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Karen A. Yarbrough
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This agreement was prepared by and after recording return to:
Crystal Maher
Senior Counsel
City of Chicago Department of Law
121 North LaSalle Street, Room 600
Chicago, IL 60602

SINAI HEALTH SYSTEM REDEVELOPMENT AGREEMENT

This Sinai Health System Redevelopment Agreement (this "Agreement") is dated for reference purposes only as of August 1, 2015, and will not be effective and binding on the parties hereto until the Closing Date (as hereinafter defined) occurs by and between the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Planning and Development ("DPD"), and Sinai Health System, an Illinois not-for-profit corporation (the "Developer").

RECITALS

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

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

C. City Council Authority: To induce redevelopment pursuant to the Act, the City Council of the City (the "City Council") adopted the following ordinances on May 17, 2000: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the Midwest Redevelopment Project Area" (the "Plan Adoption Ordinance") as amended pursuant to an ordinance adopted on April 14, 2010, and as subsequently amended pursuant to an ordinance

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adopted on May 9, 2012, and as may be amended in the future by the City; (2) "An Ordinance of the City of Chicago, Illinois Designating the Midwest Redevelopment Project Area as a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act"; and (3) "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Allocation Financing for the Midwest Redevelopment Project Area" (the "TIF Adoption Ordinance") (items(1)-(3) collectively referred to herein as the "TIF Ordinances"). The redevelopment project area referred to above (the "Redevelopment Area") is legally described in Exhibit A-1 hereto.

To induce redevelopment pursuant to the Act, the City Council adopted the following ordinances on February 5, 1998: (1) "An Ordinance of the City of Chicago, Illinois Approving a Tax Increment Redevelopment Plan for the Western/Ogden Redevelopment Project Area;" (2) "An Ordinance of the City of Chicago, Illinois Designating the Western/Ogden Redevelopment Project Area as a Tax Increment Financing District;" and (3) "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Allocation Financing for the Western/Ogden Redevelopment Project Area" (the "Western/Ogden TIF Adoption Ordinance") (items (1)-(3) collectively referred to herein as the "Western/Ogden TIF Ordinances," the redevelopment plan approved by the Western/Ogden TIF Ordinances is referred to herein as the "Western/Ogden Redevelopment Plan" and the redevelopment project area created by the Western/Ogden TIF Ordinances is referred to herein as the "Western/Ogden Redevelopment Area") and is legally described in Exhibit A-2 hereto.

The Midwest Redevelopment Area is either contiguous to, or is separated only by a public right of way from, the Western/Ogden Redevelopment Area.

D. The Project: The Developer intends to undertake a multi-phased renovation project, known as "Sinai Tomorrow" (or such other designation as Developer may subsequently identify) on property located in the Redevelopment Area (the "Sinai Property"). The Sinai Property is legally described on Exhibit B-1 hereto.

The buildings comprising the Sinai Facility (as defined below) are located on the Sinai Property. The following table summarizes the approximate size and use of each building comprising the Sinai Facility and the proposed uses and improvements resulting from the Project (as hereinafter defined).

The Sinai Facility includes Mount Sinai Hospital Medical Center ("MSH") located at 1500 South California Boulevard, Chicago, Illinois 60608, the Sinai Community Institute ("SCI") located at 2653 West Ogden Boulevard, Chicago Illinois 60608, and multiple interconnected buildings (or buildings separated only by a public or private way) totaling approximately 803,824 square feet.

The Sinai Facility also includes a building located at 3140 West Ogden Boulevard (the "Ogden Property"). The Ogden Property is currently owned by the City and is unoccupied. Upon obtaining City Council's approval, the City has agreed to convey the Ogden Property to the Developer (or a controlled Affiliate of the Developer). After this conveyance, the Ogden Property will be leased to the Gad's Hill Center ("Gad's Hill") for use as a child development center. The second floor of the SCI Building is currently leased to Gad's Hill for use as a child development center. As a part of the Project, the space at the SCI Building currently leased to Gad's Hill will be renovated by the Developer to provide additional health care services. This renovation and the terms of the current lease with Gad's Hill require the relocation of Gad's Hill to another location. The Developer and DPD agree that the Ogden Property is well-suited for this purpose.

Upon passage of this ordinance by City Council and conveyance of the Ogden Property by the City to the Developer, it will be included in the Sinai Property and the building located on the Ogden Property will be included as a part of the Sinai Facility (and this Agreement will be recorded as an encumbrance against the Ogden Property in accordance with the terms and provisions of this Agreement).

The Developer either owns or has a long-term ground leasehold interest in the Sinai Property other than SCI and for the Ogden Property, as described above. The Developer is the sole corporate member of and controls Sinai Community Institute, Inc., an Illinois not-for-profit corporation ("SCI, Inc."), which owns SCI.

<u>Building</u>	<u>Size (sq. ft.)</u>	<u>Current Use</u>	<u>Proposed Investment / Uses</u>
Crown	118,575	Inpatient Care	Inpatient Care
Frankel	140,005	Inpatient Care and Support	Support Departments
Kling	57,066	Outpatient Clinics	Vacate and Demolish
Kurtzon	158,976	Inpatient Care and Support	Vacate and Demolish
Nurse's Residence	92,254	Outpatient Care and Support	Outpatient Care and Support
Olin-Sang	118,575	Inpatient Care	Inpatient Care
Sinai Community Institute	108,060	Community Outreach Services and Outpatient Clinics	Community Outreach Services and Outpatient Clinics
3140 West Ogden Boulevard	10,313	Unoccupied	Relocation of Gad's Hill Childcare Center

In addition, the Developer is the sole corporate member of and controls Holy Cross Hospital, an Illinois not-for-profit corporation, the entity that owns Holy Cross Hospital ("HCH"), which is located at 2701 West 68th Street, Chicago, Illinois 60629, approximately seven miles to the south of MSH and is not part of the Redevelopment Area, a portion of which is legally described on Exhibit B-2 hereto (the "HCH Property," and collectively with the Sinai Property, the "Property"). The Developer also intends to renovate portions of HCH, effecting one or more interconnected buildings located on the HCH Property and totaling approximately is 32,530 square feet (the "HCH Facility," and collectively with the Sinai Facility, the "Facility") as part of Sinai Tomorrow. The Facility consists of approximately 836,354 square feet.

The Facility and related improvements (including but not limited to those TIF-Funded Improvements strictly related to the Sinai Property and the Sinai Facility) are collectively referred to herein as the "Project." (The TIF-Funded Improvements are as defined below and set forth on Exhibit C hereto.) The Project will create a substantial public benefit through its retention of 1,800 FTE (as defined below) positions during the Compliance Period (as defined below). The completion of the Project would not reasonably be anticipated without the financing contemplated in this Agreement.

E. Redevelopment Plan: The Project will be carried out in accordance with this Agreement and the City of Chicago Midwest Redevelopment Project Area Tax Increment

Financing Program Redevelopment Plan (the "Redevelopment Plan") included in the Plan Adoption Ordinance.

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

G. Transfer Rights: Pursuant to 65 ILCS 5/11-74.4-4(q) of the Act, the City can use Incremental Taxes (as hereinafter defined) from one redevelopment project area for eligible redevelopment project costs in another redevelopment project area that is either contiguous to, or is separated only by a public right of way from, the redevelopment project area from which those Incremental Taxes are received (the "Transfer Rights"). The City may, in its sole discretion, exercise its Transfer Rights pursuant to the Act and may transfer a portion of the Western/Ogden Incremental Taxes from the Western/Ogden Redevelopment Area (the "Western/Ogden Incremental Taxes") into the TIF Fund (as hereinafter defined) in order to fund certain TIF-Funded Improvements related to the Project, to the extent and in the manner hereinafter provided.

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

SECTION 1. RECITALS, HEADINGS AND EXHIBITS

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

Table of Contents	List of Exhibits
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10. Developer's Employment Obligations	C *TIF-Funded Improvements
11. Environmental Matters	D *Jobs and Occupancy Certificate
12. Insurance	E Construction Contract
13. Indemnification	F *LEED Checklist
14. Maintaining Records/Right to Inspect	G *Permitted Liens
15. Defaults and Remedies	H-1 *Project Budget
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16. Mortgaging of the Project 17. Notice 18. Miscellaneous	I *Approved Prior Expenditures J *Opinion of Developer's Counsel K Intentionally Deleted L *Requisition Form M *HUD-Required Provisions Rider (An asterisk (*) indicates which exhibits are to be recorded.)

SECTION 2. DEFINITIONS

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

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

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

“Additional Bonds” means bonds or other debt obligations, the proceeds of which are used to refund the Sinai Bonds or to fund an Additional HUD insured Mortgage Loan or to refund such Additional Bonds.

“Additional HUD Insured Mortgage Loan” means a mortgage loan or loans made to the Developer, or its controlled affiliates, and insured by the Federal Housing Administration, an administrative unit of the U.S. Department of Housing and Urban Development, authorized by Title II of the National Housing Act by an approved mortgage lender that is secured by a first mortgage on the certain real property of Mt. Sinai Hospital, Schwab Rehabilitation Hospital and Care Center and other real property owned by Developer or such affiliates as U.S. Department of Housing and Urban Development may require in addition to or in substitution for the mortgage loan currently insured by HUD.

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

“Annual Compliance Report” shall mean a signed report from Developer to the City (a) itemizing each of Developer’s obligations under this Agreement during the preceding calendar year, (b) certifying Developer’s compliance or noncompliance with such obligations, (c) attaching evidence (whether or not previously submitted to the City) of such compliance or noncompliance and (d) certifying that Developer is not in default with respect to any provision of this Agreement, the agreements evidencing the Lender Financing, if any, or any related agreements; provided that the obligations covered by the Annual Compliance Report shall include the following: (1) compliance with the Operating Covenant (Section 8.06) and the Jobs Covenant (Section 8.06); (2) delivery of Financial Statements (Section 8.13); (3) delivery of updated insurance certificates, if applicable (Section 8.14); (4) delivery of evidence of payment of Non-Governmental Charges, if applicable (Section 8.15); (5) delivery of the Milestone Budget applicable at the time of the submission (Section 5.01), (6) an updated Project Budget (Section 5.01) and (7) compliance with all other executory provisions of this Agreement. The Annual

Compliance Report shall be sent pursuant to the attention of the Deputy Commissioner of TIF Administration at the address provided for the City in Section 17 hereof.

"Available Incremental Taxes" shall mean for each payment, an amount equal to the Incremental Taxes on deposit in the TIF Fund attributable to the taxes levied on the Redevelopment Area (plus any amounts of Western/Ogden Incremental Taxes which may be transferred from time to time into said fund pursuant to the Transfer Rights and this Agreement) as of December 31st of the calendar year prior to the year in which the Requisition Form for such payment is received by the City, and which is available for the financing or payment of Redevelopment Project Costs, after deducting (i) all Incremental Taxes previously allocated or pledged by the City before the date of this Agreement including, without limitation, Incremental Taxes allocated or pledged for the Prior TIF Financings, and (ii) debt service payments with respect to the Bonds, if any.

"Available Project Funds" shall mean: (1) the undisbursed City Funds; (2) the undisbursed Lender Financing, if any; (3) the undisbursed Equity and (4) any other amounts deposited by Developer pursuant to this Agreement.

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

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

"Business Relationship" shall have the meaning set forth for such term in Section 2-156-080 of the Municipal Code.

"Certificate" shall mean an individual Milestone Certificate of Completion of Rehabilitation that the City may issue with respect to a distinct phase of the Project, as described in Section 7.01 hereof.

"Change Order" shall mean any amendment or modification to a Milestone completion date, or the Project Budget or a Milestone Budget as described in Section 3.03, Section 3.04 and Section 3.05.

"City Construction Compliance Requirements" shall have the meaning set forth in Section 10.03(g) hereof.

"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.

"Closing Date" shall mean the date this Agreement by and between the Developer and the City is recorded in the Office of the Recorder of Deeds of Cook County, Illinois.

"Compliance Period" shall mean either (1) if the Developer does not deliver an Extension Notice, a period beginning on the date the Milestone 1 Certificate is issued and ending on the 10th anniversary of the date the Final Certificate is issued, or (2) if the Developer delivers an Extension Notice and cures the applicable Event of Default during the one-year period in which the Extension notice was delivered, a period beginning on the date the Milestone 1 Certificate is issued and ending on the 11th anniversary of the date the Final Certificate is issued.

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

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

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

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

“Developer” shall have the meaning set forth in the Recitals, together with its permitted successors and/or assigns.

“DPD” shall mean the City's Department of Planning and Development, or any successor department thereto.

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

“Employer(s)” shall have the meaning set forth in Section 10 hereof.

“Employment Plan” shall have the meaning set forth in Section 5.12 hereof.

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

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

“Extension Notice” shall have the meaning set forth in Section 8.06 hereof.

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

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

“Final Certificate” shall mean the Final Certificate of Completion of Rehabilitation described in Section 7.01(b) hereof.

"Final Milestone Project Cost" shall have the meaning set forth in Section 7.01(a) hereof.

"Financial Interest" shall have the meaning set forth for such term in Section 2-125-010 of the Municipal Code.

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

"FOIA" shall have the meaning set forth in Section 8.24 hereof.

"Full-Time Equivalent Employee" or "FTE" shall mean an employee of the Developer at the Project if such employee is employed at the Project during the applicable month (excluding persons engaged as or employed by independent contractors, third party service providers or consultants) and works at least thirty-five (35) hours per week. Two PTEs shall be recognized as one FTE.

"General Contractor" shall mean the general contractor(s), if any, hired by Developer pursuant to Section 6.01.

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

"Health Care Facility" shall mean health care, health facilities, health education and training, scientific research, community health care services, housing facilities for doctors, residents and employees, transitional housing and related programs designed to impact on the health of the community, health management services, home health agencies and human services programs.

"HUD Documents" means the financing documents executed and delivered to the U.S. Department of Housing and Urban Development in connection with the issuance of the Sinai Bonds and/or the Additional Bonds.

"Human Rights Ordinance" shall have the meaning set forth in Section 10 hereof.

"Incremental Taxes" shall mean such ad valorem taxes which, pursuant to the TIF Adoption Ordinance and Section 5/11-74.4-8(b) of the Act, are allocated to and when collected are paid to the Treasurer of the City of Chicago for deposit by the Treasurer into the TIF Fund established to pay Redevelopment Project Costs and obligations incurred in the payment thereof. Incremental Taxes shall also include amounts, if any, transferred into the TIF Fund from the special tax allocation fund for the contiguous Western/Ogden Redevelopment Area pursuant to Section 5/11-74.4-4(q) of the Act.

"Indemnitee" and "Indemnitees" shall have the meanings set forth in Section 13.01 hereof.

"Jobs and Occupancy Certificate" shall mean the Jobs and Occupancy Certificate attached hereto as Exhibit D.

"Jobs Covenant" shall have the meaning set forth in Section 8.06 hereof.

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

"LEED" shall mean the Leadership in Energy and Environmental Design with respect to the Green Building Rating System maintained by the U.S. Green Building Council and applicable to commercial interiors.

"Lender" shall mean a provider, if any, of Lender Financing.

"Lender Financing" shall mean funds, if any, borrowed by Developer from Lenders and irrevocably available to pay for Project costs, in the amount set forth in Section 4.01 hereof.

"Living Wages" shall mean a base wage as that term is defined and calculated in Section 2-92-610 of the City of Chicago Municipal Code.

"Local Records Act" shall have the meaning set forth in Section 8.24 hereof.

"Maximum Milestone Payment Amount" shall have the meaning set forth in Section 4.03(b) 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.

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

"MBE/WBE Program" shall have the meaning set forth in Section 10.03 hereof.

"Milestone" shall have the meaning set forth in Section 4.03(b) hereof.

"Milestone Budget" shall have the meaning set forth in Section 5.01 hereof.

"Milestone Payment" shall have the meaning set forth in Section 4.03(b) hereof.

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

"New Mortgage" shall have the meaning set forth in Article 16 hereof.

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

"Operating Covenant" shall have the meaning set forth in Section 8.06 hereof.

"Ordinary Course of Developer's Business" shall mean health care, health facilities, health education and training, scientific research and community health care services and housing facilities for doctors, residents and employees.

"Part-Time Equivalent Employee" or "PTE" shall mean an employee of the Developer at the Project if such employee is employed at the Project during the applicable month (excluding persons engaged as or employed by independent contractors, third party service providers or consultants) and works at least fifteen (15) hours per week. Two PTE shall be recognized as one FTE.

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

"Permitted Mortgage" shall have the meaning set forth in Article 16 hereof.

"Prior TIF Financings" shall mean, collectively, the following: 1) MSAC DS - Collins HS, 2) RDA - Heritage Homes, 3) RDA - Liberty Square Apts., 4) CPS IGA ADA Ph.1 - Dodge, 5) CPS IGA - Faraday, Jensen, Ericson, 6) CPS IGA - Penn Elem., and 7) Park District IGA - Douglas Park.

"Plans and Specifications" shall mean initial construction documents containing a site plan and working drawings and specifications for each Milestone, as submitted to the City as the basis for obtaining building permits for the Project.

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

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

"Project Budget" shall mean the budget attached hereto as Exhibit H-1, showing the total cost of the Project by line item, furnished by the Developer to 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.

"Requisition Form" shall have the meaning set forth in Section 4.05 hereof, and substantially be in the form of Exhibit L hereof.

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

"Sinai Bonds" shall mean Sinai Health System (GNMA Collateralized Taxable Revenue Bonds) Series 2012.

"Survey" shall mean a plat of survey in the most recently revised form of ALTA/ACSM land title survey of the Property, meeting the 2011 Minimum Standard Detail Requirements for ALTA/ACSM Land Title Surveys, effective February 23, 2011, dated within 75 days prior to the Closing Date, acceptable in form and content to the City and the Title Company, prepared by a surveyor registered in the State of Illinois, certified to the City and the Title Company, and indicating whether the Property is in a flood hazard area as identified by the United States Federal Emergency Management Agency (and updates thereof to reflect improvements to the Property in connection with the rehabilitation of the Sinai Facility and related improvements as required by the City or lender(s) providing Lender Financing).

"Sustainability Requirement" - shall be determined at the beginning of each Milestone, by the Developer providing a completed LEED checklist to be approved by DPD. At the end of each Milestone, a stamped letter from a licensed professional and a completed LEED checklist, in the form attached as Exhibit F hereto, shall be provided detailing the sustainable strategies completed in each Milestone. If the strategies included in the LEED checklist and stamped letter are deemed adequate by DPD, full payment of that Milestone will occur. If it is not adequate, a penalty of ten percent (10%) of the Milestone Budget will be applied.

"Term of the Agreement" shall mean the period of time commencing on the Closing Date and ending on the earlier of the (i) conclusion of the Compliance Period or, (ii) on the date that the Agreement is terminated pursuant to Section 15 hereof.

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

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

"TIF-Funded Improvements" shall mean those improvements of the Sinai 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. None of the improvements included in the HCH Project shall be TIF-Funded Improvements.

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

"Title Company" shall mean Chicago Title Insurance Company.

"Title Policy" shall mean a title insurance policy issued by the Title Company in the most recently revised ALTA or equivalent form, showing Developer (or a controlled Affiliate of the Developer), SCI, Inc. or HCH, as applicable, as the insured, noting the recording of this Agreement as an encumbrance against the Property and a subordination agreement in favor of the City with respect to previously recorded liens against the Property related to non-bond issuance related Lender Financing, if any, issued by the Title Company.

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

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

"Western/Ogden Redevelopment Area" shall of the meaning set forth in the Recitals.

SECTION 3. THE PROJECT

3.01 The Project. With respect to the Facility, Developer shall, pursuant to the Plans and Specifications and subject to the provisions of Section 18.17 hereof, complete construction and conduct business operations therein no later than December 31, 2024, which may be extended pursuant to DPD's sole discretion and under other stated limitations stated herein.

3.02 Scope Drawings and Plans and Specifications. The Scope Drawings and Plans and Specifications shall at all times conform to the Redevelopment Plan, and all applicable federal, state and local laws, ordinances and regulations. In addition, upon DPD's request, Scope Drawings and Specifications shall be submitted to DPD for information purposes only. Developer shall submit all necessary documents to the City's Building Department, Department of Transportation and such other City departments or governmental authorities as may be necessary to acquire building permits and other required approvals for the Project.

3.03 Project Budget and Milestone Budget. Developer has furnished to DPD, and DPD has approved, a Project Budget showing total costs for the Project in an amount not less than One Hundred Million Dollars (\$100,000,000), as set forth in Exhibit H-1 hereto. The Developer hereby certifies to the City that prior to commencing a Milestone, the Developer shall have Lender Financing and/or Equity in an amount sufficient to pay for all Project costs for such Milestone. The Developer shall submit a Milestone Budget to DPD as soon as it is available and will obtain DPD's approval of such Milestone Budget prior to commencing the Milestone work to be completed thereunder. The Developer shall promptly deliver to DPD certified copies of any Change Orders with respect to a Milestone Budget for approval pursuant to Section 3.04 hereof.

3.04 Change Orders. Except as provided below in this Section 3.04, all Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to changes to a Milestone or the Project must be submitted by Developer to DPD concurrently with the progress reports described in Section 3.07 hereof; provided, that any Change Order relating to any of the following must be submitted by Developer to DPD for DPD's prior written approval: (a) a reduction in the gross or net square footage of Facility by five percent (5%) or more (either individually or cumulatively); excluding however, reduction in square footage resulting from the demolition of facilities included as part of the Project or pursuant to the CHA Land Transfer Agreement (as defined hereinafter); (b) a change in the use of the Project to a use other than as described in Recital D to this Agreement; (c) a delay in the completion of a Milestone of the Project by six (6) months or more; or (d) Change Orders resulting in an aggregate increase to a Milestone Budget of ten percent (10%) or more. Developer shall not authorize or permit the performance of any work relating to any Change Order described in the preceding clauses (a) through (d) or the furnishing of materials in

connection therewith prior to the receipt by Developer of DPD's written approval (to the extent said City prior approval is required pursuant to the terms of this Agreement). The Construction Contract, and each contract between the General Contractor or Developer and any subcontractor, shall contain a provision to this effect. An approved Change Order shall not be deemed to imply any obligation on the part of the City to increase the amount of City Funds which the City has pledged pursuant to this Agreement or provide any other additional assistance to Developer. Notwithstanding anything to the contrary in this Section 3.04, Change Orders other than those set forth above do not require DPD's prior written approval as set forth in this Section 3.04, but DPD shall be notified in writing of all such Change Orders within 10 business days after the execution of such Change Order and the Developer, in connection with such notice, shall identify to DPD the source of funding therefor.

3.05 DPD Approval. Any approval granted by DPD of the Scope Drawings, Plans and Specifications and the Change Orders is for the purposes of this Agreement only and does not affect or constitute any approval required by any other City department or pursuant to any City ordinance, code, regulation or any other governmental approval, nor does any approval by 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 any component included in a milestone that is part of the Project until Developer has obtained all necessary permits and approvals and proof of the General Contractor's and each subcontractor's bonding as and when required hereunder.

3.07 Progress Reports and Survey Updates. Developer shall provide DPD with written quarterly construction progress reports detailing the status of the Project, including a revised completion date, if necessary (with any change in completion date being considered a Change Order, requiring DPD's written approval pursuant to Section 3.04). Developer shall provide three (3) copies of an updated Survey to DPD upon the request of DPD or any Lender providing Lender Financing, reflecting improvements made to the Property.

3.08 Barricades. Prior to commencing any construction requiring barricades, Developer shall install a construction barricade of a type and appearance satisfactory to the City and constructed in compliance with all applicable Laws. DPD retains the right to approve the maintenance, appearance, color scheme, painting, nature, type, content and design of all barricades.

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

SECTION 4. FINANCING

4.01 Total Project Cost and Sources of Funds. The cost of the Project is estimated to be \$100,000,000, to be applied in the manner set forth in the Project Budget. Such costs shall be funded from the following sources:

Equity (subject to Sections 4.03(b) and 4.06)

- State of Illinois Grants	\$10,500,000
- TIF Bridge Funds	\$31,000,000
- Philanthropy	\$24,000,000
- Capital from Operations	\$34,500,000

ESTIMATED TOTAL \$100,000,000

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

4.03 City Funds.

(a) Uses of City Funds. City Funds may only be used to pay directly or reimburse Developer for costs of TIF-Funded Improvements that constitute Redevelopment Project Costs. Exhibit C sets forth, by line item, the TIF-Funded Improvements for the Sinai Project, and the maximum amount of costs that may be paid by or reimbursed from City Funds for each line item therein (subject to Sections 4.03(b) and 4.05(b)), contingent upon receipt by the City of documentation satisfactory in form and substance to DPD evidencing such cost and its eligibility as a Redevelopment Project Cost. In no event, however, shall City Funds be paid to the Developer in excess of \$31,000,000.

(b) Payment of City Funds.

The Project shall be completed in phases and Exhibit B-3 hereto describes by phase the site improvements, demolition, rehabilitation, reconstruction, repair and/or remodeling that comprise each phase of the Project (the "Milestone") to be completed prior to any payment of City Funds. Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03, Section 4.05(b) and Section 5 hereof, the City hereby agrees to provide City funds (the "City Funds") from Available Incremental Taxes to pay for or reimburse the Developer for the actual Sinai Project costs of the TIF-Funded Improvements upon the completion of a Milestone, in an amount not to exceed the maximum milestone payment amount, as stated below (the "Maximum Milestone Payment Amount").

(i) The City Funds shall be paid to the Developer in installments (each, a "Milestone Payment," pursuant to the time frames set forth herein and in accordance with the terms and conditions of this Agreement, as follows:

Payment	Timing of Payment	Maximum Milestone Payment Amount

Milestone Payment #1	Issuance of Milestone 1 Certificate	\$4,500,000
Milestone Payment #2	Issuance of Milestone 2 Certificate	\$4,500,000
Milestone Payment #3	Issuance of Milestone 3 Certificate	\$4,500,000
Milestone Payment #4	Issuance of Milestone 4 Certificate	\$4,500,000
Milestone Payment #5	Issuance of Milestone 5 Certificate	\$3,000,000
Milestone Payment #6	Issuance of Milestone 6 Certificate	\$3,000,000
Milestone Payment #7	Issuance of Milestone 7 Certificate	\$3,000,000
Milestone Payment #8	Issuance of Milestone 8 Certificate	\$3,000,000
Milestone Payment #9	First Anniversary of Issuance of Milestone 8 Certificate	\$1,000,000

(ii) The actual amount may vary depending on the Final Milestone Project Cost and the amount of TIF-Funded Improvements incurred for each Milestone.

(iii) The City's financial commitment to provide Available Incremental Taxes for such purposes is subject to the Prior TIF Financings and the availability of sufficient Available Incremental Taxes.

(iv) City Funds derived from Available Incremental Taxes and available to pay such costs and allocated for such purposes shall be paid in accordance with the terms of this Agreement only so long as no Event of Default or condition for which the giving of notice or the passage of time, or both, would constitute an Event of Default exists under this Agreement.

The Developer acknowledges and agrees that the City's obligation to pay installments of City Funds in an amount not to exceed the applicable Maximum Milestone Payment Amount is contingent upon the fulfillment of the conditions set forth in (i) through (iv) above, as well as the prior issuance of a Certificate, and the Developer's satisfaction of all other applicable terms and conditions of this Agreement. In the event that such condition is not fulfilled, the amount of Equity and/or Lender Financing to be contributed by Developer pursuant to Section 4.01 hereof shall increase proportionately.

Notwithstanding the foregoing, the Developer may request that DPD permit the combining of up to three (3) Milestones in order for the Developer to avoid a reduction of City Funds or to fulfill the City Construction Compliance Requirements and such combining may be requested multiple times during the Term of the Agreement. If permitted, the combined Milestones may be considered one (1) Milestone for purposes of calculating the Final Milestone Project Cost for the applicable combined Milestones upon the issuance of a Certificate.

Upon submitting a Milestone Budget for DPD's approval, the Developer may request that scope for a later numbered Milestone be substituted for scope of earlier numbered Milestone provided the amount of the new Milestone Budget for such earlier numbered Milestone shall be no less than the previous Milestone Budget for such earlier numbered Milestone. For illustration purposes, the application of this paragraph is set forth in the example attached as Exhibit B-5 hereto.

(c) Reduction of City Funds. Upon the occurrence of the following, without limitation, a Milestone Payment may be reduced:

(i) subject to the Developer's right to combine Milestones pursuant to Section 4.02(b), if the Final Milestone Project Cost is less than the final Milestone Budget, the City Funds will be reduced by \$.912 for every \$1.00 (or portion thereof) by which such Final Milestone Project Cost is less than the final Milestone Budget; for illustration purposes, the application of this paragraph is set forth in the example attached as Exhibit B-6 hereto.

(ii) by ten percent (10%) if the Sustainability Requirement is not achieved for a Milestone, if applicable to that particular Milestone;

(iii) pursuant to Section 7.03 (Failure to Complete) or if there is a default under Section 8.06 (Jobs and Operating Covenants);

(iv) if the Developer fails to meet the City Construction Compliance Requirements (MBE/WBE, prevailing wage and city residency) as defined in Section 10.03(g);

(v) if there is a transfer under Section 15.02 (Remedies) prior to the Term of the Agreement; and

(vi) upon the completion of the Project and the Final Certificate issuance, to the extent that Developer can demonstrate to the satisfaction of the City that the total project cost is in excess of \$100,000,000, the City will pay to the Developer the amount of City Funds withheld pursuant to clause (i) above; provided however, that the total amount to be paid to the Developer shall not exceed \$31,000,000. For illustration purposes, the application of this paragraph is set forth in Exhibit B-6.

4.04. Conditions for Payment of City Funds. No City Funds shall be paid to the Developer unless all of the following conditions have been met:

(a) Issuance of the applicable Certificate.

(b) Intentionally Omitted.

(c) When the Developer submits documentation to the City in connection with a request for the payment of the City Funds as described in Section 4.03(b), beginning on the first request for payment and continuing until the earlier of (i) the end of the Term of the Agreement or (ii) the date that the Developer has been reimbursed in full under this Agreement, the Developer shall provide DPD with a Requisition Form, along with the documentation described therein. Requisition for reimbursement of TIF-Funded Improvements shall be made not more than one time per calendar year (or as otherwise permitted by DPD). All required Annual Compliance Reports have been submitted as required by this Agreement. The Developer will be required to provide the Annual Compliance Report throughout the Compliance Period.

(d) The Developer has submitted evidence acceptable to DPD that the Sustainability Requirement has been achieved. Each payment request submitted by the Developer shall be accompanied by an affidavit from the Developer regarding compliance to the Sustainability Requirement.

4.05 Requisition Form and Treatment of Prior Expenditures and Subsequent Disbursements. Conditioned upon the issuance of a Certificate pursuant to Section 7 hereof, Developer shall provide DPD with a Requisition Form, substantially in the form of Exhibit L hereto, documentation satisfactory in form and substance to DPD as set forth in Section 8.06, along with the documentation described therein and such other supporting documentation as DPD shall request to the attention of the Deputy Commissioner of TIF Administration at the address provided for the City in Section 17 hereof.

A Requisition Form for each Milestone Payment shall be submitted following the issuance of the applicable Certificate. Subject to the availability of Available Incremental Taxes and the submission of a Requisition Form no fewer than sixty (60) days prior to the payment, the City will make reasonable effort to pay the Developer a Milestone Payment by the earlier of the first quarter of the calendar year following the issuance of a Certificate or 180 days of the issuance of a Certificate.

The Developer shall meet with DPD at the request of DPD to discuss the Requisition Form(s) previously delivered. Upon the written request by the Developer accompanying a Requisition Form for reimbursement of TIF-Funded Improvements, the City agrees to make payments of City Funds then owing to the Developer directly to a Lender using wire transfer instructions provided by the Developer.

(a) Prior Expenditures. Only those expenditures made by 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 previously contributed Equity or Lender Financing hereunder (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 Closing Date as Prior Expenditures. Prior Expenditures made for items other than TIF-Funded Improvements shall not be reimbursed to Developer, but shall reduce the amount of Equity and/or Lender Financing required to be contributed by Developer pursuant to Section 4.01 hereof.

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

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

4.07 Preconditions of Disbursement. Prior to the payment of each installment of City Funds hereunder, Developer shall submit, in the timeframe set forth in Section 4.04 hereof, a Requisition Form and documentation regarding the applicable expenditures to DPD, that are satisfactory to DPD in its sole discretion. Delivery by Developer to DPD of any request for

payment of an installment of City Funds hereunder shall, in addition to the items therein expressly set forth, constitute a certification to the City, as of the date of such request for payment, that:

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

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

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

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

(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.

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

4.08 Conditional Grant. The City Funds being provided hereunder are being granted on a conditional basis, subject to the Developer's compliance with the provisions of this Agreement. The City Funds are subject to being terminated, suspended and/or reimbursed as provided in Section 15 hereof.

SECTION 5. CONDITIONS PRECEDENT

The following conditions have been complied with to the City's satisfaction on or prior to the Closing Date, or as applicable, before commencing the work on a particular Milestone:

5.01 Project Budget and Milestone Budget. Developer has submitted to DPD, and DPD has approved, prior to the commencement of the work (with the exception of Milestone 1) to be completed as a part of a Milestone, a milestone budget which shall include an estimate for each Milestone of 1) the total project costs for the work to be completed 2) the MBE/WBE budget and 3) the TIF-Funded Improvements budget (a "Milestone Budget"). At or prior to the time for the submissions described in the prior sentence, Developer may submit for DPD review and approval an updated Exhibit B-3 for the applicable Milestone, reflecting proposed acceleration and/or deferral of Milestone components and proposed additions of Milestone components

and/or deletions of previously identified Milestone components; provided; however that this shall not in any way change or modify the provisions of Section 4.03(c) hereof regarding "Reduction of City Funds". In addition, at the time of the submission of a Milestone Budget, the Developer shall submit an updated Project Budget, if applicable, in accordance with the provisions of Section 3.03 hereof. Prior to the Closing Date, the Developer shall submit a Milestone Budget for Milestone 1 through Milestone 3 for DPD's approval.

5.02 Reserved.

5.03 Other Governmental Approvals. Prior to the commencement of construction of each Milestone (with the exception of Milestone 1), 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; provided, however, that in the event all such approvals and permits have not at the commencement of a Milestone been secured for all components of that Milestone, Developer shall submit to DPD a list of all such required approvals and permits, together with an affidavit stating that construction of such components will not commence until all necessary permits and approvals are obtained.

5.04 Financing. Prior to the commencement of each Milestone (with the exception of Milestone 1), the Developer shall furnish proof reasonably acceptable to the City that Developer has Equity and Lender Financing, if any, from the sources set forth in Section 4.01 hereof sufficient to complete the Milestone and satisfy its obligations under this Agreement. If a portion of such funds consists of Lender Financing, Developer has furnished proof as of the Closing Date that the proceeds thereof are available to be drawn upon by Developer as needed and are sufficient (along with the Equity and other sources set forth in Exhibit B-3) to complete each Milestone. Developer has delivered to DPD a copy of the loan agreement, if any, entered into by Developer regarding the Lender Financing.

As described in Section 18.22, the encumbrances of the City set forth herein have been sufficiently subordinated to any indebtedness secured as of the Closing Date by the HUD Documents.

5.05 Acquisition and Title. On the Closing Date, Developer has furnished the City with a copy of the Title Policy for the Property, certified by the Title Company, showing Developer (or a controlled Affiliate of the Developer), SCI, Inc. or HCH, as applicable, 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. 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 and copies of operating leases, if any, and ground leases, applicable to the Facility, including but not limited to:

- the ground lease by and between Mount Sinai Hospital Medical Center, an Illinois not-for-profit corporation, as lessor, and the Developer, dated as of September 30, 1996, including any amendments thereto; and

- the ground lease by and between Schwab Rehabilitation Hospital and Care Network, as lessor, and the Developer dated as of September 30, 1996, including any amendments thereto.

5.06 Evidence of Clean Title. Developer, at its own expense, has provided the City with searches as indicated in the chart below under Developer's name, SCI, Inc.'s name and HCH's name, showing no liens against Developer, SCI, Inc., HCH, the Property or any fixtures now or hereafter affixed thereto, except for the Permitted Liens:

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

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

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

5.09 Opinion of Developer's Counsel. On the Closing Date, Developer has furnished the City with an opinion of counsel, substantially in the form attached hereto as Exhibit J, with such changes as required by or acceptable to Corporation Counsel.

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

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

5.12 Documentation; Employment Plan. Developer has provided documentation to DPD, satisfactory in form and substance to DPD, with respect to current employment matters in connection with the construction or rehabilitation work on the Project, including the reports described in Section 8.07. At least thirty (30) days prior to the Closing Date, the Developer has met with the Workforce Solutions division of DPD to review employment opportunities with the Developer after construction or rehabilitation work on the Project is completed. On or before the Closing Date, the Developer has provided to DPD, and DPD has approved, the Employment Plan for the Project (the "Employment Plan"). The Employment Plan includes, without limitation, the Developer's estimates of future job openings, titles, position descriptions, qualifications, recruiting, training, placement and such other information as DPD has requested relating to the Project.

5.13 Environmental. 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 with respect to the Property required by the City. Developer has provided the City with a letter from the environmental engineer(s) who completed such audit(s), authorizing the City to rely on such audits.

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

Developer, SCI, Inc. and HCH have each provided to the City an EDS, dated as of the Closing Date, which is incorporated by reference, and Developer further will provide any other affidavits or certifications as may be required by federal, state or local law in the award of public contracts, all of which affidavits or certifications are incorporated by reference, and will cause SCI, Inc. and HCH to provide such other affidavits or certifications. Notwithstanding acceptance by the City of the EDS, failure of the EDS to include all information required under the Municipal Code renders this Agreement voidable at the option of the City. Developer, SCI, Inc., HCH and any other parties required by this Section 5.14 to complete an EDS must promptly update their EDS(s) on file with the City whenever any information or response provided in the EDS(s) is no longer complete and accurate, including changes in ownership and changes in disclosures and information pertaining to ineligibility to do business with the City under Chapter 1-23 of the Municipal Code, as such is required under Sec. 2-154-020, and failure to promptly provide the updated EDS(s) to the City will constitute an event of default under this Agreement.

5.15 Litigation. Developer has provided to Corporation Counsel and DPD, a description of all pending or, to the knowledge of the Developer threatened litigation or administrative proceedings involving Developer, SCI, Inc. or HCH and for which there is a reasonable likelihood that an adverse determination will have an material adverse effect on their financial condition or results of operations, 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 Developer shall not select the General Contractor without the City's prior approval of such General Contractor. The Developer shall submit copies of the Construction Contract, if any, to DPD in accordance with Section 6.02 below. Photocopies of all subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to DPD within five (5) business days of the execution thereof. The Developer shall ensure that the General Contractor shall not (and shall cause the General Contractor to ensure that the subcontractors shall not) begin work on the Project until the Plans and Specifications have been approved by DPD and all requisite permits have been obtained.

6.02 Construction Contract. Prior to the execution thereof, Developer shall deliver to DPD a copy of the proposed Construction Contract with the General Contractor, if any, 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. Within ten (10) business days after execution of such contract by Developer, the General Contractor and any other parties thereto, Developer shall deliver to DPD and Corporation Counsel a certified copy of such contract together with any modifications, amendments or supplements thereto.

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

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

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

SECTION 7. COMPLETION OF CONSTRUCTION OR REHABILITATION

7.01 Certificates of Completion.

(a) Upon completion of each Milestone of the Project in accordance with the terms of this Agreement, and upon satisfaction in DPD's sole discretion of the conditions set forth in (i) through (v) of this Section 7.01(a), and upon Developer's written request, which shall include a final budget for the applicable Milestone detailing the total actual costs of such Milestone (the "Final Milestone Project Cost"), DPD shall issue to Developer a Certificate. Exhibit B-3 attached hereto describes the site improvements, demolition, rehabilitation, reconstruction, repair and/or remodeling that comprise each Milestone. As set forth in Section 4.03(b)(4), if DPD permits the Developer to combine up to three (3) Milestones, a single Certificate shall be issued for those Milestones and they will be considered together as an individual Milestone. The City will issue a Certificate for each Milestone of the Project and a Final Certificate for the completed Project, upon the following conditions:

- i. The Developer has completed construction of the Milestone in accordance with the Plans and Specifications;
- ii. The Developer has provided an affidavit that the Milestone, if subject to the LEED requirements, has achieved the Sustainability Requirement;
- iii. The City's Monitoring and Compliance unit has determined in writing that the Developer is in complete compliance with all City Construction Compliance Requirements (MBE/WBE, City Residency, and Prevailing Wage) with respect to

that Milestone;

- iv. The Developer has submitted adequate documentation that any Final Milestone Project Cost is at least the amount set forth in Section 4.03(b); provided, however, that in the event that the Final Milestone Project Cost is less than the amount stated, the total amount of City Funds shall be reduced by \$.912 for every \$1.00 (or portion thereof) by which the Final Milestone Project Cost is less than the amount stated, as described in Section 4.03(b) and otherwise subject to the provisions of Section 4.03(c); and
- v. There exists neither an Event of Default which is continuing nor a condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default.

DPD shall respond to Developer's written request for a Certificate within sixty (60) days by issuing either a Certificate or a written statement detailing the ways in which a Milestone does not conform to this Agreement or has not been satisfactorily completed, and the measures which must be taken by Developer in order to obtain the Certificate. Developer may resubmit a written request for a Certificate upon completion of such measures.

(b) Upon completion of the construction of the Project in accordance with the terms of this Agreement, and upon Developer's written request, which shall include a final project cost for the Project, DPD shall issue to Developer a final certificate of completion of rehabilitation (the "Final Certificate") in recordable form certifying that Developer has fulfilled its obligation to complete the Project in accordance with the terms of this Agreement.

7.02 Effect of Issuance of Certificate; Continuing Obligations. Upon the Final Certificate issuance, the City will certify that the terms of the Agreement specifically related to Developer's obligation to complete the renovation of the Project have been satisfied. After the issuance of the Final 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 Final 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 in Sections 8.01(j) and (k) (Permitted Transfers), 8.01(l) (Permitted Liens), 8.02 (Covenant to Redevelop), 8.06 (Operating and Job Covenants), 8.19 (Real Estate Provisions), 8.20 (Survival of Covenants), 8.21 (Annual Compliance Report), 8.23 (LEED Requirements) and Section 8.24 (FOIA and Local Records Act Compliance) are covenants that run with the land and 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 the Final Certificate; provided, that upon the issuance of the Final 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 the Final Certificate shall be binding only upon Developer or a permitted assignee of Developer who, pursuant to Section 18.15 of this Agreement, has contracted to take an assignment of Developer's rights under this Agreement and assume Developer's liabilities hereunder.

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

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

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

(c) the right to the payment of a penalty by Developer for the failure to complete in accordance with the formula set forth in Exhibit B-4 hereto.

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

SECTION 8. COVENANTS/REPRESENTATIONS/WARRANTIES OF DEVELOPER

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

(a) Developer, SCI, Inc., and HCH are each an Illinois not-for-profit corporation duly organized, validly existing, qualified to do business in Illinois, and licensed to do business in any other state where, due to the nature of its activities or properties, such qualification or license is required;

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

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

(d) unless otherwise permitted or not prohibited pursuant to or under the terms of this Agreement, Developer (or a controlled Affiliate of the Developer) shall acquire and shall maintain either good, indefeasible and merchantable fee simple title to, or the long-term leasehold interest described in the Recitals with respect to, the Property (and all improvements thereon), and with respect to SCI and HCH shall cause SCI, Inc. and HCH, respectively, to maintain good, indefeasible and merchantable fee simple title to the Property (and all improvements thereon). All of the Property shall be free and clear of all liens (except for the

Permitted Liens, Lender Financing as disclosed in the Project Budget and non-governmental charges that Developer is contesting in good faith pursuant to Section 8.15 hereof);

(e) Developer, SCI, Inc. and HCH are now solvent and able to pay their debts as they mature. Developer and SCI, Inc. shall for the Term of the Agreement, and HCH shall until the three (3) year anniversary of the issuance of the Milestone 1 Certificate, remain solvent and able to pay their debts as they mature;

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

(g) Developer, SCI, Inc. and HCH have and shall maintain all government permits, certificates and consents (including, without limitation, appropriate environmental approvals) necessary to conduct their business and to construct, complete and operate the Project;

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

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

(j) prior to the three (3) year anniversary of the issuance of the Milestone 1 Certificate, the Developer may not sell or otherwise directly or indirectly transfer the Property, or authorize SCI, Inc. or HCH to take such action, other than to an Affiliate or pursuant to the CHA Land Transfer Agreement, as defined hereinafter; provided further that in connection with a sale or other transfer of the HCH Property after the three (3) year anniversary of the issuance of the Milestone 1 Certificate, upon written request of the Developer and the Developer's providing evidence, to DPD's sole satisfaction, that all work on the HCH Property required under this Agreement has been completed, the City shall provide a release of this Agreement with respect to the HCH Property;

(k) prior to the ten (10) year anniversary of the issuance of the Milestone 1 Certificate, with respect to the Sinai Property, and prior to the three (3) year anniversary of Milestone 1 Certificate issuance with respect to the HCH Property, the Developer shall not do any of the following, or authorize SCI, Inc. or HCH to take such actions, 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:

(i) in the Ordinary Course of Developer's Business;

(ii) to a controlled Affiliate (one for which the Developer has the ability to control the appointments of the such entity's board of directors or similar governing body); or

(iii) as required pursuant to that certain Land Transfer Agreement by and between the Chicago Housing Authority and the Developer dated as of October 8, 2010 (the "CHA Land Transfer Agreement"); or

(3) enter into any transaction that is outside the Ordinary Course of Developer's Business;

(4) assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity that would cause a material and detrimental change to the Developer's financial condition; or

(5) enter into any other transaction that would cause a material and detrimental change to Developer's financial condition;

(l) Except as permitted in the HUD Documents, neither the Developer nor SCI, Inc. has incurred, and, prior to the issuance of the Final Certificate, shall not, without the prior written consent of the Commissioner of DPD, allow the existence of any liens against the Sinai Property (or improvements thereon) other than the Permitted Liens; or incur any indebtedness, secured or to be secured by the Sinai Property (or improvements thereon), or any fixtures now or hereafter attached thereto, except for: (i) Lender Financing, if any, disclosed in the Project Budget; (ii) any indebtedness incurred to refinance with HUD the currently outstanding Sinai Bonds or to amend the HUD Documents or any Additional Bonds; and (iii) financing of equipment for use in the Ordinary Course of Developer's Business.

Notwithstanding the foregoing, the Developer shall retain the right to mortgage the HCH Property and the 3140 Ogden Property at any time during the term of the Agreement as a Permitted Lien senior to the City's lien under this Agreement.

Permitted Liens incurred after the Closing Date shall be subordinated to those encumbrances set forth herein except as noted above, and pursuant to a subordination agreement, which is to be recorded, at the expense of the Developer, with the Office of the Recorder of Deeds of Cook County.

The Developer is not subject to the requirements of this sub-section with respect to the Ogden Property and HCH is not subject to the requirements of this sub-section with respect to the HCH Property.

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

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

(o) Developer agrees that Developer, any person or entity who directly or indirectly has an ownership or beneficial interest in Developer of more than 7.5 percent ("Owners"), spouses and domestic partners of such Owners, Developer's contractors (i.e., any person or entity in direct contractual privity with Developer regarding the subject matter of this Agreement) ("Contractors"), any person or entity who directly or indirectly has an ownership or beneficial interest in any Contractor of more than 7.5 percent ("Sub-owners") and spouses and domestic partners of such Sub-owners (Developer and all the other preceding classes of persons and entities are together, the "Identified Parties"), shall not make a contribution of any amount to the Mayor of the City of Chicago (the "Mayor") or to his political fundraising committee (i) after execution of this Agreement by Developer, (ii) while this Agreement or any Other Contract (as defined below) is executory, (iii) during the term of this Agreement or any Other Contract between Developer and the City, or (iv) during any period while an extension of this Agreement or any Other Contract is being sought or negotiated.

Developer represents and warrants that from the later of (i) May 16, 2011, or (ii) the date the City approached the Developer or the date the Developer approached the City, as applicable, regarding the formulation of this Agreement, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

Developer agrees that it shall not: (a) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fundraising committee; (b) reimburse its employees for a contribution of any amount made to the Mayor or to the Mayor's political fundraising committee; or (c) Bundle or solicit others to bundle contributions to the Mayor or to his political fundraising committee.

Developer agrees that the Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 2011-4 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 2011-4.

Developer agrees that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 2011-4 constitutes a breach and default under this Agreement, and under any Other Contract for which no opportunity to cure will be granted unless the City, in its sole discretion, elects to grant such an opportunity to cure. Such breach and default entitles the City

to all remedies (including without limitation termination for default) under this Agreement, under any Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

If Developer intentionally violates this provision or Mayoral Executive Order No. 2011-4 prior to the closing of this Agreement, the City may elect to decline to close the transaction contemplated by this Agreement.

For purposes of this provision:

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

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

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

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

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

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

(p) payments of City Funds are subject to the amount of Available Incremental Taxes deposited into the TIF Fund being sufficient for such payments. If the Available Incremental

Taxes are insufficient to make such payments, such insufficiency shall not give the Developer or any other party any claim or right to any other Incremental Taxes or City funds;

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

(r) such party has sufficient knowledge and experience in financial and business matters, including municipal projects and revenues of the kind represented by the City Funds, and has been supplied with access to information to be able to evaluate the risks associated with the receipt of City Funds;

(s) such party understands that there is no assurance as to the amount or timing of receipt of City Funds, and that the amount of City Funds actually received by such party are likely to be substantially less than the maximum amounts set forth in this Section 4.03(b);

(t) such party understands it may not sell, assign, pledge or otherwise transfer its interest in this Agreement or City Funds in whole or in part without the prior written consent of the City, and, to the fullest extent permitted by law, agrees to indemnify the City for any losses, claims, damages or expenses relating to or based upon any, sale, assignment, pledge or transfer of City Funds in violation of this Agreement;

(u) such party acknowledges that the City has no continuing obligation to provide it with any information concerning the City Funds or otherwise, except as set forth in this Agreement; and

(v) Developer shall remain the sole corporate member and in control of SCI, Inc. and HCH during the term of this Agreement.

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

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

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

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

8.06 Operating Covenant; Job Creation and Retention.

(a) Operating Covenant. The Developer hereby covenants and agrees to operate and maintain the Sinai Facility at the Sinai Property throughout the Term of the Agreement and to operate and maintain the HCH Facility at the HCH Property until the three (3) year anniversary of the Milestone 1 Certificate (collectively, the "Operating Covenant"). A default under the Operating Covenant shall constitute an Event of Default without notice or opportunity to cure.

(b) Jobs Covenant. The Developer shall adhere to the following job retention standards (collectively the "Jobs Covenant"):

(i) Prior to the date the Developer requests the City to issue the Final Certificate under Section 7.01 hereof, the Developer, and through its controlled Affiliates that operate MSH and SCI, shall retain not less than 1,800 FTE positions at the Facility;

(ii) During the Compliance Period, the Developer, and through its controlled Affiliates shall maintain at least 1,800 FTE positions;

(iii) During the Compliance Period, for purposes of determining eligibility for insurance, retirement and other employee benefits that may be offered by the Developer, Developer shall continue to treat (A) an individual who is budgeted and scheduled to work a minimum of thirty-five (35) hours per week on a regularly scheduled basis as a regular FTE, and (B) an individual who is budgeted and scheduled to work at least fifteen (15) hours per week on a regularly scheduled basis as a regular PTE;

(iv) During the construction of the Project, the Developer expects to create approximately 250 temporary construction job positions.

(c) Jobs and Occupancy Certificates. Throughout the Compliance Period, the Developer shall submit to DPD annual certified Jobs and Occupancy Certificates disclosing compliance with the then-applicable Jobs Covenant and the Operating Covenant. These Jobs and Occupancy Certificates shall be submitted to DPD as part of the Annual Compliance Report. The Developer agrees that it shall act in good faith and, among other things, shall not hire temporary workers or relocate workers for short periods of time for the primary purpose of avoiding a breach of the Jobs Covenant. The Jobs and Occupancy Certificate shall include the

names, addresses and zip codes of principal residence, and job titles of individuals employed at the Facility as of the end of the prior calendar year.

(d) Jobs Covenant Default and Cure Period. If the Developer defaults under the Jobs Covenant, an Event of Default shall not be declared with respect to such default if the Developer, upon irrevocable written notice (the "Extension Notice") accompanying the Jobs and Occupancy Certificate, elects to extend the Compliance Period by one year to the eleventh (11th) anniversary of the date the Final Certificate is issued. The one-year period during which the Extension Notice is given shall be the only cure period allowed for a default by Developer of the Jobs Covenant as described in this paragraph; no other notice or cure periods shall apply thereto and if such default is not cured within such one-year period then the Compliance Period shall not be extended and an Event of Default shall exist without notice or opportunity to cure. If the Developer has not delivered a permitted Extension Notice then any default by the Developer of the Jobs Covenant shall constitute an Event of Default without notice or opportunity to cure. The Developer shall be entitled to deliver one Extension Notice. If the Developer has delivered an Extension Notice, then any subsequent default by the Developer of the Jobs Covenant shall constitute an Event of Default without notice or opportunity to cure.

(e) Covenants Run with the Land; Remedy. The covenants set forth in this Section 8.06 shall run with the land and be binding upon any transferee. In the event of a default for any of the covenants in this Section 8.06, the City shall have the right to cease all disbursement of City Funds not yet disbursed and recapture the full amount of all City Funds previously paid or disbursed to the Developer for the Project if such default(s) is/are not cured during the applicable cure period, if any, and to exercise any other remedies described or referred to in this Agreement.

8.07 Employment Opportunity; Progress Reports. Developer covenants and agrees to abide by, and contractually obligate and use reasonable efforts to cause the General Contractor and each subcontractor to abide by the terms set forth in Section 10 hereof Developer shall deliver to the City written progress reports detailing compliance with the requirements of Sections 8.09, 10.02 and 10.03 of this Agreement. Such reports shall be delivered to the City semi-annually. If any such reports indicate a shortfall in compliance, Developer shall also deliver a plan to DPD which shall outline, to DPD's satisfaction, the manner in which Developer shall correct any shortfall.

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

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

8.10 Arms-Length Transactions. Unless DPD has given its prior written consent with respect thereto, no Affiliate of Developer may receive any portion of City Funds, directly or indirectly, in payment for work done, services provided or materials supplied in connection with any TIF-Funded Improvement. Developer shall provide information with respect to any entity to receive City Funds directly or indirectly (whether through payment to the Affiliate by Developer and reimbursement to Developer for such costs using City Funds, or otherwise), upon 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, Developer represents, warrants and covenants that, to the best of its knowledge, no member, official, or employee of the City, or of any commission or committee exercising authority over the Project, the Redevelopment Area or the Redevelopment Plan, or any consultant hired by the City or Developer with respect thereto, owns or controls, has owned or controlled or will own or control any interest, and no such person shall represent any person, as agent or otherwise, who owns or controls, has owned or controlled, or will own or control any interest, direct or indirect, in Developer's business, the Property or any other property in the Redevelopment Area.

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

8.13 Financial Statements. Developer shall obtain and provide to DPD Financial Statements for Developer's fiscal year ended June 30, 2015 and each June 1st thereafter for the Term of the Agreement.

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

8.15 Non-Governmental Charges.

(a) Payment of Non-Governmental Charges. Except for the Permitted Liens, Developer agrees to pay or cause to be paid when due any Non-Governmental Charge assessed or imposed upon the Project, the Property or any fixtures that are or may become attached thereto, which creates, may create, or appears to create a lien upon all or any portion of the Property or Project; provided however, that if such Non-Governmental Charge may be paid in installments, Developer may pay the same together with any accrued interest thereon in installments as they become due and before any fine, penalty, interest, or cost may be added thereto for nonpayment. Developer shall furnish to 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. Developer has the right, before any delinquency occurs:

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

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

8.17 Compliance with Laws.

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

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

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

8.19 Real Estate Provisions.

(a) Governmental Charges.

(i) Payment of Governmental Charges. Developer agrees to pay or cause to be paid when due all Governmental Charges (as defined below) which are assessed or imposed upon Developer, the Property or the Project, or become due and payable, and which create, or may create a lien upon Developer or all or any portion of the Property or the Project. "Governmental Charge" shall mean all federal, State, county, the City, or other governmental (or any instrumentality, division, agency, body, or department thereof) taxes, levies, assessments, charges, liens, claims or encumbrances (except for those assessed by foreign nations, states other than the State of Illinois, counties of the State other than Cook County, and municipalities other than the City) relating to Developer, the Property or the Project including but not limited to real estate taxes.

(ii) Right to Contest. Developer has the right before any delinquency occurs to contest or object in good faith to the amount or validity of any Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted in such manner as shall stay the collection of the contested Governmental Charge and prevent the imposition of a lien or the sale or forfeiture of the Property. Developer's right to challenge real estate taxes applicable to the Property is limited as provided for in Section 8.19(c) below; provided, that such real estate taxes must be paid in full when due. No such contest or objection shall be deemed or construed in any way as relieving, modifying or extending Developer's covenants to pay any such Governmental Charge at the time and in the manner provided in this Agreement unless Developer has given prior written notice to DPD of Developer's intent to contest or object to a Governmental Charge and, unless, at DPD's sole option,

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

(ii) 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 Developer fails to pay any Governmental Charge or to obtain discharge of the same, 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 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 Developer. Notwithstanding anything contained herein to the contrary, this paragraph shall not be construed to obligate the City to pay any such Governmental Charge. Additionally, if Developer fails to pay any Governmental Charge, the City, in its sole discretion, may require Developer to submit to the City audited Financial Statements at Developer's own expense.

(c) Real Estate Taxes. With respect to the Property or the Project, nothing in this Agreement shall prevent Developer or any agent, representative, lessee, tenant, assignee, transferee or successor in interest to Developer, during the Term of this Agreement, from seeking or authorizing any exemption (as such term is used and defined in the Illinois Constitution, Article IX, Section 6 (1970)) for any year that the Redevelopment Plan is in effect. Notwithstanding the foregoing, if at any time during the Term of this Agreement all or any portion of the Property or the Project is not exempt from real estate taxes (the "Non-exempt Property"), then the following provisions shall apply to the Non-exempt Property:

(i) Acknowledgment of Real Estate Taxes. Developer and the City may establish an exhibit to be attached to this Agreement and containing (A) the total

projected minimum assessed value of the Non-exempt Property ("Minimum Assessed Value") for the years noted on the exhibit; (B) the specific improvements which will generate the fair market values, assessments, equalized assessed values and taxes shown thereon; and (C) the real estate taxes anticipated to be generated and derived from the respective portions of the Non-exempt Property for the years shown on the exhibit.

(ii) No Reduction in Real Estate Taxes. Neither Developer nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to Developer shall, during the Term of this Agreement, directly or indirectly, initiate, seek or apply for proceedings in order to lower the assessed value of all or any portion of the Property or the Project below the amount of the Minimum Assessed Value for the applicable year as shown in the exhibit described in Section 8.19(c)(i).

(iii) No Objections. Neither Developer nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to Developer, shall object to or in any way seek to interfere with, on procedural or any other grounds, the filing of any Underassessment Complaint or subsequent proceedings related thereto with the Cook County Assessor or with the Cook County Board of Appeals, by either the City or any taxpayer. The term "Underassessment Complaint" as used in this Agreement shall mean any complaint seeking to increase the assessed value of the Property up to (but not above) the Minimum Assessed Value as shown in the exhibit described in Section 8.19(c)(i).

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

(d) Change in Use and Ownership. If applicable during the Term of this Agreement, Developer shall complete a letter of notification, in accordance with 35 ILCS 200/15-20, notifying the Cook County Assessor that there has been a change in use and ownership of the Property. After delivery of the notification to the Cook County Assessor via certified mail, return receipt requested, Developer shall forward a copy of the return receipt to DPD, with a copy to the City's Corporation Counsel's office. Additionally, the provisions of this Section 8.19 do not prohibit a change in use of portions of the Property so long as the Developer is in compliance with the Operating Covenant as set forth in Section 8.06(a) hereof, including if such change in use results in Non-exempt Property thereafter being exempt from the payment of real estate taxes.

8.20 Survival of Covenants. All warranties, representations, covenants and agreements of Developer contained in this Section 8 and elsewhere in this Agreement shall be true,

accurate and complete at the time of Developer's execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties hereto and (except as otherwise provided herein upon the issuance of a Certificate) shall be in effect throughout the Term of the Agreement.

8.21 Annual Compliance Report. Beginning with the issuance of the Milestone 1 Certificate and continuing throughout the Term of the Agreement, Developer shall submit to DPD the Annual Compliance Report on or before June 30th; provided, however, that during years in which the Developer is submitting a Requisition Form, the Annual Compliance Report shall be submitted together with a Requisition Form.

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

8.23 LEED Certification. The Developer has provided an affidavit that a Milestone, if subject to the LEED requirements, has achieved the Sustainability Requirement as evidenced by a stamped letter from a licensed design professional and a completed LEED checklist, substantially in the form of Exhibit F hereto.

8.24. FOIA and Local Records Act Compliance.

(a) FOIA. The Developer acknowledges that the City is subject to the Illinois Freedom of Information Act, 5 ILCS 140/1 et. seq., as amended ("FOIA"). The FOIA requires the City to produce records (very broadly defined in FOIA) in response to a FOIA request in a very short period of time, unless the records requested are exempt under the FOIA. If the Developer receives a request from the City to produce records within the scope of FOIA, then the Developer covenants to comply with such request within 48 hours of the date of such request. Failure by the Developer to timely comply with such request shall be an Event of Default.

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

(c) Local Records Act. The Developer acknowledges that the City is subject to the Local Records Act, 50 ILCS 205/1 et. seq, as amended (the "Local Records Act"). The Local

Records Act provides that public records may only be disposed of as provided in the Local Records Act. If requested by the City, the Developer covenants to use its best efforts consistently applied to assist the City in its compliance with the Local Records Act

8.25 Job Readiness Program. Developer shall undertake a job readiness program to work with the City, through DPD's Workforce Unit, to participate in job training programs to provide job applicants for the jobs created by the Project and the operation of Developer's business on 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. Developer, on behalf of itself and its successors and assigns, hereby agrees, and shall contractually obligate its or their various contractors, subcontractors or any Affiliate of Developer operating on the Property (collectively, with Developer, the "Employers" and individually an "Employer") to agree, that for the Term of this Agreement with respect to Developer and during the period of any other party's provision of services in connection with the construction of the Project or occupation of the Property:

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

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

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

(d) Each Employer, in order to demonstrate compliance with the terms of this Section 10.01, shall cooperate with and promptly and accurately respond to inquiries by the City, which has the responsibility to observe and report compliance with equal employment opportunity regulations of federal, state and municipal agencies.

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

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

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

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

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

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

Weekly certified payroll reports (U.S. Department of Labor Form WH-347 or equivalent) shall be submitted to the Commissioner of 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.

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. 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 Developer, the General Contractor and each subcontractor to verify or clarify an employee's actual address when doubt or lack of clarity has arisen.

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

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

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

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

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

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

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

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

(c) Consistent with Sections 2-92-440 and 2-92-720, Municipal Code, Developer's MBE/WBE commitment may be achieved in part by Developer's status as an MBE or WBE (but only to the extent of any actual work performed on the Project by Developer) or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of (i) the MBE or WBE participation in such joint venture or (ii) the amount of any actual work performed on the Project by the MBE or WBE), by Developer utilizing a MBE or a WBE as the General Contractor (but only to the extent of any actual work performed on the Project by the General Contractor), by subcontracting or causing the General Contractor to subcontract a portion of the Project to one or more MBEs or WBEs, or by the purchase of materials or services used in the Project from one or more MBEs or WBEs, or by any combination of the foregoing. Those entities which constitute both a MBE and a WBE shall not be credited more than once with regard to Developer's MBE/WBE commitment as described in this Section 10.03. In accordance with Section 2-92-730, Municipal Code, Developer shall not substitute any MBE or WBE General Contractor or subcontractor without the prior written approval of DPD.

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

commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the Project.

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

(f) Any reduction or waiver of Developer's MBE/WBE commitment as described in this Section 10.03 shall be undertaken in accordance with Sections 2-92-450 and 2-92-730, Municipal Code, as applicable. The parties agree to the extent that the Developer exceeds the MBE/WBE commitment for a Milestone Budget(s), and the Developer is able to adequately prove such overage(s), DPD will allow, for a single occurrence, the Developer to apply such overage(s) to a subsequent Milestone Budget if required to meet the MBE/WBE commitment for such Milestone Budget. For illustration purposes, the application of this paragraph is set forth in the example attached as Exhibit B-7 hereto.

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

SECTION 11. ENVIRONMENTAL MATTERS

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

Without limiting any other provisions hereof, Developer agrees to indemnify, defend and hold the City harmless from and against any and all losses, liabilities, damages, injuries, costs,

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

SECTION 12. INSURANCE

Developer must provide and maintain, at Developer's own expense, or cause to be provided and maintained during the term of this Agreement, the insurance coverage and requirements specified below, insuring all operations related to the Agreement.

(a) Prior to execution and delivery of this Agreement.

(i) Workers Compensation and Employers Liability

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

(ii) Commercial General Liability (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than \$1,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages must include the following: All premises and operations, products/completed operations independent contractors, separation of insureds, defense, and contractual liability (not to include Endorsement CG 21 39 or equivalent). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

(iii) All Risk Property

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

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

(i) Workers Compensation and Employers Liability

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

(ii) Commercial General Liability (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than \$2,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages must include the following: All premises and operations, products/completed operations (for a minimum of two (2) years following project completion), explosion, collapse, underground, separation of insureds, defense, and contractual liability (not to include Endorsement CG 21 39 or equivalent). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

(iii) Automobile Liability (Primary and Umbrella)

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

(iv) Railroad Protective Liability

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

(v) All Risk /Builders Risk

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

(vi) Professional Liability

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

(vii) Valuable Papers

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

(viii) Contractors Pollution Liability

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

(c) Post Construction:

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

(d) Other Requirements:

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

The insurance must provide for 30 days prior written notice to be given to the City in the event coverage is substantially changed, canceled, or non-renewed.

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

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

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

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

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

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

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

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

The City of Chicago Risk Management Department maintains the right to modify, delete, alter or change these requirements.

SECTION 13. INDEMNIFICATION

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

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

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

(iii) the existence of any material misrepresentation or omission in this Agreement, any offering memorandum or information statement or the Redevelopment

Plan or any other document related to this Agreement that is the result of information supplied or omitted by Developer or any Affiliate Developer or any agents, employees, contractors or persons acting under the control or at the request of Developer or any Affiliate of Developer; or

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

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

SECTION 14. MAINTAINING RECORDS/RIGHT TO INSPECT

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

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

SECTION 15. DEFAULT AND REMEDIES

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

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

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

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

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

(e) the commencement of any proceedings in bankruptcy by or against Developer or for the liquidation or reorganization of Developer, or alleging that Developer is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of Developer's debts, whether under the United States Bankruptcy Code or under any other state or federal law, now or hereafter existing for the relief of debtors, or the commencement of any analogous statutory or non-statutory proceedings involving Developer; provided, however, that if such commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such proceedings are not dismissed within sixty (60) days after the commencement of such proceedings;

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

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

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

(i) the dissolution of Developer;

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

(k) during the Compliance Period, the sale or transfer of a majority of the ownership interests of Developer without the prior written consent of the City; or

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

15.02 Remedies. Upon the occurrence of an Event of Default, the City may terminate this Agreement and any other agreements to which the City and Developer are or shall be parties, suspend or permanently discontinue disbursement of City Funds, place a lien on the Project in the amount of City Funds paid, and/or seek reimbursement of any City Funds paid. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to damages, injunctive relief or the specific performance of the agreements contained herein. Upon the occurrence of an Event of Default under Section 8.06, Developer shall be obligated to repay to the City all previously disbursed City Funds.

In the event of a sale or transfer of the Sinai Facility or any part thereof prior to the end of the Compliance Period, or of the HCH Facility or any part thereof prior to the three (3) year anniversary of the Milestone 1 Certificate: (i) for any use other than a Health Care Facility or (ii) to a for-profit entity for the following uses: housing facilities for doctors, residents and employees, transitional housing and related programs designed to impact on the health of the community, health management services, home health agencies and human services programs, the Developer agrees to pay and remit to the City an amount equal to five percent (5%) of the gross amount of such sale, transfer, lease or other disposition based on the final executed settlement statement prepared in connection with such sale, transfer or other disposition, with such repayment amount not to exceed 110% of the total City Funds paid to the Developer.

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

Notwithstanding any other provision of this Agreement to the contrary:

- (a) the only cure periods, if any, applicable to the Developer's failure to comply with the Jobs Covenant are those set forth in Section 8.06;
- (b) there shall be no notice requirement or cure period with respect to an Event of Default arising from the Developer's failure to comply with the Operations Covenant; and
- (c) there shall be no notice requirement or cure period with respect to Events of Default described in Section 8.21 (with respect to filing the Annual Compliance Report).

SECTION 16. MORTGAGING OF THE PROJECT

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

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

(b) In the event that any mortgagee shall succeed to Developer's interest in the Property or any portion thereof pursuant to the exercise of remedies under an Existing Mortgage or a Permitted Mortgage, whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of Developer's interest hereunder in accordance with Section 18.14 hereof, the City hereby agrees to attorn to and recognize such party as the successor in interest to Developer for all purposes under this Agreement so long as such party accepts all of the obligations and liabilities of "Developer" hereunder; provided, however, that, notwithstanding any other provision of this Agreement to the contrary, it is understood and agreed that if such party accepts an assignment of Developer's interest under this Agreement, such party has no liability under this Agreement for any Event of Default of Developer which accrued prior to the time such party succeeded to the interest of Developer under this Agreement, in which case Developer shall be solely responsible. However, if such mortgagee under a Permitted Mortgage or an Existing Mortgage does not expressly accept an assignment of Developer's interest hereunder, such party shall be entitled to no rights and benefits under this Agreement, and such party shall be bound only by those provisions of this Agreement, if any, which are covenants expressly running with the land.

(c) Prior to the issuance by the City to Developer of the Final Certificate pursuant to Section 7 hereof, no New Mortgage shall be executed with respect to the Property or any portion thereof without the prior written consent of the Commissioner of DPD. After issuance of the Final Certificate, if a mortgagee or other permitted transferee executes a subordination agreement in which it subordinates its New Mortgage to the covenants contained in Sections 8.01(j), 8.01(k), 8.01(l), 8.06, 8.19, 8.20, 8.21, and 8.24, of this Agreement, then City consent is not required for the New Mortgage.

(d) Notwithstanding the foregoing, no City consent shall be required for a New Mortgage executed with respect to the HCH Property, or with respect to the Sinai Bonds and/or the

Additional Bonds, during the Term of this Agreement and such mortgage, if any, shall be deemed a Permitted Mortgage.

SECTION 17. NOTICE

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

<p>If to the City:</p> <p>City of Chicago Department of Planning and Development 121 North LaSalle Street, Room 1000 Chicago, Illinois 60602 Attention: Commissioner</p>	<p>If to Developer:</p> <p>Sinai Health System 2750 West 15th Place Chicago, Illinois 60608 Attention: Chief Financial Officer</p>
<p>With Copies To:</p> <p>City of Chicago Department of Law 121 North LaSalle Street, Room 600 Chicago, Illinois 60602 Attention: Finance and Economic Development Division</p>	<p>With Copies To:</p> <p>Sinai Health System 2750 West 15th Place Chicago, Illinois 60608 Attention: General Counsel</p>

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

SECTION 18. MISCELLANEOUS

18.01 Amendment. This Agreement and the Exhibits attached hereto may not be amended or modified without the prior written consent of the parties hereto; provided, however, that the City, in its sole discretion, may amend, modify or supplement the Redevelopment Plan or the Western/Ogden Redevelopment Plan without the consent of any party hereto. It is agreed that no material amendment or change to this Agreement shall be made or be effective unless ratified or authorized by an ordinance duly adopted by the City Council. The term "material" for the purpose of this Section 18.01 shall be defined as any deviation from the terms of the Agreement which operates to cancel or otherwise reduce any developmental, construction or job-creating obligations of Developer (including those set forth in Sections 10.02 and 10.03 hereof) by more than five percent (5%) or materially changes the Project site or character of the Project or any activities undertaken by Developer affecting the Project site, the Project, or both, or increases any time agreed for performance by Developer by more than ninety (90) days past the timeframes set forth in Section 3.04 hereof.

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

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

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

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

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

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

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

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

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

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

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

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

18.14 Assignment. Developer may not sell, assign or otherwise transfer its interest in this Agreement in whole or in part without the written consent of the City. Any successor in interest to Developer under this Agreement shall certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, including but not limited to Section 8.01(j) and (k) (Permitted Transfers), Section 8.01(l) (Permitted Liens), Section 8.02 (Covenant to Redevelop), Section 8.06 (Operating and Jobs Covenants), Section 8.19 (Real Estate Provisions), Section 8.20 (Survival of Covenants), Section 8.21 (Annual Compliance Report), and Section 8.24 (FOIA and Local Records Act Compliance) hereof, for the Term of the Agreement. Developer consents to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part.

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

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

18.17 Business Economic Support Act. Pursuant to the Business Economic Support Act (30 ILCS 760/1 et seq.), if Developer is required to provide notice under the WARN Act,

Developer shall, in addition to the notice required under the WARN Act, provide at the same time a copy of the WARN Act notice to the Governor of the State, the Speaker and Minority Leader of the House of Representatives of the State, the President and minority Leader of the Senate of State, and the Mayor of each municipality where Developer has locations in the State. Failure by Developer to provide such notice as described above may result in the termination of all or a part of the payment or reimbursement obligations of the City set forth herein.

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

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

18.20 Business Relationships. Developer acknowledges (A) receipt of a copy of Section 2-156-030 (b) of the Municipal Code, (B) that Developer has read such provision and understands that pursuant to such Section 2-156-030 (b), it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a business relationship that creates a "Financial Interest" (as defined in Section 2-156-010 of the Municipal Code)(a "Financial Interest"), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving any person with whom the elected City official or employee has a business relationship that creates a Financial Interest, or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a business relationship that creates a Financial Interest, and (C) that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Agreement shall be grounds for termination of this Agreement and the transactions contemplated hereby. Developer hereby represents and warrants that, to the best of its knowledge after due inquiry, no violation of Section 2-156-030 (b) has occurred with respect to this Agreement or the transactions contemplated hereby.

18.21 Release of CHA Land Transfer Agreement Property. The City acknowledges and agrees to release this Agreement from that portion of the Property to be transferred at a future date by the Developer to the CHA pursuant to the terms and conditions of the CHA Land Transfer Agreement.

18.22 Incorporation of HUD-Required Provisions Rider. The document entitled "HUD-Required Provisions Rider" attached hereto as Exhibit M is hereby incorporated into this Agreement as if fully set forth herein and shall remain a part of this Agreement so long as the Secretary of HUD or his/her successors or assigns, are insurers or holders of the "Mortgage Note" (as such term is known in the HUD-Required Provisions Rider). Upon such time as HUD is no longer the insurer or holder of the Mortgage Note or such time as the Mortgage Note is

paid in full, the parties hereto agree that the HUD-Required Provisions Rider shall no longer be a part of this Agreement.

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

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 Andrew J. Mooney, 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 the Commissioner, he signed and delivered the said instrument pursuant to authority, as his 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 17th day of July, 2015.




Patricia Sulewski
Notary Public

My Commission Expires 5/7/18

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

SINAI HEALTH SYSTEM,
an Illinois not-for-profit corporation

By: 

Its: Executive Vice President &
Chief Financial Officer

CITY OF CHICAGO

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

STATE OF ILLINOIS)

) SS

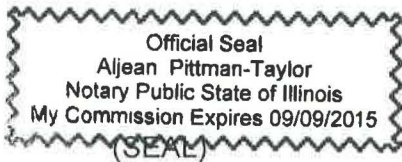
COUNTY OF COOK)

I, Aljean Pittman-Taylor, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Charles Weis, personally known to me to be the Executive Vice President and Chief Financial Officer of Sinai Health System, an Illinois not-for-profit corporation (the "Developer"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed, and delivered said instrument, pursuant to the authority given to him/her by the Board of Directors of Developer, as his/her free and voluntary act and as the free and voluntary act of Developer, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 19 day of August, 2015.



Notary Public



My Commission Expires 9/9/2015

EXHIBIT A-1

REDEVELOPMENT AREA

[THIS EXHIBIT IS NOT TO BE RECORDED]

EXHIBIT A-2

WESTERN/OGDEN REDEVELOPMENT AREA

[THIS EXHIBIT IS NOT TO BE RECORDED]

EXHIBIT B-1
SINAI PROPERTY

See attached.

Exhibit B-1
Sinai Property - Legal Description

PARCEL 1:

LOTS 1, 2, 3, 4, 5 AND 6 IN THE SUBDIVISION OF LOTS 1 AND 2 IN BLOCK 6 IN COOK AND ANDERSON'S SUBDIVISION OF THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 24, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

LOTS 1, 2, 3, 4 AND 5 IN J. WASKA AND SON'S SUBDIVISION OF LOTS 7 TO 12, INCLUSIVE, IN THE SUBDIVISION OF LOTS 1 AND 2 IN BLOCK 6 IN COOK AND ANDERSON'S SUBDIVISION OF THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 24, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

THAT PART OF LOT 3, AND OF LOT 4 (EXCEPT THE WEST 24.68 FEET THEREOF) AND OF LOT 5 (EXCEPT THE EAST 41.32 FEET THEREOF) LYING SOUTHEASTERLY OF THE SOUTHEASTERLY LINE OF WEST OGDEN AVENUE, AS WIDENED, IN BLOCK 6 IN COOK AND ANDERSON'S SUBDIVISION OF THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 24, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

ALSO

THAT PART OF S. FAIRFIELD AVENUE AS DEDICATED BY PLAT OF DEDICATION RECORDED JUNE 16, 1967 AS DOCUMENT 20169157 AND BEING FURTHER DESCRIBED AS THE WEST 24.68 FEET OF LOT 4 AND THE EAST 41.32 FEET OF LOT 5 IN BLOCK 6 IN COOK AND ANDERSON'S SUBDIVISION, AFORESAID, AS VACATED BY ORDINANCE RECORDED JULY 12, 1978 AS DOCUMENT 24531126.

PARCEL 4:

LOTS 1 TO 5, BOTH INCLUSIVE, IN THE SUBDIVISION OF LOT 6 IN BLOCK 6 (EXCEPT THAT PART TAKEN FOR OGDEN AVENUE) IN COOK AND ANDERSON'S SUBDIVISION OF THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 24, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 5:

THAT PART OF LOT 7 LYING SOUTHEASTERLY OF THE SOUTHEASTERLY LINE OF WEST OGDEN AVENUE AS WIDENED, IN BLOCK 6 IN COOK AND ANDERSON'S SUBDIVISION OF THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 24, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 6:

LOTS 1 TO 10, BOTH INCLUSIVE, THAT PART OF LOT 11 AND THAT PART OF THE 16.0 FOOT VACATED ALLEY LYING EAST AND ADJOINING SAID LOTS, LYING NORTH OF THE NORTH LINE OF WEST 15TH PLACE, AS WIDENED, IN THE SUBDIVISION OF LOTS 8 AND 9 IN BLOCK 7 OF COOK AND ANDERSON'S SUBDIVISION OF THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 24, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 7:

LOTS 1 TO 6, BOTH INCLUSIVE, IN THE SUBDIVISION OF LOT 6 IN BLOCK 7 IN COOK AND ANDERSON'S SUBDIVISION OF THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 24, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 8:

LOTS 4, 5 AND 6 IN THE SUBDIVISION OF LOT 1 IN BLOCK 7 IN COOK AND ANDERSON'S SUBDIVISION OF THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 24, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 9:

LOTS 1, 2 AND 3 IN V. LUSK'S RESUBDIVISION OF LOTS 1, 2 AND 3 IN SUBDIVISION OF LOT 1 IN BLOCK 7 IN COOK AND ANDERSON'S SUBDIVISION OF THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 24, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 10:

LOTS 1 TO 20, BOTH INCLUSIVE, IN THE SUBDIVISION OF LOTS 2, 3 AND 5 AND A RESUBDIVISION OF LOT 4 IN BLOCK 7 IN COOK AND ANDERSON'S SUBDIVISION OF THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 24, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 11:

THAT PART OF LOT 7 IN BLOCK 7, LYING NORTH OF THE NORTH LINE OF WEST 15TH PLACE AS WIDENED, IN COOK AND ANDERSON'S SUBDIVISION OF THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 24, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 12:

THAT PART OF VACATED WEST 15TH STREET BOUNDED ON THE NORTH BY THE SOUTH LINE OF BLOCK 6 OF COOK AND ANDERSON'S SUBDIVISION AFORESAID, AND BOUNDED ON THE SOUTH BY THE NORTH LINE OF BLOCK 7 OF THE AFORESAID SUBDIVISION, AND BOUNDED ON THE WEST BY THE SOUTHERLY EXTENSION OF THE WEST LINE OF VACATED SOUTH FAIRFIELD AVENUE AFORESAID AND BOUNDED ON THE EAST BY THE WEST LINE OF SOUTH WASHTENAW AVENUE AS DEDICATED IN THE AFORESAID SUBDIVISION IN COOK COUNTY, ILLINOIS AND AS VACATED BY ORDINANCE RECORDED JULY 12, 1978 AS DOCUMENT 24531126.

PARCEL 13:

THAT PART OF THE VACATED EAST AND WEST 16 FOOT PUBLIC ALLEY BOUNDED ON THE NORTH BY THE SOUTH LINE OF V. LUSK'S RESUBDIVISION AFORESAID AND BY THE SOUTH LINE OF LOTS 1 AND 2 IN THE SUBDIVISION OF LOTS 2, 3 AND 5 AND A RESUBDIVISION OF LOT 4 IN BLOCK 7 AFORESAID AND ON THE SOUTH BY THE SUBDIVISION OF LOT 1 IN BLOCK 7 AFORESAID AND BY THE NORTH LINE OF SAID LOTS 19 AND 20 IN THE SUBDIVISION OF LOTS 2, 3 AND 5 AND A RESUBDIVISION OF LOT 4 IN BLOCK 7 AFORESAID, LYING WEST OF A LINE DRAWN FROM THE SOUTHEAST CORNER OF SAID LOT 3 IN V. LUSK'S RESUBDIVISION AFORESAID, TO THE NORTHEAST CORNER OF SAID LOT 4 IN SUBDIVISION OF LOT 1 IN BLOCK 7 IN COOK AND ANDERSON'S SUBDIVISION AFORESAID, LYING EAST OF THE WEST LINE OF THE EAST 17 FEET OF SAID LOT 2 PRODUCED SOUTH TO THE NORTH LINE OF LOT 19, IN THE SUBDIVISION OF LOTS 2, 3 AND 5 IN THE RESUBDIVISION OF LOT 4 IN BLOCK 7 OF COOK AND ANDERSON'S SUBDIVISION AFORESAID, AS VACATED BY ORDINANCE RECORDED JULY 12, 1978 AS DOCUMENT 24531126.

PARCEL 14:

THAT PART OF WEST 15TH STREET AND OF THE ALLEYS VACATED ACCORDING TO ORDINANCE PASSED ON APRIL 21, 1967 BY THE CITY OF CHICAGO AND RECORDED JUNE 16, 1967 AS DOCUMENT 20169151, EXCEPTING THEREFROM ANY PART THEREOF FALLING WITHIN LOT 7 IN BLOCK 7 IN COOK AND ANDERSON'S SUBDIVISION OF THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 24, TOWNSHIP

39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 15:

LOTS 9 AND 10 IN BLOCK 5 IN COOK AND ANDERSON'S SUBDIVISION OF THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 24, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN (EXCEPT THAT PART OF LOTS 9 AND 10 CONVEYED TO CITY OF CHICAGO FOR WIDENING OF OGDEN AVENUE WAND ALSO EXCEPTING FROM SAID LOTS 9 AND 10 THAT PART THEREOF CONDEMNED OR USED FOR ALLEY PURPOSES) ALL IN COOK COUNTY, ILLINOIS.

3140 W. Ogden Parcel:

LOTS 1 THROUGH 5 AND LOTS 9 THROUGH 40 IN LOMBARD'S SUBDIVISION OF BLOCK 5 DOUGLAS PARK ADDITION TO CHICAGO OF PART OF SECTION 24, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Property Addresses and PINs (Parcels 1 through 15):

ADDRESS	PIN
2713 West Ogden Avenue	16-24-214-011-0000
2711 West Ogden Avenue	16-24-214-012-0000
2709 West Ogden Avenue	16-24-214-013-0000
2703 West Ogden Avenue	16-24-214-014-0000
2701 West Ogden Avenue	16-24-214-015-0000
2714 West 15th Place	16-24-214-016-0000
2744 West 15th Street	16-24-214-021-0000
2742 West 15th Street	16-24-214-022-0000
2705 West 15th Place	16-24-214-027-0000
2732 West 15th Street	16-24-214-028-0000
2722 West 15th Street	16-24-214-029-0000
2653 West Ogden Avenue (aka 2655 W. Ogden Ave)	16-24-215-001-0000
1512 South California Avenue	16-24-221-001-0000
1513 South California Avenue	16-24-221-002-0000
1515 South California Avenue	16-24-221-003-0000
1517 South California Avenue	16-24-221-004-0000
1523 South California Avenue	16-24-221-005-0000
1529 South California Avenue	16-24-221-006-0000
2744 West 15th Street	16-24-221-007-0000
1500 South Fairfield Avenue	16-24-221-008-0000
2736 West 15th Place	16-24-221-009-0000
2734 West 15th Place	16-24-221-010-0000
2732 West 15th Place	16-24-221-011-0000

ADDRESS	PIN
2730 West 15th Place	16-24-221-012-0000
2724 West 15th Place	16-24-221-015-0000
2722 West 15th Place	16-24-221-016-0000
2720 West 15th Place	16-24-221-017-0000
2718 West 15th Place	16-24-221-018-0000
2710 West 15th Place	16-24-221-021-0000
2745 West 15th Place	16-24-221-022-0000
2743 West 15th Place	16-24-221-023-0000
2741 West 15th Place	16-24-221-024-0000
2737 West 15th Place	16-24-221-025-0000
2735 West 15th Place	16-24-221-026-0000
2733 West 15th Place	16-24-221-027-0000
2731 West 15th Place	16-24-221-028-0000
2729 West 15th Place	16-24-221-029-0000
2727 West 15th Place	16-24-221-030-0000
2725 West 15th Place	16-24-221-031-0000
2723 West 15th Place	16-24-221-032-0000
2721 West 15th Place	16-24-221-033-0000
2719 West 15th Place	16-24-221-034-0000
2717 West 15th Place	16-24-221-035-0000
2715 West 15th Place	16-24-221-036-0000
2713 West 15th Place	16-24-221-037-0000
2711 West 15th Place	16-24-221-038-0000
2709 West 15th Place	16-24-221-039-0000
1510 West 15th Street	16-24-221-040-0000
1527 South California Avenue	16-24-221-041-0000
2726 West 15th Place	16-24-221-042-0000

Property Addresses and PINs (3140 W. Ogden Parcel):

TAX ADDRESS	PIN
1603 South Kedzie Avenue	16-24-300-001-0000
1609 South Kedzie Avenue	16-24-300-002-0000
3142 West 16th Street	16-24-300-003-0000
3158 West Ogden Avenue	16-24-300-005-0000
3104 West Ogden Avenue	16-24-300-006-0000
3106 West Ogden Avenue	16-24-300-007-0000
3108 West Ogden Avenue	16-24-300-008-0000
3110 West Ogden Avenue	16-24-300-009-0000
3112 West Ogden Avenue	16-24-300-010-0000
3114 West Ogden Avenue	16-24-300-011-0000
3112 West Ogden Avenue	16-24-300-012-0000
3110 West Ogden Avenue	16-24-300-013-0000
3134 West Ogden Avenue	16-24-300-014-0000
3100 West Ogden Avenue	16-24-300-015-0000

EXHIBIT B-2
HCH PROPERTY

See attached.

10/10/10
10/10/10

Exhibit B-2
HCH Property - Description

Approximately 28,530 square feet of area on the third floor of the in-patient unit and 4,000 square feet of area on the first floor adjacent to the emergency department of Holy Cross Hospital, located at 2701 W. 68th Street (also commonly known as 6801 S. California Avenue), Chicago, IL and constituting a portion of the parcel of real estate legally described as follows:

Parcel 1:

BLOCKS 5 AND 6 (EXCEPT THE EAST 150 FEET OF BLOCK 6 AND EXCEPT THE WEST 35 FEET OF THE EAST 185 FEET OF THE SOUTH 180 FEET OF BLOCK 6) IN HIRSH AND YOUNGS SUBDIVISION OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRICIPAL MERIDIAN, AND ALSO THAT PART OF VACATED WEST 68TH STREET LYING EASTERLY OF THE EAST LINE OF SOUTH CALIFORNIA AVENUE AND WESTERLY OF THE WEST LINE OF SOUTH WASHTENAW AVENUE (EXCEPT THE EAST 150 FEET OF THE SOUTH ONE HALF THEREOF, LYING NORTH OF AND ADJOINING BLOCK 6) IN HIRSH AND YOUNG'S SUBDIVISION OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, ALL IN COOK COUNTY, ILLINOIS.

PIN: 19-24-406-003-0000

Address: 6801 South California Avenue

EXHIBIT B-3

MILESTONE DESCRIPTIONS

PROJECT MILESTONES				
Project Milestones	Projected Milestone Budget	Projected Completion of Milestone	Description of Project Milestone	Project Component
Milestone #1	\$12,000,000	2015	Sinai Community Institute ("SCI") Build out of 3rd Floor	1a - Previously Completed
			Cardiac Catheterization Lab Renovations	
			Operating Room Fan Unit Replacement	
			Kling Building Demolition	
			SCI Roofing System Upgrade/Replacement	2 - SCI Outpatient Center
			ED Triage & Waiting Area Renovations	4 - MSH Relocations & Renovations
			Public Areas Renovations	
			Air Handling Unit Replacement Systems, Part 1	5 - MSH Infrastructure
			MSH Boiler Burner Upgrades	
Emer. Power Automatic Transfer Switch Replacement				
Milestone #2	\$15,800,000	2016	Diagnostic & Therapeutic Services Renovations*, Part 1	4 - MSH Relocations & Renovations
			Psychiatric Emergency Department / Access Center Development	1b - HCH Behavioral Health
			Outpatient Services Renovations	
			Relocation of Gad's Hill Childcare Center	
			Specialty Clinics Expansion, Part 1	2 - SCI Outpatient Center
			Outpatient Imaging & Testing Center Expansion	4 - MSH Relocations & Renovations
			Business Office Relocations, Part 1	
			Air Handling Unit Replacement Systems, Part 2	
			Hot Water System Replacement	5 - MSH Infrastructure
Mechanical Shaft Systems Upgrades				
Milestone #3	\$18,750,000	2017	Inpatient Psychiatric Bed Units Conversion, Part 1	1b - HCH Behavioral Health
			General Inpatient Bed Renovations, Part 1	3 - MSH Inpatient Bed Units
			Development of Observations Unit	
			Diagnostic & Therapeutic Services Renovations* - Part 2	4 - MSH Relocations & Renovations
			Emergency Power Generation/Distribution System Upgrades	5 - MSH Infrastructure
Milestone #4	\$15,650,000	2018	Outpatient Psychiatric Services Relocation	2 - SCI Outpatient Center
			Outpatient Support Services Expansion, Part 1	
			ICU Beds--Relocation and Expansion, Part 1	3 - MSH Inpatient Bed Units
			General Inpatient Bed Renovations, Part 2	
			Diagnostic & Therapeutic Services Renovations* - Part 3	4 - MSH Relocations & Renovations
Milestone #5	\$14,850,000	2019	Inpatient Psychiatric Bed Units Conversion, Part 2	1b - HCH Behavioral Health

			ICU Beds--Relocation and Expansion, Part 2	3 - MSH Inpatient Bed Units
			Diagnostic & Therapeutic Services Renovations* - Part 3	4 - MSH Relocations & Renovations
			Power Switchgear Upgrades/Improvements to Electrical service	5 - MSH Infrastructure
Milestone #6	\$14,450,000	2020	Outpatient Support Services Expansion, Part 2	2 - SCI Outpatient Center
			Specialty Clinics Expansion, Part 2	
			Business Office Relocations, Part 2	4 - MSH Relocations & Renovations
			Diagnostic & Therapeutic Services Renovations* - Part 4	
			Fire Alarm System Replacement	5 - MSH Infrastructure
			Air Handling Unit Replacement Systems, Part 3	
Milestone #7	\$6,500,000	2021	Food & Nutrition Services Relocation	4 - MSH Relocations & Renovations
			Kurtzon Building Demolition	6 - Kurtzon Demolition
Milestone #8	\$ 2,000,000	2022	Exterior Repairs to Frankel Building	6 - Kurtzon Demolition
			Exterior Repairs to Nurse's Residence	
TOTAL PROJECT COST	<u>\$100,000,000</u>			

*Diagnostic & Therapeutic Services includes testing to identify and determine the nature of a disease, as well as therapy services such as radiology, renal services, oncology services, cardiology, endoscopy and surgical procedures, among others, to treat health conditions.

EXHIBIT B-4

Non-Completion Penalty

<i>Milestone Completed</i>	<i>Project Budget Spent (cumulative)</i>	<i>City Funds Disbursed (per Milestone)</i>	<i>City Funds Disbursed (cumulative)</i>	<i>City Funds Disbursed (% of Project Budget Spent)</i>	<i>Penalty % of Cumulative City Funds Disbursed</i>	<i>Penalty Amount (\$)</i>
1	\$12,000,000	\$4,500,000	\$4,500,000	37.5%	100.0%	\$4,500,000
2	\$27,800,000	\$4,500,000	\$9,000,000	32.4%	100.0%	\$9,000,000
3	\$46,550,000	\$4,500,000	\$13,500,000	29.0%	80.0%	\$10,800,000
4	\$62,200,000	\$4,500,000	\$18,000,000	28.9%	60.0%	\$10,800,000
5	\$77,050,000	\$3,000,000	\$21,000,000	27.3%	50.0%	\$10,500,000
6	\$91,500,000	\$3,000,000	\$24,000,000	26.2%	20.0%	\$4,800,000
7	\$98,000,000	\$3,000,000	\$27,000,000	27.6%	20.0%	\$5,400,000
8	\$100,000,000	\$3,000,000	\$30,000,000	30.0%	0.0%	\$0
		\$1,000,000	\$31,000,000	31.0%		

EXHIBIT B-5

Re-Sequencing Milestones Illustration

Original Scope and Budget

	<i>Milestone 2</i>		<i>Milestone 4</i>
Scope A	2,000,000	Scope P	2,100,000
Scope B	4,500,000	Scope Q	4,000,000
Scope C	5,000,000	Scope R	1,600,000
Scope D	3,600,000	Scope S	4,200,000
Scope E	1,800,000	Scope T	2,400,000
TOTAL	16,900,000		14,300,000

Re-Sequenced Scope and Budget*

	<i>Milestone 2</i>		<i>Milestone 4</i>
Scope A	2,000,000	Scope P	2,100,000
Scope Q	4,000,000	Scope B	4,500,000
Scope C	5,000,000	Scope R	1,600,000
Scope S	4,200,000	Scope D	3,600,000
Scope E	1,800,000	Scope T	2,400,000
TOTAL	17,000,000		14,200,000

Original Milestone 2 Budget	16,900,000
Re-Sequenced Milestone 2 Budget	17,000,000

* Note: In illustration above, if only Scope B or Scope Q were being exchanged then the re-sequencing would not be permissible.

EXHIBIT B-6

Milestone Project Cost Adjustments Illustration

Illustration of City Funds Reduction and True-Up at Project Completion						EXHIBIT B-6	
	A	B	C = A - B	D	E	F = C x E	G
Milestone	Final Milestone Budget	Final Milestone Project Cost	Milestone Savings or (Over budget)	Maximum Milestone Payment Amount	Reduction Ratio per \$1 Milestone Savings	Milestone Payment Amount Reduction (\$)	Milestone Amount Paid
1	12,000,000	12,500,000	(500,000)	4,500,000	0.912		4,500,000
2	15,800,000	14,900,000	900,000	4,500,000	0.912	820,800	3,679,200
3	18,750,000	18,450,000	300,000	4,500,000	0.912	273,600	4,226,400
4	15,650,000	15,650,000	0	4,500,000	0.912		4,500,000
5	14,850,000	15,100,000	(250,000)	3,000,000	0.912		3,000,000
6	14,450,000	14,600,000	(150,000)	3,000,000	0.912		3,000,000
7	6,500,000	6,600,000	(100,000)	3,000,000	0.912		3,000,000
8	2,000,000	1,900,000	100,000	3,000,000	0.912		3,820,800
	0	0	0	1,000,000			1,000,000
TOTAL	100,000,000	99,700,000	300,000	31,000,000		1,094,400	30,726,400
True-Up Calculation After Project Completion (Payment #8)							
Project Budget				\$100,000,000			
Final Actual Project Costs				\$99,700,000			
Final Project Cost Savings or (Overage):				\$300,000			
				x 0.912			
Reduction of City Funds based on Final Project Savings				= \$273,600			
Total of Prior Reduction of City Funds (Column F total)				\$1,094,400			
Additional City Funds Payment to Sinai based on True-Up				\$820,800			

EXHIBIT B-7

MBE/WBE Illustration

Illustration of Combining Milestones and Using Previous Surplus for Compliance								
Scenario: Milestones 2, 3, and 4 combined to achieve cumulative compliance among the three Milestones								
One-time only use of previous surplus compliance to make-up shortfall for Milestone 6								
MBE/WBE		Compliance						
Milestone	Milestone Budget	MBE Compliance Requirement (24%)	(Illustrative Only) Actual MBE	City Funds Request	Requirement at Time of Funds Request	Milestone Surplus	Cumulative Surplus for Compliance	Surplus Used
1	10,000,000	2,400,000	2,600,000	Yes	2,400,000	200,000	200,000	
2	14,000,000	3,360,000	3,000,000	No	NA	0	200,000	
3	17,000,000	4,080,000	4,100,000	No	NA	0	200,000	
4	14,000,000	3,360,000	4,000,000	Yes	10,800,000	300,000	500,000	
5	12,000,000	2,880,000	2,900,000	Yes	2,880,000	20,000	520,000	
6	12,000,000	2,880,000	2,400,000	Yes	2,880,000	0	40,000	480,000
7	5,000,000	1,200,000	1,300,000	Yes	1,200,000	NA	NA	
8	1,000,000	240,000	300,000	Yes	240,000	NA	NA	
9	0	0			0			
TOTAL	85,000,000	20,400,000	20,600,000	0	20,400,000			

EXHIBIT C

TIF-FUNDED IMPROVEMENTS

	TIF-Eligible Improvements*
Demolition	\$6,845,850
Rehabilitation, reconstruction, repair, remodel of existing public or private buildings, fixtures, leasehold improvements, including Green costs	\$66,904,150
TOTAL TIF-ELIGIBLE IMPROVEMENTS:	\$73,750,000**

* Excludes all costs incurred at Holy Cross Hospital

**Notwithstanding the total of TIF-Funded Improvements or the amount of TIF-eligible costs, the assistance to be provided by the City is limited to the amount described in Section 4.03 and shall not exceed \$31,000,000. No costs incurred at Holy Cross Hospital are included as TIF-Funded Improvements.

NOTE: All references to categories of TIF Funded Improvements described in this Exhibit are subject to the limitations and requirements of the TIF Act.

EXHIBIT D

JOBS AND OCCUPANCY CERTIFICATE

_____, 20____

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

Re: Jobs and Occupancy Certificate - Sinai Health System Redevelopment Agreement

Dear Commissioner:

This Certificate is delivered pursuant to the Sinai Health System Redevelopment Agreement dated as of _____, 20__ (the "Agreement") and constitutes the Jobs and Occupancy Certificate of the Developer for the period ended _____, _____ [add month, day and year] (the "Period"). The undersigned certifies that (a) the Developer continues to maintain the Facility at the Property in the City of Chicago, Illinois; (b) the Developer continues to maintain at least _____ FTEs at the Facility; (c) the Developer continues to maintain at least _____ PTEs at the Facility and (c) each of the individuals listed in the chart below is either a FTE or PTE of the Developer at the Facility. Capitalized terms used without definition in this Certificate have the meanings given them in the Agreement.

Sincerely yours,

Sinai Health System

By: _____

Its: _____

FTE and PTE Employees located at the Facility
 as of _____, 20__

The Developer certifies that for individual listed below, work hours total a minimum of 35 hours per week (FTE) of Developer on a regularly scheduled basis or works hours total a minimum of 15 hours per week (PTE) of Developer on a regularly scheduled basis.

	Employee Name (Last, First)	Address of Principal Residence	Zip Code of Principal Residence	Number of months employed at the Facility during the year	On the payroll for work done at the Facility? (Y or N)	Work hours total at least 35 (FTE) or 15 (PTE) during the year (Y or N)	Independent contractor, third-party service provider, consultant, or ancillary services employee? (Y or N)	Job Title
1								
2								
3								
				Total:		Total		

EXHIBIT E

CONSTRUCTION CONTRACT

N/A

[THIS EXHIBIT IS NOT TO BE RECORDED]

EXHIBIT E
CONSTRUCTION CONTRACT

N/A

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. That certain Mortgage, Assignment of Rents and Leases, Security Agreement, and Fixture Financing Statement, recorded against the Property on March 31, 1997, as Document No. 97216928, made by Sinai Community Institute, Inc. ("SCI"), to Jewish Federation of Metropolitan Chicago ("Jewish Federation"), an Illinois not-for-profit corporation, which obligations are currently in the maximum aggregate principal amount of \$14,684,296 (together with interest payable on such reimbursement obligations). DPD consents to a modification(s) of the Mortgage to reflect these reimbursement obligations. DPD also consents to extensions, renewals, modifications and replacements of these reimbursement obligations; provided that DPD's consent is required for any increase in the maximum principal aggregate amount of these reimbursement obligations, as may be evidenced by a modification of the Mortgage.

EXHIBIT H-1
PROJECT BUDGET

Line Item	Budget Amount
DEMOLITION SUBTOTAL	\$6,845,850
Construction (Interior/Exterior Renovation, Systems Upgrades, Demolition)	
General Reqs/Design/Shops/General Liability	5,522,250
Conc/Mason/Floor Patch	2,548,980
Metals/Steel	589,160
Casework/Counters/Plastics	6,647,720
Thermal/Insulation/Corridor Protection	774,520
Doors/Windows/Shades/Hardware	2,605,230
Finishes/Flooring	10,150,350
Specialties	1,069,760
Elevator Upgrades	1,884,280
Fire Suppression	861,220
Plumbing	6,234,080
HVAC	7,129,100
Electrical	10,637,500
<u>Infrastructure Upgrades</u>	
Emergency Generator Replacement	1,646,500
Fire Alarm Replacement	2,678,750
Hot Water System Replacement	94,933
Emergency Power Distribution Equipment	1,267,663
Frankel AHU Replacement	674,671
Normal Power Switchboard Replacements	3,856,232
Structural Mods/Supports/Re-Routes	281,251
Hard Cost Contingency	8,000,000
CONSTRUCTION SUBTOTAL	\$75,154,150
FURNITURE, FIXTURES, AND EQUIPMENT SUBTOTAL	\$7,500,000
Design Fees	6,000,000
Other Soft Costs (Consultants,Permits,Fees)	3,700,000
Soft Cost Contingency	800,000
SOFT COST SUBTOTAL	\$10,500,000
TOTAL PROJECT COST	\$100,000,000

EXHIBIT H-2
MBE/WBE BUDGET

Conc/Mason/Floor Patch	2,548,980
Metals/Steel	589,160
Casework/Counters/Plastics	6,647,720
Thermal/Insulation/Corridor Protection	774,520
Doors/Windows/Shades/Hardware	2,605,230
Finishes/Flooring	10,150,350
Specialties	1,069,760
Elevator Upgrades	1,884,280
Fire Suppression	861,220
Plumbing	6,234,080
HVAC	7,129,100
Electrical	10,637,500
<u>Infrastructure Upgrades</u>	
Emergency Generator Replacement	1,646,500
Fire Alarm Replacement	2,678,750
Hot Water System Replacement	94,933
Emergency Power Distribution Equipment	1,267,663
Frankel AHU Replacement	674,671
Normal Power Switchboard Replacements	3,856,232
Structural Mods/Supports/Re-Routes	281,251
Hard Cost Contingency	8,000,000
Construction Subtotal	\$75,154,150
Design Fees Subtotal	\$6,000,000
MBE/WBE BUDGET	\$88,000,000
MBE Requirement	\$21,120,000
WBE Requirement	\$3,520,000

EXHIBIT I

APPROVED PRIOR EXPENDITURES

Milestone #1	Description of Work	Amount
Sinai Community Institute ("SCI") 3rd floor build out	Design, Construction, Furniture & Furnishings, Med. Equip., Permits	\$4,010,331
Cardiac Catheterization Lab Renovations	Design, Construction, Furniture & Furnishings, Med. Equip., Permits	1,522,372
Operating Room Fan Unit Replacement	Design, Construction, Permits	1,560,000
Kling Building Demolition	Design	4,830
Kling Building Demolition - Abatement	Abatement Contractor, Permits	186,770
Kling Building Demolition - Site Restoration	Landscape Design	43,250
ED Triage & Waiting Area Renovations	Design	43,500
TOTAL:		\$7,371,053*

*NOTE: This Exhibit I in no way deems any Approved Prior Expenditures as TIF-Eligible Costs or certified project costs.

EXHIBIT J

OPINION OF DEVELOPER'S COUNSEL

[To be retyped on 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 Sinai Health System, an Illinois not-for-profit corporation (the "Developer"), in connection with the rehabilitation of certain facilities thereon located in the Sinai Health System 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) Sinai Health System Redevelopment Agreement (the "Agreement") of even date herewith, executed by Developer and the City of Chicago (the "City");
- (b) [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
- (c) 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 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 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 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 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. Developer is a corporation duly organized, validly existing and in good standing under the laws of its state of incorporation, 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 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. 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, Developer's Articles of Incorporation or By-Laws 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 Developer is a party or by which 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 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 Developer.

4. Each of the Documents to which Developer is a party has been duly executed and delivered by a duly authorized officer of Developer, and each such Document constitutes the legal, valid and binding obligation of 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. Intentionally Omitted.

6. To the best of our knowledge after diligent inquiry, no judgments are outstanding against Developer, nor is there now pending or threatened, any litigation, contested claim or governmental proceeding by or against Developer or affecting Developer or its property, or seeking to restrain or enjoin the performance by 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, 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 Developer or its business.

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

This opinion is issued at 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: _____

Sinai Health System

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

EXHIBIT M

HUD-Required Provisions Rider

See attached.

EXHIBIT M

HUD-Required Provisions Rider

HUD-REQUIRED PROVISIONS RIDER

THIS RIDER is dated August __, 2015 and is attached to and made a part of that certain SINAI HEALTH SYSTEM REDEVELOPMENT AGREEMENT (the "TIF Redevelopment Agreement"), entered into by and among the City of Chicago, Illinois, an Illinois municipal corporation (the "City"), through its Department of Planning and Development, having its offices at 121 North LaSalle Street, Room 1000, Chicago, Illinois 60602, and Sinai Health System, an Illinois not-for-profit corporation (the "Developer"), relating to certain property located in the City of Chicago, Illinois in a redevelopment project area designated by the City as the Midwest Redevelopment Project Area as referred to in the TIF Redevelopment Agreement. In the event of any conflict, inconsistency or ambiguity between the provisions of this Rider and the provisions of the TIF Redevelopment Agreement, the provisions of this Rider shall control.

It is acknowledged that the term "Project" as defined in the TIF Redevelopment Agreement is not the same as Project No. 071-13007 (which is the Project relating to the HUD-insured mortgage loan secured by a first mortgage on Developer's property). The Project as defined in the TIF Redevelopment Agreement consists of the Sinai Facility (and related improvements thereto) and the HCH Facility (and related improvements thereto). In addition, for purposes of this Rider, the Project includes only that portion of the Sinai Facility (as defined in the TIF Redevelopment Agreement) that is encumbered by the Mortgage and the HUD Regulatory Agreements (as both such terms are defined below). In addition, as used in this Rider, the term "HUD" shall mean the United States Department of Housing and Urban Development; the term "FHA" shall mean the Federal Housing Administration, an organizational unit within HUD; and the term "HUD/FHA Loan Documents" shall mean the documents relating to the HUD-insured mortgage loan secured by a first mortgage on Developer's property for the Project (Project No. 071-13007) prepared in connection with endorsement of the mortgage loan to Developer for insurance under the National Housing Act, and subsequent modifications thereof, including but not limited to:

Initial Endorsement (1996):

- A. Commitment for Insurance dated August 2, 1996, issued by the Secretary of HUD by the Federal Housing Commissioner pursuant to Section 242 of the National Housing Act and signed by his authorized agent to Berkshire Mortgage Finance Corporation as amended, and later assigned to American National Bank and Trust Company of Chicago, Trustee.
- B. Building Loan Agreement made as of September 30, 1996, between the Developer and American National Bank and Trust Company of Chicago;
- C. Mortgage Note dated as of September 30, 1996 made by the Developer payable to the order of American National Bank and Trust Company of Chicago in the principal amount of \$ 98,110,000.00, as amended and modified (the "Mortgage Note"); and now held by Lancaster Pollard Mortgage Company, LLC (f/k/a Lancaster Pollard Mortgage Company) (the "Mortgagee").

- D. Mortgage dated as of September 30, 1996, made by Developer in favor of American National Bank and Trust Company of Chicago and assigned by mesne assignments to the Mortgagee encumbering the Project as security for the Mortgage Note (the "Mortgage");
- E. Second Mortgage dated as of September 30, 1996 between Mount Sinai Hospital and Medical Center of Chicago and American National Bank and Trust Company of Chicago, as amended, and assigned to Mortgagee.
- F. Collateral Security Mortgage dated as of September 30, 1996 between Mount Sinai Hospital and Medical Center of Chicago and American National Bank and Trust Company of Chicago, as amended, and assigned to Mortgagee.
- G. Security Agreement dated as of September 30, 1996, between the Developer, as debtor, and American National Bank and Trust Company of Chicago and/or the Secretary of HUD as their interest may appear, as secured parties; and the Amended and Restated Security Agreement made as November 20, 2012 between Sinai Health System as debtor and Mortgagee and the Secretary of HUD acting by and through the Federal Housing Commissioner, as secured parties;
- H. UCC Financing Statements filed in the Office of the Illinois Secretary of State, and recorded in the Cook County Recorder's Office in favor of the Mortgagee and/or the Secretary of HUD, their successors and assigns, as their interests may appear, as secured party recorded-including all renewals, amendments, modifications, replacements and substitutions thereof.
- I. Regulatory Agreement Section 242 Nonprofit Hospitals, dated as of September 30, 1996, naming American National Bank and Trust Company of Chicago as mortgagee between the Developer and HUD; and all amendments and modifications thereof; and Regulatory Agreements between Mount Sinai Hospital and Medical Center of Chicago (with Sublease attached) and HUD; Schwab Rehabilitation Hospital and Care Network (with Sublease attached) and HUD; and all amendments and modifications of each; (collectively the "HUD Regulatory Agreement")
- J. Organizational Documents Corporate: Charter or Articles of Incorporation, Bylaws, Good Standing Certificates, Corporate Resolutions and Certificates of Incumbency) for Sinai Health System, Mount Sinai Hospital and Medical Center of Chicago.
- J. Proof of Nonprofit Status
- K. Title Policy including amendments and replacements
- L. Evidence of Zoning Compliance
- M. Building Permits
- N. Surveyor's Report
- O. Surveyor's Plat

- P. Performance and Payment Bonds; and Telegram confirming Authority of agent of Surety.
- Q. Evidence of Availability of Utility Services
- S. Mortgagee's Certificate
- T. Mortgagor's Certificate
- U. Assurance of compliance under Title VI
- V. Equal Employment Opportunity Certification
- W. Opinions of Mortgagor's Attorneys in connection with initial endorsement and subsequent modifications of mortgage loan.
- X. Application for Insurance of Advance of Mortgage Proceeds
- Z. HUD Certificate
- AA. Affidavit from Project Architect
- BB. Agreement as to Depreciation Reserve Fund and Other Matters; Depreciation Reserve Fund Agreement
- CC. Trust Fund Agreement, as amended.
- DD. Contractors Certification Concerning Labor Standards
- EE. Certificate of Need
- FF. Insurance Policies
- KK. HHS Approval Letter
- JJ. Memorandum of Sublease; Memoranda of Ground Lease; Subleases; Ground Leases;
- LL. Financial Requirements for Closing
- MM. Opinions of Krooth & Altman as counsel to Berkshire Mortgage Finance Corporation American National Bank and Trust Company of Chicago, their successors and assigns and Mortgagee in connection with initial endorsement and subsequent modifications of mortgage loan.
- OO. Owner-Architect Agreement
- PP. Construction Contract; and
- QQ. All amendments, modifications thereto and all replacements or substitutions thereof and all additional documents not otherwise listed made after initial endorsement in connection with the modification, amendment, revision, restatement or any other change in any term the terms of the HUD-insured mortgage loan, or the security therefor, or otherwise prepared in connection with the HUD-insured mortgage loan and all subsequent modifications thereof.

Final endorsement (2000):

1. FHA Maximum Insurable Mortgage (Form 2580)
2. HHS Approval Letter
3. Certificates and Permits
 - a. State License
 - b. City License
 - c. City Certificate of Occupancy
4. State and City Health Department Inspection Letters; Summary of Work
5. As-Built Surveys
6. Surveyor's Report (Form 2457)
7. Updated Title Policy Endorsement with New Exception Document
8. Request for Final Endorsement (Form 2023) with Certificate of Mortgagor and Contractor; Contractor's Letter
9. Application for (Final) Advance of Mortgage Proceeds (Form 2403)
10. Letter from Mortgage Servicer that Loan is Current
11. Letter from Mortgagor re Person to Contact
12. Mortgagor's Attorney's Opinion re UCCs to Other Parties
13. Elevator Maintenance Agreement
14. Updated Organizational Documents
 - Incumbency Certificate
 - Officer's Certificate with Articles and Bylaws
 - Certificate of Good Standing
15. Property Insurance Certificate
16. Noise Attenuation Documents
17. HHS/Sinai Plan of Correction Documents
18. Depreciation Reserve Fund Letter; Equity Letter of Credit Draw
19. Bonds Verification Statement/Conversion Analysis
20. Settlement Statement
21. Mortgage Note as Finally Endorsed by HUD

First modification of Mortgage loan (2003):

1. HUD Approval Letter
2. First Allonge to Mortgage Note
3. Note and Mortgage Modification Agreement
4. Second Regulatory Agreement Modification Agreement (Mortgagor)
5. First Regulatory Agreement Modification Agreement (Mt. Sinai Hospital and Medical Center of Chicago)
6. First Regulatory Agreement Modification Agreement (Schwab Rehabilitation Hospital and Care Network)
7. Amendment to Security Agreement
8. Amended and Restated Mortgage Reserve Fund Agreement
9. MRF Trust Fund Agreement
10. Amendment to Collateral Security Mortgage
11. Amendment to Second Mortgage
12. Title Policy/Date Down Endorsement
13. Mortgagor's Attorney's Opinion
14. Opinion of Krooth & Altman LLP as counsel to Mortgagee
15. Certificate of Numerical Accuracy
16. Ground Lease and Sublease Modification Agreement (Mt. Sinai Hospital and Medical Center of Chicago)
17. Estoppel Certificate (Mt. Sinai Hospital and Medical Center of Chicago)
18. Ground Lease and Sublease Modification Agreement (Schwab Rehabilitation Hospital and Care Network)
19. Estoppel Certificate (Schwab Rehabilitation Hospital and Care Network)
20. Incumbency Certificate with original Good Standing Certificate

Copies of Loan Assignment Documents

1. Endorsement to Mortgage Note
2. Assignment of Mortgage
3. Assignment of Security Agreement & Other Loan Documents
4. UCC-3 Assignments (Cook Co. & Illinois Secretary of State)
5. Assignment of Collateral Security Mortgage
6. Assignment of Second Mortgage

Second Modification of Mortgage loan (2012):

1. HUD Approval Letter
2. Loan Assignment Documents:
 - (a) Endorsement to Mortgage Note
 - (b) Assignment of Mortgage
 - (c) Assignment of Collateral Security Mortgage
 - (d) Assignment of Second Mortgage
 - (e) Assignment of Security Agreement and Other Loan Documents
 - (f) UCC-3 Assignment (Illinois Secretary of State)
 - (g) UCC-3 Assignment (Cook County)
3. Second Allonge to Mortgage Note
4. Third Allonge to Mortgage Note
5. Second Mortgage Modification Agreement
6. Amended and Restated Security Agreement
7.
 - (a) UCC-3 Amendments – Restate Collateral (Illinois Secretary of State)
 - (b) UCC-3 Amendments – Restate Collateral (Cook County)
 - (c) UCC-1 (Illinois Secretary of State)
 - (d) UCC-1 (Cook County)
8. First Amendment to Amended and Restated Mortgage Reserve Fund Agreement and MRF Trust Fund Agreement
9.
 - (a) Title Policy Endorsement
 - (b) UCC Policy
 - (c) Title Policy from 2003 (copy)
10. Organizational Documents – Certificate of Secretary with:
 - (a) Resolutions authorizing the Loan modification
 - (b) Articles of Incorporation
 - (c) Bylaws
 - (d) Good Standing Certificate
 - (e) IRS 501[c](3) letters
 - (f) Incumbency Certificate
11. Loan is Current Letter
12. Blocked Account Control Agreement (“Shifting Control”)
13. Opinion of Krooth & Altman LLP as counsel to Mortgagee
14. Mortgagor's Attorney's Opinion
15. Mount Sinai 2012 Lease Modification Agreement
16. Schwab 2012 Lease Modification Agreement

All other capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the TIF Redevelopment Agreement.

- R-1 Notwithstanding anything in the TIF Redevelopment Agreement to the contrary, the provisions of the TIF Redevelopment Agreement are subordinate to all applicable Federal Statutes, HUD mortgage insurance regulations and related HUD directives and administrative requirements other than those HUD mortgage insurance regulations, related HUD directives or administrative requirements which have been waived in writing by HUD with respect to the Project. The provisions of the TIF Redevelopment Agreement are also expressly subordinate to the HUD/FHA Loan Documents. In the event of any conflict between the TIF Redevelopment Agreement and the provisions of applicable Federal statutes, HUD mortgage insurance regulations, related HUD directives and administrative requirements, or HUD/FHA Loan Documents, the Federal statutes, HUD mortgage insurance regulations, related HUD directives and administrative requirements and HUD/FHA Loan Documents shall control, except for those HUD mortgage insurance regulations, related HUD directives or administrative requirements which have been waived in writing by HUD with respect to the Project.
- R-2 Failure on the part of the Developer to comply with the covenants contained in the TIF Redevelopment Agreement shall not serve as a basis for default on any HUD-insured or HUD-held mortgage on the Project. Additionally, and notwithstanding any term or condition to the contrary in the TIF Redevelopment Agreement, no failure on the part of the Developer or its successors or assigns to comply with the covenants in the Mortgage Note, the Mortgage, the HUD Regulatory Agreement, or any of the other HUD/FHA Loan Documents shall serve as a basis for the City, its successors or assigns, or any other party acting by or through the rights provided therein, to declare a default under the TIF Redevelopment Agreement or to exercise any other rights provided in the TIF Redevelopment Agreement, without the express written approval of the Mortgagee, or its successors and assigns to the Mortgage, and HUD.
- R-3 Compliance by the Developer with the provisions and covenants of the TIF Redevelopment Agreement and enforcement of the provisions and covenants contained in the TIF Redevelopment Agreement, including, but not limited to, any indemnification provisions or covenants, will not and shall not result in any claim or lien against the Project, any asset of the Project, the proceeds of the Mortgage, any reserve, or deposit required by HUD in connection with the Mortgage transaction or the rents or other income from the Project, other than distributable Residual Receipts (as the term Residual Receipts is defined in the HUD Regulatory Agreement).
- R-4 Any obligation to indemnify the City contained in the TIF Agreement shall not apply to HUD, whether as the mortgagee, owner, mortgagee-in-possession of the Project, or otherwise.

- R-5 No amendment to the TIF Redevelopment Agreement made after the Closing Date thereof *shall* have any force or effect until and unless HUD approves such amendment in writing.
- R-6 Unless waived in writing by HUD with respect to the Project, any action of the Developer which is prohibited or required by HUD pursuant to HUD regulations, HUD directives and administrative requirements or the HUD/FHA Loan documents shall supersede any conflicting provision of the TIF Redevelopment Agreement, and the performance or failure to perform of the Developer in accordance with such laws, regulations, directives, administrative requirements or HUD/FHA Loan Documents shall not constitute an event of default under the TIF Redevelopment Agreement.
- R-7 So long as HUD is the insurer or holder of any mortgage on the Project or any indebtedness secured by a mortgage on the Project or is Mortgagor in Possession, Developer shall not and is not permitted to pay any amount required to be paid under the provisions of the TIF Redevelopment Agreement except from distributable Residual Receipts, as such term is defined, and in accordance with the conditions prescribed in the HUD Regulatory Agreement unless specifically permitted in writing by HUD.
- R-8 In the event of the appointment by any court of any person, other than HUD or the Mortgagee, as a receiver, as a mortgagee or party in possession, or in the event of any enforcement of any assignment of leases, rents, issues, profits, or contracts contained in the TIF Redevelopment Agreement, with or without court action, no rents, revenue or other income of the Project collected by the receiver, person in possession or person pursuing enforcement as aforesaid, shall be utilized for the payment of interest, principal or any other amount due and payable under the provisions of the TIF Redevelopment Agreement except from distributable Residual Receipts in accordance with the HUD Regulatory Agreement. The receiver, person in possession or person pursuing enforcement shall operate the Project in accordance with all provisions of the HUD/FHA Loan Documents.
- R-9 A duplicate of each notice given, whether required or permitted to be given, under the provisions of the TIF Redevelopment Agreement shall also be given to:

Director, Office of Hospital Facilities
U.S. Department of Housing and Urban Development
451 7th Street, S.W.
Washington, DC 20410
Attention: Account Executive
Project No. 071-13007

With copies to:

Office of Regional Counsel, Region V
U.S. Department of Housing and Urban Development
77 West Jackson Blvd., 26th Floor
Chicago, IL 60604

And

Office of General Counsel
U.S. Department of Housing and Urban Development
451 7th Street, S.W.,
Washington, D.C. 20210

HUD may designate any further or different addresses for such duplicate notices

And with a courtesy copy to:

Lancaster Pollard Mortgage Company, LLC
65 E. State Street, 16th Floor
Columbus, OH 43215
Attn: FHA Servicing Department, Sinai Hospital

R-10 Notwithstanding anything in the TIF Redevelopment Agreement to the contrary, so long as HUD is the insurer or holder of any mortgage on the Project or any indebtedness secured by a mortgage on the Project or is Mortgagor in Possession, the Developer and its successors and assigns may sell, convey, transfer, lease, sublease or encumber the Project or any part thereof provided it obtains the prior written consent of HUD and Mortgagee to any such sale, conveyance, transfer, lease, sublease or encumbrance. The Developer may make application to HUD and Mortgagee for approval of a Transfer of Physical Assets in accordance with HUD regulations, directives and policies. A duplicate copy of such application shall be served on the City. Within 90 days after such service, the City shall serve written notice of its approval of such transfer, or of its requirements for approval of such transfer, on HUD, the Mortgagee and the Developer. No such transfer shall occur or be effective until the City's requirements shall have been satisfied. In the event the City fails to serve such notice on HUD, the Mortgagee and the Developer within said time, then any consent by HUD and the Mortgagee to such transfer shall be conclusively deemed to be the City's prior written consent to such transfer and consummation of such transfer shall not be a default under the TIF Redevelopment Agreement.

In the event (a) SHS has defaulted on an mortgage loan now insured by HUD or any other mortgage loan insured by HUD obtained by SHS in subsequent to the date of this rider, and HUD has notified, SHS of such default as required by regulation, or (b) SHS

has failed to make timely payment of three consecutive payments required by the terms of the mortgage note securing such loan or loans, or (c) the Mortgage Reserve Fund (as defined in the HUD/FHA Loan Documents) is not fully funded; then:

The City shall be deemed to have consented to any sale, exchange, transfer, or agreement with any other entity, if the Secretary or the Secretary's authorized agent in the exercise of his or her discretion determines that such sale, exchange, transfer, or agreement will avoid a mortgage insurance claim and is therefore in the best interests of the Federal Government, anything in the redevelopment agreement, any ordinance of the City of Chicago, or any statute or other rule of law of the State of Illinois, now in effect or enacted hereafter, to the contrary, notwithstanding.

- R-11 The Developer's covenants contained in the TIF Redevelopment Agreement shall automatically terminate in the event of a foreclosure or deed in lieu of foreclosure of any mortgage insured or held by HUD with respect to the Project, or any portion thereof. Upon such termination, the City shall furnish to HUD such releases and other documentation as HUD shall deem necessary or convenient to confirm or evidence such termination.
- R-12 Notwithstanding anything in the TIF Redevelopment Agreement to the contrary, the provisions of this HUD-Required Provisions Rider are for the benefit of, and are enforceable by, HUD and the Mortgagee.
- R-13 In making payments for the rehabilitation, renovation or remodeling of the Sinai facility, SHS shall fully comply with Illinois Mechanics Lien Act, 770 ILCS 60/1 et. seq. In particular, in making any payment to any contractor, SHS shall comply with Section 15 of the Act, and prior to or contemporaneously with each payment to any general contractor, as defined in the Act, SHS or its authorized agent or joint agent shall obtain the following, in a form commonly required from general contractors located or performing lienable work in Cook County, Illinois by title insurers in connection with the issuance policies of title insurance or endorsements thereto: A sworn statement, as required by Section 15 of the Act, and waivers of lien to date for all work completed as of the date of payment from the contractor and all subcontractors named on the contractor's sworn statement.

Executed as of this date set forth above.

Executed as of this date set forth above.

Sinai Health System, an Illinois not-for-profit corporation

By: _____
Name: _____
Its: _____

CITY OF CHICAGO

By: *Patricia A. Scudiero*
Name: *PATRICIA A. SCUDIERO for ANDREW J. MOONEY*
Commissioner
Department of Planning and Development

Executed as of this date set forth above.

Sinai Health System, an Illinois not-for-profit corporation

By: 

Name: Charles Weis

Its: Executive Vice President & Chief Financial Officer

CITY OF CHICAGO

By: _____

Name: _____

Commissioner

Department of Planning and Development