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RAVENSWOOD PARTNERS OF ILLINOIS L.P.
REDEVELOPMENT AGREEMENT

BY AND BETWEEN

THE CITY OF CHICAGO

AND

RAVENSWOOD PARTNERS OF ILLINOIS L. P.

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



Doc#: 0534926120 Fee: \$240.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 12/15/2005 12:49 PM Pg: 1 of 109

Box 430

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LIST OF EXHIBITS

Exhibit A	*Redevelopment Area
Exhibit B	*Property
Exhibit C	*TIF-Funded Improvements
Exhibit D	Redevelopment Plan
Exhibit E	Financing for the Project
Exhibit F-1	Construction Contract
Exhibit F-2	Escrow Agreement
Exhibit G	*Permitted Liens
Exhibit H	*Project Budget
Exhibit I	Prior TIF-Eligible Expenditures
Exhibit J	Opinion of Developer's Counsel
Exhibit K	*Preliminary TIF Projection [Intentionally Omitted]
Exhibit L	Requisition Form
Exhibit M	*Form of TIF Note
Exhibit N	*Public Benefits Program [Intentionally Omitted]
Exhibit O	Form of Subordination Agreement
Exhibit P	Form of Payment and Performance Bond
Exhibit Q	Assignment of TIF Note Documents

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

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City of Chicago, Department of Law
121 North LaSalle Street, Room 600
Chicago, IL 60602

RAVENSWOOD PARTNERS OF ILLINOIS L.P. REDEVELOPMENT AGREEMENT

This Ravenswood Partners of Illinois L.P. Redevelopment Agreement (this "**Agreement**") is made as of this 1st day of November, 2005, among the City of Chicago, an Illinois municipal corporation (the "**City**"), acting by and through its Department of Planning and Development ("**DPD**") and its Department of Housing ("**DOH**"), and Ravenswood Partners of Illinois L.P., an Illinois limited partnership (the "**Developer**"), of which Ravenswood Seniors Corporation, an Illinois corporation (which is wholly owned by George Ardelean, an individual, and Agatha Ardelean, an individual), is the sole general partner (the "**General Partner**").

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 September 29, 1999: (1) "Approval of Tax Increment Redevelopment Plan and Redevelopment Project for Clark Street and Ridge Avenue Area Redevelopment Tax Increment Financing Project" (the "**Redevelopment Plan**"); (2) "Designation of Clark Street and Ridge Avenue Area as Redevelopment Project Area Pursuant to Tax Increment Allocation Redevelopment Act"; and (3) "Adoption of Tax Increment Financing for Clark Street and Ridge Avenue Area Redevelopment Project" (the "**TIF Adoption Ordinance**") (items(1)-(3) collectively referred to herein as the "**TIF Ordinances**"). The redevelopment project area referred to above shall be referred to herein as the "**Redevelopment Area**". The Redevelopment Area is described on Exhibit A attached hereto.

D. The Project: The Developer will purchase (the "**Acquisition**") certain property located within the Redevelopment Area at 1818 West Peterson Avenue, Chicago, Illinois 60660 and legally described on Exhibit B hereto (the "**Property**"), and, within the time frames set forth in Section 3.01 hereof, shall commence and complete construction of a nine story building containing approximately 187 dwelling units, which shall be let by the Developer subject to Section 8.20 hereof, as studio, one- and two-bedroom units for low- and moderate-income senior citizen families, and approximately 65 on-site parking spaces, thereon (the "**Facility**"). 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.

E. Redevelopment Plan: The Project will be carried out in accordance with this Agreement and the Redevelopment Plan attached hereto as Exhibit D.

F. City Financing: The City agrees to use, in the amounts set forth in Section 4.03 hereof, the proceeds of the TIF Note (defined below) to pay for or reimburse the Developer for the costs of TIF-Funded Improvements pursuant to the terms and conditions of this Agreement and the TIF Note.

G. Lender Financing: The City acknowledges that other financing for the Project is to be provided as set forth in Exhibit E attached hereto (collectively, the "**Lender Financing**"). The terms of certain portions of the Lender Financing include requiring the Developer to enter into various occupancy and use restrictions including, but limited to, the Regulatory Agreement (as defined below).

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

SECTION 1. RECITALS

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

SECTION 2. DEFINITIONS

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

"Act" shall have the meaning set forth in 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 the Developer.

"Available Incremental Taxes" shall mean those amounts of Incremental Taxes deposited into the Fund on an annual basis after (a) payment of not to exceed \$400,000 pursuant to an ordinance passed by City Council on October 6, 2005, authorizing the execution of a redevelopment agreement with Ashland Arms, Inc. and (b) the City's annual retention of not to exceed 10% of the Incremental Taxes for costs incurred by the City in the administration of the Redevelopment Area. In addition, the City may, subject to **Section 4.03(b)(iv)** hereof, until the earlier to occur of (1) the expiration of the Term of the Agreement or (2) the date that the City has paid the full amount of principal and interest of the TIF Note then outstanding, exclude from "Available Incremental Taxes" up to 90% of the increment generated from the construction value of a new TIF-assisted development project after the Closing Date and pledge that increment to a developer pursuant to a TIF obligation (other than Additional Bonds as defined herein) that will be issued on a parity with the TIF Note. For purposes of this definition, "increment generated from the construction value of a new TIF-assisted development project" shall be the amount of incremental taxes generated by the equalized assessed value ("**EAV**") of the parcels comprising the new project over and above the EAV of such parcels for the year immediately preceding the year in which the new project commences.

"Bond Trustee" shall mean the trustee with respect to the Housing Bonds.

"Certificate" shall mean the Certificate of Completion of Construction 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 Plans and Specifications or the Project Budget as described in **Section 3.03**, **Section 3.04** and **Section 3.05**, respectively.

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

"City Funds" shall mean the funds described in **Section 4.03(b)** hereof.

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

"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.

"Code" means the Internal Revenue Code of 1986, as amended.

"Construction Contract" shall mean that certain contract, substantially in the form attached hereto as **Exhibit F-1**, to be entered into between the Developer and the General Contractor providing for construction of the Project.

"Corporation Counsel" shall mean the City's Department of Law.

"Developer's Architect" shall mean Harley Ellis

"Developer's Fee" shall mean a fee not to exceed \$2,200,000 payable to the Developer in connection with the City Loan and in respect to the Developer's construction of the Project.

"Department of Housing" or **"DOH"** shall mean the City's Department of Housing.

"Department of Planning and Development" or **"DPD"** shall mean the City's Department of Planning and Development.

"DOH Commissioner" shall mean the Commissioner of the City's Department of Housing.

"DPD Commissioner" shall mean the Commissioner of the City's Department of Planning and Development or the Acting Commissioner of the City's Department of Planning and Development.

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

"Environmental Laws" shall mean any and all federal, state or local statutes, laws, regulations, ordinances, codes, rules, orders, licenses, judgments, decrees or requirements relating to public health and safety and the environment now or hereafter in force, as amended and hereafter amended, including but not limited to (i) the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601 et seq.); (ii) any so-called "Superfund" or

"Superlien" law; (iii) the Hazardous Materials Transportation Act (49 U.S.C. Section 1802 et seq.); (iv) the Resource Conservation and Recovery Act (42 U.S.C. Section 6902 et seq.); (v) the Clean Air Act (42 U.S.C. Section 7401 et seq.); (vi) the Clean Water Act (33 U.S.C. Section 1251 et seq.); (vii) the Toxic Substances Control Act (15 U.S.C. Section 2601 et seq.); (viii) the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. Section 136 et seq.); (ix) the Illinois Environmental Protection Act (415 ILCS 5/1 et seq.); and (x) the Municipal Code of Chicago (as defined below), including but not limited to the Municipal Code of Chicago, Section 7-28-390, 7-28-440, 11-4-1410, 11-4-1420, 11-4-1450, 11-4-1500, 11-4-1530, 11-4-1550, or 11-4-1560.

"**Equity**" shall mean funds of the Developer irrevocably available for the Project, in the amount set forth in Paragraph B on **Exhibit E** attached hereto, which amount may be increased pursuant to **Section 4.06** (Cost Overruns).

"**Escrow**" shall mean the construction escrow established pursuant to the Escrow Agreement.

"**Escrow Agreement**" shall mean the Escrow Agreement or similarly named document establishing a construction escrow, to be entered into as of the date hereof by the Title Company (or an affiliate of the Title Company), the Developer and the Developer's Lender(s), substantially in the form of **Exhibit F-2** attached 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.

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

"**Fund**" shall mean the Clark Street and Ridge Avenue Special Tax Allocation Fund.

"**General Contractor**" shall mean Fred Teitelbaum Construction Company, the general contractor hired by the Developer pursuant to **Section 6.01**.

"**General Partner**" shall mean Ravenswood Seniors Corporation, an Illinois corporation.

"**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.

"**Housing Bonds**" shall have the meaning set forth in as set forth in Paragraph A.1 of

Exhibit E attached hereto.

"**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 Fund established to pay Redevelopment Project Costs and obligations incurred in the payment thereof.

"**Indenture**" shall mean the bond indenture for the Housing Bonds.

"**Lender**" shall mean, Charter MAC Equity Issuer Trust, a Delaware statutory trust, (or some other entity acceptable to the DOH Commissioner and any successor majority owner of the Housing Bonds), DOH, and Illinois Housing Development Authority ("**IHDA**") (collectively, referred to herein as "**Lender**")

"**Lender Financing**" shall mean funds borrowed by the Developer from Lender and irrevocably available to pay for Costs of the Project, in the amount set forth in Paragraph A of **Exhibit E**, attached hereto hereof.

"**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.

"**Municipal Code**" shall mean the Municipal Code of the City of Chicago.

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

"**Other Financing**" shall mean those funds set forth in Paragraph B of **Exhibit E**, attached hereto hereof.

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

"**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** hereof.

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

"**Project Budget**" shall mean the budget attached hereto as **Exhibit H**, showing the total

cost of the Project by line item, furnished by the Developer to DPD, in accordance with Section 3.03 hereof.

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

"Regulatory Agreement" shall have the meaning set forth in Section 8.20 hereof.

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

"Servicer" shall mean the servicer specified in the Indenture for the Housing Bonds.

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

"Tax Credit Investor" shall mean RCC Credit Facility, L.L.C., a Delaware limited liability company and Related Direct SLP LLC, a Delaware limited liability company or their successors and assigns as limited partners of the Developer.

"Term of the Agreement" shall mean the period of time commencing on the Closing Date and ending on the date on which the Redevelopment Area is no longer in effect (through and including September 29, 2021).

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

"TIF-Funded Improvements" shall mean those improvements of, and costs and expenditures related to 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 Note" shall mean the City of Chicago Tax Increment Allocation Revenue Note (Clark Street and Ridge Avenue), Taxable Series 2005, to be in the form attached hereto as **Exhibit M**, in the maximum principal amount as set forth in **Section 4.03** hereof, issued by the City to Developer on or as of the date hereof, bearing interest at the TIF Note Interest Rate.

"TIF Note Interest Rate" shall mean a rate equal to the interest rate of the Housing Bonds.

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

"Title Company" shall mean Title Services, Inc.

"Title Policy" shall mean a title insurance policy in the most recently revised ALTA or equivalent form, showing the Developer as the insured, noting the recording of this Agreement as an encumbrance against the Property, issued by the Title Company.

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

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

SECTION 3. THE PROJECT

3.01 The Project. With respect to the Project, the Developer shall, pursuant to the Plans and Specifications and subject to the provisions of **Section 18.17** hereof: (i) commence construction no later than thirty (30) days after the Closing Date and (ii) complete the Project by January 1, 2008.

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

3.03 Project Budget. The Developer has furnished to DPD, and DPD has approved, a Project Budget showing total costs for the Project in an amount not less than \$34,626,354. The

Developer hereby certifies to the City that (a) the City Funds, together with Other 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. The Developer shall promptly deliver to DOH certified copies of any Change Orders with respect to the Project Budget for approval pursuant to Section 3.04 hereof.

3.04 Change Orders. (a) Except as provided below, all Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to material changes to the Project must be submitted by the Developer to the Construction Division of DOH (33 North LaSalle Street, 11th Floor, Chicago, Illinois 60602, Attention: Deputy Commissioner) 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 the Developer to DOH for DOH's prior written approval: (a) a change to the exterior of the Facility, or (b) a change in the number, size or placement of the affordable housing units in the Facility that are subject to the requirements of Section 8.20 below. Within 30 days of submittal thereof by the Developer, DOH's Construction Division shall either approve such a Change Order or provide the Developer written notice of its reasons for not approving the Change Order. The Developer may then resubmit the Change Order, revised to the satisfaction of DOH pursuant to DOH's written notice, and DOH shall approve the Change Order within 30 days of resubmission. The Developer shall not authorize or permit the performance of any work relating to any Change Order or the furnishing of materials in connection therewith prior to the receipt by the Developer of DOH's written approval (to the extent required in this Section 3.04).

(b) The Developer must provide DPD with copies of all DOH-approved Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to material changes to the Project concurrently with the progress reports described in Section 3.07 hereof.

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

3.06 Other Approvals. Any DPD approval under this Agreement shall have no effect upon, nor shall it operate as a waiver of, the Developer's obligations to comply with the provisions of Section 5.03 (Other Governmental Approvals) hereof. The Developer shall not commence construction of the Project until the Developer has obtained all necessary permits and approvals and complied with all bonding requirements contained in Section 6.03 hereof and under the applicable documents pertaining to the City Loan.

3.07 Progress Reports and Survey Updates. The Developer shall provide DOH and DPD 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). Upon completion of construction, the Developer shall provide three (3) copies of an updated Survey to DOH and DPD upon the request of DOH, DPD 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 the Developer's Architect) approved by DOH shall be selected to act as the inspecting agent or architect, at the 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 DPD, prior to requests for disbursement for costs related to the Project hereunder. At the Developer's option, the inspecting architect may be the inspecting architect engaged by any lender providing Lender Financing for the Project, provided that said architect is an independent architect licensed by the State of Illinois, or an inspecting agent of DOH.

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

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

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

3.12 Permit Fees. In connection with the Project, the Developer shall be obligated to pay only those building, permit, engineering, tap on and inspection fees that are assessed on a uniform basis throughout the City of Chicago and are of general applicability to other property within the City of Chicago, except as such fees are waived by the City pursuant to the ordinance adopted by the City Council authorizing, among other things, the City's execution of this Agreement.

SECTION 4. FINANCING

4.01 Total Project Cost and Sources of Funds. The cost of the Project is estimated to be \$34,626,354, to be applied in the manner set forth in the Project Budget. Such costs shall be funded from the following sources as set forth on Exhibit E attached hereto.

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

4.03 City Funds.

(a) Uses of City Funds. City funds advanced under the TIF Note (the “**City Funds**”) may only be used to pay directly or reimburse the 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 **Section 4.03(b)**), contingent upon receipt by the City of documentation reasonably satisfactory in form and substance to DPD evidencing such cost and its eligibility as a Redevelopment Project Cost.

(b) Sources of City Funds. (i) 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 TIF Note to the Developer on the Closing Date. The principal amount of the TIF Note on the Closing Date shall be in an amount equal to the costs of the TIF-Funded Improvements which have been incurred by the Developer as of the Closing Date (that is, the amount of the Prior TIF-Eligible Expenditures as defined in **Section 4.05** below and set forth on Exhibit I hereto, subject to the Developer's submission to DPD of a Requisition Form with respect to the Prior TIF-Eligible Expenditures and DPD's issuance to the Developer of a Certificate of Expenditure with respect to the Prior TIF-Eligible Expenditures) and are to be reimbursed by the City through payments of principal and interest on the TIF Note, subject to the provisions hereof; provided, however, that (1) the maximum principal amount of the TIF Note shall be an amount not to exceed \$5,820,000 (the “**Maximum Principal Amount**”); and (2) payments under the TIF Note are subject to the amount of Available Incremental Taxes deposited into the Fund being sufficient for such payments. The City's obligation to make payments on the TIF Note shall be limited to the aggregate amount of Available Incremental Taxes. Interest on the TIF Note shall begin to accrue on the date that the City first approves a Certificate of Expenditure. Payments on the TIF Note shall begin on the Payment Date (as defined in the TIF Note) after the City has issued a Certificate; provided, however, the City may make one interest payment to the Developer prior to the issuance of the Certificate. Any Incremental Taxes not required to make a payment under the TIF Note, pursuant to the Debt Service Schedule attached to the TIF Note, in any year may be used by the City for any Redevelopment Project Costs in the Redevelopment Area.

(ii) The City hereby approves the Developer's assignment of the TIF Note to the Bond Trustee in connection with Lender Financing described in Paragraph A.1 of Exhibit E attached hereto. The Developer shall not otherwise assign the TIF Note or the right to receive payments thereunder without the prior written consent of the City. The City hereby agrees to make all payments under the TIF Note directly to the Bond Trustee.

(iii) The TIF Note shall bear interest at a rate not to exceed the TIF Note Interest Rate, with the exact rate or rates to be determined by the Chief Financial Officer on the date of issuance.

(iv) The TIF Note shall not be subject to prepayment at any time. The City shall not create or permit to be created or to exist any lien, charge or other encumbrance on Available Incremental Taxes (other than a pledge of Available Incremental Taxes with respect to increment generated by new projects as provided in the definition thereof) which is senior to or on a parity with the pledge and lien granted to Developer herein without the prior written consent of Developer and Servicer for a period of three years after the date of issuance of the TIF Note (the "**Lock-Out Period**"). After the Lock-Out Period, the Developer and the Bond Trustee, as the assignee of the TIF Note acting at the direction of the majority owner of the Housing Bonds, hereby consent to subordination (the "**Subordination**") of their security interest in Available Incremental Taxes pledged hereunder to future senior bonds (the "**Additional Bonds**") upon satisfaction of the following conditions precedent: (i) there is no existing Event of Default under the TIF Note; (ii) delivery to the Developer and the Bond Trustee of a report of an independent consultant having recognized urban renewal and tax increment financing expertise concluding that Available Incremental Taxes expected to be available for repayment of the Mid-Term Bonds (as defined in the Indenture) for the term of the Mid-Term Bonds subsequent to the issuance of the Additional Bonds will equal not less than 1.50 times the actual annual debt service with respect to the Mid-Term Bonds and the Additional Bonds to be issued, (iii) the assumptions utilized in determining the Available Incremental Taxes expected to be received during such period shall take into account only those projects in the Redevelopment Area that have been completed (including those that have been completed but not yet fully assessed); (iv) delivery to the Developer and the Bond Trustee of the most recent audited financial statements of the Redevelopment Area and delivery of the parties of such other documents reasonably requested by the Developer, the Bond Trustee and the City.

4.04 Construction Escrow and City Loan; Requisition Form. (a) DPD must receive copies of any draw requests and related documents submitted to the Title Company for disbursements of the Other Financing under the Escrow Agreement. The Construction and Monitoring Divisions of DOH must receive (i) advance written notice of all "pre-draw" meetings among the Developer, the Title Company and/or the Lender (and have the opportunity to attend such meetings); and (ii) copies of any draw requests and related documents submitted to the Title Company for disbursements of the Other Financing under the Escrow Agreement.

(b) Within 30 days after the Developer's submission to the City of (i) a Requisition Form (in the form attached hereto as **Exhibit L**) requesting the issuance of a Certificate of Expenditure by the City, (ii) Servicer's written approval of a draw request (to be issued on a monthly basis), and (iii) the necessary supporting documentation referenced in **Section 4.04(a)** above, the City shall issue a Certificate of Expenditure, in substantially the form included in the form of the City Note attached hereto as **Exhibit M**, or provide the Developer written notice of its reasons for not issuing a Certificate of Expenditure. The Developer may then resubmit the Requisition Form and accompanying documentation, revised to the satisfaction of DPD pursuant to DPD's written notice, and DPD shall issue a Certificate of Expenditure and, if applicable, disburse the requested City Funds within 60 days of resubmission.

(c) The Developer shall submit Requisition Forms as follows:

(i) concurrently with the Closing Date, the Developer shall provide DPD with a Requisition Form, along with the documentation described therein, requesting the issuance of a Certificate of Expenditure for the Acquisition amount of \$4,200,000;

(ii) in the subsequent 12-month period, during the construction period, the Developer shall provide DPD with a Requisition Form, along with the documentation described therein, requesting the issuance of a Certificate of Expenditure for Redevelopment Project Costs in an amount up to the maximum principal amount of the TIF Note, less the Acquisition amount recognized in (i) above;

(iii) if Certificates of Expenditure equal to the maximum principal amount of the TIF Note have not been issued by DPD by the date of the issuance of a Certificate of Completion for the Project, the Developer shall provide DPD with a Requisition Form, along with the documentation described therein, for any remaining Redevelopment Project Costs.

(d) The City shall, provided there is no event of default hereunder, advance proceeds of the TIF Note upon request therefore in accordance with the terms of this Agreement.

4.05 Treatment of Prior Expenditures. Only those expenditures made by the Developer with respect to the Project prior to the Closing Date, evidenced by documentation satisfactory to DPD and approved by DPD as satisfying costs covered in the Project Budget, shall be considered either (a) previously incurred costs of TIF-Funded Improvements ("Prior TIF-Eligible Expenditures") or (b) previously contributed Equity or Lender Financing hereunder ("Prior Equity/Lender Financing Expenditures") (together with "Prior TIF-Eligible Expenditures", the "Prior Expenditures"). DPD 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 DPD as of the date hereof as Prior TIF-Eligible Expenditures. Prior Equity/Lender Financing Expenditures, that is prior expenditures made for items other than TIF-Funded Improvements, shall not be reimbursed to the Developer, but shall reduce the amount of Equity and/or Lender Financing required to be contributed by the Developer pursuant to **Section 4.01** hereof.

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

4.07 Preconditions of Disbursement; Execution of Certificate of Expenditure. Prior to each execution of a Certificate of Expenditure by the City, the Developer shall submit a Requisition Form and supporting documentation regarding the applicable expenditures to DPD which shall be

satisfactory to DPD in its sole discretion. Delivery by the Developer to DPD of any Requisition Form (which such Requisition Form shall constitute a request for 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 Requisition Form, that:

(a) the total amount of the request represents 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 Requisition Form have been paid to the parties entitled to such payment;

(c) the Developer has approved all work and materials for the current Requisition Form, and such work and materials conform in all material respects to the Plans and Specifications;

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

(e) except as permitted by **Section 8.15(b)** hereof, the Developer has received no notice and has no knowledge of any liens or claim of lien either filed or threatened against the Property except for the Permitted Liens;

(f) no Event of Default or condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default exists or has occurred; 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 the Developer pursuant to this Agreement. The Developer hereby agrees that, if the Project is not In Balance, the Developer shall, within 10 days after a written request by the City, deposit with the Bond Trustee (and provide written evidence of such deposit 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 reasonable discretion, to require the Developer to submit further documentation as the City may require in order to verify that the matters certified to above are true and correct, and any execution of a Certificate of 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 the Developer. In addition, the Developer shall have satisfied

all other preconditions of the submission of a Requisition Form and execution of a Certificate of Expenditure, including but not limited to requirements set forth in the Bond Ordinance, the Bonds, the TIF Ordinances, this Agreement and/or the Escrow Agreement.

SECTION 5. CONDITIONS PRECEDENT

The following conditions have been complied with to the City's satisfaction on or prior to the Closing Date, provided, however, that execution and delivery of this Agreement will constitute acknowledgement of the satisfactory compliance herewith:

5.01 Project Budget. The Developer has submitted to DPD, and DPD has approved, a Project Budget in accordance with the provisions of **Section 3.03** hereof. The Developer and DPD acknowledge and agree that such approved Project Budget is the Project Budget attached as **Exhibit H** to the Loan Agreement with respect to the Housing Bonds.

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

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

5.04 Financing. The Developer has furnished proof reasonably acceptable to the City that the Developer has Equity and Lender Financing in the amounts set forth in **Section 4.01** hereof to complete the Project and satisfy its obligations under this Agreement. If a portion of such funds consists of Lender Financing, the Developer has furnished proof as of the Closing Date that the proceeds thereof are available to be drawn upon by the Developer as needed and are sufficient (along with the Equity and other sources set forth in **Section 4.01**) to complete the Project.

5.05 Acquisition and Title. On the Closing Date, the Developer has furnished the City with a copy of the Title Policy for the Property, certified by the Title Company, showing the Developer as the named insured. The Title Policy is dated as of the Closing Date and contains only those title exceptions listed as Permitted Liens on **Exhibit G** hereto and evidences the recording of this Agreement pursuant to the provisions of **Section 8.18** hereof. The Title Policy also contains such endorsements as shall be required by Corporation Counsel, including but not limited to an owner's comprehensive endorsement and satisfactory endorsements regarding zoning (3.1 with parking), contiguity, location, access and survey. The Developer has provided to DPD, 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 DPD's satisfaction, by the Title Policy and any endorsements thereto.

5.06 Evidence of Clean Title. The Developer, at its own expense, has provided the City with searches under the names of the Developer and the General Partner as follows:

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

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

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

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

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

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

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

5.12 Documentation. The Developer has provided documentation to the City, satisfactory in form and substance to the City, with respect to current employment matters.

5.13 Environmental. The Developer has provided DPD with copies of that certain phase I environmental audit completed with respect to the Property and any phase II environmental audit, if any, with respect to the Property required by the City. The Developer has provided the City with a

letter from the environmental engineer(s) who completed such audit(s), authorizing the City to rely on such audits.

5.14 Corporate Documents; Economic Disclosure Statement. The Developer has provided a copy of its Articles or Certificate of Organization containing the original certification of the Secretary of State of its state of organization; certificates of good standing from the Secretary of State of its state of organization and all other states in which the Developer is qualified to do business; a secretary's certificate or equivalent certification in such form and substance as the Corporation Counsel may require; the partnership agreement of the Developer; and such other corporate documentation as the City has requested. The Developer has provided to the City an Economic Disclosure Statement, in the City's then current form, dated as of the Closing Date.

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

SECTION 6. AGREEMENTS WITH CONTRACTORS

6.01 Bid Requirement for General Contractor and Subcontractors. The City has approved the Developer's selection of Fred Teitelbaum Construction Company, as the General Contractor pursuant to a competitive bidding process. The Developer shall submit copies of the Construction Contract to DPD in accordance with **Section 6.02** below. Photocopies of any subcontracts relating to the TIF-Funded Improvements shall be provided to DPD each calendar quarter during the construction of the Project. The Developer shall ensure that the General Contractor shall not (and shall cause the General Contractor to ensure that the subcontractors shall not) begin work on the Project until all requisite permits have been obtained.

6.02 Construction Contract. Prior to the execution thereof, the Developer shall deliver to DPD a copy of the proposed Construction Contract with the General Contractor selected to handle the Project in accordance with **Section 6.01** above, for DPD's prior written approval, which shall be granted or denied within ten (10) business days after delivery thereof and shall not be unreasonable withheld or delayed. If, however, DOH approves the proposed Construction Contract prior to its submission by the Developer to DPD, DPD shall be deemed to have approved the Construction Contract. Within ten (10) business days after execution of such contract by the Developer, the General Contractor and any other parties thereto, the Developer shall deliver to DPD and Corporation Counsel a certified copy of such contract together with any modifications, amendments or supplements thereto. The Construction Contract dated December 6, 2005 has been approved.

6.03 Performance and Payment Bonds. Prior to the commencement of any portion of the Project which includes work on the public way, the Developer shall require that the General Contractor be bonded for its payment by sureties having an AA rating or better using a bond in the

form attached as **Exhibit P** hereto. The City shall be named as obligee or co-obligee on any such bonds. The Developer shall also require that the General Contractor provide (i) a performance and payment bond in the full amount of the Construction Contract, underwritten by a surety satisfactory to the City and the Corporation Counsel, and naming the City as co-obligee on such bond, or (ii) a letter of credit in an amount not less than 15 percent of the full amount of the Construction Contract or an amount satisfactory to the City, from a bank satisfactory to the City and the Corporation Counsel, and naming the City as a payee on such letter of credit, if and as required by DOH in connection with the City Loan.

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

6.05 Other Provisions. In addition to the requirements of this **Section 6**, the Construction Contract and each contract with any subcontractor shall contain provisions required pursuant to **Section 3.04** (Change Orders), **Section 8.09** (Prevailing Wage), **Section 10.01(e)** (Employment Opportunity), **Section 10.02** (City Resident Employment Requirement), **Section 10.03** (MBE/WBE Requirements, as applicable), **Section 12** (Insurance) and **Section 14.01** (Books and Records) hereof. Photocopies of all contracts or subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to DPD within fifteen (15) business days of the execution thereof.

SECTION 7. COMPLETION OF CONSTRUCTION OR REHABILITATION

7.01 Certificate of Completion of Construction. Upon completion of the construction of the Project in accordance with the terms of this Agreement and after the final disbursement from the Escrow, and upon the Developer's written request, DPD shall issue to the Developer a Certificate in recordable form certifying that the Developer has fulfilled its obligation to complete the Project in accordance with the terms of this Agreement.

The Certificate will not be issued until:

- (a) The Developer has notified the City in writing that the Project has been completed as defined in this Agreement and according to the Plans and Specifications; and
- (b) The Developer has received a Certificate of Occupancy (or other evidence acceptable to DPD that the Developer has complied with building permit requirements) for all components of the Project; and
- (c) The City's Monitoring and Compliance Unit has verified that 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 the construction of the Project; and

- (d) The Developer has demonstrated to the City that it has incurred TIF-eligible expenses in at least the amount requested in the Requisition Form; and
- (e) The Developer has complied with the Affordable Housing Covenant in **Section 8.20**.

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

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

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

If the City does not provide any of the City Funds, the covenants referenced in the preceding paragraph and all other terms, conditions and restrictions described in this Agreement shall be automatically released and shall not encumber the Property.

7.03 Failure to Complete. If the Developer fails to complete the Project in accordance with the terms of this Agreement, and fails thereafter to complete the Project after written notice is delivered to the Developer, with a copy to the Tax Credit Investor, pursuant to **Section 15.03**, 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 (if any) 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**, the Developer shall reimburse the City for all reasonable costs and expenses incurred by the City in completing such TIF-Funded Improvements in excess of the available City Funds; and

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

7.04 Notice of Expiration of Term of Agreement. Upon the expiration of the Term of the Agreement, DPD shall provide the Developer, the Lender and the Bond Trustee and the Tax Credit Investor, within 30 days of the 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 THE DEVELOPER.

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

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

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

(c) the execution, delivery and performance by the Developer of this Agreement has been duly authorized by all necessary action, and does not and will not violate its Certificate of Limited Partnership or partnership 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 the Developer is now a party or by which the Developer is now or may become bound;

(d) unless otherwise permitted or not prohibited pursuant to or under the terms of this Agreement, the 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 the Developer is contesting in good faith pursuant to **Section 8.15** hereof).

(e) the 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, affecting or, to Developer's knowledge, threatening the Developer which would impair its ability to perform under this Agreement;

(g) upon commencement of construction of the Project, the Developer shall have 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) the 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 the Developer is a party or by which the 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 the Developer, and there has been no material adverse change in the assets, liabilities, results of operations or financial condition of the Developer since the date of the Developer's most recent Financial Statements;

(j) prior to the issuance of a Certificate, the Developer shall not do any of the following without the prior written consent of DPD: (1) be a party to any merger, liquidation or consolidation; (2) sell, transfer, convey, lease or otherwise dispose 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 the Developer's business; (4) assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity; or (5) enter into any transaction that would cause a material and detrimental change to the Developer's financial condition;

(k) the Developer has not incurred, and, prior to the issuance of a Certificate, shall not, without the prior written consent of the Commissioner of DPD, 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 the Developer in violation of Chapter 2-156-120 of the Municipal Code of the City; and

(m) neither the Developer nor any affiliate of the Developer is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the

Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List. For purposes of this subparagraph (m) only, the term “affiliate,” when used to indicate a relationship with a specified person or entity, means a person or entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified person or entity, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

(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 is executory, (iii) during the term of this Agreement or any Other Contract between Developer and the City, or (iv) during any period while an extension of this Agreement or any Other Contract is being sought or negotiated.

Developer represents and warrants that from the later of (i) February 10, 2005, or (ii) the date the City approached 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. 05-1 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No.05-1.

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

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

For purposes of this provision:

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

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

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

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

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

- d. a lease for a residence identifying both domestic partners as tenants.
4. Each partner identifies the other partner as a primary beneficiary in a will.

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

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

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

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

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

8.06 [Omitted]

8.07 Employment Opportunity; Progress Reports. The Developer covenants and agrees to abide by, and contractually obligate and use reasonable efforts to cause the General Contractor and each subcontractor to abide by the terms set forth in **Section 10** hereof. The Developer shall deliver

to the City written progress reports detailing compliance with the requirements of **Sections 8.09, 10.02 and 10.03** of this Agreement on a monthly basis. If any such reports indicate a shortfall in compliance, the Developer shall also deliver a plan to DPD which shall outline, to DPD's satisfaction, the manner in which the Developer shall correct any shortfall.

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

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

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

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

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

8.13 Financial Statements. The Developer, its successors and assigns shall obtain and provide to DPD Financial Statements for the Developer's fiscal year December 31, 2004 (or applicable fiscal year end) and each December 31 (or applicable fiscal year end) thereafter (or for the

for the Term of the Agreement. In addition, the Developer shall submit unaudited financial statements as soon as reasonably practical following the close of each fiscal year and for such other periods as DPD may request. The covenants set forth in this Section shall run with the land and be binding upon any transferee.

8.14 Insurance. The 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, the 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, the Developer may pay the same together with any accrued interest thereon in installments as they become due and before any fine, penalty, interest, or cost may be added thereto for nonpayment. The Developer shall furnish to DPD, within thirty (30) days of DPD's request, official receipts from the appropriate entity, or other proof satisfactory to DPD, evidencing payment of the Non-Governmental Charge in question.

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

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

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

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

8.17 Compliance with Laws. To the best of the Developer's knowledge, after diligent inquiry, the Property and the Project are and shall be in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, executive orders and codes pertaining to or affecting the Project and the Property, including but not limited to the Municipal Code, Section 7-28-390, 7-28-440, 11-4-1410, 11-4-1420, 11-4-1450, 11-4-1500, 11-4-1530, 11-4-1550, or 11-4-1560, whether or not in the performance of this Agreement. Upon the City's request, the Developer shall provide evidence satisfactory to the City of such compliance.

8.18 Recording and Filing. The Developer shall cause this Agreement, certain exhibits (as specified by Corporation Counsel), all amendments and supplements hereto 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. Any Lender recording a mortgage made in connection with Lender Financing prior to this Agreement shall execute a subordination agreement in substantially the form attached hereto as **Exhibit O**. The Developer shall pay all fees and charges incurred in connection with any such recording. Upon recording, the Developer shall immediately transmit to the City an executed original of this Agreement showing the date and recording number of record.

8.19 Real Estate Provisions.

(a) **Governmental Charges.**

(i) **Payment of Governmental Charges.** The Developer agrees to pay or cause to be paid when due all Governmental Charges (as defined below) which are assessed or imposed upon the Developer, the Property or the Project, or become due and payable, and which create, may create, or appear to create a lien upon the Developer or all or any portion of the Property or the Project. "Governmental Charge" shall mean all federal, State, county, 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 the Developer, the Property or the Project including but not limited to real estate taxes.

(ii) **Right to Contest.** The Developer has the right before any delinquency occurs to contest or object in good faith to the amount or validity of any Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted in such manner as shall stay the collection of the contested Governmental Charge and prevent the imposition of a lien or the sale or forfeiture of the Property. No such contest or objection shall be deemed or construed in any way as relieving, modifying or extending the Developer's covenants to pay any such Governmental Charge at the time and in the manner provided in this Agreement unless the Developer has given prior written notice to DPD of the Developer's intent to contest or object to a Governmental Charge and, unless, at DPD's sole option,

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

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

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

8.20 Affordable Housing Covenant. The Developer agrees and covenants with the City that, prior to any foreclosure of the Property by a lender providing Lender Financing, the provisions of (i) that certain Regulatory Agreement and Declaration of Restrictive Covenants executed by the Developer, the Bond Trustee, and the City as of the date hereof (the "**Regulatory Agreement**"), to the extent that the provisions of the Regulatory Agreement are more restrictive and/or onerous than this **Section 8.20**, shall govern the terms of the Developer's obligation to provide affordable housing. Following foreclosure, if any, and from the date of such foreclosure through the Term of the Agreement, pursuant to the Affordability Guidelines (as such term is defined in **Section 8.20(d)(i)** below), the following provisions (a) through (f) of this **Section 8.20** shall govern the terms of the obligation to provide affordable housing under this Agreement:

(a) the Facility shall be operated and maintained solely as residential rental housing.

(b) (i) All of the units in the Facility shall be available for occupancy to and be occupied solely by one or more senior citizens qualifying as Low Income Families (as defined below) upon initial occupancy.

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

(d) As used in this **Section 8.20**, the following terms have the following meanings:

(i) "Affordability Guidelines" shall mean those certain affordability guidelines adopted by the City pursuant to an ordinance approved by the City Council on July 31, 2002 and Section 74.4-3(q)(11)(F) of the Act;

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

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

(e) The covenants set forth in this **Section 8.20** shall run with the land and be binding upon any transferee.

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

(g) Pursuant to the Regulatory Agreement, among other things:

(i) "Low and Moderate Income Tenants" means and includes individuals or families with adjusted income, calculated in the manner prescribed in Regulation Section 1.167(k)-3(b)(3) as it shall be in effect on the date that the Housing Bonds are issued (or, if not issued on the same date, the earliest issuance date of the Housing Bonds), which does not exceed sixty percent (60%) of the median gross income for the area in which the Property is located,

determined in a manner consistent with determinations of median gross income made under the leased housing program established under Section 8 of the United States Housing Act of 1937, as amended, or if that program is terminated, under that program as in effect immediately before termination. That determination shall include adjustments for family size. In no event, however, will the occupants of a unit of the Property be considered to be Low and Moderate Income Tenants if all the occupants are students, no one of whom is entitled to file a joint return for federal income tax purposes;

(ii) "Qualified Development Period" means the period beginning on the date on which ten percent (10%) of the units in the Property are first occupied and ending on the latest of the date (i) which is fifteen (15) years after the date on which at least fifty percent (50%) of the residential units in the Mortgaged Property are occupied, (ii) which is the first date on which no tax-exempt private activity bond issued with respect to the Property is outstanding, or (iii) on which any assistance presently provided with respect to the Property under Section 8 of the United States Housing Act of 1937, as amended, terminates; and

(iii) at all times during the Qualified Development Period, at least forty percent (40%) of the completed residential units shall be occupied by Low and Moderate Income Tenants. For purposes of satisfying that requirement, a unit occupied by an individual or family who at the commencement of occupancy is a Low and Moderate Income Tenant shall be treated as occupied by such an individual or family during their tenancy in such unit, even though that individual or family subsequently ceases to be a Low and Moderate Income Tenant. The preceding sentence shall, however, cease to apply to any resident whose income as of the most recent determination exceeds one hundred forty percent (140%) of the sixty percent (60%) income limitation amount if, after such determination, but before the next determination, any residential unit of comparable or smaller size in the Property is occupied by a new resident whose income exceeds that sixty percent (60%) limitation. A unit treated as occupied by a Low and Moderate Income Tenant shall be treated as occupied after it is vacated until reoccupied (other than for a temporary period not to exceed 31 days), at which time the character of the unit shall be redetermined.

8.21 Participation in City Beautification Efforts [Omitted]

8.22 Public Benefits Program. [Omitted]

8.23 Job Readiness Program [Omitted]

8.24 Survival of Covenants. All warranties, representations, covenants and agreements of the Developer contained in this **Section 8** and elsewhere in this Agreement shall be true, accurate and complete at the time of the Developer's execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties hereto and (except as provided in **Section 7** hereof upon the issuance of a Certificate) shall be in effect throughout the Term of the Agreement. If, however, the City does not provide or continue to provide any of the City Funds to the Developer,

or the City is reimbursed any City Funds paid, the covenants referenced herein and all other terms, conditions and restrictions described in this Agreement shall be automatically released and shall no longer encumber the Property.

SECTION 9. COVENANTS/REPRESENTATIONS/WARRANTIES OF CITY

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

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

SECTION 10. DEVELOPER'S EMPLOYMENT OBLIGATIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

When work at the Project is completed, in the event that the City has determined that the Developer has failed to ensure the fulfillment of the requirement of this Section concerning the worker hours performed by actual Chicago residents or failed to report in the manner as indicated above, the City will thereby be damaged in the failure to provide the benefit of demonstrable employment to Chicagoans to the degree stipulated in this Section. Therefore, in such a case of non-compliance, it is agreed that 1/20 of 1 percent (0.0005) of the aggregate hard construction costs set forth in the Project Budget (the product of .0005 x such aggregate hard construction costs) (as the same shall be evidenced by approved contract value for the actual contracts) shall be surrendered by the Developer to the City in payment for each percentage of shortfall toward the stipulated residency requirement. Failure to report the residency of employees entirely and correctly shall result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. The willful falsification of statements and the certification of payroll data may subject the Developer, the General Contractor and/or the subcontractors to prosecution. **Any retainage to cover contract performance that may become due to the Developer pursuant to Section 2-92-250 of the Municipal Code of Chicago may be withheld by the City pending the Chief**

Procurement Officer's determination as to whether the Developer must surrender damages as provided in this paragraph.

In the event the Developer shall fail to pay any sum required pursuant to this Section, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the Developer has failed to make such payment within ten (10) days of its receipt of a written notice from the City specifying that it has failed to make such payment.

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

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

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

a. Consistent with the findings which support the Minority-Owned and Women-Owned Business Enterprise Procurement Program (the "MBE/WBE" Program"), Section 2-92-420 *et seq.*, Municipal Code of Chicago, and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, and as qualified by, the provisions of this Section 10.03, during the course of the Project, at least the following percentages of the aggregate hard construction costs as set forth in the Project Budget (as these budgeted amounts may be reduced to reflect decreased actual costs) shall be expended for contract participation by MBEs or WBEs:

i. At least 24 percent by MBEs.

ii. At least 4 percent by WBEs.

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

c. Consistent with Section 2-92-440, Municipal Code of Chicago, the Developer's MBE/WBE commitment may be achieved in part by the Developer's status as an MBE or WBE (but only to the extent of any actual work performed on the Project by the Developer), or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of (i) the MBE or

WBE participation in such joint venture or (ii) the amount of any actual work performed on the Project by the MBE or WBE), by the Developer utilizing a MBE or a WBE as a General Contractor (but only to the extent of any actual work performed on the Project by the General Contractor), by subcontracting or causing the General Contractor to subcontract a portion of the Project to one or more MBEs or WBEs, or by the purchase of materials used in the Project from one or more MBEs or WBEs, or by any combination of the foregoing. Those entities which constitute both a MBE and a WBE shall not be credited more than once with regard to the Developer's MBE/WBE commitment as described in this **Section 10.03**. The Developer or the General Contractor may meet all or part of this commitment through credits received pursuant to Section 2-92-530 of the Municipal Code of Chicago for the voluntary use of MBEs or WBEs in its activities and operations other than the Project.

d. The Developer shall deliver quarterly reports to DOH's monitoring unit (the "Monitoring Unit," which performs similar functions for DPD) during the Project describing its efforts to achieve compliance with this MBE/WBE commitment. Such reports shall include inter alia the name and business address of each MBE and WBE solicited by the Developer or the General Contractor to work on the Project, and the responses received from such solicitation, the name and business address of each MBE or WBE actually involved in the Project, a description of the work performed or products or services supplied, the date and amount of such work, product or service, and such other information as may assist the Monitoring Unit in determining the Developer's compliance with this MBE/WBE commitment. The Monitoring Unit has access to the Developer's books and records, including, without limitation, payroll records, books of account and tax returns, and records and books of account in accordance with **Section 14** of this Agreement, on five (5) business days' notice, to allow the City to review the Developer's compliance with its commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the Project.

e. Upon the disqualification of any MBE or WBE General Contractor or subcontractor, if such status was misrepresented by the disqualified party, the Developer shall be obligated to discharge or cause to be discharged the disqualified General Contractor or subcontractor and, if possible, identify and engage a qualified MBE or WBE as a replacement. For purposes of this Subsection (e), the disqualification procedures are further described in Section 2-92-540, Municipal Code of Chicago. Notwithstanding the foregoing, the Developer shall not be obligated to discharge or caused to be discharged any MBE or WBE General Contractor or subcontractor which qualified as an MBE or WBE at the time of the letting of the applicable Construction Contract or subcontract but subsequently fails to qualify as an MBE or WBE solely as a result of the recent amendment to (effective June 28, 2004) and any subsequent amendments to or repeal of all or any portion of Section 2-92-420 et seq. of the Municipal Code of Chicago. This provision shall not limit the applicability in future during the Term of this Agreement of any federal, state or local laws, statutes, ordinances, rules, regulations, executive orders or codes or the decision of any court of competent jurisdiction.

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

g. Prior to the commencement of the Project, the Developer, the General Contractor and all major subcontractors shall be required to meet with the Monitoring Unit with regard to the Developer's compliance with its obligations under this **Section 10.03**. During this meeting, the Developer shall demonstrate to the Monitoring Unit its plan to achieve its obligations under this **Section 10.03**, the sufficiency of which shall be approved by the Monitoring Unit. During the Project, the Developer shall submit the documentation required by this **Section 10.03** to the Monitoring Unit, 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 Monitoring Unit, upon analysis of the documentation, that the Developer is not complying with its obligations hereunder shall, upon the delivery of written notice to the Developer, be deemed an Event of Default hereunder. Upon the occurrence of any such Event of Default, in addition to any other remedies provided in this Agreement, the City may: (1) issue a written demand to the Developer to halt the Project, (2) withhold any further payment of any City Funds to the Developer or the General Contractor, or (3) seek any other remedies against the Developer available at law or in equity.

h. As of the Closing Date, it is the understanding and intention of the parties hereto that the foregoing provisions of this **Section 10.03** shall govern the Developer's MBE/WBE commitment hereunder, regardless of the recent amendment to (effective June 28, 2004) and any subsequent amendments to or repeal of all or any portion of Section 2-92-420 *et seq.* of the Municipal Code of Chicago. This provision shall not limit the applicability in future during the Term of this Agreement of any federal, state or local laws, statutes, ordinances, rules, regulations, executive orders or codes or the decision of any court of competent jurisdiction.

SECTION 11. ENVIRONMENTAL MATTERS

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

Without limiting any other provisions hereof, the Developer agrees to indemnify, defend and hold the City harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses or claims of any kind whatsoever including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under any Environmental Laws incurred, suffered by or asserted against the City as a direct or indirect result of any of the following, regardless of whether or not caused by, or within the control of the Developer: (i) the presence of any Hazardous Material on or under, or the escape, seepage, leakage, spillage, emission, discharge or release of any Hazardous Material from all or any portion of the Property or (ii) any liens against the

Property permitted or imposed by any Environmental Laws, or any actual or asserted liability or obligation of the City or the Developer or any of its Affiliates under any Environmental Laws relating to the Property.

SECTION 12. INSURANCE

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

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

(i) Workers Compensation and Employers Liability Insurance

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

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

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

(b) Construction

(i) Workers Compensation and Employers Liability Insurance

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

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

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

(iii) Automobile Liability Insurance (Primary and Umbrella)

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

(iv) Railroad Protective Liability Insurance

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

(v) Builders Risk Insurance

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

(vi) Professional Liability

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

(vii) Valuable Papers Insurance

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

(viii) Contractor's Pollution Liability

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

(c) Term of the Agreement

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

(d) Other Requirements

The Developer will furnish the City of Chicago, Department of Planning and Development, City Hall, Room 1000, 121 North LaSalle Street 60602, original Certificates of Insurance evidencing the required coverage to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. The failure of the City to obtain certificates or other insurance evidence from the Developer shall not be deemed to be a waiver by the City. The Developer shall advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance shall not relieve the Developer of the obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to terminate this Agreement until proper evidence of insurance is provided.

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

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

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

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

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

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

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

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

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

SECTION 13. INDEMNIFICATION

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

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

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

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

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

provided, however, that Developer shall have no obligation to an Indemnatee arising from the wanton or willful misconduct of that Indemnatee. 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. The Developer shall keep and maintain separate, complete, accurate and detailed books and records necessary to reflect and fully disclose the total actual cost of the Project and the disposition of all funds from whatever source allocated thereto, and to monitor the Project. All such books, records and other documents, including but not limited to the Developer's loan statements, if any, General Contractors' and contractors' sworn statements, general contracts, subcontracts, purchase orders, waivers of lien, paid receipts and invoices, shall be available at the Developer's offices for inspection, copying, audit and examination by an authorized representative of the City, at the Developer's expense. The Developer shall incorporate this right to inspect, copy, audit and examine all books and records into all contracts entered into by the Developer with respect to the Project.

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

SECTION 15. DEFAULT AND REMEDIES

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

(a) the failure of the Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Developer under this Agreement or any related agreement, including, without limitation, the Regulatory Agreement;

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

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

(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 the Developer or for the liquidation or reorganization of the Developer, or alleging that the Developer is insolvent or

unable to pay its debts as they mature, or for the readjustment or arrangement of the Developer's debts, whether under the United States Bankruptcy Code or under any other state or federal law, now or hereafter existing for the relief of debtors, or the commencement of any analogous statutory or non-statutory proceedings involving the Developer; provided, however, that if such commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such proceedings are not dismissed within ninety (90) days after the commencement of such proceedings;

(f) the appointment of a receiver or trustee for the Developer, for any substantial part of the Developer's assets or the institution of any proceedings for the dissolution, or the full or partial liquidation, or the merger or consolidation, of the Developer; provided, however, that if such appointment or commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such appointment is not revoked or such proceedings are not dismissed within ninety (90) days after the commencement thereof;

(g) the entry of any judgment or order against the Developer which remains unsatisfied or undischarged and in effect for 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 the Developer or the death of any natural person who owns a material interest in the Developer; or

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

(k) prior to the issuance of the Certificate, and without the prior written consent of the City, (i) the sale or transfer of any of the ownership interests of the Developer (except as may be contemplated by the partnership agreement of the Developer, and except for (A)the sale, exchange or other disposition of its interest in the Developer by the General Partner to the Tax Credit Investor as set forth in Developer's partnership agreement; (B) a transfer by the Tax Credit Investor or an affiliate thereof of its interests in the Developer to a limited partnership or a limited liability company of which the Tax Credit Investor or an affiliate thereof is the general partner or the managing member; or (C) the removal of the General Partner of Developer by the Tax Credit Investor pursuant to the partnership agreement of Developer and the replacement of such General Partner with the Tax Credit Investor or an affiliate), (ii) the sale, transfer or lease of all or substantially all of the Developer's property, (iii) the entering into by the Developer of any transaction outside the ordinary course of business of the Developer, (iv) the assumption or guaranteeing by the Developer of the obligations of another person, or (v) the entering into by the Developer of a transaction that would cause a material and detrimental change in the financial

condition of the Developer and materially adversely affect its ability to fulfill its obligations under this Agreement; or

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

15.02 Remedies. Upon the occurrence of an Event of Default which is not cured pursuant to Section 15.03 below, the City may terminate this Agreement and all related agreements, and may suspend disbursement of City Funds. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to injunctive relief, the specific performance of the agreements contained herein or the repayment of any City Funds disbursed hereunder. The City acknowledges that any judgment lien for money damages hereunder that it may record against the Property or otherwise seek to enforce against the Developer (a "**Judgment Lien**") shall be subordinate to the Permitted Liens.

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

At the time the City gives notice to the Developer of the Developer's failure to perform a monetary or non-monetary covenant, the City shall also give written notice of such failure to any Secured Party and the Tax Credit Investor. For purposes of this provision, a "**Secured Party**" shall mean a party which (a) holds an Existing Mortgage or a Permitted Mortgage (as those terms are defined in Section 16 below) and (b) has previously notified the City in writing of the appropriate party to whom and place where notice of the Developer's failure to perform should be sent on that Secured Party's behalf. The City shall afford any such Secured Party and the Tax Credit Investor (but not the Developer) a 120 day cure period (commencing upon the expiration of the applicable cure period afforded to the Developer) to cure the Developer's failure to perform as set forth above or such longer period as the City agrees may be reasonably necessary to effectuate such cure if Secured Party or Tax Credit Investor is diligently pursuing the same (the "**Extended Cure Period**"). The City, however, shall not be deemed to have failed to perform any of its obligations hereunder if it fails or is unable to so notify any Secured Party and the Tax Credit Investor. The City shall accept

cure from any Secured Party and the Tax Credit Investor, and upon such cure, shall not exercise its remedies under Section 15.02 hereof. The City shall continue to make advances of City Funds during the period that Secured Party or Tax Credit Investor is diligently pursuing a cure hereunder until the Extended Cure Period.

SECTION 16. MORTGAGING OF THE PROJECT

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

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

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

Attention: Director of Portfolio Management

Department of Housing
33 North LaSalle Street, 2nd Fl.
Chicago, IL 60602
Attention: Commissioner

Illinois Housing Development Authority
401 North Michigan Avenue
Suite 900
Chicago, Illinois 60611
Attention: Finance Department

Servicer: Charter Mac Corporation
101 Hudson Street, 39th Floor
Jersey City, New Jersey 07302
Attention: Director of Portfolio Management

Bond Trustee: Amalgamated Bank of Chicago
One West Monroe
Chicago, IL 60603
Attention: Pamela Sumerall

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

SECTION 18. MISCELLANEOUS

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

activities undertaken by Developer affecting the Project site, the Project, or both, or increases any time agreed for performance by the Developer by more than ninety (90) days.

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

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

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

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

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

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

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

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

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

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

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

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

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

18.15 Assignment. The Developer may not sell, assign or otherwise transfer its interest in this Agreement in whole or in part without the written consent of the City, except that the Developer may collaterally assign its interest in this Agreement to: (1) the Bond Trustee pursuant to an Assignment of TIF Note Documents by the Developer for the benefit of the Bond Trustee in substantially the form attached hereto as **Exhibit Q** (the "Assignment"), and (2) the Tax Credit Investor, which assignment shall be subject and subordinate to the Assignment. Any successor in interest to the Developer under this Agreement (other than the Bond Trustee, whose obligations shall be governed by the Assignment) 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 8.20** (Affordability Housing Covenant) and **8.24** (Survival of Covenants) hereof, for the Term of the Agreement. The Developer consents to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part.

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

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

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

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

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

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

18.22 Business Relationships. The Developer acknowledges (A) receipt of a copy of Section 2-156-030 (b) of the Municipal Code of Chicago, (B) that Developer has read such provision and understands that pursuant to such Section 2-156-030 (b), it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee

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

18.23 Time Is of the Essence. The parties hereto shall perform their respective obligations hereunder within the time limits required hereunder, except as otherwise provided for herein, including but not limited to **Section 18.17** hereof. **Further, the parties hereto acknowledge that TIME IS OF THE ESSENCE and that the failure of either party to comply with the time limits set forth herein may result in economic or other losses to the other party hereto.**

[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.

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

By: Lori T. Healey
Lori T. Healey
Its: Commissioner ~~§~~

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

By: John G. Markowski
John G. Markowski
Its: Commissioner

RAVENSWOOD PARTNERS OF ILLINOIS L.P.

By: Ravenswood Seniors Corporation
Its: General Partner

By: _____
Name: _____
Title: _____

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.

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

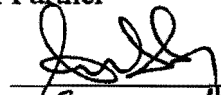
By: _____
Lori T. Healey
Its Commissioner

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

By: _____
John G. Markowski
Its Commissioner

RAVENSWOOD PARTNERS OF ILLINOIS L.P.

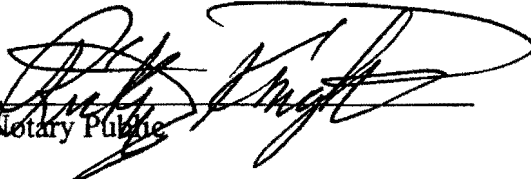
By: Ravenswood Seniors Corporation
Its General Partner

By: 
Name: George Ardelean
Title: President

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

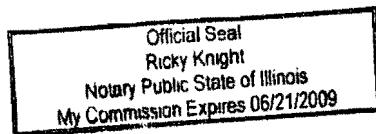
I, Ricky Knight, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Lori T. Healey, personally known to me to be the Commissioner of the Department of Planning and Development of the City of Chicago (the "City"), and personally known to me to be the same person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

GIVEN under my hand and official seal this 13th day of December, 2005.


Notary Public

My Commission Expires _____

(SEAL)



STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

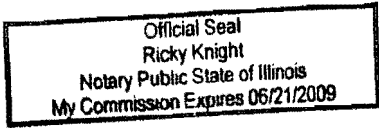
I, Ricky Knight, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that John G. Markowski, personally known to me to be the Commissioner of the Department of Housing of the City of Chicago (the "City"), and personally known to me to be the same person whose name is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

GIVEN under my hand and official seal this 13th day of December, 2005.


Notary Public

My Commission Expires _____

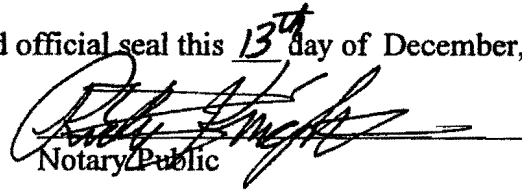
(SEAL)



STATE OF _____)
) SS
COUNTY OF _____)

I, Ricky Knight, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that George Ardelean, personally known to me to be the President of Ravenswood Seniors Corporation, an Illinois corporation (the "Corporation"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed, and delivered said instrument, pursuant to the authority given to him/her by the directors of the Corporation, as his/her free and voluntary act and as the free and voluntary act of the Corporation, as general partner of Ravenswood Partners of Illinois L.P., an Illinois limited partnership, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 13th day of December, 2005.


Notary Public

My Commission Expires _____

(SEAL)

Official Seal
Ricky Knight
Notary Public State of Illinois
My Commission Expires 06/21/2009

EXHIBIT A

Redevelopment Area

(see attached)

[(Sub)Exhibit "A" referred to in this Resolution 99-CDC-122
unavailable at time of printing.]

Exhibit "C".
(To Ordinance)

Legal Description Of The Area.

Boundary Description
Clark Street And Ridge Avenue R.P.A.

That part of the east half of Section 31 and the west half of Section 32, Township 41 North, Range 14 East of the Third Principal Meridian and that part of the west half of Section 5, the east half of Section 6 and the west half of Section 8, Township 40 North, Range 14 East of the Third Principal Meridian, all in the City of Chicago, Cook County, Illinois, described as follows:

beginning at the intersection of the east right-of-way line of Clark Street and the north right-of-way line of Pratt Avenue; thence east along the north right-of-way line of said Pratt Avenue to the north extension of the east line of a public alley adjoining Lots 9 through 17 and Lots 33 and 34 in Mann's Addition to Roger's Park; thence south along said extension and said east alley line to the intersection of the south line of said Mann's Addition and the east line of a public alley adjoining Lots 11 through 15 and Lot 18 in Block 1 of William L. Wallen's Addition to Roger's Park; thence south along said east alley line to the north right-of-way line of North Shore Avenue; thence south to the intersection of the south right-of-way line of North Shore Avenue and the east line of a public alley adjoining Lots 18 through 28 in Block 5 of said Wallen's Addition; thence south along said east alley line to the north right-of-way line of Wallen Avenue; thence south to the intersection of the south right-of-way line of Wallen Avenue with the east line of a public alley adjoining Lots 13 through 23 in Block 6 of said Wallen's Addition; thence south along said east alley line to the north right-of-way line of Albion Avenue and the east line of a public alley adjoining Lots 1 through 5 in Block 1 of Gallup & Schlesswohl's Addition to Roger's Park; thence south along said east alley line to the intersection of the south line of said block with the east line of a public alley running south and east through Block 1 of Becker's Addition to Roger's Park; thence south along said east alley line to an angle

point in said alley; thence east along the north line of said alley and its east extension to the east right-of-way line of Ashland Avenue; thence south along said east right-of-way line to the north right-of-way line of Arthur Avenue; thence east along said north right-of-way line to the north extension of the east line of a public alley adjoining Lots 44 through 51 in Hollesen Subdivision; thence south along said extension and said east alley line to the north right-of-way line of Schreiber Avenue; thence east along said north right-of-way line to the east right-of-way line of Bosworth Avenue; thence south along said east right-of-way line and its south extension to the east extension of the north line of Lots 3 through 7 in S. F. Hollesen's First Addition to Rogers Park; thence west along said extension and said north line to the west line of a public alley adjoining Lot 5 in a subdivision of Lot 2 in said Hollesen's First Addition; thence north along said west alley line to the south right-of-way line of Schreiber Avenue; thence west along said south right-of-way line to the east right-of-way line of Clark Street; thence south along said east right-of-way line to the north right-of-way line of Devon Avenue; thence east along said north right-of-way line to the north extension of the east line of a public alley adjoining Lots 49, 59 and 139 in Farson's Subdivision; thence south along said extension and said east alley line to the north line of a public alley adjoining Lots 114 through 122 in Edgewater Park; thence east along said north alley line to the north extension of the east line of a public alley adjoining said Lot 122; thence south along said east alley line to the north right-of-way line of Rosemont Avenue; thence east along said north right-of-way line to the north extension of the east line of Lot 106 in said Edgewater Park; thence south along said extension, said east line and its south extension to the south line of a public alley adjoining Lots 90 through 97 in said Edgewater Park; thence west along said south alley line to the east line of a public alley adjoining said Lot 97; thence south along said east alley line to the north right-of-way line of Thome Avenue; thence east along said north right-of-way line to the east right-of-way line of Greenview Street; thence south along said east right-of-way line to the south right-of-way line of Granville Avenue; thence west along said south right-of-way line to the east line of Lot 36 in Kransz's First Addition to Edgewater; thence south along said east lot line to the southeast corner of said lot; thence south to the northeast corner of Lot 45 in said First Addition; thence south along the east line of said lot to the southeast corner thereof; thence south to the northeast corner of Lot 116 in said First Addition; thence south along the east line of said lot to the southeast corner thereof; thence south to the northeast corner of Lot 125 in said First Addition; thence south along the east line of said lot and its south extension to the south right-of-way line of Glenlake Avenue; thence west along said south right-of-way line to the east line of Lot 37 in Kransz's Second Addition to Edgewater; thence south along said east line to the southeast corner of said Lot 37; thence south to the northeast corner of Lot 44 in said Second Addition; thence south along the east line of

said lot to the north right-of-way line of Norwood Avenue; thence east along said north right-of-way line to the north extension of the east line of Lot 116 in said Second Addition; thence south along said extension and said east line to the southeast corner of said lot; thence south to the northeast corner of Lot 125 in said Second Addition; thence south along the east line of said lot to the north right-of-way line of Elmdale Avenue; thence east along said north right-of-way line to the east right-of-way line of Greenview Avenue; thence south along said east right-of-way line to the east extension of the south line of a public alley adjoining Lots 24 through 38 in Nargreth Kransz Trustee's Addition to North Edgewater; thence west along said extension and said south alley line to the east line of a public alley adjoining said Lot 24; thence south along said east alley line to the north right-of-way line of Thorndale Avenue; thence east along said north right-of-way line to the north extension of the west line of Lot 49 in said Trustee's Addition; thence south along said extension and said west line to the southwest corner of said lot; thence southeast to the southeast corner of Lot 48 in said Trustee's Addition; thence north along the east line of said lot and its north extension to the north right-of-way line of Thorndale Avenue; thence east along said north right-of-way line to the north extension of the west line of Lot 43 in said Trustee's Addition; thence south along said extension and said west line to the southwest corner of said lot; thence east to the southeast corner of Lot 42 in said Trustee's Addition; thence north along the east line of said lot and its north extension to the north right-of-way line of Thorndale Avenue; thence east along said north right-of-way line to the east right-of-way line of Glenwood Avenue; thence south along said east right-of-way line to the south right-of-way line of Ardmore Avenue; thence west along said south right-of-way line to the southwest right-of-way line of Ridge Avenue; thence northwest along said southwest right-of-way line to the northwest line of Lot 3 in Henry P. Kransz's Resubdivision; thence southwest along said northwest line to the northwest corner of Lot 4 in said resubdivision; thence south along the west line of said lot and its south extension to the south right-of-way line of Ardmore Avenue; thence west along said south right-of-way line to the east line of a public alley adjoining Ramus & Petersen's Subdivision and Katherine Hansen's Addition to Chicago; thence south along said east alley line and its south extension to the south right-of-way line of Victoria Street; thence west along said south right-of-way line to the east line of a public alley adjoining Lots 41 through 49 and Lots 120 through 128 in Clark Street Addition to Edgewater; thence south along said east alley line and its south extension to the south right-of-way line of Hollywood Avenue; thence west along said south right-of-way line to the east line of a public alley through Blocks 1 and 2 of Bryn Mawr Addition to Edgewater; thence south along said east alley line to the north right-of-way line of Bryn Mawr Avenue; thence south to the northwest corner of Lot 4 in the resubdivision of Lots 8 and 9 of a division of the north 10 acres; thence south along the west line of said Lot 4 to the south

line of said resubdivision; thence west along said south subdivision line to a line 117 feet east of the southwest corner of said resubdivision; thence southeast to the south line of Lot 10 in said north 10 acre division, 124 feet distant from the southwest corner of said Lot 10; thence east along said south line to the northwest corner of the east 206 feet of Lots 11 through 14 of said north 10 acre division; thence south along the west line of said east 206 feet to the south right-of-way line of Gregory Street; thence west along said south right-of-way line and its west extension to the west right-of-way line of Clark Street; thence north along said west right-of-way line to the south line of Lot 15 in said north 10 acre division; thence west along said south line to the northwest corner of Lot 1 in the resubdivision of Lots 16 and 17 of said north 10 acre division; thence south along the west line of said Lot 1 and the west line of Lots 2 and 3 in said subdivision to the south line of said resubdivision of Lots 16 and 17; thence west along said south line and its west extension to the west right-of-way line of Ashland Avenue; thence north along said west right-of-way line to its intersection with the west right-of-way line of Clark Street; thence north along the west right-of-way line of Clark Street to the south line of Lot 7 in Block 7 of Barret & Galloway's Resubdivision of Blocks 7, 8 and 9; thence west along said south line and its west extension to the south extension of the west line of a private street in said Block 7; thence north along said extension, said west line and its north extension to the north line of the north alley in said Block 7; thence east along said north alley line to the west line of an alley adjoining Lot 24 in said Block 7; thence north along said west alley line to the south right-of-way line of Thorndale Avenue; thence north to the intersection of the north right-of-way line of Thorndale Avenue and the west line of a public alley adjoining Lots 1 through 15 in Buena Vista Addition to Chicago and Lots 1 through 8 in Blesins's & Franze's Resubdivision of sundry lots; thence north and northwest along said west alley line and its northwest extension to the northwest right-of-way line of Paulina Street; thence northeast along said northwest right-of-way line to the southwest right-of-way line of Ridge Avenue; thence northwest along said southwest right-of-way line to the south right-of-way line of Peterson Avenue; thence west along said south right-of-way line to the south extension of the west line of Lot 6 in Barbara Everts' Addition to High Ridge; thence north along said extension and said west line to the north line of the south 164.5 feet of Lots 4 through 6 in said Barbara Everts' Addition; thence east along said north line to the east line of said Lot 4; thence south along said east line to the northwest corner of Lot 3 in said Barbara Everts' Addition; thence east along the north line of said lot and its east extension to the east right-of-way line of Damen Avenue; thence south along said east right-of-way line to the north line of Lot 34 in Becker's Resubdivision of part of High Ridge Subdivision; thence east along said north line to the west line of a public alley adjoining said lot; thence north along said west alley line to the west extension of the south line of the north 1 foot of Lot 24 in said Becker's

said lot to the north right-of-way line of Norwood Avenue; thence east along said north right-of-way line to the north extension of the east line of Lot 116 in said Second Addition; thence south along said extension and said east line to the southeast corner of said lot; thence south to the northeast corner of Lot 125 in said Second Addition; thence south along the east line of said lot to the north right-of-way line of Elmdale Avenue; thence east along said north right-of-way line to the east right-of-way line of Greenview Avenue; thence south along said east right-of-way line to the east extension of the south line of a public alley adjoining Lots 24 through 38 in Nargreth Kransz Trustee's Addition to North Edgewater; thence west along said extension and said south alley line to the east line of a public alley adjoining said Lot 24; thence south along said east alley line to the north right-of-way line of Thorndale Avenue; thence east along said north right-of-way line to the north extension of the west line of Lot 49 in said Trustee's Addition; thence south along said extension and said west line to the southwest corner of said lot; thence southeast to the southeast corner of Lot 48 in said Trustee's Addition; thence north along the east line of said lot and its north extension to the north right-of-way line of Thorndale Avenue; thence east along said north right-of-way line to the north extension of the west line of Lot 43 in said Trustee's Addition; thence south along said extension and said west line to the southwest corner of said lot; thence east to the southeast corner of Lot 42 in said Trustee's Addition; thence north along the east line of said lot and its north extension to the north right-of-way line of Thorndale Avenue; thence east along said north right-of-way line to the east right-of-way line of Glenwood Avenue; thence south along said east right-of-way line to the south right-of-way line of Ardmore Avenue; thence west along said south right-of-way line to the southwest right-of-way line of Ridge Avenue; thence northwest along said southwest right-of-way line to the northwest line of Lot 3 in Henry P. Kransz's Resubdivision; thence southwest along said northwest line to the northwest corner of Lot 4 in said resubdivision; thence south along the west line of said lot and its south extension to the south right-of-way line of Ardmore Avenue; thence west along said south right-of-way line to the east line of a public alley adjoining Ramus & Petersen's Subdivision and Katherine Hansen's Addition to Chicago; thence south along said east alley line and its south extension to the south right-of-way line of Victoria Street; thence west along said south right-of-way line to the east line of a public alley adjoining Lots 41 through 49 and Lots 120 through 128 in Clark Street Addition to Edgewater; thence south along said east alley line and its south extension to the south right-of-way line of Hollywood Avenue; thence west along said south right-of-way line to the east line of a public alley through Blocks 1 and 2 of Bryn Mawr Addition to Edgewater; thence south along said east alley line to the north right-of-way line of Bryn Mawr Avenue; thence south to the northwest corner of Lot 4 in the resubdivision of Lots 8 and 9 of a division of the north 10 acres; thence south along the west line of said Lot 4 to the south

line of said resubdivision; thence west along said south subdivision line to a line 117 feet east of the southwest corner of said resubdivision; thence southeast to the south line of Lot 10 in said north 10 acre division, 124 feet distant from the southwest corner of said Lot 10; thence east along said south line to the northwest corner of the east 206 feet of Lots 11 through 14 of said north 10 acre division; thence south along the west line of said east 206 feet to the south right-of-way line of Gregory Street; thence west along said south right-of-way line and its west extension to the west right-of-way line of Clark Street; thence north along said west right-of-way line to the south line of Lot 15 in said north 10 acre division; thence west along said south line to the northwest corner of Lot 1 in the resubdivision of Lots 16 and 17 of said north 10 acre division; thence south along the west line of said Lot 1 and the west line of Lots 2 and 3 in said subdivision to the south line of said resubdivision of Lots 16 and 17; thence west along said south line and its west extension to the west right-of-way line of Ashland Avenue; thence north along said west right-of-way line to its intersection with the west right-of-way line of Clark Street; thence north along the west right-of-way line of Clark Street to the south line of Lot 7 in Block 7 of Barret & Galloway's Resubdivision of Blocks 7, 8 and 9; thence west along said south line and its west extension to the south extension of the west line of a private street in said Block 7; thence north along said extension, said west line and its north extension to the north line of the north alley in said Block 7; thence east along said north alley line to the west line of an alley adjoining Lot 24 in said Block 7; thence north along said west alley line to the south right-of-way line of Thorndale Avenue; thence north to the intersection of the north right-of-way line of Thorndale Avenue and the west line of a public alley adjoining Lots 1 through 15 in Buena Vista Addition to Chicago and Lots 1 through 8 in Blesins's & Franze's Resubdivision of sundry lots; thence north and northwest along said west alley line and its northwest extension to the northwest right-of-way line of Paulina Street; thence northeast along said northwest right-of-way line to the southwest right-of-way line of Ridge Avenue; thence northwest along said southwest right-of-way line to the south right-of-way line of Peterson Avenue; thence west along said south right-of-way line to the south extension of the west line of Lot 6 in Barbara Everts' Addition to High Ridge; thence north along said extension and said west line to the north line of the south 164.5 feet of Lots 4 through 6 in said Barbara Everts' Addition; thence east along said north line to the east line of said Lot 4; thence south along said east line to the northwest corner of Lot 3 in said Barbara Everts' Addition; thence east along the north line of said lot and its east extension to the east right-of-way line of Damen Avenue; thence south along said east right-of-way line to the north line of Lot 34 in Becker's Resubdivision of part of High Ridge Subdivision; thence east along said north line to the west line of a public alley adjoining said lot; thence north along said west alley line to the west extension of the south line of the north 1 foot of Lot 24 in said Becker's

Resubdivision; thence east along said extension and said south line to the west right-of-way line of Winchester Avenue; thence east to the northwest corner of Lot 19 in said Becker's Resubdivision; thence east along the north line of said lot to the west line of a public alley adjoining said lot; thence south along said west alley line to the west extension of the north line of Lot 9 in said Becker's Resubdivision; thence east along said west extension and said north line to the west right-of-way line of Wolcott Avenue; thence north along said west right-of-way line to the west extension of the north line of Lot 5 in said Becker's Resubdivision; thence east along said west extension and said north line to the west line of a public alley adjoining said lot; thence north along said west alley line to the west extension of the north line of the south 64.97 feet of Lot 2 in Block 29 of High Ridge Subdivision; thence east along said north line to the west right-of-way line of Ravenswood Avenue; thence north along said west right-of-way line to the centerline of Granville Avenue; thence east along said centerline to the east right-of-way line of Ravenswood Avenue; thence south along said east right-of-way line to the north line of a public alley adjoining Lot 8 in Block 22 of High Ridge Subdivision; thence east along said north alley line to the north extension of the east line of a public alley adjoining Lots 10 and 11 in said Block 22, Lot 3 in Weber and Krantz Subdivision and Lots 1 through 20 in Block 3 of Kemper's High Ridge Subdivision; thence south along said extension and said east alley line to an angle point; thence southeast along said east alley line and its southeast extension to the east right-of-way line of Hermitage Avenue; thence south along said east right-of-way line to the southwest corner of Lot 37 in Block 2 of Kemper's High Ridge Subdivision; thence east along the south line of said lot and its east extension to the east line of a public alley adjoining Lots 1 through 21 in said Block 2; thence south along said east alley line to an angle point; thence southeast along said east alley line and its southeast extension to the east right-of-way line of Paulina Street; thence south to the north line of Lot 10 in Baer's Addition to Chicago; thence east along the north line of said lot to the west line of a public alley adjoining said lot; thence north along said west alley line to the north line of a public alley adjoining Lot 6 in said Baer's Addition; thence east along said north alley line to the west line of a public alley adjoining Lots 1 through 6 in said subdivision; thence north along said west alley line to the south line of Rosehill Cemetery Company's Subdivision; thence west along said south line to the east line of the west 188 feet of said subdivision; thence north along said west line to the south line of G. L. Drollinger's Resubdivision; thence east along said south line to the southeast corner of said resubdivision; thence north along the east line of said resubdivision to the northeast corner thereof; thence west along the north line of said resubdivision to the west line of the east 125 feet of Rosehill Cemetery Company's Subdivision; thence north along said west line to the south right-of-way line of Glenlake Avenue; thence west along said south right-of-way line to the east right-of-way line of

Paulina Street; thence north along said east right-of-way line to the north right-of-way line of Glenlake Avenue; thence east along said north right-of-way line to the west line of a public alley adjoining Lots 10 through 14 in a resubdivision of part of said Rosehill Subdivision; and Lots 11 through 19 in Donovan and Other's Resubdivision of part of said Rosehill Subdivision; thence north along said west alley line and its north extension to the west extension of the north line of the south 106.32 feet of Lots 6 and 7 in said Donovan Resubdivision; thence east along said north line to the west line of a public alley adjoining said Lot 6 in said Donovan Resubdivision; thence north along said west alley line to the south right-of-way line of Granville Avenue; thence west along said south right-of-way line to the south extension of the west line of a public alley through Block 13 of High Ridge Subdivision; thence north along said extension, said west line and its north extension to the north right-of-way line of Thome Avenue; thence east along said north right-of-way line to the west line of a public alley through A. L. Williams Resubdivision and through L. R. Priests' Resubdivision; thence north along said west alley line to the south right-of-way line of Highland Avenue; thence west along said south right-of-way line to the south extension of the west line of a public alley adjoining Lots 1 through 14 in the resubdivision of Lot 1 in Block 1 of High Ridge Subdivision; thence north along said extension and said west line to the south right-of-way line of Devon Avenue; thence west along said south right-of-way line to the south extension of the west line of a public alley adjoining Lots 30 through 37 in Schrieber's Resubdivision; thence north along said extension and said west alley line to the south right-of-way line of Schrieber Avenue; thence west along said south right-of-way line and its west extension to the east Metra right-of-way line; thence north along said east Metra right-of-way line to the west extension of the north line of a public alley adjoining Lots 9 through 34 in Block 3 of Becker's Addition to Rogers Park; thence east along said extension and said north alley line to the west line of a public alley adjoining Lot 9 in said Block 3; thence north along said west alley line to the south right-of-way line of Arthur Avenue; thence west along said south right-of-way line to the south extension of the west line of a public alley running through Block 2 of said Becker's Addition and through Block 2 of Gallup & Schlesswohl's Addition to Rogers Park; thence north along said extension and said west alley line to the south right-of-way line of Albion Avenue; thence north to the intersection of the north right-of-way line of Albion Avenue and the west line of a public alley running through Blocks 2, 4 and 7 of William L. Wallen's Addition to Rogers Park; thence north along said west alley line to its intersection with the west line of a public alley running through that part of Lot 1 of the Assessor's Division lying between Clark Street and Hermitage Avenue; thence north along said west alley line and its north extension to the north right-of-way line of Pratt Avenue; thence east along said north right-of-way line to the point of beginning.

EXHIBIT A B

LEGAL DESCRIPTION OF PROJECT SITE

Lot 2 in block 29 in Highridge, a subdivision of the southwest $\frac{1}{4}$ of the northeast $\frac{1}{4}$ of section 6, township 40 north, range 14, east of the third principal meridian, also lot 3 (except that part lying south of a line 67.00 feet north of and parallel with the south line of the northeast $\frac{1}{4}$ of section 6 as conveyed to the City of Chicago by quit claim deed dated December 24, 1930 and recorded January 5, 1931 as document 10820890) in block 29 in Highridge, a subdivision of the southwest $\frac{1}{4}$ of the northeast $\frac{1}{4}$ of section 6, township 40 north, range 14, east of the third principal meridian, in Cook County, Illinois.

Known as: 1818 West Peterson Avenue, Chicago, IL

Permanent Index Numbers: 14-06-225-007
14-06-225-009
14-06-225-010

EXHIBIT C

TIF-Funded Improvements

Acquisition	\$ 4,200,000
Construction Cost of Affordable Units	<u>9,948,591</u>
Total	\$14,148,591

EXHIBIT D

Redevelopment Plan

(Attached at Closing)

EXHIBIT E

Financing for the Project

A. Lender Financing:

1. Amount: Not to exceed \$25,000,000
 Term: Not to exceed 45 years
 Source: CharterMac, a Delaware statutory trust, or another entity acceptable to the DOH Commissioner will purchase the City's Multi-family Housing Revenue Bonds (Senior Residences at Ravenswood), Series 2005 in an amount not to exceed \$25,000,000 (the "Housing Bonds"). The bond proceeds will be loaned to the Developer for the Project, pursuant to a Loan Agreement dated as of the date hereof among the City, the Developer and the Bond Trustee and repaid by the Developer to the Bond Trustee.
 Interest: A fixed rate not to exceed eight percent (8%) per annum, or such other rate acceptable to the DOH Commissioner
 Security: A mortgage on the Property senior to the lien of the Second Mortgage and a pledge of the TIF Note (as defined in Section 4 of this Agreement)
2. Amount: Affordable Housing Loan not to exceed \$6,000,000
 Source: HOME Program/Corporate Funds/Program Income
 Term: Not to exceed 45 years
 Interest: Two percent per annum, simple, deferred until maturity
 Security: Non-recourse loan; second mortgage ("**Second Mortgage**") on the Property
3. Amount: Not to exceed \$2,000,000
 Source: Illinois Housing Development Authority or another entity acceptable to the DOH Commissioner
 Term: Not to exceed 45 years
 Interest: Two percent per annum or such other rate as is acceptable to the DOH Commissioner
 Security: A mortgage on the Property junior to the lien of the Second Mortgage.

B. Other Financing

1. Approximately \$9,734,000 to be derived from the syndication by the General Partner of \$10,062,500 of Low-Income Housing Tax Credits expected to be allocated by the City.

2. Approximately \$600,000 from the General Partner, from Affordable Housing Program funds provided to the General Partner by the Federal Home Loan Bank of Chicago.
3. The General Partner will also contribute \$100.

EXHIBIT F-1
Construction Contract
(Attached at Closing)

EXHIBIT F-2

Escrow Agreement

(Attached at Closing)

EXHIBIT G

Permitted Liens

1. Liens or encumbrances against the Property:

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

2. Liens or encumbrances against the Developer or the Project, other than liens against the Property, if any: None, except in connection with the Lender Financing.

EXHIBIT H

Project Budget

Land Cost	4,205,400
Acquisition Costs Subtotal	4,205,400
Net Construction Costs	19,924,722
General Conditions	995,545
Overhead	209,264
Profit	1,015,456
Construction Costs Subtotal	22,144,987
Furniture, Fixtures, & Equip't	175,000
Building Permits	35,600
Bond Premium/ LOC Fees	117,474
Other Construction	16,000
Contingency	995,545
Other Construction Subtotal	1,339,619
Soil Testing	19,500
Environmental Subtotal	19,500
Architect - Design	505,600
Architect - Supervision	170,000
Noise Study	4,500
Permit Expediter	29,290
As-Is Plats & Surveys	12,750
Accountant – General	69,256
Legal - Organizational	185,669
TIF Consulting	30,000
Appraisal	8,000
Market Study	25,962
Phase I Environ. Report	7,730
Phase II Environ. Report	88,270
Title & Recording Fees	43,000
Other Professional Fees	30,000
Professional Fees Subtotal	1,210,027
Application Fees	1,795
Perm Loan Points	200,000
Lender Due Diligence	15,000
LOC Fees	20,000
Bond – Bond Counsel	78,500
Bond – Other	96,000
Construction Interest	1,502,917
Other Lender Fees	300,000
Lender Fees Subtotal	2,214,212
Liability Insurance	190,000
Hazard Insurance	45,112
Real Estate Taxes	143,417
Capitalized TIF Payment	180,000
Construction Period Subtotal	558,529
Leasing Personnel	60,000
Advertising	120,000
Marketing & Leasing Subtotal	180,000
Developer Fee	1,225,000
Deferred Developer Fee	1,200,000
Developer Fee Subtotal	2,425,000
Lease-Up Reserve	250,000
Insurance Reserve	70,000

Property Tax Reserve	138,000
Operating Reserve	200,000
Reserves Subtotal	658,000
Grand Total Dev Costs	34,955,274

EXHIBIT I

Prior TIF-Eligible Expenditures

Acquisition	\$ 4,200,000
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EXHIBIT J

Opinion of Developer's Counsel

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

City of Chicago
121 North LaSalle Street
Chicago, IL 60602

ATTENTION: Corporation Counsel

Ladies and Gentlemen:

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

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

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

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

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

In addition to the foregoing, we have examined

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

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

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

Based on the foregoing, it is our opinion that:

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

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

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

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

5. Exhibit A attached hereto (a) identifies each class of capital stock of the Developer, (b) sets forth the number of issued and authorized shares of each such class, and (c) identifies the record owners of shares of each class of capital stock of the Developer and the number of shares held of record by each such holder. To the best of our knowledge after diligent inquiry, except as set forth on Exhibit A, there are no warrants, options, rights or commitments of purchase, conversion, call or exchange or other rights or restrictions with respect to any of the capital stock of the Developer. Each outstanding share of the capital stock of the Developer is duly authorized, validly issued, fully paid and nonassessable.

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

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

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

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

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

11. A federal or state court sitting in the State of Illinois and applying the

choice of law provisions of the State of Illinois would enforce the choice of law contained in the Documents and apply the law of the State of Illinois to the transactions evidenced thereby.

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

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

Very truly yours,

By: _____

Name: _____

)

EXHIBIT K

TIF Preliminary Projections
[Intentionally Omitted]

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

RAVENSWOOD PARTNERS OF ILLINOIS, LP

By: Ravenswood Seniors Corporation
Its: General Partner

By: _____
Name: _____
Title: _____

Subscribed and sworn before me this ___ day of _____,
_____.

My commission expires: _____

Agreed and accepted:

Name
Title: _____
City of Chicago
Department of Planning and Development

SCHEDULE 1, EXPENDITURES

SCHEDULE 2, REQUESTED REIMBURSEMENT

[SCHEDULE 3, INTEREST CALCULATION]

EXHIBIT M

FORM OF TIF NOTE

REGISTERED

MAXIMUM
PRINCIPAL
AMOUNT

NO. R-1

\$5,820,000

**UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF COOK
CITY OF CHICAGO
TAX INCREMENT ALLOCATION REVENUE NOTE
(CLARK STREET AND RIDGE AVENUE REDEVELOPMENT AREA),
TAXABLE SERIES 2005**

Registered Owner: Ravenswood Partners of Illinois L.P.

Interest Rate: Not to exceed the TIF Note Interest Rate per annum, with the exact rate to be determined pursuant to Section 4.03(b)(iii) of the hereinafter defined Redevelopment Agreement

Maturity Date: May 1, 2021

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 that certain ordinance adopted by the City Council of the City on November 1, 2005 (the "Ordinance") and that certain Ravenswood Partners of Illinois L.P. Redevelopment Agreement (the "Redevelopment Agreement") dated as of the date hereof between the City and Ravenswood Partners of Illinois L.P. (the "Developer") up to the principal amount of

\$5,820,000 and to pay the Registered Owner or registered assigns interest on that amount at the Interest Rate per year specified above from the date. Interest on Note shall begin to accrue on the date that the City first approves a Certificate of Expenditure and shall be computed on the basis of a 360-day year of twelve 30-month days and the actual number of days elapsed within any portion of a month in which interest is due. Accrued but unpaid interest on this Note shall also accrue at the interest rate per year specified above until paid. Principal of and interest on this Note from the Available Incremental Taxes (as defined in the Redevelopment Agreement) are due on the dates indicated on the Debt Service Schedule attached hereto (the "Payment Dates"), beginning on the Payment Date after the City has issued a Certificate (as defined in the Redevelopment Agreement) until the earlier of Maturity or until this Note is paid in full; provided, however, that the City may make one interest payment prior to the issuance of a Certificate. 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 \$5,820,000 for the purpose of paying the costs of certain eligible redevelopment project costs incurred by the Registered Owner in connection with the development of a residential building containing approximately 187 rental dwelling units therein as studio, one- and two- bedroom units for low- and moderate – income senior citizen families, and approximately 65 on-site parking spaces (the “Project”), in the Clark Street and Ridge Avenue 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 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.

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, 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 \$5,820,000 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 suspend payments of principal and of interest on this Note upon the occurrence of certain conditions.

The City shall not be obligated to make payments under this Note if an Event of Default (as defined in the Redevelopment Agreement) 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 _____, 200__.

Mayor

(SEAL)
Attest: _____
City Clerk

**CERTIFICATE
OF
AUTHENTICATION**

Registrar
and Paying Agent
Acting 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 (Clark Street and Ridge Avenue Redevelopment Project), Taxable Series 2005, of the City of Chicago, Cook County, Illinois.

Acting City Comptroller
Date: _____

DEBT SERVICE SCHEDULE

Fiscal Year	Beginning Balance	Principal Payment	Interest Payment	Total Payment
1-Jan-07	5,820,000	0	(424,375)	(424,375)
1-Feb-08	5,820,000	(241,813)	(394,063)	(635,875)
1-Feb-09	5,578,188	(287,238)	(348,637)	(635,875)
1-Feb-10	5,290,949	(305,191)	(330,684)	(635,875)
1-Feb-11	4,985,759	(324,265)	(311,610)	(635,875)
1-Feb-12	4,661,493	(344,532)	(291,343)	(635,875)
1-Feb-13	4,316,962	(366,065)	(269,810)	(635,875)
1-Feb-14	3,950,897	(388,944)	(246,931)	(635,875)
1-Feb-15	3,561,953	(413,253)	(222,622)	(635,875)
1-Feb-16	3,148,700	(439,081)	(196,794)	(635,875)
1-Feb-17	2,709,619	(466,524)	(169,351)	(635,875)
1-Feb-18	2,243,095	(495,682)	(140,193)	(635,875)
1-Feb-19	1,747,413	(526,662)	(109,213)	(635,875)
1-Feb-20	1,220,752	(559,578)	(76,297)	(635,875)
1-Feb-21	661,174	(661,174)	(41,323)	(702,497)

PRINCIPAL PAYMENT RECORD

Fiscal Year	Principal Payment	Ending Balance
1-Feb-08	(241,813)	5,578,188
1-Feb-09	(287,238)	5,290,949
1-Feb-10	(305,191)	4,985,759
1-Feb-11	(324,265)	4,661,493
1-Feb-12	(344,532)	4,316,962
1-Feb-13	(366,065)	3,950,897
1-Feb-14	(388,944)	3,561,953
1-Feb-15	(413,253)	3,148,700
1-Feb-16	(439,081)	2,709,619
1-Feb-17	(466,524)	2,243,095
1-Feb-18	(495,682)	1,747,413
1-Feb-19	(526,662)	1,220,752
1-Feb-20	(559,578)	661,174
1-Feb-21	(661,174)	0

(ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto 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.

Ravenswood Partners of Illinois L.P.

By: Ravenswood Seniors Corporation

Its: General Partner

Dated: _____

President
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 PLANNING AND DEVELOPMENT

BY:

ITS:

CITY OF CHICAGO
DEPARTMENT OF HOUSING

BY:

ITS: _____

CERTIFICATION OF EXPENDITURE

_____, 200_

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")
\$5,820,000 Tax Increment Allocation Revenue Note
(Clark Street and Ridge Avenue Redevelopment Project, Taxable 2005)
(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 November 1, 2005 (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, or has been added to the principal balance of, 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 any payment made on the Redevelopment Note as of the date hereof, and the amount of interest accrued on the principal balance of the Redevelopment Note as of the date hereof is \$_____.

IN WITNESS WHEREOF, the City has caused this Certification to be signed on its behalf as of _____, 200_.

CITY OF CHICAGO

By: _____
Commissioner
Department of Planning and
Development

AUTHENTICATED BY:

REGISTRAR

EXHIBIT N

[Intentionally Omitted]

EXHIBIT O

FORM OF SUBORDINATION AGREEMENT

This document prepared by and after recording return to:

Judith A. El-Amin, Esq.

Assistant Corporation Counsel

Department of Law

121 North LaSalle Street, Room 600

Chicago, IL 60602

SUBORDINATION AGREEMENT

This Subordination Agreement ("Agreement") is made and entered into as of the 1st day of November, 2005 between the City of Chicago by and through its Department of Planning and Development ("DPD") and its Department of Housing ("DOH" and with DPD are referred to herein as the "City"), Amalgamated Bank of Chicago, an Illinois banking corporation, a trustee (the "Trustee").

WITNESSETH:

WHEREAS, the Ravenswood Partners of Illinois L.P. (the "Borrower"), has purchased certain property located within the Clark Street and Ridge Avenue Redevelopment Project Area at 1818 West Peterson Avenue, Chicago, Illinois 60660 and legally described on Exhibit A hereto (the "Property"), in order to redevelop the Property through the construction of a residential building containing approximately 187 rental dwelling units therein as studio, one- and two-bedroom units for low- and moderate-income senior citizen families, and approximately 65 on-site parking spaces are collectively referred to herein as the "Project."; and

WHEREAS, as part of obtaining financing for the Project, the Borrower has entered into a certain Loan Agreement dated as of November 1, 2005 with the City and the Trustee, pursuant to which the City, as issuer of its Multifamily Housing Revenue Bonds (Senior Residences at Ravenswood) Series 2005, in the original aggregate principal amount of

\$20,000,000 (the “**Bonds**”) pursuant to the Trust Indenture, dated as of November 1, 2005, from the Issuer to the Trustee (as the same may be modified, amended or supplemented from time to time, the “**Indenture**”) has agreed to loan the proceed of the Bonds to the Borrower in an amount not to exceed \$20,000,000 (the “**Loan**”), which Loan is evidenced by a note executed by the Borrower in favor of the Trustee, and the repayment of the Loan is secured by, among other things, certain liens and encumbrances on the Property and other property of the Borrower pursuant to the following: (i) Mortgage and Security Agreement dated November 1, 2005 and recorded _____ as document number _____ made by the Borrower to the Trustee; (ii) Assignment of Leases, Rents and Other Income, dated November 1, 2005 from the Borrower to the Trustee; (iii) Assignment of Project Documents, dated November 1, 2005 from the Borrower to the Trustee; (iv) Assignment of TIF Note Documents, dated November 1, 2005 from the Borrower to the Trustee (all such agreements referred to above and otherwise relating to the Loan referred to herein collectively as the “**Loan Documents**”);

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

WHEREAS, pursuant to the Redevelopment Agreement, the Developer will agree to be bound by certain covenants expressly running with the Property, as set forth in Sections 8.02 and 8.20 of the Redevelopment Agreement and subject to Section 8.24 therein (the “**City Encumbrances**”);

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

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

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

2. Notice of Default. The Trustee shall use reasonable efforts to give to the City,

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

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

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

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

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

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

 City of Chicago
 Department of Housing
 33 North LaSalle Street, 2nd Floor
 Chicago, Illinois 60602
 Attention: Commissioner

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

If to the Trustee: Amalgamated Bank of Chicago
One West Monroe Street
Chicago, Illinois
Attention:

With a copy to: Charter MAC Equity Issuer Trust
101 Hudson Street, 39th Floor
Jersey City, New Jersey 07302
Attention: Director of Portfolio Management

Greenberg Traurig, LLP
2700 Two Commerce Square
2001 Market Street
Philadelphia, Pennsylvania 19103
Attention: Andrew P. Schmutz, Esquire

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

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

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

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

AMALGAMATED BANK OF CHICAGO,
an Illinois banking corporation

By: _____
Name: _____
Its: _____

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

By: _____
Lori T. Healey
Its: Commissioner

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

By: _____
John G. Markowski
Its: Commissioner

ACKNOWLEDGED AND AGREED TO THIS
___ DAY OF _____, ____

RAVENSWOOD PARTNERS OF ILLINOIS L.P.
Its: General Partner

By: _____
Name: _____
Its: _____

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a notary public in and for the County and State aforesaid, DO
HEREBY CERTIFY THAT Lori T. Healey, personally known to me to be the Commissioner of
the Department of Planning and Development of the City of Chicago, Illinois (the "City") and
personally known to me to be the same person whose name is subscribed to the foregoing
instrument, appeared before me this day in person and acknowledged that as such
Commissioner, (s)he signed and delivered the said instrument pursuant to authority, as his/her
free and voluntary act, and as the free and voluntary act and deed of said City, for the uses and
purposes therein set forth.

GIVEN under my hand and notarial seal this ____ day of
_____, _____.

Notary Public

My Commission Expires

(SEAL)

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a notary public in and for the County and State aforesaid, DO
HEREBY CERTIFY THAT John G. Markowski, personally known to me to be the
Commissioner of the Department of Housing of the City of Chicago, Illinois (the "City") and
personally known to me to be the same person whose name is subscribed to the foregoing
instrument, appeared before me this day in person and acknowledged that as such
Commissioner, (s)he signed and delivered the said instrument pursuant to authority, as his/her
free and voluntary act, and as the free and voluntary act and deed of said City, for the uses and
purposes therein set forth.

GIVEN under my hand and notarial seal this ____ day of
_____, _____.

Notary Public

My Commission Expires

(SEAL)

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY THAT _____, personally known to me to be the _____ of Amalgamated Bank of Chicago, an Illinois banking corporation (“Lender”), an Illinois banking corporation, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed and delivered said instrument, pursuant to the authority given to him/her by Lender, as his/her free and voluntary act and as the free and voluntary act of the Lender, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this ____ day of _____, _____.

Notary Public

My Commission Expires

(SEAL)

EXHIBIT A - LEGAL DESCRIPTION

Lot 2 in block 29 in Highridge, a subdivision of the southwest $\frac{1}{4}$ of the northeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of section 6, township 40 north, range 14, east of the third principal meridian, also lot 3 (except that part lying south of a line 67.00 feet north of and parallel with the south line of the northeast $\frac{1}{4}$ of section 6 conveyed to the City of Chicago by quit claim deed dated December 24, 1930 and recorded January 5, 1931 as document no 10820890) in block 29 in Highridge, a subdivision of the southwest $\frac{1}{4}$ of the northeast $\frac{1}{4}$ of section 6, township 40 north, range 14, east of the third principal meridian, in cook county, Illinois.

Known as: 1818 West Peterson Avenue, Chicago, IL

Permanent Index Numbers: 14-06-225-010
14-06-225-007

EXHIBIT P

Form of Payment and Performance Bond

(see attached)

EXHIBIT Q

Assignment of TIF Note Documents

(see attached)