MONTROSE CLARENDON PARK REDEVELOPMENT AGREEMENT

This Montrose Clarendon Park Redevelopment Agreement (this "Agreement") is made as of this 31st day of October, 2016 by and among the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Planning and Development ("DPD"), Montrose Clarendon Partners LLC, an Illinois limited liability company ("Partners"), and Montrose and Clarendon LLC, a Delaware limited liability company (the "Developer"). The member of the Developer is Montrose and Clarendon Holdings LLC, a Delaware limited liability company ("Holdings"). The members of Holdings are Partners and PR III Montrose Development, LLC, a Delaware limited liability company. The Developer and Partners are collectively, jointly and severally known herein as "Montrose Clarendon."

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 June 30, 2010: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the Montrose/Clarendon Redevelopment Project Area" (the "Plan Adoption Ordinance"); (2) "An Ordinance of the City of Chicago, Illinois Designating the Montrose/Clarendon 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 Montrose/Clarendon Redevelopment Project Area" (the "TIF Adoption Ordinance") (items(1)-(3) collectively referred to herein as the "TIF Ordinances"). The redevelopment project area referred to above (the "Redevelopment Area") is legally described in Exhibit A hereto.

D. The Project: Developer intends to purchase (the "Acquisition") certain property located within the Redevelopment Area at Montrose and Clarendon Avenues in Chicago, Illinois and legally described on Exhibit B hereto (the "Property). The Developer shall fund a total of $4,600,000 into an escrow to fund improvements to the Chicago Park District's Clarendon Park (located within the Area at 4501 North Clarendon Avenue near the Property). Such improvements shall be known herein as the "Project." A preliminary description of and budget for the Project is attached as Exhibit C hereto. 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 the City of Chicago Montrose Clarendon Tax Increment Financing Redevelopment Plan and Project (the

"Redevelopment Plan") included in the Plan Adoption Ordinance and published at pages 94606-94649 of the Journal of the Proceedings of the City Council for June 30, 2010.

F. City Financing: The City agrees to use, in the amounts set forth in Section 4.03 hereof, (i) [intentionally omitted], (ii) Available Incremental Taxes, and (iii) [intentionally omitted], to pay for or reimburse Developer for the costs of TIF-Funded Improvements pursuant to the terms and conditions of this Agreement and the City Note.

In addition, the City may, in its discretion, issue tax increment allocation bonds ("Bonds") secured by Incremental Taxes pursuant to a TIF bond ordinance (the "Bond Ordinance") at a later date as described in Section 4.03(d) hereof, the proceeds of which (the "Bond Proceeds") may be used to pay for the costs of the TIF-Funded Improvements not previously paid for from Incremental Taxes (including any such payment made pursuant to the City Note provided to Developer pursuant to this Agreement), to make payments of principal and interest on the City Note (subject to the 96-month so-called "lockout period" applicable to City Note, as set forth below), or in order to reimburse the City for the costs of TIF-Funded Improvements.

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

SECTION 1. RECITALS, HEADINGS AND EXHIBITS

The foregoing recitals are hereby incorporated into this Agreement by reference. The paragraph and section headings contained in this Agreement, including without limitation those set forth in the following table of contents, are for convenience only and are not intended to limit, vary, define or expand the content thereof. Montrose Clarendon 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.

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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:

"30 Month Period" shall mean the 30 months following the issuance of the City Note.

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

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

"Affiliate" shall mean any person or entity directly or indirectly controlling or owning, controlled or owned by, or under common control or ownership with Montrose Clarendon.

"Annual Report of Available Incremental Taxes" means a signed report from a recognized financial consultant approved by the City that sets forth as of its date (i) a description of the Redevelopment Area, (ii) [intentionally omitted], (iii) [intentionally omitted], and (iv) a calculation of the Available Incremental Taxes constituting the source of funds for payment on any City Note, showing for the Property or applicable tax codes the current year equalized assessed value, the initial equalized assessed value, the incremental equalized assessed value and the composite tax rates for the last five years.

"Apartments Agreement" shall mean that certain Montrose Clarendon Apartments Redevelopment Agreement dated contemporaneously herewith among the City, Partners and the Developer. Any reference in this Agreement to a "related agreement" or the like shall not be deemed to refer to the Apartments Agreement.

"Available Incremental Taxes" shall mean an amount equal to the Incremental Taxes deposited in the TIF Fund attributable to the taxes levied on the Property.

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

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

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

"Certificate" shall mean a certificate of completion or comparable document issued by the Chicago Park District with respect to the Project.

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

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

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

"City Funds" shall mean the funds described in Section 4.03(b) hereof, including the funds paid to Developer pursuant to the City Note.

"City Note" shall mean the tax-exempt note, to be in the form attached hereto as Exhibit M-1, in the maximum principal amount of $4,600,000, to be issued by the City to Developer as provided herein. The City Note shall bear interest at the City Note Interest Rate and shall provide for accrued, but unpaid, interest to bear interest at the same annual rate. Upon the Developer's deposit into the escrow and the execution of the escrow agreement described in Section 3.13 hereof, the City shall issue City Note in the maximum principal amount of $4,600,000. The City intends (but is not obligated) to pay interest earned on City Note during the 30 Month Period as soon as possible thereafter, subject to the availability of Available Incremental Taxes. During the 30 Month Period the Developer may not sell City Note without the City's prior approval and subject to Section 18.21 hereof but may assign City Note to an Affiliate and/or pledge City Note to secure Lender Financing under this Agreement and/or the Apartments Agreement. After the 30 Month Period the Developer may sell City Note subject to Section 18.21 hereof. City Note (including interest earned thereon) shall have a first lien on Available Incremental Taxes. The City may not prepay or redeem (but may defease) the principal of City Note until 96 months after the issuance thereof. The City shall make annual payments on City Note each May 1, commencing in the first calendar year after the end of the 30 Month Period.

"City Note Interest Rate" shall mean an annual rate equal to the median value of the Baa (municipal market data) G.O. Bond rate (20 year) as published by Thompson-Reuters Municipal Market Data ("MMD") for 15 business days prior to the date of issuance of City Note plus 250 basis points, but in no event exceeding 7% per annum.

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

"Consultant's Report" shall have the meaning set forth in Section 8.27(a) hereof.

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

"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.

"EMMA" shall have the meaning set forth in Section 8.27(e) hereof

"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).

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

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

"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.

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

"In Balance" shall have the meaning set forth in Section 4.07 hereof.

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

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

"Lender Financing" shall mean funds borrowed by Developer from lenders and irrevocably available to pay for Costs of the Project, in the amount set forth in Section 4.01 hereof.

"MSRB" shall have the meaning set forth in Section 8.27(c) hereof

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

"OBM" shall have the meaning set forth in Section 8.27(c) hereof.

"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.

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

"Term of the Agreement" shall mean the period of time commencing on the Closing Date and ending on December 31, 2034.

"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 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.

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

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

SECTION 3. THE PROJECT

3.01-3.12 [intentionally omitted]

3.13 Clarendon Park. The Developer shall fund a total of $4,600,000 into an escrow to fund the Project. The City, the Developer, the Chicago Park District [and its contractor for the Project (which contractor may be the Public Building Commission of Chicago)] shall be parties to the accompanying escrow agreement. The escrow agreement shall provide, among other things, that: (a) the Developer's deposit shall be spent only on such improvements (and shall entitle the City to rely upon such provision), which such improvements shall be detailed in a budget provided to the City for its prior review (including confirming that such budget includes not less than $4,600,000 in Redevelopment Project Costs) and approval and attached to the escrow agreement as an exhibit; (b) the City shall review and approve all disbursements from the escrow; (c) upon completion of the improvements the Chicago Park District shall provide the City with (1) a copy of the Certificate and (2) a detailed record of the disbursements from the escrow; and (d) if any of the Developer's $4,600,000 deposit remains unused in the escrow upon completion of the improvements (or if the improvements are not commenced and completed within 96 months of the issuance of City Note), then the City may in its discretion direct that any or all such funds be used to pay City Note.

SECTION 4. FINANCING

4.01 Total Project Cost and Sources of Funds. The cost of the Project is estimated to be $4,600,000.

4.02 [intentionally omitted]

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.

(b) Sources of City Funds. Subject to the terms and conditions of this Agreement, including but not limited to Section 2, this Section 4.03 and Section 5 hereof, the City hereby agrees to issue the City Note to Developer. The principal amount of the City Note shall be in an amount equal to the costs of the TIF-Funded Improvements which have been incurred by Developer (being the amount of the Developer's deposit pursuant to Section 3.13 hereof) and are to be reimbursed by the City through payments of principal and interest on the City Note, subject to the provisions hereof; provided, however, that payments under the City Note are subject to the amount of Available Incremental Taxes deposited into the TIF Fund being sufficient for such payments.

(c) [intentionally omitted]

(d) [intentionally omitted]

4.04-4.08 [intentionally omitted]

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

SECTION 5. CONDITIONS PRECEDENT

Except for the opinion of counsel described in Section 5.09(b), the following conditions have been complied with to the City's satisfaction on or prior to the Closing Date:

5.01-5.08 [intentionally omitted]

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

(b) In connection with , and as a condition to, issuance of City Note, the City shall receive or has received from Foley & Lardner LLP, special counsel, an opinion regarding the tax-exempt status and enforceability of the City Note, in form and substance acceptable to Corporation Counsel.

5.10-5.13 [intentionally omitted]

5.14 Company Documents; Economic Disclosure Statement. Montrose Clarendon has provided a copy of its Articles or Certificate of Organization containing the original certification of the Secretary of State of its state of organization; certificates of good standing from the Secretary of State of its state of organization and all other states in which Montrose Clarendon is qualified to do business; a secretary's certificate in such form and substance as the Corporation Counsel may require; operating agreement of the company; and such other corporate documentation as the City has requested.

Montrose Clarendon has provided to the City an EDS, dated as of the Closing Date, which is incorporated by reference, and Montrose Clarendon further will provide any other affidavits or certifications as may be required by federal, state or local law in the award of public contracts, all of which affidavits or certifications are incorporated by reference. Notwithstanding acceptance by the City of the EDS, failure of the EDS to include all information required under the Municipal Code renders this Agreement voidable at the option of the City. Montrose Clarendon 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.

SECTION 6. [intentionally omitted]

SECTION 7. [intentionally omitted]

SECTION 8. COVENANTS/REPRESENTATIONS/WARRANTIES OF MONTROSE CLARENDON.

8.01 General. Montrose Clarendon 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) Montrose Clarendon is a limited liability company, duly organized, validly existing, qualified to do business in its state of organization, 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) Montrose Clarendon has the right, power and authority to enter into, execute, deliver and perform this Agreement;

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

(d) [intentionally omitted];

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

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

(g) Montrose Clarendon has and shall maintain all government permits, certificates and consents (including, without limitation, appropriate environmental approvals) necessary to conduct its business;

(h) Montrose Clarendon is not in default with respect to any indenture, loan agreement, mortgage, deed, note or any other agreement or instrument related to the borrowing of money to which Montrose Clarendon is a party or by which Montrose Clarendon 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 Montrose Clarendon, and there has been no material adverse change in the assets, liabilities, results of operations or financial condition of Montrose Clarendon since the date of Montrose Clarendon's most recent Financial Statements;

(j) [intentionally omitted];

(k) [intentionally omitted];

(l) Montrose Clarendon 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 Montrose Clarendon in violation of Chapter 2-156-120 of the Municipal Code;

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

(n) Developer understands that (i) the City Funds are limited obligations of the City, payable solely from moneys on deposit in the Montrose Clarendon Park Account of 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) Developer 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;

(o) Developer 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;

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

(q) Developer understands it may not sell, assign, pledge or otherwise transfer its interest in this Agreement or City Funds in whole or in part except in accordance with the terms of this Agreement (including but not limited to Sections 18.14 and 18.21 hereof), 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; and

(r) Developer acknowledges that with respect to City Funds, the City has no obligation to provide any continuing disclosure to the Electronic Municipal Market Access System maintained by the Municipal Securities Rulemaking Board, to any holder of a note relating to City Funds or any

other person under Rule 15c2-12 of the Commission promulgated under the Securities Exchange Act of 1934 or otherwise, and shall have no liability with respect thereto.

8.02 [intentionally omitted]

8.03 [intentionally omitted]

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. Montrose Clarendon 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, subject to the 96-month so-called "lockout period" applicable to City Note; provided, however, that any such amendments shall not have a material adverse effect on Montrose Clarendon or the Project. Montrose Clarendon shall, at Montrose Clarendon'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 [intentionally omitted]

8.07 [intentionally omitted]

8.08 [intentionally omitted]

8.09 [intentionally omitted]

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, Montrose Clarendon 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 Montrose Clarendon 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 Montrose Clarendon's business, the Property or any other property in the Redevelopment Area.

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

8.13-8.15 [intentionally omitted]

8.16 Montrose Clarendon's Liabilities. Montrose Clarendon 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 Montrose Clarendon to any other person or entity. Montrose Clarendon shall immediately notify DPD of any and all events or actions which may materially affect Montrose Clarendon's ability to carry on its business operations or perform its obligations under this Agreement or any other documents and agreements.

8.17 Compliance with Laws. To the best of Montrose Clarendon's knowledge, after diligent inquiry, the Property is and shall be in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, executive orders and codes pertaining to or affecting the Project and the Property. Upon the City's request, Montrose Clarendon shall provide evidence satisfactory to the City of such compliance.

8.18 [intentionally omitted]

8.19 Real Estate Provisions.

(a) Governmental Charges.

(i) Payment of Governmental Charges. Montrose Clarendon agrees to pay or cause to be paid when due all Governmental Charges (as defined below) which are assessed or imposed upon Montrose Clarendon or the Property, or become due and payable, and which create, may create, or appear to create a lien upon Montrose Clarendon or all or any portion of the Property; provided, however, that this section shall not impose on Montrose Clarendon any obligation to be personally liable on any tax that does not generally impose personal liability. "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 Montrose Clarendon or the Property including but not limited to real estate taxes.

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

(i) Montrose Clarendon shall demonstrate to DPD's satisfaction that legal proceedings instituted by Montrose Clarendon 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) Montrose Clarendon 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) Montrose Clarendon's Failure To Pay Or Discharge Lien. If Montrose Clarendon fails to pay any Governmental Charge or to obtain discharge of the same, Montrose Clarendon 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 Montrose Clarendon 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 Montrose Clarendon. 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 Montrose Clarendon fails to pay any Governmental Charge, the City, in its sole discretion, may require Montrose Clarendon to submit to the City audited Financial Statements at Montrose Clarendon's own expense.

(c) [intentionally omitted]

(d) Notification to the Cook County Assessor of Change in Use and Ownership. Prior to the Closing Date, Developer shall complete a letter or notification, in accordance with 35 ILCS 200/15-20, notifying the Cook County Assessor that there has been a change in use and ownership of the Property. On the Closing Date, Developer shall pay to the Title Company the cost of sending the notification to the Cook County Assessor via certified mail, return receipt requested. After delivery of the notification, Developer shall forward a copy of the return receipt to DPD, with a copy to the City's Corporation Counsel's office.

8.20 Annual Report(s). (a) [intentionally omitted]

(b) Beginning after the 30 Month Period and continuing throughout the Term of the Agreement, Montrose Clarendon shall cause to be submitted to DPD each calendar year an Annual Report of Incremental Taxes not later than February 1st of the subsequent calendar year. Failure by Montrose Clarendon to submit the Annual Report of Incremental Taxes before February 15th of a relevant year shall constitute an Event of Default under Section 15.01 hereof, without notice or opportunity to cure pursuant to Section 15.03 hereof. If Montrose Clarendon defaults in submitting the Annual Report of Incremental Taxes in any year, the City may engage its own financial consultant to prepare the report and the cost thereof shall be reimbursed to the City from City Funds to the extent available for payments on the City Note.

8.21 Inspector General. It is the duty of Montrose Clarendon 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 Montrose Clarendon'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. Montrose Clarendon 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.

8.22 [intentionally omitted]

8.23. FOIA and Local Records Act Compliance.

(a) FOIA. Montrose Clarendon 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 Montrose Clarendon receives a request from the City to produce records within the scope of FOIA, then Montrose Clarendon covenants to comply with such request within two business days of the date of such request. Failure by Montrose Clarendon to timely comply with such request shall be an Event of Default.

(b) Exempt Information. Documents that Montrose Clarendon submits to the City 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 Montrose Clarendon to be treated as a trade secret or information that would cause competitive harm, FOIA requires that Montrose Clarendon mark any such documents as "proprietary, privileged or confidential." If Montrose Clarendon 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. Montrose Clarendon 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, Montrose Clarendon covenants to use its best efforts consistently applied to assist the City in its compliance with the Local Records Act

8.24 [intentionally omitted]

8.25 [intentionally omitted]

8.26 [intentionally omitted]

8.27 Continuing Information Agreement. The Developer covenants and agrees as follows:

(a) For each tax collection year following the date the Certificate is issued pursuant to Section 7.01 hereof, the Developer shall engage a recognized financial consultant to prepare an annual continuing information report (the "Consultant's Report") that sets forth as of its date the following information:

(i) a description of the Redevelopment Area, including all redevelopment agreements relating to the Redevelopment Area;

(ii) a description of the Project;

(iii) a status update of the Project, including information on construction, occupancy, leasing or sales, as applicable;

(iv) a listing of the top ten taxpayers in the Redevelopment Area; and

(v) for the property within the Redevelopment Area from which incremental taxes will be used to pay the City Note(s), by tax codes or PINs, as applicable, for the last five collection years:

(A) the equalized assessed value;

(B) the initial equalized assessed value;

(C) the incremental equalized assessed value;

(D) the composite tax rates;

(E) the available incremental taxes;

(F) the debt service of the City Note(s); and

(G) the debt service coverage ratio.

(b) The Consultant's Report shall be signed by the consultant and available to the Developer no later than February 1 following each tax collection year. If the Developer fails to obtain the Consultant's report by the date required, DPD may engage its own financial consultant to prepare the report and the cost thereof shall be reimbursed to the City from monies available in the TIF Fund.

(c) Each Consultant's Report shall include in a prominent place the following disclaimer:

"The City's Office of Budget and Management ("OBM") produces five year District Projection Reports for each TIF district in the City for the purpose of evaluating resources and project balances. This information is used by the OBM to determine how much funding has been committed and how much funding is available for potential projects. The reports and the projections including therein are not audited and do not represent a final accounting of funds. The reports are not prepared for investors or as a basis for making investment decisions with respect to any notes, bonds or other debt obligations of the City that are payable from available incremental taxes. Investors in such obligations are cautioned not to rely on any of the information contained in the District Projection Reports."

(d) If any Consultant's Report contains projections, the consultant shall consider the publicly available TIF-wide projections from the OBM and provide an explanation as to the discrepancy, if any, between the consultant's projections and those of OBM. In addition, the consultant shall state in the Consultants Report all assumptions used in formulating the projections.

(e) The Developer shall cause the following documents to be disseminated through the Electronic Municipal Market Access ("EMMA") system for municipal securities disclosure maintained by the Municipal Securities Rulemaking Board (the "MSRB") or through any other electronic format

or system prescribed by the MSRB for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended:

(i) Within five (5) days of the end of the 30 Month Period:

(A) The Redevelopment Agreement, including the specimen of the City Note;

(B) The original feasibility study delivered to DPD; and

(C) On the date of the closing of any third party sale of the City Note or any beneficial interests therein by the Developer: the private placement or limited offering memorandum used by or on behalf of the Developer in connection with the sale.

(ii) By February 15 of each year:

(A) All redevelopment agreements with respect to the Redevelopment Area that have been made publicly available by DPD;

(B) Annual financial statements of the Redevelopment Area that have been made publicly available by DPD; and

(C) The Consultant's Repor

(f) The Developer shall deliver to DP of the documents set forth in subparagraph (e) above on the date such documents are dis eminat d through EMMA.

(g) The Developer shall be respo sible to pay or make provision for all costs and expenses relating to Developer's obligations h reunde , including but not limited to the fees and expenses of the Consultant and the costs of filing w th MMA. 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, in curre h 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.

8.28 Survival of Covenants. All warranties, representations, covenants and agreements of Montrose Clarendon contained in this Section 8 and elsewhere in this Agreement shall be true, accurate and complete at the time of Montrose Clarendon's execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties hereto and shall be in effect throughout the Term of the Agreement.

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.

SECTIONS 10-12. [intentionally omitted]

SECTION 13. INDEMNIFICATION

13.01 General Indemnity. Montrose Clarendon 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) Montrose Clarendon's failure to comply with any of the terms, covenants and conditions contained within this Agreement, including, be not limited to, Section 8.27; or

(ii) [intentionally omitted]; or

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

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

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

SECTION 15. DEFAULT AND REMEDIES

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

(a) the failure of Montrose Clarendon to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of Montrose Clarendon under this Agreement or any related agreement (but not the Apartments Agreement);

(b) the failure of Montrose Clarendon to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of Montrose Clarendon under any other agreement (but not the Apartments Agreement) with any person or entity if such failure may have a material adverse effect on Montrose Clarendon's business, property, assets, operations or condition, financial or otherwise;

(c) the making or furnishing by Montrose Clarendon to the City of any representation, warranty, certificate, schedule, report or other communication within or in connection with this Agreement or any related agreement (but not the Apartments Agreement) which is untrue or misleading in any material respect;

(d) [intentionally omitted];

(e) the commencement of any proceedings in bankruptcy by or against Montrose Clarendon or for the liquidation or reorganization of Montrose Clarendon, or alleging that Montrose Clarendon is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of Montrose Clarendon'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 Montrose Clarendon; 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 Montrose Clarendon, for any substantial part of Montrose Clarendon's assets or the institution of any proceedings for the dissolution, or the full or partial liquidation, or the merger or consolidation, of Montrose Clarendon; 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 Montrose Clarendon which remains unsatisfied or undischarged and in effect for sixty (60) days after such entry without a stay of enforcement or execution;

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

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

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

(k) during the 30 Month Period, the sale or transfer of a majority of the ownership interests of Montrose Clarendon without the prior written consent of the City; or

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

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

15.02 Remedies. Upon the occurrence of an Event of Default, the City may terminate this Agreement and any other agreements to which the City and Montrose Clarendon are or shall be parties (but not the Apartments Agreement); provided, however, that the City shall not suspend or impair payments on the City Note and may not seek reimbursement of any amounts paid on the City Note. Payments on the City Note shall not be subject to any conditions other than the availability of Available Incremental Taxes. Subject to the foregoing, 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.

15.03 Curative Period. In the event Montrose Clarendon shall fail to perform a monetary covenant which Montrose Clarendon 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 Montrose Clarendon 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 Montrose Clarendon shall fail to perform a non-monetary covenant which Montrose Clarendon 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 Montrose Clarendon 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, Montrose Clarendon 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.

SECTION 16. [intentionally omitted]

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.

If to the City:	If to Montrose Clarendon:
City of Chicago Department of Planning and Development 121 North LaSalle Street, Room 1000 Chicago, Illinois 60602	Montrose Clarendon Partners LLC c/o Harlem Irving Companies 4104 North Harlem Avenue Norridge, Illinois 60706

Attention: Commissioner	Attention: Richard D. Filler
With Copies To: City of Chicago Department of Law 121 North LaSalle Street, Room 600 Chicago, Illinois 60602 Attention: Finance and Economic Development Division	With Copies To: DLA Piper LLP (US) 203 North LaSalle Street, Suite 1900 Chicago, Illinois 60601-1293 Attention: Paul Shadle Mariah DiGrino

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

SECTION 18. MISCELLANEOUS

18.01 Amendment. This Agreement and the Exhibits attached hereto may not be amended or modified without the prior written consent of the parties hereto; provided, however, that the City, in its sole discretion, may amend, modify or supplement the Redevelopment Plan without the consent of any party hereto. It is agreed that no material amendment or change to this Agreement shall be made or be effective unless ratified or authorized by an ordinance duly adopted by the City Council.

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 Montrose Clarendon 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 Montrose Clarendon from the City or any successor in interest or on any obligation under the terms of this Agreement.

18.04 Further Assurances. Montrose Clarendon 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 Montrose Clarendon 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 Montrose Clarendon 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, 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 the Certificate or otherwise administering this Agreement for the City.

18.14 Assignment. Montrose Clarendon may not sell, assign or otherwise transfer its interest in this Agreement in whole or in part without the written consent of the City; provided, however, that the City hereby consents to Montrose Clarendon's assignment, on a collateral basis, of Montrose Clarendon's rights under this Agreement, including without limitation the right to receive City Funds and the right to receive payments under the City Note, to JP Morgan Chase Bank, N.A., as administrative agent for the lenders providing Lender Financing under this Agreement and/or the Apartments Agreement. Any successor in interest to Montrose Clarendon under this Agreement shall certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, including but not limited to Sections 8.19 (Real Estate Provisions) and 8.23 (Survival of Covenants) hereof, for the Term of the Agreement. Montrose Clarendon 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 Montrose Clarendon, the City and their respective successors and permitted assigns (as provided herein) and shall inure to the benefit of Montrose Clarendon, 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 Montrose Clarendon 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 Montrose Clarendon is required to provide notice under the WARN Act, Montrose Clarendon 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 Montrose Clarendon has locations in the State. Failure by Montrose Clarendon to provide such notice as described above may result in the termination of all or a part of the payment or reimbursement obligations of the City set forth herein.

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

18.19 Costs and Expenses. In addition to and not in limitation of the other provisions of this Agreement, Montrose Clarendon 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. Montrose Clarendon also will pay any court costs, in addition to all other sums provided by law.

18.20 Business Relationships. Montrose Clarendon acknowledges (A) receipt of a copy of Section 2-156-030 (b) of the Municipal Code, (B) that Montrose Clarendon 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. Montrose Clarendon 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 Restrictions on Transfer. The City Note(s) may only be offered, sold, pledged or otherwise transferred in principal amounts of not less than $100,000 and only to (a) an institutional "accredited investor" within the meaning of rule 501(a) (1), (2), (3) or (7) under the Securities Act of 1933 (the "Securities Act') that delivers to the City an Investor Letter in the form of Exhibit P hereto, or (b) a person (other than a dealer) who the seller reasonably believes is a "qualified institutional buyer" within the meaning of Rule 144A(a)(1) of the Securities Act. Any holder of the City Note(s) is required to notify any purchaser of the City Note(s) of the resale restrictions referred to above. Notwithstanding the foregoing, if any transfer of the City Note(s) is to a dealer meeting the requirements of Section 144A(a)(1)(ii) or (iii), such dealer shall deliver to the City an Investor Letter with the modifications set forth on the Exhibit P. The Developer may, and the City hereby consents, to the Developer's assignment, on a collateral basis, of the City Note and the right to receive payments thereon, to JP Morgan Chase Bank, N.A., as administrative agent for the lenders providing Lender Financing under this Agreement and/or the Apartments Agreement.

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

MONTROSE CLARENDON PARTNERS LLC,
an Illinois limited liability company

By: _____
Name: Richard D. Filler
Its: Authorized Signatory

MONTROSE AND CLARENDON, LLC,
a Delaware limited liability company

By: Montrose and Clarendon Holdings, LLC,
a Delaware limited liability company
Its: Sole Member

By: _____
Name: Richard D. Filler
Its: Authorized Signatory

[CITY'S SIGNATURE FOLLOWS]

CITY OF CHICAGO

By: _____

David L. Reifman, Commissioner
Department of Planning and Development

EXHIBIT A

REDEVELOPMENT AREA

(see attached)

Exhibit A

Legal Description Of Area.
Montrose & Clarendon Redevelopment Area.

All that part of Sections 16 and 17 in Township 40 North, Range 14 East of the Third Principal Meridian, bounded and described as follows:

beginning at the northeast corner of Lot 1 in A. T. Galt's Sheridan Road Subdivision in the east half of the northeast quarter of Section 17, Township 40 North, Range 14 East of the Third Principal Meridian; thence east along the easterly extension of the north line of said Lot 1 in A. T. Galt's Sheridan Road Subdivision to the point of intersection of the east line of North Clarendon Avenue; thence south along the east line of North Clarendon Avenue to the point of intersection with the easterly extension of the south line of West Sunnyside Avenue being also the easterly extension of the north line of Lot 42 in said A. T. Galt's Sheridan Road Subdivision; thence west along said easterly extension and along the south line of West Sunnyside Avenue and its westerly extension to the east line of Lot 41 in said A. T. Galt's Sheridan Road Subdivision; thence south along the east line of said Lot 41 and its southerly extension and the east line of Lot 47 in said A. T. Galt's Sheridan Road Subdivision to the north line of West Agatite Avenue being also the south line of Lots 47 to 50, inclusive, in said A. T. Galt's Sheridan Road Subdivision; thence west along said north line of West Agatite Avenue to the northerly extension of the east line of Lot 8 in Block 1 of John N. Young's Subdivision of Lot 1 and the vacated half of the street north of and adjacent to said Lot 1 in Superior Court Partition of the South 10 acres of the east half of the northeast quarter of Section 17, Township 40 North, Range 14 East of the Third Principal Meridian; thence south along the northerly and southerly extensions of the east line of said Lot 8 and the east lines of Lots 8 and Lot 17 in Block 1 of said John N. Young's Subdivision and along the southerly extensions thereof to the south line of West Montrose Avenue; thence east along said south line of West Montrose Avenue and its easterly extension to the westerly line of the westerly concrete curb of the south bound lanes of North Lake Shore Drive; thence northwesterly along said westerly line of the westerly concrete curb of the south bound lanes of North Lake Shore Drive and its northwesterly extension to the northerly edge of the northerly concrete walk of West Wilson Drive; thence southwesterly along said northerly edge of the northerly concrete walk of West Wilson Drive and its southwesterly extension to the southeast corner of Lot 25 in Eddy's Subdivision of the south 10 rods of the north 80 rods of the east half of the northeast quarter of Section 17 (except the north 8 feet thereof) together with that part of Section 16 lying east of and adjoining said 10 rods, all in Township 40 North, Range 14 East of the Third Principal Meridian; thence west along the south line of said Lot 25 in Eddy's Subdivision being also the north line of West Wilson Avenue and its westerly extension to the southeast corner of Lot 23 in said Eddy's Subdivision; thence south along the west line of North Clarendon Avenue and its northerly extension to the point of beginning at the northeast corner of said Lot 1 in A. T. Galt's Sheridan Road Subdivision all in the City of Chicago, Cook County, Illinois.

EXHIBIT B

PROPERTY

(see attached legal description)

Sub-Area A

14-17-229-008, 14-17-229-014, 14-17-229-015, 14-17-229-016, 14-17-229-017, 14-17-229-018, 14-17-229-019

Sub-Area C

14-16-103-006

4. The Land referred to in this Policy is located in the County of Cook, State of Illinois, described as follows:

PARCEL 2:
LOT 1 AND ALL OF LOTS 2, 3 AND 4 IN LYDSTON' RESUBDIVISION OF LOTS 3 TO 7 IN BLOCK 1 IN JOHN N. YOUNG'S SUBDIVISION OF LOT 1 IN SUPERIOR COURT PARTITION OF THE SOUTH 10 ACRES OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF SECTION 17, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 3:
LOTS 1 AND 2 (EXCEPT THE NORTH 105 FEET OF THE EAST 85 FEET OF SAID LOTS) IN BLOCK 1 IN JOHN N. YOUNG'S SUBDIVISION OF LOT 1 IN SUPERIOR COURT PARTITION OF THE SOUTH 10 ACRES OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF SECTION 17, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 4:
THAT PART OF THE NORTH 1/2 OF THE EAST AND WEST 16 FOOT VACATED PUBLIC ALLEY, LYING WEST OF THE WEST LINE OF CLARENDON AVENUE, LYING EAST OF A LINE 18 FEET EAST OF AND PARALLEL TO THE WEST LINE OF LOT 1 AND SAID WEST LINE PRODUCED SOUTH 16 FEET IN LYDSTON'S RESUBDIVISION OF LOTS 3 TO 7 OF BLOCK 1 AFORESAID, SAID VACATED ALLEY LYING SOUTH AND ADJOINING PARCELS 2 AND 3, IN COOK COUNTY, ILLINOIS

PARCEL 5:
LOT 18 (EXCEPT THE WEST 18 FEET THEREOF DEDICATED FOR PUBLIC ALLEY, BY INSTRUMENT RECORDED AUGUST 20, 1992 AS DOCUMENT 92618869) AND LOTS 19 AND 20 IN BLOCK 1 IN JOHN N. YOUNG'S SUBDIVISION OF LOT 1 IN SUPERIOR COURT PARTITION OF THE SOUTH 10 ACRES OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF SECTION 17, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 6:
LOTS 1 TO 4, BOTH INCLUSIVE, IN THE SUBDIVISION OF LOT 2 IN SUPERIOR COURT PARTITION OF THE SOUTH 10 ACRES OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF SECTION 17, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 7:
THAT PART OF THE SOUTH 1/2 OF THE EAST AND WEST 16 FOOT VACATED PUBLIC ALLEY, LYING WEST OF THE WEST LINE OF CLARENDON AVENUE, LYING EAST OF A LINE 18 FEET EAST OF AND PARALLEL TO THE WEST LINE OF LOT 1 AND SAID WEST LINE PRODUCED SOUTH 16 FEET IN LYDSTON'S RESUBDIVISION OF LOTS 3 TO 7 OF BLOCK 1 AFORESAID, SAID VACATED ALLEY LYING NORTH AND ADJOINING PARCELS 4 AND 5 AFORESAID, IN COOK COUNTY, ILLINOIS.

PARCEL 8:
THE WEST 103 FEET OF THE SOUTH 147 FEET (EXCEPT THE NORTH 14 FEET OF THE EAST 51.6 FEET THEREOF) OF LOT 4 IN SCHOOL TRUSTEE'S SUBDIVISION OF SECTION 16, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 9:
THE NORTH 105 FEET OF THE EAST 85 FEET OF LOTS 1 AND 2 IN JOHN N. YOUNG'S SUBDIVISION OF LOT 1 IN SUPERIOR COURT PARTITION OF THE SOUTH 10 ACRES OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF SECTION 17, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

EXHIBIT C

PROJECT

Chicago Park District Budget Request-Montrose Clarendon Proposal

Clarendon Park-$4.6 M TIF Funding	
Scope Description	Cost Estimate
ADA improvements, elevator, and entrances	923,600
Envelope - Brick masonry, concrete repairs, roofs, repairs to metal fascia	784,450
Gymnasium Repairs- new floor, repairs to interior, lighting &doors	475,000
HVAC - replacement of air handling units at both Gymnasium and main building	683,500
General MEP upgrades and repairs to Transformer and Switchgear rooms	1,153,450
Interior Repairs-Repairs to deteriorated interior finishes, including water damage.	130,000
A/E fees	450,000
Total Estimated Cost	$4,600,000

EXHIBITS D-I

[intentionally omitted]

EXHIBIT J

OPINION OF COUNSEL

[To be retyped on Counsel's letterhead]

___, ____

City of Chicago
121 North LaSalle Street
Chicago, IL 60602

ATTENTION: Corporation Counsel

Ladies and Gentlemen:

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

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

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

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

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

In addition to the foregoing, we have examined

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

2. 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] [describe any formation documents if Developer is not a corporation] or result in a breach or other violation of any of the terms, conditions or provisions of any law or regulation, order, writ, injunction or decree of any court, government or regulatory authority, or, to the best of our knowledge after diligent inquiry, any of the terms, conditions or provisions of any agreement, instrument or document to which 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. Exhibit A attached hereto (a) identifies each class of capital stock of Developer, (b) sets forth the number of issued and authorized shares of each such class, and (c) identifies the record owners of shares of each class of capital stock of Developer and the number of shares held of record by each such holder. To the best of our knowledge after diligent inquiry, except as set forth on Exhibit A, there are no warrants, options, rights or commitments of purchase, conversion, call or exchange or other rights or restrictions with respect to any of the capital stock of Developer. Each outstanding share of the capital stock of Developer is duly authorized, validly issued, fully paid and nonassessable.

6. To the best of our knowledge after diligent inquiry, no judgments are outstanding against 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.

[Note: include a reference to the laws of the state of incorporation/organization of Developer, if other than 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:_____

EXHIBIT K

[intentionally omitted]

EXHIBIT L

REQUISITION FORM

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

The affiants, _____, _____ of Montrose and Clarendon LLC, a Delaware limited liability company (the "Developer") and _____, _____ of Montrose Clarendon Partners LLC, an Illinois limited liability company ("Partners") (Developer and Partners are collectively, jointly and severally known herein as "Montrose Clarendon"), hereby certify that with respect to that certain Montrose Clarendon Park Redevelopment Agreement among Partners, Developer and the City of Chicago dated _____, ____ (the "Agreement"):

A. Expenditures for the Project, in the total amount of $_____, have been made:

B. This paragraph B sets forth and is a true and complete statement of all costs of TIF-Funded Improvements for the Project reimbursed by the City to date:

$_____

C. Developer requests reimbursement for the following cost of TIF-Funded Improvements:

$_____

D. None of the costs referenced in paragraph C above have been previously reimbursed by the City.

E. Montrose Clarendon hereby certifies to the City that, as of the date hereof:

1. Except as described in the attached certificate, the representations and warranties contained in the Agreement are true and correct and Montrose Clarendon is in compliance with all applicable covenants contained herein.

2. 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.

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

MONTROSE AND CLARENDON LLC,
a Delaware limited liability company

By: _____

Its: _____

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

_____
My commission expires:_____

MONTROSE CLARENDON PARTNERS LLC,
an Illinois limited liability company

By: _____

Its: _____

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

FORM OF NOTE

INVESTMENT IN THIS NOTE INVOLVES A HIGH DEGREE OF RISK. IT IS SUITABLE ONLY FOR PERSONS WHO ARE ABLE TO BEAR THE ECONOMIC RISKS OF THIS INVESTMENT, INCLUDING TOTAL LOSS. NO ASSURANCE CAN BE PROVIDED THAT THE HOLDER OF THIS NOTE WILL NOT LOSE ITS ENTIRE INVESTMENT IN THIS NOTE. SEE "NOTEHOLDER RISKS" ATTACHED TO THIS NOTE.

THIS NOTE IS SUITABLE ONLY FOR PERSONS WHO HAVE NO NEED FOR LIQUIDITY. THIS NOTE MAY ONLY BE TRANSFERRED IN THE MANNER AND SUBJECT TO THE LIMITATIONS PROVIDED IN THE REDEVELOPMENT AGREEMENT.

THE CITY DOES NOT ENDORSE PROJECTIONS OF ANY KIND FROM ANY SOURCE AS TO THE SUFFICIENCY OF ALLOCATED AVAILABLE INCREMENTAL TAXES TO PAY PRINCIPAL OF AND INTEREST ON THIS NOTE. INVESTORS WHO RELY ON SUCH PROJECTIONS DO SO AT THEIR OWN RISK.

PRINCIPAL OF AND INTEREST ON THIS NOTE ARE PAYABLE SOLELY FROM ALLOCATED AVAILABLE INCREMENTAL TAXES ON DEPOSIT IN THE MONTROSE-CLARENDON PARK ACCOUNT, AS DEFINED IN THE HEREINAFTER DEFINED REDEVELOPMENT AGREEMENT. THE HOLDER OF THIS NOTE ACCEPTS THE RISK THAT THE AMOUNT OF ALLOCATED AVAILABLE INCREMENTAL TAXES MAY NOT BE SUFFICIENT TO PAY THE PRINCIPAL OF OR INTEREST ON THIS NOTE.

REGISTERED
NO. R-1

MAXIMUM AMOUNT
$4,600,000

UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF COOK
CITY OF CHICAGO
TAX INCREMENT ALLOCATION REVENUE NOTE (MONTROSE-CLARENDON REDEVELOPMENT PROJECT), TAX-EXEMPT SERIES A

Registered Owner:	Montrose and Clarendon LLC
Interest Rate:	Annual rate equal to the median value of the Baa (municipal market data) G.O. Bond rate (20 year) as published by Thompson-Reuters Municipal Market Data for 15 business days prior to the date of issuance hereof plus 250 basis points, but in no event exceeding seven percent (7%) per annum.
Maturity Date:	_____, _____ [not later than December 31, 2034]

KNOW ALL PERSONS BY THESE PRESENTS, that the City of Chicago, Cook County, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the

Maturity Date identified above, but solely from the sources hereinafter identified, the principal amount of this Note from time to time advanced by the Registered Owner to pay costs of the Project (as hereafter defined) in accordance with the ordinance hereinafter referred to up to the principal amount of $4,600,000 and to pay the Registered Owner interest on that amount at the Interest Rate per year specified above from the date of the advance. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

Principal of and interest on this Note, payable solely from the Available Incremental Taxes (as defined in the hereinafter defined Redevelopment Agreement), is due May 1 of each year until the earlier of Maturity or until this Note is paid in full; provided, however, that the obligation to pay principal of and interest on this Note shall be extended to allow for payment of Available Incremental Taxes collected for tax year 2033 (payable in 2034) and prior years. Payments shall first be applied to interest. The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying agent (the "Registrar"), at the close of business on the fifteenth day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City. The Registered Owner of this Note shall note on the Payment Record attached hereto the amount and the date of any payment of the principal of this Note promptly upon receipt of such payment.

This Note is issued by the City in the principal amount of up to $4,600,000 for the purpose of paying the costs of certain eligible redevelopment project costs incurred by the Chicago Park District and funded by Montrose Clarendon Partners LLC (the "Project"), which were acquired and constructed in connection with the development of a public park in the Montrose-Clarendon Redevelopment Project Area (the "Project Area") in the City, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.) (the "TIF Act") , the Local Government Debt Reform Act (30 ILCS 350/1 et seq.) and an Ordinance adopted by the City Council of the City on June 22, 2016 (the "Ordinance"), in all respects as by law required.

The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the TIF Act and the Ordinance, in order to pay the principal of and interest of this Note. Reference is hereby made to the aforesaid Ordinance and the Redevelopment Agreement for a description, among others, with respect to the determination, custody and application of said revenues, the nature and extent of such security with respect to this Note and the terms and conditions under which this Note is issued and secured. THIS NOTE IS A SPECIAL LIMITED OBLIGATION OF THE CITY, AND PRINCIPAL OF AND INTEREST ON THIS NOTE ARE PAYABLE SOLELY FROM ALLOCATED AVAILABLE INCREMENTAL TAXES ON DEPOSIT IN THE MONTROSE CLARENDON PARK ACCOUNT OF THE TIF FUND (AS DEFINED IN THE REDEVELOPMENT AGREEMENT) AFTER PAYMENT OF ALL OBLIGATIONS HAVING A PRIORITY OVER THIS NOTE, IF ANY. THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OR A LOAN AGAINST THE GENERAL TAXING POWERS OR CREDIT OF THE CITY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER OF THIS NOTE SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OF OR INTEREST ON THIS NOTE. The principal of this Note is subject to redemption on any date 96 months after the issuance hereof, as a whole or in part, at a redemption price of 100% of the principal amount thereof being redeemed. There shall be no prepayment penalty. Notice of any such redemption shall be sent by registered or certified mail not less than five (5) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of this Note at the address shown on the registration books of the City maintained by the Registrar or at such other address as is furnished in writing by such Registered Owner to the Registrar.

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

THIS NOTE MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT TO (I) AN INSTITUTIONAL "ACCREDITED INVESTOR" WITHIN THE MEANING OF RULE 501(a)(1), (2), (3) or (7) UNDER THE SECURITIES ACT OF 1933 (THE "SECURITIES ACT") THAT DELIVERS TO THE CITY AN INVESTOR LETTER IN THE FORM OF EXHIBIT P TO THE REDEVELOPMENT AGREEMENT REFERENCED BELOW, OR (II) A PERSON (OTHER THAN A DEALER) WHOM THE SELLER REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" WITHIN THE MEANING OF RULE 144A(a)(1) UNDER

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

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

Pursuant to the Montrose Clarendon Park Redevelopment Agreement dated as of [_____, ____] among the City, the Registered Owner and Montrose Clarendon Partners LLC, an Illinois limited liability company (the "Redevelopment Agreement"), the Registered Owner has agreed to fund the construction of the Project and to advance funds for the construction of certain facilities related to the Project on behalf of the City. The cost of such acquisition and construction in the amount of $4,600,000 shall be deemed to be a disbursement of the proceeds of this Note.

The City shall be obligated to make payments under this Note if an Event of Default (as defined in the Redevelopment Agreement), or condition or event that with notice or the passage of time or both would constitute an Event of Default, has occurred.

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

This Note may be transferred only in the manner and subject to the limitations provided in Section 18.21 of the Redevelopment Agreement.

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

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

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

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

Mayor

(SEAL)
Attest:

City Clerk

CERTIFICATE

OF
AUTHENTICATION

This Note is described in the within mentioned Ordinance and is the Tax Increment Allocation Revenue Note (Montrose-Clarendon Redevelopment Project), Tax-Exempt Series A, of the City of Chicago, Cook County, Illinois.

Comptroller
Date:

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

[The following "Noteholder Risks" constitutes an integral part of this Note.]

NOTEHOLDER RISKS

The purchase of or investment in the Note involves certain risks. Each prospective holder or purchaser of the Note, or any interest therein, should make an independent evaluation of the financial and business risks associated with holding or having an investment interest in the Note. Certain of these risks are set forth below. The following summary is not intended to be complete and does not purport to identify all possible risks that should be considered by prospective holders of the Note or any interests therein. Capitalized terms used herein have the meanings set forth in the Note.

All prospective holders of the Note are urged to consult with their financial adviser and legal counsel before acquiring the Note or any interest therein.

Loss of Investment

Investment in the Note involves a high degree of risk. It is suitable only for persons who are able to bear the economic risks of the investment, including total loss. No assurance can be provided that prospective holders of the Note will not lose their entire investment in the Note.

Lack of Liquidity

The Note is suitable only for persons who have no need for liquidity. The transferability of the Note is restricted. The Note may only be transferred in the manner and subject to the limitations provided in the Redevelopment Agreement. Investors in the Note must be prepared to hold the Note until the maturity of the Note.

Reliance on Projections

The City does not endorse projections of any kind from any source as to the sufficiency of available incremental taxes to pay principal and interest on the Note. Investors who rely on any such projections do so at their own risk.

The City's Office of Budget and Management ("OBM") produces five-year District Projection Reports for each TIF district in the City for the purpose of evaluating resources and project balances. This information, which is currently publicly available, is used by the OBM to determine how much funding has been committed and how much funding is available for potential projects. The reports and the projections including therein are not audited and do not represent a final accounting of funds. The reports are not prepared for investors or as a basis for making investment decisions with respect to any notes, bonds or other debt obligations of the City that are payable from available incremental taxes, including the Note. Prospective investors in Note are cautioned not to rely on any of the information contained in the District Projection Reports.

Limited Obligations

THE NOTE IS A SPECIAL LIMITED OBLIGATION OF THE CITY PAYABLE SOLELY FROM THE AVAILABLE INCREMENTAL TAXES, AND SHALL BE A VALID CLAIM ONLY AGAINST SAID SOURCES. THE NOTE DOES NOT CONSTITUTE AN INDEBTEDNESS OR A

LOAN AGAINST THE GENERAL TAXING POWERS OR CREDIT OF THE CITY, WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION. THE NOTEHOLDER HAS NO RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OR INTEREST OF THE NOTE. THE HOLDER OF THE NOTE ACCEPTS THE RISK THAT THE AMOUNT OF ALLOCATED AVAILABLE INCREMENTAL TAXES MAY NOT BE SUFFICIENT TO PAY THE PRINCIPAL OF OR INTEREST ON THE NOTE.

There can be no assurance that Available Incremental Taxes will be sufficient for payment of amounts due and owing on the Note.

Limited Information

The Note was issued to the Developer under the Redevelopment Agreement as part of a commercial transaction negotiated by the Developer and the City. [The Developer] engaged a [consultant] to deliver a [feasibility report][projection report] to the City in connection with the Project, which included certain information about the Project Area, the Project, the Property (as defined in the Redevelopment Agreement) and historical and projected Available Incremental Taxes. The report contained information as of its date only, and neither the Developer nor any other party have any obligation to update the report as of any subsequent date.

The City is under no continuing obligation to provide to any holder or prospective holder of the Note, or to post to EMMA or any website, any current or updated information with respect to the Project Area, the Project, the Property, the historical and projected Available Incremental Taxes or the Note. The City does not prepare or have readily available any current or updated information about the Project Area, the Project, the Property or the Available Incremental Taxes.

Unavailability of City Funds

The City is not obligated to pay principal of or interest on the Note in any year in which there are inadequate Available Incremental Taxes. The City is obligated to pay the amount of any unpaid principal or accrued interest in any subsequent year but only to the extent of the Available Incremental Taxes for those subsequent years. Except as expressly provided in the Note, if, on the maturity date of the Note, any outstanding unpaid principal or interest on the Note exists for any reason, including without limitation the inadequacy of Available Incremental Taxes, such outstanding principal and/or interest will be forgiven in full and the City will have no further obligation to pay such outstanding amount. In such event, there would be no further payments of principal or interest in respect of the Note.

Risk of Failure to Maintain Levels of Assessed Valuation

There can be no assurance that the equalized assessed value of the Project property will remain the same throughout the term of the Note. Furthermore, the successful petition or application of any owner for the reduction of the assessed value of the Project property may cause the equalized assessed value of the Project Area to be less than the originally projected equalized assessed value of the property. If any time during the term of the Note the actual equalized assessed value is less than what was projected, the generation of Available Incremental Taxes for payment on the Note is likely to be significantly impaired.

Risk of Change in Available Incremental Taxes

Prospective holders of the Note should carefully consider, among other factors, the risks associated with the ultimate generation of Available Incremental Taxes in the Project Area. These risks include, but are not limited to, the following:

1. Property tax rates are calculated by the County Clerk for numerous funds of a number of taxing districts that tax all or part of the property in the Project Area. A reduction in the tax levies by the affected taxing districts may have an adverse effect on the Available Incremental Taxes.

2. Further changes may be made in the real property tax system by the State of Illinois or Cook County. Such changes could include various property tax rollbacks, abatements, exemptions, changes in the ratio of assessment, or relief measures, limitations on the amount or percent of increase in tax levies by taxing districts, or other measures that would limit the tax levy amount that could be extended to the property within the Project Area and, consequently, the projected Available Incremental Taxes generated. For example, if Illinois adopted practices used in other states, the property tax system could be changed so that schools would be financed from a source other than property taxes. This type of change could have a significant adverse effect upon Available Incremental Taxes.

3. Cook County's methodology and procedures used to assess the value of property may be altered resulting in a potentially reduced or altered valuation in a particular year or succession of years.

4. Failure by Cook County to remit property taxes to the City on a timely basis could result in insufficient Available Incremental Taxes being available to pay principal of or interest on the Note when due.

FUTURE LEGISLATION, REGULATIONS, GOVERNMENTAL OR JUDICIAL INTERPRETATION OF REGULATIONS OR LEGISLATION OR PRACTICES AND PROCEDURES RELATED TO PROPERTY TAX ASSESSMENT, LEVY, COLLECTIONS OR DISTRIBUTION COULD HAVE A MATERIAL EFFECT ON THE CALCULATION OR AVAILABILITY OF AVAILABLE INCREMENTAL TAXES COLLECTED OR DISTRIBUTED.

Changes in Multiplier and Tax Rate

The equalization factor annually determined by the Illinois Department of Revenue for properties located within Cook County (commonly referred to as the "multiplier") may vary substantially in future years. A decrease in the multiplier would reduce the equalized assessed value of the taxable real property in the Project Area and, therefore, the Available Incremental Taxes available to pay debt service on the Note. The future tax rates of the units of local government levying taxes in the Project Area either individually or on a composite basis, may differ from their historical levels. Any decrease in the composite tax rate of the governmental units would decrease the amount of Available Incremental Taxes available to pay debt service on the Note. Any decrease in the composite tax rate of the governmental units could occur in future years as a result of various factors, including, but not limited to, one or more of the following: (a) reduced governmental costs; (b) constitutional or statutory spending or tax rate limitations; or (c) governmental reorganization or consolidation.

Economic Risks Affecting Available Incremental Taxes

Changing economic circumstances or events in the Project Area may result in reductions in Available Incremental Taxes available to pay debt service on the Note. Relocations of major property owners to sites outside the Project Area or sales of major properties to tax-exempt entities could reduce the assessed valuation of the Project Area. Substantial damage to or destruction of improvements within the Project Area could cause a material decline in assessed valuation and impair the ability of the taxpayers in the Project Area to pay their respective portions of real estate taxes. There can be no assurance that the improvements in the Project Area are or will be insured under fire and extended coverage insurance policies, and, even if such insurance exists, the proceeds thereof will not be assigned as security for the payment of real estate taxes or to secure payment of the Note. In addition, any insurance proceeds may not be sufficient to repair or rebuild the improvements. The restoration of the improvements may be delayed by other factors, or the terms of then-applicable mortgage financing could require the application of insurance proceeds to the reduction of mortgage balances. Any of the foregoing circumstances could result in the assessed valuation of property in the Project Area remaining depressed for an unknown period of time and decrease the amount of Available Incremental Taxes available to pay debt service on The Note.

Results of operation of properties within the Project Area depend, in part, on sales, leases, rental rates and occupancy levels, which may be adversely affected by competition, suitability of the properties located in the Project Area in its local market, local unemployment, availability of transportation, neighborhood changes, crime levels in the Project Area, vandalism, rising operating costs and similar factors. Poor operating results of properties within the Project Area may cause delinquencies in the payment of real estate taxes, reduce assessed valuations and increase the risk of foreclosures. Successful petitions by taxpayers to reduce their assessed valuations could adversely affect available incremental Taxes available for payment of the Note.

Failure to Sell or Lease Property

At the time the Note was issued, the redevelopment plan called for the Developer [to sell/lease to commercial or industrial enterprises/retailers] prior to completion of certain work on the Property. The slowdown, stoppage or failure of the Developer to complete such work and to successfully sell/lease the Property could delay or reduce the amount of Available Incremental Taxes generated in the Project Area. Such delay or reduction could lead to a default in payments of the principal of, and interest on, the Note.

Reliance on Primary Taxpayers

If one or only a few property owners within the Project Area are responsible for generating a substantial amount of the Available Incremental Taxes, the generation of Available Incremental Taxes could be significantly adversely affected if such owner or owners and/or their tenants discontinue or curtail their businesses, terminate or default on their leases and substitutes or replacements cannot be found or located on a timely basis.

Force Majeure Conditions

Riots, civil disturbances, vandalism, fires, and natural disasters or other "Acts of God" affecting the conditions and viability of the Project Area may reduce or eliminate the receipt of Available Incremental Property.

Contiguous Project Areas

The Project Area is contagious with other redevelopment areas designated by the City pursuant to the TIF Act and may become contiguous with others. The TIF Act allows the City to expend incremental taxes collected from the Project Area which are in excess of the amounts required in each year to pay and secure obligations issued and project costs incurred with respect to the Project Area to pay for costs eligible for payment under the TIF Act which are incurred in such contiguous areas. In the event Incremental Taxes from the Project Area in excess of Available Incremental Taxes and the amounts required to (i) pay principal and interest coming due on the Note in any year and (ii) be deposited in other funds and accounts maintained under the Redevelopment Agreement are allocated to a contiguous project redevelopment area, such excess incremental taxes will not be available to remedy any future failure to pay principal of and interest on the Note.

Risk of Delay in Payment of Available Incremental Taxes

The failure of current or future owners of property in the Project Area to remit property taxes to the City when due or the failure of the City to timely remit Available Incremental Taxes to the Noteholder could result in insufficient Available Incremental Taxes being available to pay principal of or interest on the Note when due.

Delays in Exercising Remedies

The enforceability of the Note is subject to applicable bankruptcy laws, equitable principles affecting the enforcement of creditors' rights generally and of liens securing such rights, and the police powers of the State of Illinois and its political subdivisions. Because of delays inherent in obtaining judicial remedies, it should not be assumed that these remedies could be accomplished rapidly.

Remedies available to holder of the Note may be limited by a variety of factors and may be inadequate to assure the timely payment of principal of and interest on the Note, or to preserve the tax-exempt status of The Note. The Note is not subject to acceleration due to payment default. Lack of remedies may entail risks of delay, limitation, or modification of the rights of the holders of the Note. Judicial remedies, such as foreclosure and enforcement of covenants, are subject to exercise of judicial discretion.

Risk of Transferee Becoming a Debtor in Bankruptcy

If a transferee of the Note were to become a debtor under the United States Bankruptcy Code or applicable state laws, a creditor or trustee in bankruptcy of the transferee might argue that the sale of the Note by the transferee constituted a fraudulent conveyance or a pledge of the Note rather than a sale. If such positions were accepted by a court, then delays in principal and interest payments to holder the Note could occur or reductions in the amounts of such payments could result. Additionally, if the transfer of the Note is re-characterized as a pledge, then a tax lien, governmental lien or other lien created by operation of law on the property of the transferee could have priority over the holder's interest in the Note.

Loss of Tax Exemption

Interest on the Note could become includible in gross income for federal income tax purposes retroactive to the date of issuance of the Note as a result of a failure of the City to comply with certain provisions of the Internal Revenue Code of 1986, as amended (the "Code"). An event of taxability does not trigger a mandatory redemption of the Note, and the Note will remain outstanding to maturity or until redeemed.

THE ABOVE IS NOT INTENDED TO BE A COMPREHENSIVE DISCUSSION OF ALL POTENTIAL RISKS ASSOCIATED WITH THE NOTE.

* * * * *

PRINCIPAL PAYMENT RECORD

DATE OF PAYMENT	PRINCIPAL PAYMENT	PRINCIPAL BALANCE DUE

(ASSIGNMENT)

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

Dated:

Registered Owner

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

Signature Guaranteed:

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

Consented to by:

CITY OF CHICAGO
DEPARTMENT OF PLANNING AND DEVELOPMENT

BY:

ITS:

CITY OF CHICAGO
DEPARTMENT OF FINANCE

BY:

ITS:

CERTIFICATION OF EXPENDITURE

_____, 201_

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")
$4,600,000 Tax Increment Allocation Revenue Note
(Montrose-Clarendon Redevelopment Project, Tax-Exempt Series A)
(the "Redevelopment Note")

This Certification is submitted to you, Registered Owner of the Redevelopment Note, pursuant to the Ordinance of the City authorizing the execution of the Redevelopment Note adopted by the City Council of the City on June 22, 2016 (the "Ordinance"). All terms used herein shall have the same meaning as when used in the Ordinance.

The City hereby certifies that $4,600,000 is advanced as principal under the Redevelopment Note as of the date hereof. Such amount has been properly incurred, is a proper charge made or to be made in connection with the redevelopment project costs defined in the Ordinance and has not been the basis of any previous principal advance. As of the date hereof, the outstanding principal balance under the Redevelopment Note is $4,600,000, including the amount of this Certificate and less payment made on the Redevelopment Note.

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

CITY OF CHICAGO

By: _____
_____Commissioner
Department of Planning and Development

AUTHENTICATED BY:

REGISTRAR

EXHIBITS N-O

[intentionally omitted]

EXHIBIT P

INVESTOR LETTER

_____, 20__

City of Chicago
Department of Planning and Development
121 N. LaSalle Street, Suite 1000
Chicago, Illinois 60602
Attention: Commissioner

Re: $[_____] City of Chicago, Illinois Tax Increment Allocation Revenue Note ([_____] Redevelopment Project) [Tax-Exempt] [Taxable] Series [__] issued to [_____]

Ladies and Gentlemen:

The undersigned (the "Investor") is the acquirer of the above-described note (the "Note"). The undersigned acknowledges that the Note was issued by the City of Chicago (the "City") for the purpose of paying the costs of certain eligible redevelopment project costs incurred by [_____] (the "Developer") which were incurred in connection with the development of an approximately [_____] square foot [_____] (the "Project") in the [_____] Redevelopment Project Area (the "Redevelopment Area") in the City of Chicago.

The undersigned acknowledges that the Note was issued pursuant to an ordinance adopted by the City Council of the City on _____, 20__ (the "Project Ordinance") and the [_____] Redevelopment Agreement dated as of _____, 20__ and recorded against the real property located at _____ (the "Property") on _____, 20__ as Document Number _____ in the Office of the Cook County Recorder of Deeds (the "Agreement") by and between the City and the Developer.

In connection with the acquisition of the Note by the Investor, the Investor hereby makes the following representations upon which the City may rely:

1. The Investor is a [_____] duly formed, validly existing and in good standing under the laws of the State of [_____] and has authority to acquire the Note and to execute this letter and any other instruments and documents required to be executed by the Investor in connection with the acquisition of the Note.

[2. The Investor is an institutional "accredited investor" within the meaning of Rule 501(a)(1), (2), (3) or (7) of the Securities and Exchange Commission (the "Commission") promulgated under the Securities Act of 1933, as amended (the "Securities Act") or a "qualified institutional buyer" within the meaning of Rule 144A of the Commission promulgated under the Securities Act.[1]]

[1] *If the Investor is a broker or dealer and is purchasing the Note with a view toward any distribution, sale or resale of the Note or any beneficial interest therein, replace paragraph 2 with the following:*

[2. The Investor is a "dealer" meeting the requirements of Rule 144A(a)(1)(ii) or (iii) of the Commission promulgated under the Securities Act.]

3.The Investor has sufficient knowledge and experience in financial and business matters, including the acquisition and ownership of notes issued by municipalities, to be able to evaluate the merits and risks of its investment in the Note, and the Investor is able to bear any economic risk associated with its investment in the Note.

[4.The Investor is acquiring the Note for its own account and not with a view toward any distribution, sale or resale of the Note. The Investor intends to hold the Note for an indefinite period of time. The Investor understands that it may need to bear the risks of this investment for an indefinite time, since any sale of the Note prior to maturity may not be possible. [2]]

[2] *If the Investor is a broker or dealer and is purchasing the Note with a view toward any distribution, sale or resale of the Note or any beneficial interest therein, replace paragraph 4 with the following:*

[4. The Investor (i) has not solicited offers for, or offered or sold, and will not solicit offers for, or offer and sell the Note or any beneficial interest therein except to persons who it reasonably believes are "qualified institutional buyers" within the meaning of Rule 144A(a)(1) of the Commission promulgated under the Securities Act; (ii) has not solicited offers for, or offered or sold, and will not solicit offers for, or offer or sell Notes by, any form of general solicitation or general advertising or in any manner involving a public offering; and (iii) shall inform each prospective purchaser of the Note or any beneficial interest therein of the restrictions on resale of the Note or beneficial interests therein under the Agreement.]

[[1] If the Investor is a "dealer" meeting the requirements of Section 144A(a)(1) (ii), replace paragraph 4 with the following:

4.The Investor (i) has not solicited offers for, or offered or sold, and will not solicit offers for, or offer and sell the Note or any beneficial interest therein, except to persons who it reasonably believes are "qualified institutional buyers" within the meaning of Rule 144A(a)(1) under the Securities Act; (ii) has not solicited offers for, or offered or sold, and will not solicit offers for, or offer or sell Notes by, any form of general solicitation or general advertising or in any manner involving a public offering; and (iii) shall inform each prospective purchaser of the Note or any beneficial interest therein of the restrictions on resale of the Note or beneficial interests therein under the Agreement]

5.The Investor understands that the Note is not registered under the Securities Act and that such registration is not legally required as of the date hereof; and the Investor further understands that the Note (a) is not being registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state, (b) will not be listed in any stock or other securities exchange, (c) will not carry a rating from any rating service, and (d) will be delivered in a form which is not to be readily marketable.

6.The Investor understands that (a) the Note is a limited obligation of the City, payable solely from moneys on deposit in the [_____] Account (as defined in the Project Ordinance); (b) the Note does not constitute an indebtedness of the City within the meaning of any constitutional or statutory provision or limitation; (c) no holder of the Note will have the right to compel the exercise of any taxing power of the City for payment of the principal of, or interest premium, if any, on the Note; and (d) the Note does 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.

7.The Investor has read and considered the risk factors set forth in "Noteholder Risks" attached hereto.

8.The Investor has not relied upon the City for any information in connection with its acquisition of the Note. The Investor has either been supplied with or been given access to information, including financial statements and other financial information, to which a reasonable investor would attach significance in making investment decisions, and the Investor has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the Developer, the Project, the Property and the Note. The Investor is in possession of all the information and material necessary to evaluate the merits and risks of the acquisition of the Note.

9.The Investor has been furnished with and has examined the Agreement and other documents, certificates and the legal opinions delivered in connection with the issuance of the Note. The Investor acknowledges that neither the City nor the Developer has prepared an offering document with respect to the Note. The Investor has made its own inquiry and analysis with respect to the Note and material factors affecting the payment of the Note.

10.The Investor acknowledges that with respect to the Notes, the City has no obligation to provide any continuing disclosure to the Electronic Municipal Market Access System maintained by the Municipal Securities Rulemaking Board, any holder of the Note or any other person under Rule 15c2-12 of the Commission promulgated under the Securities Exchange Act of 1934 or otherwise, and shall have no liability with respect thereto.

11.The Investor understands that the City, the Developer, their respective counsel and Bond Counsel will rely upon the accuracy and truthfulness of the representations and warranties contained herein and hereby consents to such reliance.

Very truly yours,

[_____],

a[_____]

By: _____

Name:_____

Title:_____

NOTEHOLDER RISKS

The purchase of or investment in the Note involves certain risks. Each prospective holder or purchaser of the Note, or any interest therein, should make an independent evaluation of the financial and business risks associated with holding or having an investment interest in the Note. Certain of these risks are set forth below. The following summary is not intended to be complete and does not purport to identify all possible risks that should be considered by prospective holders of the Note or any interests therein. Capitalized terms used herein have the meanings set forth in the Note.

All prospective holders of the Note are urged to consult with their financial adviser and legal counsel before acquiring the Note or any interest therein.

Loss of Investment

Investment in the Note involves a high degree of risk. It is suitable only for persons who are able to bear the economic risks of the investment, including total loss. No assurance can be provided that prospective holders of the Note will not lose their entire investment in the Note.

Lack of Liquidity

The Note is suitable only for persons who have no need for liquidity. The transferability of the Note is restricted. The Note may only be transferred in the manner and subject to the limitations provided in the Redevelopment Agreement. Investors in the Note must be prepared to hold the Note until the maturity of the Note.

Reliance on Projections

The City does not endorse projections of any kind from any source as to the sufficiency of available incremental taxes to pay principal and interest on the Note. Investor who rely on any such projections do so at their own risk.

The City's Office of Budget and Management ("OBM") produces five-year District Projection Reports for each TIF district in the City for the purpose of evaluating resources and project balances. This information, which is currently publicly available, is used by the OBM to determine how much funding has been committed and how much funding is available for potential projects. The reports and the projections including therein are not audited and do not represent a final accounting of funds. The reports are not prepared for investors or as a basis for making investment decisions with respect to any notes, bonds or other debt obligations of the City that are payable from available incremental taxes, including the Note. Prospective investors in Note are cautioned not to rely on any of the information contained in the District Projection Reports.

Limited Obligations

THE NOTE IS A SPECIAL LIMITED OBLIGATION OF THE CITY PAYABLE SOLELY FROM THE AVAILABLE INCREMENTAL TAXES, AND SHALL BE A VALID CLAIM ONLY AGAINST SAID SOURCES. THE NOTE DOES NOT CONSTITUTE AN INDEBTEDNESS OR A LOAN AGAINST THE GENERAL TAXING POWERS OR CREDIT OF THE CITY, WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION. THE NOTEHOLDER HAS NO RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE

OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OR INTEREST OF THE NOTE.

There can be no assurance that Available Incremental Taxes will be sufficient for payment of amounts due and owing on the Note.

Limited Information

The Note was issued to the Developer under the Redevelopment Agreement as part of a commercial transaction negotiated by the Developer and the City. [The Developer] engaged a [consultant] to deliver a [feasibility report][projection report] to the City in connection with the Project, which included certain information about the Project Area, the Project, the Property and historical and projected Available Incremental Taxes. The report contained information as of its date only, and neither the Developer nor any other party have any obligation to update the report as of any subsequent date.

The City is under no continuing obligation to provide to any holder or prospective holder of the Note, or to post to EMMA or any website, any current or updated information with respect to the Project Area, the Project, the Property, the historical and projected Available Incremental Taxes or the Note. The City does not prepare or have readily available any current or updated information about the Project Area, the Project, the Property or the Available Incremental Taxes.

Unavailability of City Funds

The City is not obligated to pay principal or interest on the Note in any year in which there are inadequate Available Incremental Taxes. The City is obligated to pay the amount of any unpaid principal or accrued interest in any subsequent year but only to the extent of the Available Incremental Taxes for those subsequent years. Except as expressly provided in the Note, if, on the maturity date of the Note, any outstanding unpaid principal or interest on the Note exists for any reason, including without limitation the inadequacy of Available Incremental Taxes, such outstanding principal and/or interest will be forgiven in full and the City will have no further obligation to pay such outstanding amount. In such event, there would be no further payments of principal or interest in respect of the Note.

Risk of Failure to Maintain Levels of Assessed Valuation

There can be no assurance that the equalized assessed value of the Project property will remain the same throughout the term of the Note. Furthermore, the successful petition or application of any owner for the reduction of the assessed value of the Project property may cause the equalized assessed value of the Project Area to be less than the originally projected equalized assessed value of the property. If any time during the term of the Note the actual equalized assessed value is less than what was projected, the generation of Available Incremental Taxes for payment on the Note is likely to be significantly impaired.

Risk of Change in Available Incremental Taxes

Prospective holders of the Note should carefully consider, among other factors, the risks associated with the ultimate generation of Available Incremental Taxes in the Project Area. These risks include, but are not limited to, the following:

1. Property tax rates are calculated by the County Clerk for numerous funds of a number of taxing districts that tax all or part of the property in the Project Area. A reduction in the tax levies by the affected taxing districts may have an adverse effect on the Available Incremental Taxes.

2. Further changes may be made in the real property tax system by the State of Illinois or Cook County. Such changes could include various property tax rollbacks, abatements, exemptions, changes in the ratio of assessment, or relief measures, limitations on the amount or percent of increase in tax levies by taxing districts, or other measures that would limit the tax levy amount that could be extended to the property within the Project Area and, consequently, the projected Available Incremental Taxes generated. For example, if Illinois adopted practices used in other states, the property tax system could be changed so that schools would be financed from a source other than property taxes. This type of change could have a significant adverse effect upon Available Incremental Taxes.

3. Cook County's methodology and procedures used to assess the value of property may be altered resulting in a potentially reduced or altered valuation in a particular year or succession of years.

4. Failure by Cook County to remit property taxes to the City on a timely basis could result in insufficient Available Incremental Taxes being available to pay principal of or interest on the Note when due.

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improvements within the Project Area could cause a material decline in assessed valuation and impair the ability of the taxpayers in the Project Area to pay their respective portions of real estate taxes. There can be no assurance that the improvements in the Project Area are or will be insured under fire and extended coverage insurance policies, and, even if such insurance exists, the proceeds thereof will not be assigned as security for the payment of real estate taxes or to secure payment of the Note. In addition, any insurance proceeds may not be sufficient to repair or rebuild the improvements. The restoration of the improvements may be delayed by other factors, or the terms of then-applicable mortgage financing could require the application of insurance proceeds to the reduction of mortgage balances. Any of the foregoing circumstances could result in the assessed valuation of property in the Project Area remaining depressed for an unknown period of time and decrease the amount of Available Incremental Taxes available to pay debt service on The Note.

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required in each year to pay and secure obligations issued and project costs incurred with respect to the Project Area to pay for costs eligible for payment under the TIF Act which are incurred in such contiguous areas. In the event Incremental Taxes from the Project Area in excess of Available Incremental Taxes and the amounts required to (i) pay principal and interest coming due on the Note in any year and (ii) be deposited in other funds and accounts maintained under the Redevelopment Agreement are allocated to a contiguous project redevelopment area, such excess incremental taxes will not be available to remedy any future failure to pay principal of and interest on the Note.

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THE ABOVE IS NOT INTENDED TO BE A COMPREHENSIVE DISCUSSION OF ALL POTENTIAL RISKS ASSOCIATED WITH THE NOTE.