located _____ new FTEs at the Project during the Period; (c) a total of _____ FTE Construction Jobs have been located at the Project since the execution of the Agreement; (d) a total of _____ FTE Permanent Jobs have been located at the Project since the execution of the Agreement; (e) each of the individuals listed in the chart below is a Full Time Equivalent Employee of the Developer at the Project. Capitalized terms used without definition in this Certificate have the meanings given them in the Agreement.

Sincerely yours,

BREAKTHROUGH URBAN MINISTRIES, INC.

By: _____

Its: _____

BREAKTHROUGH HOLDINGS, INC. NFP

By: _____

Its: _____

Full Time Equivalent Employees located at the Project as of _____, 20__

Employee Name (Last, First)	Address of Principal Residence	Zip Code of Principal Residence	Number of months employed at the Project during the year	On the payroll for work done at the Project? (Y or N)	Work hours total at least 35 per week? (Y or N)	Work hours total at least 1750 during the year (Y or N)	Independent contractor, third-party service provider, consultant, or ancillary services employee? (Y or N)	Job title

Indicate New FTEs with an asterisk () next to employee's name

EXHIBIT G

PERMITTED LIENS

1. Liens or encumbrances against the Property:

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

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

Subordination, Non-Disturbance and Attornment Agreement dated as of the 13th day of November, 2013, by and among PNC CDE 30, LP, a Delaware limited partnership and CDF SUBALLOCATEE XX, LLC, an Illinois limited liability company, Breakthrough Holdings, Inc. NFP, an Illinois not-for-profit corporation, Breakthrough Urban Ministries, Inc., an Illinois not-for-profit corporation, and Lawndale Christian Health Center, an Illinois not for profit corporation.

EXHIBIT H-1

PROJECT BUDGET

	FAMILY PLEX	JOSHUA CENTER	TOTALS
	Project Budget	Project Budget	Project Budget
Hard Costs	Amount	Amount	
1.General Conditions	\$1,100,000	\$46,000	\$1,146,000
2.Site Work	\$1,050,000	\$74,000	\$1,124,000
3.Concrete	\$968,832	\$65,176	\$1,034,008
4.Masonry	\$47,075	\$200,365	\$247,440
5.Metals	\$648,400	\$58,800	\$707,200
6.Woods & Plastics	\$326,376	\$23,297	\$349,673
7.Thermal & Moisture Protect	\$900,000	\$24,700	\$924,700
8.Doors & Windows	\$500,312	\$56,417	\$556,729
9.Finishes	\$1,000,000	\$260,537	\$1,260,537
10.Specialties	\$83,858	\$3,250	\$87,108
11.Equipment	\$355,504	\$14,782	\$370,286
12.Furnishings	\$10,438	\$0	\$10,438
13.Special Construction	\$30,672	\$0	\$30,672
14.Conveying Systems	\$54,700	\$39,400	\$94,100
15.Plumbing	\$649,000	\$28,369	\$677,369
16.Fire Protection	\$150,000	\$18,500	\$168,500
17.HVAC	\$1,700,000	\$219,387	\$1,919,387
18.Electrical	\$925,000	\$75,420	\$1,000,420
19.Environmental Remediation		\$150,000	\$150,000
20. Contingency (Special Waste)	\$233,000	\$0	\$233,000
21. Contingency	\$525,000	\$60,000	\$585,000
Total Hard Costs	\$11,258,167	\$1,418,400	\$12,676,567
Soft Costs/Fees	Amount	Amount	
Architecture and Engineering	\$801,358	\$89,000	\$890,358
General Contractor Fee			\$0
Insurance	\$25,000	\$3,200	\$28,200
Site Survey	\$9,500	\$1,500	\$11,000
Testing	\$35,000	\$5,000	\$40,000

Permits	\$40,000	\$1,500	\$41,500
Owner supplied FF&E	\$342,131	\$20,000	\$362,131
Real Estate Taxes During Const.	\$0	\$0	\$0
Legal, Title, Closing Costs	\$249,500	\$7,500	\$257,000
Utility Charges	\$20,000	\$5,500	\$25,500
Overhead Expenses	\$0	\$0	\$0
Loan Fees	\$30,000	\$4,500	\$34,500
Interest Expense	\$381,250	\$0	\$381,250
Developer & Consultant Fees	\$300,000	\$26,809	\$326,809
Contingency	\$62,313	\$7,641	\$69,954
Total Soft Costs	\$2,296,052	\$172,150	\$2,468,202
Relocation of Existing Business			
Land Acquisition and Assembly	\$1	\$682,000	\$682,001
Total	\$13,554,220	\$2,272,550	\$15,826,770

EXHIBIT H-2

MBE/WBE BUDGET

	FAMILY PLEX		JOSHUA CENTER		TOTALS	
	Project Budget	MBE/WBE	Project Budget	MBE/WBE	Project Budget	MBE/WBE
Hard Costs						
1.General Conditions	\$1,100,000	\$0	\$46,000	\$0	\$1,146,000	\$0
2.Site Work	\$1,050,000	\$1,050,000	\$74,000	\$74,000	\$1,124,000	\$1,124,000
3.Concrete	\$968,832	\$400,000	\$65,176	\$65,176	\$1,034,008	\$465,176
4.Masonry	\$47,075	\$47,075	\$200,365	\$200,365	\$247,440	\$247,440
5.Metals	\$648,400	\$648,400	\$58,800	\$58,800	\$707,200	\$707,200
6.Woods & Plastics	\$326,376	\$326,376	\$23,297	\$23,297	\$349,673	\$349,673
7.Thermal & Moisture Protect	\$900,000	\$900,000	\$24,700	\$24,700	\$924,700	\$924,700
8.Doors & Windows	\$500,312	\$500,312	\$56,417	\$56,417	\$556,729	\$556,729
9.Finishes	\$1,000,000	\$1,000,000	\$260,537	\$260,537	\$1,260,537	\$1,260,537
10.Specialties	\$83,858	\$0	\$3,250	\$3,250	\$87,108	\$3,250
11.Equipment	\$355,504	\$355,504	\$14,782	\$14,782	\$370,286	\$370,286
12.Furnishings	\$10,438	\$10,438	\$0	\$0	\$10,438	\$10,438
13.Special Construction	\$30,672	\$30,672	\$0	\$0	\$30,672	\$30,672
14.Conveying Systems	\$54,700	\$54,700	\$39,400	\$39,400	\$94,100	\$94,100
15.Plumbing	\$649,000	\$649,000	\$28,369	\$28,369	\$677,369	\$677,369
16.Fire Protection	\$150,000	\$150,000	\$18,500	\$18,500	\$168,500	\$168,500
17.HVAC	\$1,700,000	\$1,000,000	\$219,387	\$219,387	\$1,919,387	\$1,219,387
18.Electrical	\$925,000	\$925,000	\$75,420	\$75,420	\$1,000,420	\$1,000,420
19. Environmental Remediation	\$0	\$0	\$150,000	\$0	\$150,000	\$0
20. Contingency (Special Waste)	\$233,000	\$0	\$0	\$0	\$233,000	\$0
21. Contingency	\$525,000	\$0	\$60,000	\$0	\$0	\$0
Total Hard Costs	\$11,258,167	\$8,047,477	\$1,418,400	\$1,162,400	\$12,676,567	\$9,209,877
Soft Costs/Fees						
Architecture and Engineering	\$801,358	\$0	\$89,000	\$0	\$890,358	\$0

General Contractor Fee		\$0		\$0	\$0	\$0
Insurance	\$25,000	\$0	\$3,200	\$0	\$28,200	\$0
Site Survey	\$9,500	\$0	\$1,500	\$0	\$11,000	\$0
Testing	\$35,000	\$0	\$5,000	\$0	\$40,000	\$0
Permits	\$40,000	\$0	\$1,500	\$0	\$41,500	\$0
Owner supplied FF&E	\$342,131	\$0	\$20,000	\$0	\$362,131	\$0
Real Estate Taxes During Const.	\$0	\$0	\$0	\$0	\$0	\$0
Legal, Title, Closing Costs	\$249,500	\$0	\$7,500	\$0	\$257,000	\$0
Utility Charges	\$20,000	\$0	\$5,500	\$0	\$25,500	\$0
Overhead Expenses	\$0	\$0	\$0	\$0	\$0	\$0
Loan Fees	\$30,000	\$0	\$4,500	\$0	\$34,500	\$0
Interest Expense	\$381,250	\$0	\$0	\$0	\$381,250	\$0
Developer & Consultant Fees	\$300,000	\$0	\$26,809	\$0	\$326,809	\$0
Contingency (Special Waste)	\$233,000	\$0	\$0	\$0	\$233,000	\$0
Contingency	\$587,313	\$0	\$67,641		\$654,954	\$0
Total Soft Costs	\$3,054,052	\$0	\$232,150	\$0	\$3,286,202	\$0
Relocation of Existing Business Land Acquisition and Assembly	\$1	\$0	\$682,000	\$0	\$682,001	\$0
Total	\$13,554,220	\$8,047,477	\$2,272,550	\$1,162,400	\$15,826,770	\$9,209,877
	MBE Total	\$1,931,394	MBE Total	\$278,976	MBE Total	\$2,210,370
	WBE Total	\$321,899	WBE Total	\$46,496	WBE Total	\$368,395

EXHIBIT K
JUNIOR MORTGAGE
(Attached)

COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____

COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____

Prepared by and after
recording return to:

Scott Fehlan, Esq.
City of Chicago Law Department
121 North LaSalle Street, Room 600
Chicago, IL 60602

For Recorder's Use Only:

JUNIOR CONSTRUCTION MORTGAGE

THIS JUNIOR CONSTRUCTION MORTGAGE ("Mortgage") is made and given as of 13th day of November, 2013, by Breakthrough Urban Ministries, Inc., an Illinois not-for-profit corporation ("Mortgagor"), having an address at 402 North St. Louis Avenue, Chicago, Illinois 60624, in favor of the CITY OF CHICAGO, an Illinois municipal corporation, having its principal office at 121 N. LaSalle Street, Chicago, Illinois 60602 ("City" or "Mortgagee").

RECITALS

WHEREAS, the City Council of the City, by ordinance adopted on July 24, 2013 (the "Ordinance"), authorized the execution by Mortgagor and the City of that certain Breakthrough Urban Ministries Redevelopment Agreement dated as the date hereof, a copy of which has been recorded prior to the recording of this Mortgage (such agreement, as amended, supplemented or modified, the "Agreement"); and

WHEREAS, all terms, unless defined herein, shall have the meaning given to them in the Agreement; and

WHEREAS, the Agreement provides, among other things, for the Mortgagor to acquire property and to construct and/or rehabilitate three buildings of approximately 42,500 square feet, 19,470 square feet, and 3,630 square feet on that certain property in Chicago, Illinois located generally at the addresses listed below:

Use of Parcel	Street Address	PIN
FamilyPlex Center	3227 W. Carroll	16-11-405-034
FamilyPlex Center	3209 W. Carroll	16-11-405-035
FamilyPlex Center parking lot	328 N. Kedzie	16-11-405-037

FamilyPlex Center parking lot	326 N. Kedzie	16-11-405-038
Joshua Center	3330 W. Carroll	16-11-402-014
Joshua Center	3322 W. Carroll	16-11-402-014
Fresh Market Pantry	3334 W. Carroll	16-11-402-013

located in Chicago, Illinois and legally described on Exhibit A attached hereto (the "Land"); and

WHEREAS, the Project will be financed in part with City Funds, up to a maximum aggregate amount of \$3,500,000 (the "City Funds"), to pay for or reimburse the Mortgagor for certain Redevelopment Project Costs, as are further described in the Agreement; and

WHEREAS, the City Funds must be used in accordance with any laws, regulations and ordinances governing the use of such funds, including, without limitation, the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq (the "TIF Act") and the Ordinance; and

WHEREAS, as consideration for the use of the City Funds, as well as the receipt of other benefits from the City as are described in the Agreement, the Mortgagor has agreed to complete and operate the Project in accordance with the terms and conditions of the Agreement, and, until the expiration of the Term of the Agreement, abide by the covenants running with and affecting the Land set forth in Sections 8.01(j), 8.02, 8.06, and 8.19 of the Agreement (collectively, the "Performance Covenants"); and

WHEREAS, the Mortgagor is also obligated to comply with, among other things, the following sections of the Agreement: the transfer restrictions in Sections 8.01(j) and (k) and Section 18.14; the prevailing wage requirements in Section 8.09; the employment opportunity, City resident employment and MBE/WBE utilization requirements in Section 8.07 and Sections 10.01, 10.02 and 10.03; and the financing restrictions inherent in the definition of Lender Financing and in Sections 8.01(d) and (k) and Section 16 (collectively, the "Additional Covenants");

WHEREAS, the failure of the Mortgagor to perform the Performance Covenants, the Additional Covenants and the other covenants and obligations of the Agreement (collectively, the "Covenants") shall give rise to an obligation of the Mortgagor to pay the City the Junior Mortgage Amount pursuant to the Agreement, all Protective Advances (as hereinafter defined) and other amounts payable under this Mortgage whether now owing or hereafter accruing (the "Reimbursement Obligation"); and

WHEREAS, the parties intend that this Mortgage secure the Mortgagor's performance of the Covenants, its covenants and obligations under this Mortgage and the repayment of the Reimbursement Obligation in the event of an Event of Default;

NOW, THEREFORE, to secure the performance and observance by Mortgagor of such covenants and obligations, and in order to charge the properties, interests and rights hereinafter described with such mortgage lien, Mortgagor has executed and delivered the Mortgage and does hereby grant, convey, assign, mortgage, warrant, grant a security interest in, and confirm unto, Mortgagee and its successors and assigns forever, all of the following rights, interests, claims and property (collectively, the

"Mortgaged Property"), subject to the title matters, liens and encumbrances set forth in Exhibit B attached hereto:

(A) The Land, together with all easements, water rights, hereditaments, mineral rights and other claims, rights and interests appurtenant thereto;

(B) All buildings, structures and other improvements of every nature whatsoever now or hereafter situated on the Land, including, without limitation, the Project, all fixtures or attachments of every kind and nature whatsoever now or hereafter owned by Mortgagor which are or shall be attached to, located in or on, forming a part of, used or intended to be used in connection with or incorporated in the Land or such buildings, structures and other improvements, including all extensions, additions, improvements, betterments, renewals and replacements of any of the foregoing ("Improvements");

(C) All tenements, easements, rights-of-way and rights used as a means of access to the Land and Improvements and appurtenances thereto now or hereafter belonging or pertaining thereto;

(D) All rents and issues of the Land and Improvements from time to time and all of the estate, right, title, interest, property, possession, claim and demand at law, as well as in equity of Mortgagor, in and to the same;

(E) all right, title and interest of Mortgagor in and to all fixtures, personal property of any kind or character now or hereafter attached to, contained in and used or useful in connection with the Land or the Improvements, together with all furniture, floor covering, fittings, furnishings, apparatus, goods, systems, fixtures and other items of personal property of every kind and nature, now or hereafter located in, upon or affixed to the Land or the Improvements, or used or useful in connection with any present or future operation of the Land or the Improvements, including, but not limited to, all apparatus and equipment used to supply heat, gas, air conditioning, water, light, power, refrigeration, electricity, plumbing and ventilation, including all renewals, additions and accessories to and replacements of and substitutions for each and all of the foregoing, and all proceeds therefrom (the "Equipment");

(F) all of the estate, interest, right, title or other claim or demand which Mortgagor now has or may acquire with respect to (i) proceeds of insurance in effect with respect to the Land, the Improvements or the Equipment, and (ii) any and all awards, claims for damages, judgments, settlements and other compensation made for or consequent upon the taking by condemnation, eminent domain or any like proceeding of all or any portion of the Land, the Improvements or the Equipment;

(G) all intangible personal property, accounts, licenses, permits, instruments, contract rights, and chattel paper of Mortgagor, including, but not limited to cash, accounts receivable, bank accounts, certificates of deposit, rights (if any) to amounts held in escrow, deposits, judgments, liens and causes of action, warranties and guarantees, relating to the Land, the Equipment or the Improvements;

(H) all other property rights of Mortgagor of any kind or character related to all or any portion of the Land, the Improvements or the Equipment; and

(l) the proceeds from the sale, transfer, pledge or other disposition of any or all of the property described in the preceding clauses.

All of the Land, Improvements, estate and property hereinabove described, real, personal and mixed, whether or not affixed or annexed, and all rights hereby conveyed and mortgaged are intended so to be as a unit and are hereby understood, agreed and declared, to the maximum extent permitted by law, to form a part and parcel of the Land and Improvements and to be appropriated to the use thereof, and shall for the purposes of the Mortgage deemed to be conveyed and mortgaged hereby; provided, however, as to any property, aforesaid which does not so form a part and parcel of the Land and Improvements, the Mortgage is hereby deemed also to be a Security Agreement under the Uniform Commercial Code of the State of Illinois (the "Code") for the purposes of granting a security interest in such property, which Mortgagor hereby grants to Mortgagee as secured party (as defined in the Code) and as also contemplated and provided for in Section 6.10 hereof.

TO HAVE AND TO HOLD the Mortgaged Property and all parts thereof unto Mortgagee, its successors and assigns, to its own proper use, benefit and advantage forever, subject, however, to the terms, covenants and conditions herein;

WITHOUT limitation of the foregoing, Mortgagor hereby further grants unto Mortgagee, pursuant to the provisions of the Code, a security interest in all of the above-described property which are or are to become fixtures.

THIS MORTGAGE IS GIVEN TO SECURE: (a) the performance by the Mortgagor of the Covenants and its covenants and obligations under this Mortgage, and (b) the repayment of the Reimbursement Obligation upon the occurrence of an Event of Default.

SECTION I

INCORPORATION OF RECITALS

The Mortgagor acknowledges and agrees that the recitals set forth above constitute an integral part of the Mortgage and are hereby incorporated herein by this reference.

SECTION II

INCORPORATION OF REDEVELOPMENT AGREEMENT PROVISIONS

The Mortgagor acknowledges and agrees that all of the sections of the Agreement cited in the Recitals to this Mortgage, along with all defined terms used in such sections and all other defined terms from the Agreement that are used in this Mortgage, together with such other provisions of the Agreement as may be necessary to reasonably construe such sections and defined terms, are incorporated herein by reference as if fully written out and included as definitions and independent covenants in this Mortgage.

SECTION III

COVENANTS

The Mortgagor covenants, represents and warrants to Mortgagee that:

3.1 Agreement Covenants. Mortgagor shall comply with the Covenants.

3.2 Maintenance of the Mortgaged Property. (a) Mortgagor shall preserve and maintain the Mortgaged Property in good condition and repair, shall not commit or suffer any waste thereof, and shall keep the same in a clean, orderly and attractive condition. Mortgagor shall not do or suffer to be done anything which will increase the risk of fire or other hazard to the Mortgaged Property or any part thereof.

(b) If the Mortgaged Property or any part thereof is damaged by fire or any other cause, Mortgagor will immediately give written notice of the same to Mortgagee.

(c) Mortgagee or its representatives shall have the right to inspect the Mortgaged Property upon reasonable prior notice at reasonable times to assure compliance with the terms of the Mortgage.

(d) Mortgagor shall comply with, and cause the Mortgaged Property to comply with, all present and future laws, ordinances, orders, rules, regulations and requirements of any governmental authority applicable to the Mortgaged Property, or any part thereof, and with all recorded restrictions and encumbrances affecting the Mortgaged Property, or any part thereof.

3.3 Taxes and Assessments. (a) Mortgagor will pay when due all general taxes and assessments, special assessments, water charges and all of the charges against the Mortgaged Property and shall, upon written request, furnish to Mortgagee receipts evidencing payment thereof, provided that Mortgagor, in good faith and with reasonable diligence, may contest the validity or amount of any such taxes, assessments or charges, provided that during any such contest the enforcement of the lien of such taxes, assessments or charges is stayed or is otherwise in compliance with the applicable provisions of the Redevelopment Agreement with respect thereto.

(b) Mortgagor will not suffer (unless bonded or insured over) any mechanic's, laborer's, materialmen's, or statutory lien to remain outstanding upon any of the Mortgaged Property. Mortgagor may contest such lien, provided that Mortgagor shall first post a bond in the amount of the contested lien, or provide title insurance over such contested lien, and further provided that Mortgagor shall diligently prosecute the contested lien and cause the removal of the same.

3.4 Insurance. Mortgagor shall keep the Mortgaged Property continuously insured in such amounts and against such risks as are required of Mortgagor by the Agreement, paying the premiums for said insurance as they become due. Policies of insurance shall name Mortgagee as an additional insured. All policies for insurance shall provide that the same shall not be canceled, except upon sixty (60) days prior written notice to Mortgagee.

3.5 Subordination. Mortgagee by acceptance of this Mortgage acknowledges that this Mortgage shall be subject and subordinate in all respects to that certain Mortgage and Security Agreement, Assignment of Leases and Rents, and Fixture Filing given by Breakthrough Holdings, Inc. NFP, an Illinois not-for-profit corporation in favor of PNC CDE 30, LP, a Delaware limited partnership and CDF Suballocatee XX, LLC, an Illinois limited liability company (collectively, the "Senior Lender"), dated as of the date hereof, to be recorded on or about the date hereof (the "First Mortgage") and shall also be subordinate to any Permitted Mortgage(s) (all such mortgages, a "Permanent Mortgage") that replace the First Mortgage (or any Permanent Mortgage) and which secure financing in a principal amount not to exceed \$15,740,000. The agreement by the Mortgagee to be subordinate to a Permanent Mortgage on the terms hereunder shall be reflected by a subordination agreement between the Mortgagee and the Senior Lender named as the mortgagee under such Permanent Mortgage, at the request of such Senior Lender.

SECTION IV

REIMBURSEMENT OBLIGATION

4.1 Generally. (a) The maximum aggregate amount of the Reimbursement Obligation shall be limited to the Junior Mortgage Amount under the Agreement, all Protective Advances (as hereinafter defined) and other amounts payable under this Mortgage whether now owing or hereafter accruing.

(b) Pursuant to the terms of the Agreement, Mortgagor, from the execution date of the Mortgage until the expiration of the Term of the Agreement (such time period to be referred to as the "Enforceability Period"), shall complete the Project in accordance with the terms and conditions of the Agreement, and shall, until the expiration of the Term of the Agreement, abide by the Covenants.

4.2 Recapture. If during the Enforceability Period, Mortgagor fails to complete the Project in accordance with the terms and conditions of the Agreement or subsequent to the issuance of the Certificate by the City, fails to perform in accordance with the Covenants, and after the delivery of written notice and the expiration of any applicable cure period (as described in Section 15 of the Agreement) the City shall be entitled to recapture, and Mortgagor shall be obligated to pay the City, an amount equal to the funds then subject to recapture (as described in Section 4.1 above). The Mortgagee may proceed to foreclose this Mortgage and to exercise any other rights and remedies available to Mortgagee under this Mortgage and the Agreement and at law, in equity or otherwise

4.3 Release of Mortgage. Upon the expiration of the Enforceability Period, if Mortgagor has complied with the Covenants to the satisfaction of Mortgagee, then Mortgagor shall be deemed to have fully complied with the provisions contained in the Mortgage, and Mortgagor shall be under no further obligation to Mortgagee. In addition, if Mortgagor has paid to the City the entire amount of the Reimbursement Obligation which would then be due (calculated as if there had been a failure by Mortgagor to comply with the Covenants) as described in Section 4.1 then Mortgagor shall be under no further obligation to Mortgagee hereunder. In either event, within thirty (30) days of receipt of a written request from Mortgagor, Mortgagee shall execute a release of the Mortgage. Said release shall be in recordable form.

SECTION V

DEFAULT

5.1 Events of Default. The terms "Event of Default" or "Events of Default", wherever used in the Mortgage, shall mean the failure by Mortgagor to duly observe or perform any material term, covenant, condition, or agreement of the Mortgage or the Covenants after the expiration of all cure periods, if any, as provided herein or in the Agreement.

5.2 Mortgagee's Options; Subrogation; Acceleration; Cure. (a) In case of an Event of Default, Mortgagee may make any payment or perform any act required of Mortgagor and may make full or partial payments of principal or interest on any Lender Financing or prior encumbrances, if any, and purchase, discharge, compromise or settle any tax lien or other prior lien or title or claim thereof, or redeem the Mortgaged Property from any tax sale or forfeiture affecting the Mortgaged Property or contest any tax or assessment thereon. All monies paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorneys' fees, and any other monies advanced by Mortgagee to protect the Mortgaged Property and the lien hereof, shall be deemed additional indebtedness secured hereby. Inaction of Mortgagee shall never be considered as a waiver of any right accruing to it on account of any default on the part of Mortgagor.

(b) To the extent that Mortgagee, on or after the date hereof, pays any sum under any provision of law or any instrument or document creating any lien or other interest prior or superior to the lien of this Mortgage, or Mortgagor or any other person or entity pays any such sum with the proceeds of the indebtedness secured hereby, Mortgagee shall have and be entitled to a lien or other interest on the Mortgaged Property equal in priority to the lien or other interest discharged and Mortgagee shall be subrogated to, and receive and enjoy all rights and liens possessed, held or enjoyed by, the holder of such lien, which shall remain in existence and benefit Mortgagee in securing the indebtedness secured hereby; provided however Mortgagee shall not be entitled to a lien or other interest in the Mortgaged Property pursuant to any lien created by the Lender Financing documents.

(c) If an Event of Default shall have occurred under the Agreement (with respect to the Covenants) or the Mortgage, and shall have continued for thirty (30) days following the receipt of notice thereof from Mortgagee to Mortgagor, the amount of the Reimbursement Obligation for which Mortgagor is then liable (as determined by Section 4.1 above) and secured hereby, at Mortgagee's sole option, shall immediately become due and payable without further notice or demand; provided, however, that in the event such default cannot reasonably be cured within such thirty (30) day period and if Mortgagor has commenced efforts to cure, then, the time to cure shall be extended so long as said party diligently continues to cure such default; provided, further, that no such notice and cure provisions described above shall apply with respect to an Event of Default arising from the failure by Mortgagor to perform the Covenants, as the notice and cure periods, if any, of the Agreement shall apply to such Event of Default.

(d) Except as otherwise permitted by the terms of the Agreement or by Mortgagee's written consent, any sale, partial sale, refinancing, syndication or other

disposition of all or substantially all of the Mortgaged Property (other than in the ordinary course of the Mortgagor's business) shall entitle the Mortgagee to declare the Reimbursement Obligation for which Mortgagor is then liable (as determined by Section 4.1 above) and secured hereby immediately due and payable without further notice or demand; provided, however, the replacement or substitution of any machinery, equipment or fixtures, now owned or hereafter acquired by Mortgagor, with machinery or equipment of like kind and value, whether or not such machinery or equipment is deemed a fixture under applicable provisions of the Code, will not be an Event of Default under the Mortgage, provided Mortgagor, if requested to do so by Mortgagee, executes such documents as may be necessary or deemed appropriate to assure Mortgagee of a continuing perfected secured interest in such replacement or substituted machinery, equipment or fixtures.

5.3 Remedies. Mortgagee's remedies as provided in this Mortgage and the Agreement shall be cumulative and concurrent and may be pursued singularly, successively or together, at the sole discretion of Mortgagee and may be exercised as often as occasion therefor shall arise, and shall not be exclusive but shall be in addition to every other remedy now or hereafter existing at law, in equity or by statute.

5.4 Additional Indebtedness. In the event that the Mortgagee retains an attorney to: (a) assist in collecting amounts owed or enforcing the Mortgagee's rights under this Mortgage or the Agreement; (b) represent Mortgagee in any bankruptcy, reorganization, receivership or other proceedings affecting creditors' rights and involving a claim under this Mortgage or the Agreement; (c) protect or enforce the lien of this Mortgage; or (d) represent Mortgagee in any other proceedings whatsoever in connection with this Mortgage, the Agreement or the Mortgaged Property, then Mortgagor shall pay to Mortgagee all reasonable attorneys' fees, and all costs and expenses incurred in connection therewith.

5.5 No Waiver. Failure of Mortgagee, for any period of time or on more than one occasion, to exercise any such remedy shall not constitute a waiver of the right to exercise the same at any time thereafter or in the event of any subsequent Event of Default. No act of omission or commission of Mortgagee, including specifically any failure to exercise any right or remedy, shall be deemed to be a waiver or release of the same; any such waiver or release is to be effected only through a written document executed by Mortgagee and then only to the extent specifically recited therein. A waiver or release with reference to any one event shall not be construed as a waiver or release of any subsequent event or as a bar to any subsequent exercise of Mortgagee's rights or remedies hereunder. Except as otherwise specifically required herein, notice of the exercise of any right or remedy granted to Mortgagee is not required to be given.

5.6 Right of Possession. To the extent permitted by law, in any case in which, under the provisions of this Mortgage, Mortgagee has a right to institute foreclosure proceedings, whether before or after the institution of such proceedings or before or after sale thereunder, Mortgagor shall, at the option of Mortgagee, surrender to Mortgagee, and Mortgagee shall be entitled to take, actual possession of all or any portion of the Mortgaged Property personally or by its agents or attorneys, and Mortgagee, in its sole discretion, may enter upon, take and maintain possession of all or any portion of the Mortgaged Property.

Upon taking possession of the Mortgaged Property, Mortgagee may make all

necessary or proper repairs, decoration, renewals, replacements, alterations, additions, betterments and improvements in connection with the Mortgaged Property as it may deem judicious to insure, protect and maintain the Mortgaged Property against all risks incidental to Mortgagee's possession, operation and management thereof, and may receive all rents, issues and profits therefrom.

5.7 Foreclosure Sale. The Mortgaged Property or any interest or estate therein sold pursuant to any court order or decree obtained under this Mortgage shall be sold in one parcel, as an entirety, or in such parcels and in such manner or order as Mortgagee, in its sole discretion, may elect, to the maximum extent permitted by Illinois law. At any such sale, Mortgagee may bid for and acquire, as purchaser, all or any portion of the Mortgaged Property and, in lieu of paying cash therefor, may make settlement for the purchase price by crediting upon the indebtedness due the amount of Mortgagee's bid.

5.8 Application of Proceeds from Foreclosure Sale. Proceeds of any foreclosure sale of the Mortgaged Property shall be distributed and applied in the following order of priority: (i) on account of all costs and expenses incident to the foreclosure proceedings, (ii) the amounts owed pursuant to Section 4.1 of this Mortgage, and otherwise due and payable under this Mortgage, with interest thereon at the rate of fifteen percent (15%) per annum (the "Interest Rate"), and (iii) any surplus or remaining funds to Mortgagor, its successors or assigns, as their rights may appear.

5.9 Insurance Upon Foreclosure. Wherever provision is made in the Agreement for insurance policies to bear mortgage clauses or other loss payable clauses or endorsements in favor of Mortgagee, or to confer authority upon Mortgagee to settle or participate in the settlement of losses under policies of insurance or to hold and disburse or otherwise control use of insurance proceeds, from and after the entry of judgment of foreclosure all such rights and powers of Mortgagee shall continue in Mortgagee as judgment creditor or mortgagee until confirmation of sale. Upon confirmation of sale, Mortgagee shall be empowered to assign all policies of insurance to the purchaser at the sale. In case of an insured loss after foreclosure proceedings have been instituted, the proceeds of any insurance policy or policies, if not applied in restoring the Mortgaged Property, shall be used to pay the amount due in accordance with any foreclosure decree that may be entered in any such proceedings, and the balance, if any, shall be paid as the court may direct.

5.10 Waiver of Statutory Rights. To the extent permitted by law, Mortgagor shall not apply for or avail itself of any appraisal, valuation, redemption, reinstatement, stay, extension or exemption laws or any so-called "Moratorium Laws" now existing or hereafter enacted, in order to prevent or hinder the enforcement of foreclosure of this Mortgage and hereby waives the benefit of such laws. Mortgagor, for itself and all who may claim through or under it, waives any and all right to have the property and estates comprising the Mortgaged Property marshalled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the Mortgaged Property sold as an entirety. To the extent permitted by law, Mortgagor hereby expressly waives any and all rights of redemption and rein-statement, on its own behalf and on behalf of each and every person having a beneficial interest in Mortgagor, it being the intent hereof that any and all such rights of redemption or rein-statement of Mortgagor and of all other persons are and shall be deemed to be hereby waived. Mortgagor acknowledges that the Mortgaged Property do not constitute agricultural real estate, as said term is defined in Section 5/15-1201 of the Illinois Mortgage Foreclosure

Law, 735 ILCS 5/15-1101, et seq. (the "Act") or residential real estate as defined in Section 5/15-1219 of the Act.

5.11 Partial Payments. Acceptance by Mortgagee of any payment which is less than payment in full of all amounts due and payable at the time of such payment shall not constitute a waiver of Mortgagee's right to exercise its option to declare the whole of the sum then remaining unpaid, together with all interest thereon at the Interest Rate, immediately due and payable without notice, or any other rights of Mortgagee at that time or any subsequent time, without its express written consent, except and to the extent otherwise provided by law.

5.12 Rescission of Election. The obligation to make immediate payment of the City Funds, once such payment becomes due under the terms of this Mortgage, may at the option of Mortgagee be rescinded, and any proceedings brought to enforce any rights or remedies hereunder may, at Mortgagee's option, be discontinued or dismissed. In either of such events, Mortgagor and Mortgagee shall be restored to their former positions, and the rights, remedies and powers of Mortgagee shall continue as if such obligation to make immediate payment had not been made or such proceedings had not been commenced, as the case may be.

5.13 Protective Advances; Maximum Amount of Indebtedness. All advances, disbursements and expenditures made by Mortgagee before and during a foreclosure, and before and after judgment of foreclosure, and at any time prior to sale, and, where applicable, after sale, and during the pendency of any related proceedings, for the following purposes, in addition to those otherwise authorized by this Mortgage or by the Act (collectively "Protective Advances"), shall have the benefit of all applicable provisions of the Act, including those provisions of the Act hereinbelow referred to:

(a) all advances by Mortgagee to: (i) preserve or maintain, repair, restore or rebuild the improvements upon the Mortgaged Property; (ii) preserve the lien of this Mortgage or the priority thereof; or (iii) enforce this Mortgage, as referred to in Subsection (b)(5) of Section 5/15-1302 of the Act;

(b) payments by Mortgagee of: (i) when due, installments of principal, interest or other obligations in accordance with the terms of the documents evidencing and securing the Lender Financing, if any, or other prior lien or encumbrance; (ii) when due, installments of real estate taxes and assessments, general and special and all other taxes and assessments of any kind or nature whatsoever which are assessed or imposed upon the Mortgaged Property or any part thereof; (iii) other obligations authorized by this Mortgage; or (iv) with court approval, any other amounts in connection with other liens, encumbrances or interests reasonably necessary to preserve the status of title, as referred to in Section 5/15-1505 of the Act;

(c) advances by Mortgagee in settlement or compromise of any claims asserted by claimants under any mortgages or any other prior liens;

(d) attorneys' fees and other costs incurred: (i) in connection with the foreclosure of this Mortgage as referred to in Sections 5/15-1504(d)(2) and 5/15-1510 of the Act; (ii) in connection with any action, suit or proceeding brought by or against Mortgagee for the enforcement of this Mortgage or arising from the interest of Mortgagee hereunder; or (iii) in the preparation for the commencement or defense of any such

foreclosure or other action;

(e) Mortgagee's fees and costs, including attorneys' fees, arising between the entry of judgment of foreclosure and the confirmation hearing as referred to in Subsection (b)(1) of Section 5/15-1508 of the Act;

(f) advances of any amount required to make up a deficiency in deposits for or payments of installments of taxes and assessments and insurance premiums;

(g) expenses deductible from proceeds of sale as referred to in Subsections (a) and (b) of Section 5/15-1512 of the Act;

(h) expenses incurred and expenditures made by Mortgagee for any one or more of the following: (i) if the Mortgaged Property or any portion thereof constitutes one or more units under a condominium declaration, assessments imposed upon the unit owner thereof; (ii) if any interest in the Mortgaged Property is a leasehold estate under a lease or sublease, rentals or other payments required to be made by the lessee under the terms of the lease or sublease; (iii) premiums for casualty and liability insurance paid by Mortgagee whether or not Mortgagee or a receiver is in possession, if reasonably required, in reasonable amounts, and all renewals thereof, without regard to the limitation to maintaining of existing insurance in effect at the time any receiver or mortgagee takes possession of the Mortgaged Property imposed by Subsection (c)(1) of Section 5/15-1704 of the Act; (iv) repair or restoration of damage or destruction in excess of available insurance proceeds or condemnation awards; (v) payments required or deemed by Mortgagee to be for the benefit of the Mortgaged Property or required to be made by the owner of the Mortgaged Property under any grant or declaration of easement, easement agreement, agreement with any adjoining land owners or instruments creating covenants or restrictions for the benefit of or affecting the Mortgaged Property; (vi) shared or common expense assessments payable to any association or corporation in which the owner of the Mortgaged Property is a member in any way affecting the Mortgaged Property; (vii) if the loan secured hereby is a construction loan, costs incurred by Mortgagee for demolition, preparation for and completion of construction, as may be authorized by the applicable commitment or loan agreement; (viii) pursuant to any lease or other agreement for occupancy of the Mortgaged Property; and (ix) if this Mortgage is insured, payments of FHA or private mortgage insurance.

All Protective Advances shall be so much additional indebtedness secured by this Mortgage.

This Mortgage shall be a lien for all Protective Advances as to subsequent purchasers and judgment creditors from the time this Mortgage is recorded pursuant to Subsection (b)(1) of Section 5/15-1302 of the Act.

All Protective Advances shall, except to the extent, if any, that any of the same is clearly contrary to or inconsistent with the provisions of the Act, apply to and be included in:

(1) the determination of the amount of indebtedness secured by this Mortgage at any time;

(2) the indebtedness found due and owing to Mortgagee in the judgment of foreclosure and any subsequent supplemental judgments, orders, adjudications or findings by the court of any additional indebtedness becoming due after such entry of judgment, it being agreed that in any foreclosure judgment, the court may reserve jurisdiction for such purpose;

(3) if the right of redemption has not been waived by this Mortgage, computation of amount required to redeem, pursuant to Subsections (d)(2) and (e) of Section 5/15-1603 of the Act;

(4) the determination of amounts deductible from sale proceeds pursuant to Section 5/15-1512 of the Act;

(5) the application of income in the hands of any receiver or mortgagee in possession; and

(6) the computation of any deficiency judgment pursuant to Subsections (b)(2) and (e) of Sections 5/15-1508 and Section 5/15-1511 of the Act.

The maximum principal amount of indebtedness secured by this Mortgage shall be the amount of City Funds actually received by the Developer under the Agreement, plus any Protective Advances, with interest on such sum at the Interest Rate.

SECTION VI

MISCELLANEOUS PROVISIONS

6.1 Notice. Unless otherwise specified, any notice, demand or request required hereunder shall be given in the same manner as in Section 17 of the Agreement.

6.2 Time. Time is of the essence with respect to this Mortgage and the performance of the covenants contained herein.

6.3 Modifications. This Mortgage may not be altered, amended, modified, canceled, changed or discharged except by written instrument signed by Mortgagor and Mortgagee or their respective permitted successors and permitted assigns.

6.4 Headings. The headings of articles, sections, paragraphs and subparagraphs in this Mortgage are for convenience of reference only and shall not be construed in any way to limit or define the content, scope or intent of the provisions hereof.

6.5 Governing Law; Venue; Jurisdiction. This Mortgage shall be construed and enforced according to the internal laws of the State of Illinois without regard to its conflict of laws principles. If there is a lawsuit under this Mortgage, each party agrees to submit to the jurisdiction of the courts of Cook County, the State of Illinois, or the United States District Court for the Northern District of Illinois.

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

6.7 Grammar. As used in this Mortgage, the singular shall include the plural, and masculine, feminine and neuter pronouns shall be fully interchangeable, where the context so requires.

6.8 Successors and Assigns. This Mortgage and each and every covenant, agreement and other provision hereof shall be binding upon Mortgagor and its successors and assigns (including, without limitation, each and every record owner of the Mortgaged Property or any other person having an interest therein), and shall inure to the benefit of Mortgagee and its successors and assigns. Nothing in this Section 6.8 shall be construed to modify the transfer and assignment limitations set forth in the Agreement.

6.9 Further Assurances. Mortgagor will perform, execute, acknowledge and deliver every act, deed, conveyance, transfer and assurance necessary or proper, in the sole judgment of Mortgagee, for assuring, conveying, mortgaging, assigning and confirming to Mortgagee all property mortgaged hereby or property intended so to be, whether now owned or hereafter acquired by Mortgagor, and for creating, maintaining and preserving the lien and security interest created hereby on the Mortgaged Property. Upon any failure by Mortgagor to do so, Mortgagee may make, execute and record any and all such documents for and in the name of Mortgagor, and Mortgagor hereby irrevocably appoints Mortgagee and its agents as attorney-in-fact for that purpose. Mortgagor will reimburse Mortgagee for any sums expended by Mortgagee in making, executing and recording such documents including attorneys' fees and court costs.

6.10 Security Agreement. This Mortgage shall be construed as a "security agreement" within the meaning of and shall create a security interest under the Uniform Commercial Code as adopted by the State of Illinois with respect to any part of the Mortgaged Property which constitutes fixtures or personal property. Mortgagee shall have all the rights with respect to such fixtures or personal property afforded to it by said Uniform Commercial Code in addition to, but not in limitation of, the other rights afforded Mortgagee by this Mortgage or any other agreement. Upon the recording hereof, this Mortgage shall constitute a financing statement under the Uniform Commercial Code, with Mortgagor being the Debtor, Mortgagee being the Secured Party, and the parties having the addresses set forth in the recitals. This Mortgage is a "construction mortgage" as that term is defined in Section 9-313(1)(c) of said Uniform Commercial Code.

6.11 No Merger. It being the desire and intention of the parties hereto that this Mortgage and the lien thereof do not merge in fee simple title, it is hereby understood and agreed that should Mortgagee acquire any additional or other interests in or to the Mortgaged Property or the ownership thereof, then, unless a contrary interest is manifested by Mortgagee, as evidenced by an appropriate document duly recorded, this Mortgage and the lien thereof shall not merge in the fee simple title, toward the end that this Mortgage may be foreclosed as if owned by a stranger to the fee simple title.

Exhibit A
Legal Description

**FamilyPlex Center
(3209-3227 W. Carroll)**

LOTS 8 THROUGH 19, BOTH INCLUSIVE, IN THE SUBDIVISION OF THE NORTH HALF OF BLOCK 6 OF TYRRELL, BARRETT AND KERFOOT'S SUBDIVISION OF THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13, LYING NORTH OF LAKE STREET, LYING EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN: 16-11-405-034
16-11-405-035

FamilyPlex Center parking lot (326 N. Kedzie)

LOT 3 IN THE SUBDIVISION OF THE NORTH 1/2 OF BLOCK 6 OF TYRRELL, BARRETT & KERFOOT'S SUBDIVISION OF THE EAST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13, LYING NORTH OF LAKE ST. EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

PIN: 16-11-405-038

FamilyPlex Center parking lot (328 N. Kedzie)

LOT 2 IN THE SUBDIVISION OF THE NORTH 1/2 OF BLOCK 6 OF TYRRELL, BARRETT & KERFOOT'S SUBDIVISION OF THE EAST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13, LYING NORTH OF LAKE ST. EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

PIN: 16-11-405-037

Joshua Center (3322-3330 W. Carroll)

PARCEL 1:

LOTS 20, 21, 22 AND 23 IN BLOCK 2 IN TYRRELL, BARRETT AND KERFOOT'S SUBDIVISION OF THE EAST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTH OF LAKE STREET IN THE CITY OF CHICAGO, IN COOK COUNTY, ILLINOIS.

PIN: 16-11-402-015

PARCEL 2:

LOT 1 IN TREGO AND OTHER'S SUBDIVISION OF THE EAST 158.4 FEET OF

BLOCKS 3, 4, 9, AND 10 IN TYRRELL, BARRETT AND KERFOOT'S SUBDIVISION OF THE EAST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTH OF LAKE STREET IN THE CITY OF CHICAGO, IN COOK COUNTY, ILLINOIS.

PIN: 16-11-402-014

Fresh Market Pantry (3334 W. Carroll)

LOT 2 IN THE SUBDIVISION OF THE EAST 158.4 FEET OF BLOCKS 3, 4, 9, AND 10 IN TYRRELL, BARRETT AND KERFOOT'S SUBDIVISION OF THE EAST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTH OF LAKE STREET IN THE CITY OF CHICAGO, IN COOK COUNTY, ILLINOIS.

PIN: 16-11-402-013

EXHIBIT B

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

COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____

EXHIBIT M
FORM OF CITY NOTE

REGISTERED
NO. R-1

MAXIMUM AMOUNT
\$2,800,000

UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF COOK
CITY OF CHICAGO

TAX INCREMENT ALLOCATION REVENUE NOTE (BREAKTHROUGH URBAN MINISTRIES
REDEVELOPMENT PROJECT), TAXABLE SERIES A

Registered Owner: Breakthrough Urban Ministries, Inc.

Interest Rate: A rate per annum equal to the Interest Rate (exclusive of any fees, charges, insurance premiums or other amounts) charged by PNC Bank, National Association, under the Bridge Loan Promissory Note with an Effective Date of November 13, 2013 in the original principal amount of \$2,800,000 made by Breakthrough Urban Ministries, Inc., but in no event to exceed seven percent (7.0%) per annum.

Maturity Date: April 1, 2017

KNOW ALL PERSONS BY THESE PRESENTS, that the City of Chicago, Cook County, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, the principal amount of this Note from time to time advanced by the Registered Owner to pay costs of the Project (as hereafter defined) in accordance with the ordinance hereinafter referred to up to the principal amount of \$2,800,000 and to pay the Registered Owner interest on that amount at the Interest Rate per year specified above from the later of (a) the date of the advance, or (b) the date of issuance of the Certificate. Interest shall be calculated based upon a 360-day year, actual days elapsed. Accrued but unpaid interest on this Note shall not accrue interest.

Principal of and interest on this Note from the Available Incremental Taxes (as defined in the hereinafter defined Redevelopment Agreement) is due March 1 of each year until the earlier of Maturity or until this Note is paid in full. The principal amount owed under this Note shall be reduced by the amount of TIF-Funded Interest Costs paid by the City; for the avoidance of doubt, TIF-Funded Interest Costs do not include interest payments due under this Note. Payments shall first be applied to interest. The principal of and interest on this Note are payable in lawful money of the

United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying agent (the "Registrar"), at the close of business on the fifteenth day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City. The Registered Owner of this Note shall note on the Payment Record attached hereto the amount and the date of any payment of the principal of this Note promptly upon receipt of such payment.

This Note is issued by the City in the principal amount of advances made from time to time by the Registered Owner up to \$2,800,000 for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Developer (the "Project"), for the acquisition, construction and/or rehabilitation of three buildings of approximately 42,500 square feet, 19,470 square feet, and 3,630 square feet in the Chicago/Central Park Redevelopment Project Area (the "Project Area") in the City, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.) (the "TIF Act"), the Local Government Debt Reform Act (30 ILCS 350/1 et seq.) and an Ordinance adopted by the City Council of the City on July 24, 2013 (the "Ordinance"), in all respects as by law required.

The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the TIF Act and the Ordinance, in order to pay the principal and interest of this Note. Reference is hereby made to the aforesaid Ordinance and the Redevelopment Agreement for a description, among others, with respect to the determination, custody and application of said revenues, the nature and extent of such security with respect to this Note and the terms and conditions under which this Note is issued and secured. THIS NOTE IS A SPECIAL LIMITED OBLIGATION OF THE CITY, AND IS PAYABLE SOLELY FROM AVAILABLE INCREMENTAL TAXES, AND SHALL BE A VALID CLAIM OF THE REGISTERED OWNER HEREOF ONLY AGAINST SAID SOURCES. THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OR A LOAN AGAINST THE GENERAL TAXING POWERS OR CREDIT OF THE CITY, WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER OF THIS NOTE SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY

POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OR INTEREST OF THIS NOTE. The principal of this Note is subject to redemption on any date, as a whole or in part, at a redemption price of 100% of the principal amount thereof being redeemed. There shall be no prepayment penalty. Notice of any such redemption shall be sent by registered or certified mail not less than five (5) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of this Note at the address shown on the registration books of the City maintained by the Registrar or at such other address as is furnished in writing by such Registered Owner to the Registrar.

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

This Note is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the principal office of the Registrar in Chicago, Illinois, but only in the manner and subject to the limitations provided in the Ordinance, and upon surrender and cancellation of this Note. Upon such transfer, a new Note of authorized denomination of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange herefor. The Registrar shall not be required to transfer this Note during the period beginning at the close of business on the fifteenth day of the month immediately prior to the maturity date of this Note nor to transfer this Note after notice calling this Note or a portion hereof for redemption has been mailed, nor during a period of five (5) days next preceding mailing of a notice of redemption of this Note. Such transfer shall be in accordance with the form at the end of this Note.

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

Pursuant to the Redevelopment Agreement dated as of November 13, 2013 between the City and the Registered Owner (the "Redevelopment Agreement"), the Registered Owner has agreed to acquire and construct the Project and to advance funds for the construction of certain facilities related to the Project on behalf of the City. The cost of such acquisition and construction in the amount of \$2,800,000 shall be deemed to be a disbursement of the proceeds of this Note.

Pursuant to Section 15.02 of the Redevelopment Agreement, the City has reserved the right to terminate payments of principal and of interest on this Note upon the occurrence of certain conditions, and the City has reserved the right to offset liquidated damage amounts owed to the City against the principal amount outstanding under this Note. The City shall not be obligated to make payments under this Note if an Event of Default (as defined in the Redevelopment Agreement), or

condition or event that with notice or the passage of time or both would constitute an Event of Default, has occurred. Such rights shall survive any transfer of this Note.

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

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

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

(THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK)

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

Mayor

(SEAL)
Attest:

City Clerk

CERTIFICATE
OF
AUTHENTICATION

Registrar
and Paying Agent
Comptroller of the
City of Chicago,
Cook County, Illinois

This Note is described in the within mentioned Ordinance and is the Tax Increment Allocation Revenue Note (Breakthrough Urban Ministries Redevelopment Project), Taxable Series A, of the City of Chicago, Cook County, Illinois.

Comptroller
Date:

PRINCIPAL PAYMENT RECORD

DATE OF PAYMENT PRINCIPAL PAYMENT PRINCIPAL BALANCE DUE

COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____

COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____

(ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto [NAME OF ASSIGNEE] the within Note and does hereby irrevocably constitute and appoint _____ attorney to transfer the said Note on the books kept for registration thereof with full power of substitution in the premises.

Dated:

Registered Owner

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

Signature Guaranteed:

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

Consented to by:

CITY OF CHICAGO
DEPARTMENT OF HOUSING AND ECONOMIC DEVELOPMENT

BY:

ITS:

CERTIFICATION OF EXPENDITURE

(Closing Date)

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")
\$2,800,000 Tax Increment Allocation Revenue Note
(Breakthrough Urban Ministries Redevelopment Project, Taxable Series A)
(the "Redevelopment Note")

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

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

IN WITNESS WHEREOF, the City has caused this Certification to be signed on its behalf as of (Closing Date).

CITY OF CHICAGO

By: _____
Andrew J. Mooney
Commissioner, Department of Housing and
Economic Development

AUTHENTICATED BY:

REGISTRAR