

Contract Summary Sheet

Contract (PO) Number: 4816

Specification Number: 21839

Name of Contractor: MIRACLE LLC

City Department: PLANNING & DEVELOPMENT

Title of Contract: Rehab 1400 West 35th St in the 35th & Halsted TIF District

Dollar Amount of Contract (or maximum compensation if a Term Agreement) (DUR):

\$1,650,000 00

PO Start Date: 8/1/01

PO End Date: 1/1/21

Brief Description of Work: Rehab 1400 West 35th St in the 35th & Halsted TIF District

Procurement Services Contact Person: BARBARA SUTTON

Vendor Number: 1071635

Submission Date:

MAR 09 2004

8000913

MIRACLE L.L.C. REDEVELOPMENT AGREEMENT

BY AND BETWEEN

THE CITY OF CHICAGO

AND

MIRACLE L.L.C.

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

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Exhibit D	Redevelopment Plan
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Exhibit F	Requisition Form
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Exhibit J	Opinion of Developer's Counsel
Exhibit K	*Minimum Assessed Values -- Real Estate Taxes

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

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

MIRACLE L.L.C. REDEVELOPMENT AGREEMENT

This Miracle L.L.C. Redevelopment Agreement (this "Agreement") is made as of this 16th day of August, 2001, by and between the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Planning and Development ("DPD"), and Miracle, L.L.C., an Illinois limited liability company (the "Developer").

RECITALS

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

B. Statutory Authority: The City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended from time to time (the "Act"), to finance projects that eradicate blighted conditions 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 "the City Council") adopted the following ordinances on January 14, 1997: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the 35th/Halsted Redevelopment Project Area"; (2) "An Ordinance of the City of Chicago, Illinois Designating the 35th/Halsted 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 35th/Halsted Redevelopment Project Area" (the "TIF Adoption Ordinance"), (collectively referred to herein as the "TIF Ordinances"). The redevelopment project area (the "Redevelopment Area") is legally described in Exhibit A hereto.

D. The Project: The Developer has purchased (the "Acquisition") certain property located within the Redevelopment Area at 1400 West 35th Street, Chicago, Illinois 60609 and legally described on Exhibit B hereto (the "Property"), and, has commenced and completed the rehabilitation of an approximately 325,000 square foot warehouse and distribution facility (the "Facility") thereon. The purchase of the Property and the completion of the rehabilitation of the Facility and related improvements (including but not limited to those TIF-Funded Improvements as defined below and set forth on Exhibit C) are collectively referred to herein as the "Project." The completion of the Project would not reasonably be anticipated without the financing contemplated in this Agreement.

E. Redevelopment Plan: The Project will be carried out in accordance with this Agreement and the City of Chicago 35th/Halsted Redevelopment Area Tax Increment Financing Program Redevelopment Plan (the "Redevelopment Plan") attached hereto as Exhibit D, as amended from time to time.

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

G. Sale of the Project to Pepsi: The Developer and Pepsi-Cola General Bottlers, Inc., a Delaware corporation (the "Buyer"), have entered into the Purchase and Sale Agreement (defined below) by which the Developer has transferred its fee simple interest in the Property and the Facility to the Buyer.

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:

AGREEMENTS

SECTION 1. RECITALS

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

SECTION 2. DEFINITIONS

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

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

"Base Amount" shall have the meaning set forth for such term in Section 4.03(b) 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.

"Buyer-Escrow Funds" shall mean the funds provided from the Buyer to the Developer pursuant to that certain Loan and Security Agreement dated November 24, 1997, as amended, and any and all other documents executed by the Developer in favor of the Buyer with respect to such funds, to assist the Developer in completing the improvements to the Facility.

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

"Certified Actual Budget" shall mean the budget showing the actual costs of the Project to be delivered from the Developer to the City pursuant to Section 7.01 hereof.

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

"Closing Date" shall mean the date of execution and delivery of this Agreement by all parties hereto.

"Construction Contract" shall mean that certain Construction Contract dated November 24, 1997 by and between the Developer and the General Contractor providing for construction of the Project. A copy of the Construction Contract is attached as Exhibit E.

"Corporation Counsel" shall mean the City's Office of Corporation Counsel.

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

"Environmental Laws" shall mean any and all federal, state or local statutes, laws, regulations, ordinances, codes, rules, orders, licenses, judgments, decrees or requirements relating to public health and safety and the environment now or hereafter in force, as amended and hereafter amended, including but not limited to (i) the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601 et seq.); (ii) any so-called "Superfund" or "Superlien" law; (iii) the Hazardous Materials Transportation Act (49 U.S.C. Section 1802 et seq.); (iv) the

Resource Conservation and Recovery Act (42 U.S.C. Section 6902 et seq.); (v) the Clean Air Act (42 U.S.C. Section 7401 et seq.); (vi) the Clean Water Act (33 U.S.C. Section 1251 et seq.); (vii) the Toxic Substances Control Act (15 U.S.C. Section 2601 et seq.); (viii) the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. Section 136 et seq.); (ix) the Illinois Environmental Protection Act (415 ILCS 5/1 et seq.); and (x) the Municipal Code of Chicago.

"Equity" shall mean funds of the 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 Statements" shall mean complete a balance sheet and income statement of the Developer prepared by a certified public accountant in accordance with generally accepted accounting principles and practices consistently applied throughout the appropriate periods.

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

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

"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 35th/Halsted Redevelopment Project Area TIF Fund.

"Lender Financing" shall mean funds borrowed by the Developer from lenders and irrevocably available to pay for Costs of the Project, in the amount set forth in Section 4.01 hereof; provided, however, that Lender Financing shall specifically exclude the Buyer Escrow Funds.

"MBE(s)" shall mean a business identified in the Directory of Certified Minority Business Enterprises published by the City's Purchasing Department, or otherwise certified by the City's Purchasing Department as a minority-owned business enterprise.

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

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

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

"Phase I" shall have the meaning set forth in Section 5.13 hereof.

"Plans and Specifications" shall mean the final construction documents containing a site plan and working drawings and specifications for the Project (which includes all change orders reflecting changes made, during the completion of the Project, to the initial drawings and specifications).

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

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

"Purchase and Sale Agreement" shall mean the Purchase and Sale Agreement dated as of November 24, 1997 between the Developer and the Buyer, pursuant to which the Buyer has purchased the Property.

"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 Plan or otherwise referenced in the Plan.

"Reimbursement Event" shall mean (i) a material misrepresentation, fraudulent act or omission of the Developer, (ii) any breach of Developer's representations, warranties or covenants regarding environmental matters contained in this Agreement, or (iii) any material misrepresentation in any Economic Disclosure Statements provided to the City.

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

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

"Survey" shall mean a Class A plat of survey of the Property in the most recently revised form of ALTA/ACSM land title survey standards, acceptable in form and content to the City and the Title Company, prepared by a surveyor registered in the State of Illinois, certified to the City and the Title Company, and indicating whether the Property is in a flood hazard area as identified by the United States Federal Emergency Management Agency (and as "as-built" update thereof to reflect improvements to the Property in connection with the construction of the Facility).

"Term of the Agreement" shall mean the period of time commencing on the Closing Date and ending on the earlier of (i) the twentieth anniversary of the Closing Date, or (ii) the date on which the Redevelopment Area is no longer in effect.

"35th/Halsted Redevelopment Project Area 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 Plan and (iii) the City has agreed to pay for out of the City Funds, subject to the terms of this Agreement.~~

"Title Company" shall mean Near North National Title Corporation.

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

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

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

SECTION 3. THE PROJECT

3.01 The Project. With respect to the Facility, the Developer has, pursuant to the Plans and Specifications, completed rehabilitation of the Facility on or about August 1, 1998.

3.02 Scope Drawings and Plans and Specifications. The Developer has delivered the Scope Drawings and Plans and Specifications to DPD and DPD has approved same. The Scope Drawings and Plans and Specifications conform to the Redevelopment Plan as amended from time to time and all applicable federal, state and local laws, ordinances and regulations. The Developer has submitted all necessary documents to the City's Building Department, Department of Transportation and such other City departments or governmental authorities as may be necessary to acquire building permits and other required approvals for the Project.

3.03 Project Budget. The Developer has furnished to DPD, and DPD has approved, a Project Budget showing total costs for the

Project in an amount not less than Eighteen Million Seven Hundred Thousand Dollars (\$18,700,000). The Developer hereby certifies to the City that: (a) it has Lender Financing and Equity in an amount sufficient to pay for all Project Costs; and (b) the Project Budget is true, correct and complete in all material respects.

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

3.05 Other Approvals. Any DPD approval under this Agreement shall have no effect upon, nor shall it operate as a waiver of, the Developer's obligations to comply with the provisions of Section 5.03 (Other Governmental Approvals) hereof. The Developer did not commence construction of the Project until the Developer obtained all necessary permits and approvals (not including DPD's approval of the Scope Drawings and Plans and Specifications) and proof of the General Contractor's and each subcontractor's bonding (to the extent required).

3.06 Public Relations. The City reserves the right to include the name, photograph, artistic rendering of the Project and other pertinent information regarding the Developer, the Property and the Project in the City's promotional literature and communications.

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

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

SECTION 4. FINANCING

4.01 Total Project Cost and Sources of Funds. The cost of the Project is estimated to have been not less than \$18,700,000, which was applied in the manner set forth in the Project Budget. Such costs were funded from the following sources:

Buyer Escrow Funds	\$12,030,092
Lender Financing	\$6,262,908
Equity	<u>\$407,000</u>
ESTIMATED TOTAL	\$18,700,000

4.02 Developer Funds. Equity, Buyer Escrow Funds and/or Lender Financing have been used to pay all Project costs, including but not limited to Redevelopment Project Costs and costs of TIF-Funded Improvements. The Buyer Escrow Funds and the Lender Financing have been repaid in connection with the sale of the Property and the Facility to the Buyer.

4.03 City Funds.

(a) Uses of City Funds. City Funds may be used to reimburse the Developer only for costs of TIF-Funded Improvements. Exhibit C sets forth, by line item, the TIF-Funded Improvements for the Project, and the maximum amount of costs that may be reimbursed from City Funds for each line item therein (subject to Section 4.05(b)), contingent upon receipt by the City of documentation satisfactory in form and substance to DPD evidencing such cost and its eligibility as a Redevelopment Project Cost. City Funds shall not be paid to the Developer hereunder prior to the issuance of a Certificate.

(b) Sources and Amount of City Funds. Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03 and Section 5 hereof, the City hereby agrees to reimburse the Developer for the costs of the TIF-Funded Improvements from Incremental Taxes (the "City Funds") in an amount to be calculated according to the following formula: the Base Amount (the "Base Amount" is defined as \$1,650,000), to be increased as of January 1 of each calendar year beginning January 1, 2000 by a deferral factor of nine percent (9%) of the Base

Amount at the time of such calculation. The Base Amount is to be decreased over the Term of the Agreement by the amount of City Funds paid hereunder to the Developer; the Base Amount will also be decreased by fifty percent (50%) of the amount, if any, by which the Certified Actual Budget is less than \$18,700,000. On the Closing Date, the City will be deemed to have made a payment of \$75,215.92 to the Developer, as that amount reflects the penalty amount, to be paid to the City by the Developer under Section 10.02 hereunder, that will be offset against the City's obligation. Within 60 days after the Closing Date, the City will pay \$250,000 of City Funds to the Developer, and will pay the following amount to the Developer on February 1 of each year, starting in 2002 and continuing through the Term of the Agreement (or, if sooner, when the City's obligation hereunder has been fulfilled): the greater of (i) \$250,000 or (ii) ninety-five percent (95%) of the Incremental Taxes attributable to the Property in the prior calendar year. The foregoing is solely a means of calculating the amount of City Funds to be paid to reimburse the Developer for TIF-Funded Improvements under this Agreement, and is not intended to be an agreement by the City to incur financing costs or to reimburse the Developer for interest costs as such terms are set forth in items (6) and (11) of Section 5/11-74.4-3(q) of the Act. The City Funds shall be available to reimburse costs related to TIF-Funded Improvements and allocated by the City for that purpose only so long as:

(i) The amount of the Incremental Taxes deposited into the 35th/Halsted Redevelopment Project Area TIF Fund shall be sufficient to pay for such costs; and

(ii) The Developer has delivered a Requisition Form to the City as provided in this Agreement; and

(iii) No Event of Default, or condition or event that with notice or the passage of time or both would constitute an Event of Default, has occurred and has not been cured.

The Developer acknowledges and agrees that the City's obligation to reimburse costs related to TIF-Funded Improvements is contingent upon the fulfillment of the conditions set forth in parts (i), (ii) and (iii) above. Notwithstanding the limitations on payment of City Funds set forth above, the City shall have the right, in its sole discretion, to pay City Funds from other sources as provided in the Act and the Redevelopment Plan.

4.04 Requisition Form. On or prior to each October 1st (or such other date as the parties may agree to), beginning in 2001 and continuing throughout the earlier of (i) the Term of the Agreement or (ii) the date that the Developer has been reimbursed in full under this Agreement, the Developer shall provide DPD with a Requisition Form, along with the documentation described therein. Requisition for reimbursement of TIF-Funded Improvements shall be made not more than one time per year (or as otherwise permitted by DPD).

4.05 Treatment of Prior Expenditures and Subsequent Disbursements.

(a) Prior Expenditures. Only those expenditures made by the Developer with respect to the Project prior to the Closing Date and subsequent to the designation of the Redevelopment Area as a redevelopment project area pursuant to the Act, evidenced by documentation satisfactory to DPD and approved by DPD as satisfying costs covered in the Project Budget, shall be considered previously contributed Equity or Lender Financing hereunder (the "Prior Expenditures"). DPD shall have the right, in its sole discretion, to disallow any such expenditure as a Prior Expenditure. Exhibit I hereto sets forth the prior expenditures approved by DPD as Prior Expenditures. Prior Expenditures made for items other than TIF-Funded Improvements shall not be reimbursed to the Developer, but shall reduce the amount of Equity and/or Lender Financing required to be contributed by the Developer pursuant to Section 4.01 hereof.

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

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

SECTION 5. CONDITIONS PRECEDENT

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

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

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

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

5.04 Financing. The Developer has furnished proof reasonably acceptable to the City that the Developer has applied Equity, Lender Financing and Buyer Escrow Funds in the amounts set forth in Section 4.01 hereof to complete the Project and satisfy its obligations under this Agreement. As required by the City, any person or entity which has a lien on the Property on the Closing Date must execute a Subordination Agreement, on a form provided by the City, pursuant to which such person or entity will agree to subordinate its liens on the Property to the covenants set forth in Section 7.02 hereof as covenants running with the land.

5.05 Acquisition and Title. On the Closing Date, the Developer shall furnish the City with a date down endorsement to the Title Policy for the Property, certified by the Title Company showing the Developer as the named insured. Such endorsement shall be dated as of the Closing Date and shall contain only those title exceptions listed as Permitted Liens on Exhibit G hereto and shall evidence the recording of this Agreement pursuant to the provisions of Section 8.18 hereof. The Developer has provided to DPD, prior to the Closing Date, documentation related to the purchase of the Property by the Developer and by the Buyer and certified copies of

all easements and encumbrances of record with respect to the Property not addressed, to DPD's satisfaction, by the Title Policy and any endorsements thereto.

5.06 Evidence of Clean Title. The Developer, at its own expense, has provided the City with current searches under the Developer's name as follows:

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

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

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

5.08 Insurance. The Developer, at its own expense, has insured the Property in accordance with Section 12 hereof. Certificates required pursuant to Section 12 hereof evidencing the required coverages have been delivered to DPD, to extent required by DPD.

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

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

~~5.11 Financial Statements. The Developer has provided Financial Statements to DPD as of and for the period ending June 30, 1999.~~

5.12 Documentation Regarding Employment. The Developer has provided documentation to DPD, satisfactory in form and substance to DPD, with respect to current employment matters at the Facility.

5.13 Environmental. Prior to the Closing Date, the Developer shall have provided DPD with copies of that certain phase I environmental audit completed with respect to the Property (the "Phase I"). Prior to the Closing Date, the Developer shall provide the City with a letter from the environmental engineer(s) who completed such audit(s), authorizing the City to rely on such audits.

5.14 Organization Documents. The Developer has provided a copy of its Articles of Organization containing the original certification of the Secretary of State of its state of organization; a certified copy of its Operating Agreement; certificates of good standing from the Secretary of State of its state of organization and all other states in which the Developer is qualified to do business; a secretary's certificate in such form and substance as the Corporation Counsel may require; and such other organizational documentation as the City may request.

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

5.16 Preconditions of Disbursement. Prior to the first disbursement of City Funds hereunder through a Requisition Form, the Developer shall submit documentation of such expenditures to DPD, which shall be satisfactory to DPD in its sole discretion. Delivery by the Developer to DPD of any Requisition Form shall, in addition to the items therein expressly set forth, constitute a certification to the City, as of the date of such request for disbursement, that:

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

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

The City shall have the right, in its discretion, to require the Developer to submit further documentation as the City may require in order to verify that the matters certified to above are true and correct, and any disbursement by the City shall be subject to the City's review and approval of such documentation and its satisfaction that such certifications are true and correct. The Developer shall have satisfied all other preconditions of disbursement of City Funds for each disbursement, including but not limited to requirements set forth in the TIF Ordinances and/or this Agreement.

5.17 Purchase and Sale Agreement. The City has received and approved the terms of the Purchase and Sale Agreement between the Developer and the Buyer.

5.18 Buyer Acknowledgment. Prior to the Closing Date, the City shall receive from the Buyer an acknowledgment and consent, in a form acceptable to the City, regarding the recording and ongoing effect of this Agreement.

SECTION 6. AGREEMENTS WITH CONTRACTORS

6.01 Bid Requirement for General Contractor and Subcontractors. (a) Except as set forth in Section 6.01(b) below or except as otherwise approved by DPD, prior to entering into an agreement with a General Contractor or any subcontractor for construction of the Project, the Developer shall solicit, or shall cause the General Contractor to solicit, bids from qualified contractors eligible to do business with, and having an office located in, the City of Chicago, and shall submit all bids received

to DPD for its inspection and written approval. (i) For the TIF-Funded Improvements, except as otherwise approved by DPD, the Developer shall select the General Contractor (or shall cause the General Contractor to select the subcontractor) submitting the lowest responsible bid who can complete the Project in a timely manner. If the Developer selects a General Contractor (or the General Contractor selects any subcontractor) submitting other than the lowest responsible bid for the TIF-Funded Improvements, the difference between the lowest responsible bid and the bid selected may not be paid out of City Funds. (ii) For Project work other than the TIF-Funded Improvements, except as otherwise approved by DPD, if the Developer selects a General Contractor (or the General Contractor selects any subcontractor) who has not submitted the lowest responsible bid, the difference between the lowest responsible bid and the higher bid selected shall be subtracted from the actual total Project costs (as reflected in the Certified Actual Budget) for purposes of the calculation of the amount of City Funds to be contributed to the Project pursuant to Section 4.03(b) hereof. The Developer shall submit copies of the Construction Contract to DPD in accordance with Section 6.02 below. Photocopies of all subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to DPD within five (5) business days of the execution thereof. Except as otherwise approved by DPD, the Developer shall ensure that the General Contractor shall not (and shall cause the General Contractor to ensure that the subcontractors shall not) begin work on the Project until the Plans and Specifications have been approved by DPD and all requisite permits have been obtained.

(b) If, prior to entering into an agreement with a General Contractor for construction of the Project, the Developer does not solicit bids pursuant to Section 6.01(a) hereof, then the fee of the General Contractor proposed to be paid out of City Funds shall be limited to 10% of the total amount of the Construction Contract. Except as explicitly stated in this paragraph, all other provisions of Section 6.01(a) shall apply, including but not limited to the requirement that the General Contractor shall solicit bids from all subcontractors.

6.02 Construction Contract. The Developer has delivered to DPD a copy of the Construction Contract with the General Contractor selected to handle the Project in accordance with Section 6.01

~~above, together with any modifications, amendments or supplements thereto.~~

6.03 Performance and Payment Bonds. Prior to commencement of any work relating to the Project which is to be done in the public way, the Developer shall require that the General Contractor be bonded for its performance and payment by sureties having an AA rating or better using American Institute of Architect's Form No. A311 or its equivalent. The City shall be named as obligee or co-obligee on such bond.

6.04 Employment Opportunity. The Developer has contractually obligated and caused the General Contractor and each subcontractor to agree to the provisions of Section 10 hereof.

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

SECTION 7. COMPLETION OF REHABILITATION

7.01 Certificate of Completion of Rehabilitation. Upon completion of the rehabilitation of the Project in accordance with the terms of this Agreement, and upon the Developer's written request, DPD shall issue to the Developer a Certificate in recordable form certifying that the Developer has fulfilled its obligation to complete the Project in accordance with the terms of this Agreement. The Developer's request for a Certificate shall be accompanied by the Certified Actual Budget, certified to the City by the managing member of the Developer, and otherwise acceptable to the City. DPD shall respond to the Developer's written request for a Certificate within thirty (30) days by issuing either a Certificate or a written statement detailing the ways in which the Project does not conform to this Agreement or has not been satisfactorily completed, and the measures which must be taken by

~~the Developer in order to obtain the Certificate. The Developer may resubmit a written request for a Certificate upon completion of such measures.~~

7.02 Effect of Issuance of Certificate; Continuing Obligations. The Certificate relates only to the rehabilitation of the Project, and upon its issuance, the City will certify that the terms of the Agreement specifically related to the Developer's obligation to complete such activities have been satisfied. After the issuance of a Certificate, however, all executory terms and conditions of this Agreement and all representations and covenants contained herein will continue to remain in full force and effect throughout the Term of the Agreement as to the parties described in the following paragraph, and the issuance of the Certificate shall not be construed as a waiver by the City of any of its rights and remedies pursuant to such executory terms.

Those covenants specifically described at Sections 8.02, 8.05, 8.06 and 8.19 as covenants that run with the land are the only covenants in this Agreement intended to be binding upon any transferee of the Property (including the Buyer or any assignee as described in the following sentence) throughout the Term of the Agreement notwithstanding the issuance of a Certificate. The other executory terms of this Agreement that remain after the issuance of a Certificate shall be binding only upon the Developer or a permitted assignee of the Developer who, pursuant to Section 18.15 of this Agreement, has contracted to take an assignment of the Developer's rights under this Agreement and assume the Developer's liabilities hereunder.

7.03 Failure to Complete. If the Developer fails to complete the Project in accordance with the terms of this Agreement, then the City shall have only those rights and remedies as provided in Section 15.02 hereof.

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

SECTION 8. COVENANTS/REPRESENTATIONS/WARRANTIES OF THE DEVELOPER.

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

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

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

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

(d) unless otherwise permitted pursuant to the terms of this Agreement, the Developer has acquired and maintained good, indefeasible and merchantable fee simple title to the Property and conveyed such title to the Buyer, free and clear of all liens (except for the Permitted Liens, Lender Financing as disclosed in the Project Budget and Non-Governmental Charges that the Developer is contesting in good faith pursuant to Section 8.15 hereof);

(e) the Developer is now 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 the Developer which would impair its ability to perform under this Agreement;

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

(h) the Developer is not in default with respect to any indenture, loan agreement, mortgage, deed, note or any other agreement or instrument related to the borrowing of money to which the Developer is a party or by which the Developer is bound, which default would have a material adverse effect on its ability to perform its obligations under this Agreement;

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

(j) prior to the issuance of a Certificate, the Developer shall not do any of the following without the prior written consent of DPD: (1) be a party to any merger, liquidation or consolidation; (2) sell, transfer, convey, lease or otherwise dispose of all or substantially all of its assets or any portion of the Property (including but not limited to any fixtures or equipment now or hereafter attached thereto) except for the conveyance to the Buyer pursuant to the Purchase and Sale Agreement; (3) enter into any transaction outside the ordinary course of the Developer's business which would materially adversely affect the ability of the Developer to perform its obligations hereunder; (4) assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity which would materially adversely affect the ability of the Developer to perform its obligations hereunder; or (5) enter into any transaction that would cause a material and detrimental change to the Developer's financial condition; and

(k) the Developer has not incurred, and, prior to the issuance of a Certificate, shall not, without the prior written consent of the Commissioner of DPD, allow the existence of any liens against the Property other than the Permitted Liens; or incur any indebtedness, secured or to be secured by the Property or any

~~fixtures now or hereafter attached thereto, except Lender Financing disclosed in the Project Budget.~~

8.02 Covenant to Redevelop. The Developer shall redevelop the Property in accordance with this Agreement and all Exhibits attached hereto, the TIF Ordinances, the Scope Drawings, Plans and Specifications, Project Budget and all amendments thereto, and all federal, state and local laws, ordinances, rules, regulations, executive orders and codes applicable to the Project, the Property and/or the Developer. The covenants set forth in this Section shall run with the land and be binding upon any transferee.

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

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

8.05 Other Bonds. The Developer (or any other owner of the Property) 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 Project, the proceeds of which are to be used to reimburse the City for expenditures made in connection with the TIF-Funded Improvements; provided, however, that any such amendments shall not have a material adverse effect on the Developer (or any other owner of the Property) or the Project. The Developer (or any other owner of the Property) shall, at its 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 about matters to which the Developer (or any other owner of the Property) have actual knowledge, providing information regarding its financial condition and assisting the City in preparing an offering statement with respect thereto. The covenants set forth in this Section shall run with the land and be binding upon any transferees.

8.06 Job Creation and Retention; Covenant to Remain in the City. Within two (2) years after the completion of the Project,

not less than two hundred and fifty (250) full-time equivalent, permanent jobs shall be maintained at the Facility by the Developer (or any transferee that is subject to the terms of this Section) and such jobs shall be retained at the Facility for the Term of the Agreement by the Developer (or any such transferee). The City may suspend reimbursement of Incremental Taxes and/or terminate the Agreement, if at any time, either the Facility is vacant for more than one year or less than two hundred and fifty (250) full-time jobs are provided at the Facility for two consecutive years. The Developer (or any transferee that is subject to the terms of this Section) shall notify the City in writing of the date on which the Facility becomes vacant and such one year period of time shall begin to run on a date agreed to by DPD. The Developer (or any transferee that is subject to the terms of this Section) shall also notify the City in writing of the date on which the Facility ceases to provide two hundred and fifty (250) full-time jobs and such two year period of time shall begin to run on a date agreed to by DPD. At the request of the City (but no more frequently than annually), the Developer (or any transferee that is subject to the terms of this Section) shall provide to the City a statement of the number of jobs (full-time and part-time) being provided at the Facility. The covenants set forth in this Section shall run with the land and be binding upon any transferee.

8.07 Employment Opportunity; Progress Reports. The Developer covenants and agrees to abide by, and contractually obligate and use reasonable efforts to cause the General Contractor and each subcontractor to abide by the terms set forth in Section 10 hereof. The Developer shall deliver a report, in a form acceptable to DPD, to DPD after Completion, which report shall set forth the Developer's compliance with Sections 8.09, 10.02 and 10.03 hereof and, if applicable, the actions proposed to be taken by the Developer to remedy any actual or projected failure to comply with such requirements.

8.08 [Intentionally omitted].

8.09 Prevailing Wage. The Developer covenants and agrees to pay, and to contractually obligate and cause the General Contractor and each subcontractor to pay, the prevailing wage rate as ascertained by the Illinois Department of Labor (the "Department"), to all employees whose work relates to the rehabilitation portion of the Project. All such contracts shall list the specified rates

~~to be paid to all laborers, workers and mechanics for each craft or type of worker or mechanic employed pursuant to such contract. If the Department revises such prevailing wage rates, the revised rates shall apply to all such contracts. Upon the City's request, the Developer shall provide the City with copies of all such contracts entered into by the Developer or the General Contractor to evidence compliance with this Section 8.09.~~

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

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

8.12 Disclosure of Interest. Except as disclosed on Schedule 8.12 attached hereto and made a part hereof, the Developer's counsel has no direct or indirect financial ownership interest in the Developer, the Property or any other aspect of the Project.

8.13 Financial Statements. The Developer shall obtain and provide to DPD Financial Statements for the Developer's fiscal year ended December 31, 1998.

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

8.15 Non-Governmental Charges. (a) Payment of Non-Governmental Charges. Except for the Permitted Liens, the Developer agrees to pay or cause to be paid when due any Non-Governmental Charge assessed or imposed upon the Project, the Property or any fixtures that are or may become attached thereto, which creates a lien upon all or any portion of the Property or Project; provided however, that if such Non-Governmental Charge may be paid in installments, it may be paid together with any accrued interest thereon in installments as they become due and before any fine, penalty, interest, or cost may be added thereto for nonpayment. The Developer shall furnish to DPD, within thirty (30) days of DPD's request, official receipts from the appropriate entity, or other proof satisfactory to DPD, evidencing payment of the Non-Governmental Charge in question.

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

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

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

8.16 Developer's Liabilities. The Developer shall not enter into any transaction that would materially and adversely affect its

~~ability to perform its obligations hereunder or to repay any material liabilities or perform any material obligations of the Developer to any other person or entity. The Developer shall immediately notify DPD of any and all events or actions which may materially affect the Developer's ability to carry on its business operations or perform its obligations under this Agreement or any other documents and agreements.~~

8.17 Compliance with Laws. To the best of the Developer's knowledge, after diligent inquiry, at all times prior to the transfer of the Property to the Buyer, the Property and the Project were 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, the Developer shall provide evidence satisfactory to the City of such compliance.

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

8.19 Real Estate Provisions.

(a) Governmental Charges.

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

~~(ii) Right to Contest.~~ The Developer shall have 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. The Developer's right to challenge real estate taxes applicable to the Property is limited as provided for in Section 8.19(c) below; provided, that such real estate taxes must be paid in full when due and may be disputed only after such payment is made. No such contest or objection shall be deemed or construed in any way as relieving, modifying or extending the Developer's covenants to pay any such Governmental Charge at the time and in the manner provided in this Agreement unless the Developer has given prior written notice to DPD of the Developer's intent to contest or object to a Governmental Charge and, unless, at DPD's sole option,

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

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

(b) Developer's failure to pay or discharge lien. If the Developer fails to pay any Governmental Charge or to obtain discharge of the same, the Developer shall advise DPD thereof in writing, at which time DPD may, but shall not be obligated to, and without waiving or releasing any obligation or liability of the Developer under this Agreement, in DPD's sole discretion, make such payment, or any part thereof, or obtain such discharge and take any

~~other action with respect thereto~~ which DPD deems advisable. All sums so paid by DPD, if any, and any expenses, if any, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto, shall be promptly disbursed to DPD by the Developer. Notwithstanding anything contained herein to the contrary, this paragraph shall not be construed to obligate the City to pay any such Governmental Charge. Additionally, if the Developer fails to pay any Governmental Charge, the City, in its sole discretion, may require the Developer to submit to the City Financial Statements at the Developer's own expense.

(c) Real Estate Taxes.

(i) Acknowledgment of Real Estate Taxes. The Developer agrees that (A) for the purpose of this Agreement, the total projected minimum assessed value of the Property ("Minimum Assessed Value") is shown on Exhibit K attached hereto and incorporated herein by reference for the years noted on Exhibit K; (B) Exhibit K sets forth the specific improvements which will generate the fair market values, assessments, equalized assessed values and taxes shown thereon; and (C) the real estate taxes anticipated to be generated and derived from the respective portions of the Property and the Project for the years shown are fairly and accurately indicated in Exhibit K.

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

(iii) No Reduction in Real Estate Taxes. Except for the Developer 6(b) Application, neither the Developer nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to the Developer shall, during the Term of this Agreement, directly or indirectly, initiate, seek or apply for proceedings in order to lower the assessed value of all or any portion of the Property or the Project below the

amount of the Minimum Assessed Value as shown in Exhibit K for the applicable year.

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

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

(d) Insurance. In addition to the insurance required pursuant to Section 12 hereof, the Developer shall procure and maintain the following insurance:

(i) Prior to the execution and delivery of this Agreement and during construction of the Project, All Risk

~~Property Insurance in the amount of the full replacement value of the Property.~~

(ii) Post-construction, throughout the Term of the Agreement, All Risk Property Insurance, including improvements and betterments in the amount of full replacement value of the Property. Coverage extensions shall include business interruption/loss of rents, flood and boiler and machinery, if applicable.

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

SECTION 9. COVENANTS/REPRESENTATIONS/WARRANTIES OF CITY

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

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

SECTION 10. EMPLOYMENT OBLIGATIONS

10.01 Employment Opportunity. The Developer, on behalf of itself and its successors and assigns, hereby agrees, and shall contractually obligate its or their various contractors, subcontractors or any Affiliate of the Developer operating on the Property (collectively, with the Developer, the "Employers" and individually an "Employer") to agree, that, prior to the issuance of the Certificate:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

~~When work at the Project is completed, in the event that the~~ City has determined that the Developer has failed to ensure the fulfillment of the requirement of this Section concerning the worker hours performed by actual Chicago residents or failed to report in the manner as indicated above, the City will thereby be damaged in the failure to provide the benefit of demonstrable employment to Chicagoans to the degree stipulated in this Section. Therefore, in such a case of non-compliance, it is agreed that 1/20 of 1 percent (0.0005) of the aggregate hard construction costs set forth in the Project budget (the product of .0005 x such aggregate hard construction costs) (as the same shall be evidenced by approved contract value for the actual contracts) shall be surrendered by the Developer to the City in payment for each percentage of shortfall toward the stipulated residency requirement. The Developer's obligations under this Section will be fulfilled by the offset of the penalty amount of \$75,215.92 against the City's obligations hereunder, as described in Section 4.03(b) hereof. Failure to report the residency of employees entirely and correctly shall result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. The willful falsification of statements and the certification of payroll data may subject the Developer, the General Contractor and/or the subcontractors to prosecution. Any retainage to cover contract performance that may become due to the Developer pursuant to Section 2-92-250 of the Municipal Code of Chicago may be withheld by the City pending the Purchasing Agent's determination as to whether the Developer must surrender damages as provided in this paragraph.

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

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

10.03 The Developer's MBE/WBE Commitment. The Developer agrees for itself and its successors and assigns, and, if necessary

~~to meet the requirements set forth herein, shall contractually obligate the General Contractor to agree that, during the Project:~~

a. Consistent with the findings which support the Minority-Owned and Women-Owned Business Enterprise Procurement Program (the "MBE/WBE" Program"), Section 2-92-420 et seq., Municipal Code of Chicago, and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, and as qualified by, the provisions of this Section 10.03, during the course of the Project, at least the following percentages of the MBE/WBE Project Budget in the amount of \$9,430,000 (which is based on the amount of rehabilitation costs/construction costs set forth in the original budget of \$18,700,000 for the Project, as such amount may be reduced, as approved by DPD, to reflect soft costs and other costs) shall be expended for contract participation by MBEs or WBEs:

- i. At least 25 percent by MBEs.
- ii. At least 5 percent by WBEs.

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

c. Consistent with Section 2-92-440, Municipal Code of Chicago, the Developer's MBE/WBE commitment may be achieved in part by the Developer's status as an MBE or WBE (but only to the extent of any actual work performed on the Project by the Developer), or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of (i) the MBE or WBE participation in such joint venture or (ii) the amount of any actual work performed on the Project by the MBE or WBE), by the Developer utilizing a MBE or a WBE as a General Contractor (but only to the extent of any actual work performed on the Project by the General Contractor), by subcontracting or causing the General Contractor to subcontract a portion of the Project to one or more MBEs or WBEs, or by the purchase of materials used in the Project from one or more MBEs or WBEs, or by any combination of the foregoing. Those entities which constitute both a MBE and a WBE shall not be credited more than once with regard to the Developer's MBE/WBE commitment as described in this Section 10.03. The Developer or the General Contractor may

~~meet all or part of this commitment through credits received pursuant to Section 2-92-530 of the Municipal Code of Chicago for the voluntary use of MBEs or WBEs in its activities and operations other than the Project.~~

d. The Developer shall deliver reports, in a form acceptable to DPD, to DPD during the Project in accordance with Section 8.08 hereof describing its efforts to achieve compliance with this MBE/WBE commitment. Such reports shall include inter alia the name and business address of each MBE and WBE solicited by the Developer or the General Contractor to work on the Project, and the responses received from such solicitation, the name and business address of each MBE or WBE actually involved in the Project, a description of the work performed or products or services supplied, the date and amount of such work, product or service, and such other information as may assist DPD in determining the Developer's compliance with this MBE/WBE commitment. DPD shall have access to the Developer's books and records, including, without limitation, payroll records, books of account and tax returns, and records and books of account in accordance with Section 14 of this Agreement, on five (5) business days' notice, to allow the City to review the Developer's compliance with its commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the Project.

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

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

g. Prior to the commencement of the Project, the Developer, the General Contractor and all major subcontractors shall be required to meet with the monitoring staff of DPD with regard to the Developer's compliance with its obligations under this Section 10.03. During this meeting, the Developer shall demonstrate to DPD its plan to achieve its obligations under this Section 10.03, the

~~sufficiency of which shall be approved by DPD.~~ During the Project, the Developer shall submit the documentation required by this Section 10.03 to the monitoring staff of DPD. Failure to submit such documentation on a timely basis, or a determination by DPD, upon analysis of the documentation, that the Developer is not complying with its obligations hereunder shall, upon the delivery of written notice to the Developer, be deemed an Event of Default hereunder. Upon the occurrence of any such Event of Default, in addition to any other remedies provided in this Agreement, the City may: (1) issue a written demand to the Developer to halt the Project, (2) withhold any further payment of any City Funds to the Developer or the General Contractor, or (3) seek any other remedies against the Developer available at law or in equity.

SECTION 11. ENVIRONMENTAL MATTERS

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

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

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

SECTION 12. INSURANCE

The Developer procured and maintained, or cause to be procured and maintained, at the Developer's own expense, during the construction of the Project, the insurance coverages and requirements specified below, insuring all operations related to the Agreement.

(a) Prior to Execution and Delivery of this Agreement

(i) Workers Compensation and Employers Liability Insurance

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

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

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

(b) Construction

(i) Workers Compensation and Employers Liability Insurance

Workers Compensation and Employers Liability Insurance, as prescribed by applicable law covering all employees who are to provide a service under this Agreement and Employers Liability coverage with limits of not less than \$500,00 each accident or illness.

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

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

(iii) Automobile Liability Insurance (Primary and Umbrella)

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

(iv) Railroad Protective Liability Insurance

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

(v) Builders Risk Insurance

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

(vi) Professional Liability

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

(vii) Valuable Papers Insurance

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

(viii) Contractor's Pollution Liability

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

(c) Other Requirements

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

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

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

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

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

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

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

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

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

The City of Chicago Risk Management Department maintains the right to modify, delete, alter or change these requirements so long as such action does not, without the Developer's prior written consent, increase such requirements.

SECTION 13. INDEMNIFICATION

The Developer agrees to indemnify, defend and hold the City harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses (including, without limitation, reasonable attorneys' fees and court costs) suffered or incurred by the City arising from or in connection with (i) the Developer's failure to comply with any of the terms, covenants and conditions contained within this Agreement, or (ii) the Developer's or any contractor's failure to pay General Contractors, subcontractors or materialmen in connection with the TIF-Funded Improvements or any other Project improvement, or (iii) the existence of any material misrepresentation or omission in this Agreement, any offering memorandum or the Redevelopment Plan or any other document related to this Agreement that is the result of information supplied or omitted by the Developer or its agents, employees, contractors or persons acting under the control or at the request of the Developer or (iv) the Developer's failure to cure any misrepresentation in this Agreement or any other agreement relating hereto.

SECTION 14. MAINTAINING RECORDS/RIGHT TO INSPECT

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

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

SECTION 15. DEFAULT AND REMEDIES

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

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

(b) the failure of the Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Developer under any other agreement with any person or entity if such failure may have a material adverse effect on the Developer's ability to perform its obligations under this Agreement;

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

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

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

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

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

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

(i) the dissolution of the Developer; or

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

For purposes of Section 15.01(j) hereof, a person with a material interest in the Developer shall be one owning in excess of thirty-three percent (33%) of the Developer's membership interests.

15.02 Remedies. Upon the occurrence of an Event of Default, or upon the failure of any transferee of all or any portion of the Property to comply with covenants that are described in Section 7.02 as running with the land, the City may terminate this Agreement and all related agreements, and subject to the provisions of Section 8.06 hereof, may suspend disbursement of City Funds; provided, that the sole remedy of the City for any breach of the provisions of Section 8.06 hereof shall be to suspend disbursements of City Funds. 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 injunctive relief or the specific performance of the agreements contained herein. Notwithstanding the previous two sentences, unless a Reimbursement Event occurs, the City shall not be entitled to recover City Funds previously paid to the Developer.

15.03 Curative Period. -- In the event the Developer (or any other Owner of the Property) shall fail to perform a monetary covenant which the Developer (or any other owner of the Property) is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the Developer (or any other owner of the Property) shall have failed to perform such monetary covenant within ten (10) days of its receipt of a written notice from the City specifying that it has failed to

perform such monetary covenant. In the event the Developer (or any other owner of the Property) shall fail to perform a non-monetary covenant which the Developer (or any other owner of the Property) is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the Developer (or any other owner of the Property) shall have failed to cure such default within thirty (30) days of its receipt of a written notice from the City specifying the nature of the default; provided, however, with respect to those non-monetary defaults which are not capable of being cured within such thirty (30) day period, the Developer (or any other owner of the Property) shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured; provided, that the above provisions shall not apply to the failure to perform any of the covenants set forth in Section 8.06 hereof.

SECTION 16. MORTGAGING OF THE PROJECT

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

(a) In the event that a mortgagee or any other party shall succeed to the Developer's interest in the Property or any portion thereof pursuant to the exercise of remedies under a mortgage or deed of trust (other than an Existing Mortgage or a Permitted Mortgage), whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of the Developer's interest hereunder in accordance with Section 18.15

~~hereof, the City may, but shall not be obligated to, attorn to and recognize such party as the successor in interest to the Developer for all purposes under this Agreement and, unless so recognized by the City as the successor in interest, such party shall be entitled to no rights or benefits under this Agreement, but such party shall be bound by those provisions of this Agreement that are covenants expressly running with the land.~~

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

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

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

With Copies To: City of Chicago
Department of Law
Finance and Economic Development Division
121 North LaSalle Street, Room 600
Chicago, IL 60602

If to the Developer: Miracle L.L.C.
c/o Colliers, Bennett & Kahnweiler, Inc.
9700 West Bryn Mawr Avenue
Rosemont, Illinois 60018

With Copies To: Kirkland & Ellis
200 East Randolph Drive
Chicago, IL 60601
Attention: William Singer, Esq.

If to the Buyer: Pepsi-Cola General Bottlers, Inc.
3501 Algonquin Road
Rolling Meadows, IL 60008
Attention: Robert E. Callan

With Copies To: Sidley Austin Brown & Wood
Bank One Plaza, 10 S. Dearborn St.
Chicago, IL 60603
Attention: Paul Monson, Esq.

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 without the prior written consent of the City.

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

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

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

18.05 Waiver. Waiver by the City or the Developer with respect to any breach of this Agreement shall not be considered or treated as a waiver of the rights of the respective party with respect to any other default or with respect to any particular default, except to the extent specifically waived by the City or the Developer in writing.

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

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

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

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

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

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

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

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

18.14 Approval. Wherever this Agreement provides for the approval or consent of the City, DPD 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.~~

18.15 Assignment. Prior to the issuance by the City to the Developer of a Certificate, the Developer may not sell, assign or otherwise transfer its interest in this Agreement in whole or in part without the written consent of the City. Notwithstanding the issuance of such Certificates, any successor in interest to the Developer under this Agreement (which shall expressly exclude the Buyer or any other transferee of the Property) shall certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, including but not limited to Section 8.20 (Survival of Covenants) hereof, for the Term of the Agreement. The City shall be obligated to pay City Funds to an assignee of the Developer (or of an assignee) only if the City consents to such assignment. The Developer consents to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part.

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

18.17 Force Majeure. Neither the City nor the Developer nor any successor in interest to either of them shall be considered in breach of or in default of its obligations under this Agreement in the event of any delay caused by damage or destruction by fire or other casualty, strike, shortage of material, unusually adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or for an abnormal duration, tornadoes or cyclones, 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.

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

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

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

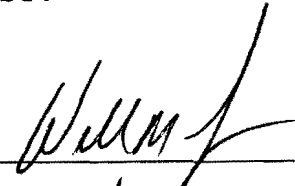
18.20 Business Relationships. The Developer acknowledges (A) receipt of a copy of Section 2-156-030(b) of the Municipal Code of Chicago, (B) that Developer has read such provision and understands that pursuant to such Section 2-156-030(b), it is illegal for any elected official of the City, or any person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


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

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

ATTEST:

MIRACLE L.L.C., an Illinois limited
liability company

By: 

By: 

Its: Member

Its: manager

CITY OF CHICAGO

By: _____

Commissioner, Department
of Planning and Development

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

ATTEST: MIRACLE L.L.C., an Illinois limited liability company

By: _____ By: _____

Its: _____ Its: _____

CITY OF CHICAGO

By: Miriam Berg

Commissioner, Department of Planning and Development *H*

STATE OF ILLINOIS)
) ss
COUNTY OF COOK)

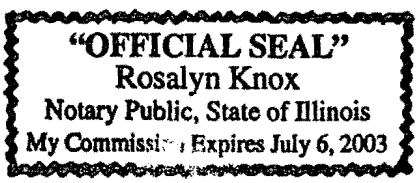
I, Rosalyn Knox, a notary public in and for the said County in the State aforesaid, DO HEREBY CERTIFY that David R. Kahnwaler and William M. Fausone, personally known to me to be the Manager and Member of Miracle L.L.C., an Illinois corporation (the "Corporation"), and personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that they signed, sealed, and delivered said instrument, pursuant to the authority given to them by the Board of Directors of the Corporation, as their free and voluntary act and as the free and voluntary act of the Corporation, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 16th day of August, 2001.

Rosalyn Knox
Notary Public

My Commission Expires July 6, 2003

(SEAL)



STATE OF ILLINOIS)

) ss

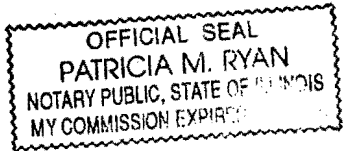
COUNTY OF COOK)

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

August GIVEN under my hand and official seal this 16 th day of _____, 2001.

Patricia M. Ryan
Notary Public

My Commission Expires 5/06/2002



(Sub)Exhibit "A".

(To Redevelopment Agreement With Miracle L.L.C.)

Redevelopment Area Legal Description.

That part of Section 5 and Section 6, Township 38 North, Range 14 East of the Third Principal Meridian and Section 32 and Section 33, Township 39 North, Range 14 East of the Third Principal Meridian, described as follows:

beginning at the southwest corner of said Section 32, being the intersection of the centerline of Pershing Road and the centerline of Ashland Avenue; thence north along the west line of said Section 32, being the centerline of Ashland Avenue to the centerline of 33rd Street; thence east, along the centerline of said 33rd Street and its easterly extension, to the west line of the south fork of the south branch of the Chicago River; thence northwesterly, along said westerly line of the south fork of the south branch of the Chicago River to the westerly extension of the north line of Lot 28 in Assessor's Division of the northwest quarter and the west half of the northeast quarter of said Section 32, recorded July 16, 1857 (ante-fire); thence east, along the aforescribed line and its easterly extension, to the east line of Benson Street; thence south and southeast, along said east line of Benson Street to the north line of 32nd Place; thence east, along said north line of 32nd Place to the east line of Throop Street; thence south along said east line of Throop Street, to the north line of 33rd Street; thence east, along said north line of 33rd Street, to the east line of Racine Avenue; thence south, along said east line of Racine Avenue, to the north line of 34th Place; thence east, along said north line of 34th Place, to the west line of an alley located between Carpenter Street and Morgan Street; thence north, along said west line of an alley to the north line of 32nd Place; thence east, along said north line of 32nd Place to the west line of an alley located 117.37 feet (more or less) west of the west line of Morgan Street; thence north, along said west line of an alley, to a point on the north line of an alley located 140.25 feet (more or less) north of the north line of 32nd Place, said point also being the southwest corner of Lot 5 in Catholic Bishops' Subdivision of Block 4 in Assessor's Division of the northwest quarter and the west half of the northeast quarter of said Section 32, recorded October 25, 1884, as Document Number 583560; thence east, along the north line of said alley, also being along the south line of Lots 3 through 5 (inclusive) in said Catholic Bishops' Subdivision to the southeast corner of said Lot 3; thence north, along the east line of said Lot 3, to the northeast corner thereof; thence west, along the north line of said Lots 3 through 5 (inclusive) in said Catholic Bishops' Subdivision, also being the

south line of 32nd Street to the northwest corner of said Lot 5; thence north to the north line of said 32nd Street to a point on the west line of an alley located 118.2 feet (more or less) west of the west line of Morgan Street; thence north along the west line of said alley, to the south line of 31st Place; thence north to the north line of said 31st Place, at a point on the west line of an alley located 117.25 feet (more or less) west of the west line of Morgan Street; thence north, along said west line of an alley, to a point on the north line of an alley located 140.25 feet (more or less) north of the north line of 31st Place, said point also being the southwest corner of Lot 5 in Wilder's Subdivision of Blocks 1 and 4 of Assessor's Division of the west half of the northeast quarter of said Section 32 re-recorded December 16, 1872 as Document Number 72259; thence east along the north line of said alley also being along the south line of Lots 2 through 5 (inclusive) in said Wilder's Subdivision to the southeast corner of said Lot 2; thence north along the east line of said Lot 2 and its northerly extension to the centerline of 31st Street; thence east along said centerline of 31st Street to a point 126.2 feet east of the centerline of Morgan Street; thence south along a line 126.2 feet east of and parallel to the centerline of Morgan Street to the south line of 32nd Street; thence east along said south line of 32nd Street to a point 151.8 feet east of the centerline of Morgan Street; thence south along a line 151.8 feet east of and parallel to the centerline of Morgan Street to the north line of 33rd Street; thence east, along said north line of 33rd Street to a point on the northerly extension of the east line of an alley located 179 feet (more or less) east of the centerline of Morgan Street; thence south along the east line of said alley to the north line of 35th Street; thence east, along said north line of 35th Street, to the west line of an alley located 179 feet (more or less) west of the centerline of Halsted Street; thence north, along the west line of said alley to the south line of 33rd Street; thence west, along the south line of said 33rd Street to the southerly extension of the west line of an alley located 188 feet (more or less) west of the centerline of Halsted Street; thence north along the west line of said alley, to the centerline of 31st Street; thence east, along said centerline of 31st Street to the northerly extension of the east line of an alley located 174 feet (more or less) east of the centerline of Halsted Street; thence south along the east line of said alley, to the south line of said Section 33, also being the centerline of Pershing Road; thence west along the south line of said Section 33 and the south line of said Section 32, to the east line of the northwest quarter of the northwest quarter of said Section 5; thence south, along the aforesaid east line, to the north right-of-way line of the Penn Central Railroad main right-of-way; thence southwest along the aforesaid north right-of-way line to the north line of Lot 4 in Circuit Court Partition of the northwest quarter of the northwest quarter of said Section 5, recorded April 23, 1874 as Case Number 6432; thence west, northwest and southwest

along the northerly line of said Lot 4 to the east line of Ashland Avenue; thence north along the east line of said Ashland Avenue to the intersection with the easterly extension of a line that is 548.58 feet south of and parallel with the north line of the northeast quarter of said Section 6; thence west along the aforescribed parallel line to the intersection with a line that is 1,039.34 feet west of the east line of said Section 6; thence north along the aforescribed 1,039.34 foot line, 15.58 feet; thence westerly along a line that intersects a line 2,013.04 feet west of the east line of said Section 6, 520.95 feet south of the north line of said northeast quarter; thence south along the aforescribed 2,013.04 foot line, 12.05 feet; thence southwest on a curve, concave northwesterly, having a radius of 418.5 feet, an arc distance of 276.72 feet, to a point of tangency; thence westerly along a line that intersects the east line of the northwest quarter 633.25 feet south of the north line of said northwest quarter; thence continuing westerly along the aforescribed course, 306.00 feet; thence northerly, 52.25 feet; thence westerly 1.83 feet; thence northerly, 308.00 feet; thence westerly, 5.00 feet; thence northerly, 66.00 feet; thence westerly, 14.00 feet; thence northerly to the intersection with said north line of the northwest quarter of said Section 6, said line also being the centerline of said Pershing Road; thence easterly along said north line of the northwest and northeast quarter of Section 6, also being the centerline of Pershing Road to the point of beginning; excepting therefrom that part of the east half of the southeast quarter of said Section 32, described as follows:

beginning at the northeast corner of 37th Place and Sangamon Street; thence north, along the east line of said Sangamon Street to the north line of 36th Street; thence west along said north line of 36th Street to the east line of an alley located 206 feet (more or less) west of the west line of said Sangamon Street; thence north along the east line of said alley, to the south line of an alley located 147 feet (more or less) north of the north line of 35th Street; thence east along the south line of said alley to the west line of an alley located 168 feet (more or less) west of the west line of Halsted Street; thence south along the west line of said alley to the north line of said 37th Place; thence west along the north line of said 37th Place to the point of beginning, all in the City of Chicago, Cook County, Illinois.

(Sub)Exhibit "B."
(To Redevelopment Agreement With Miracle L.L.C.)

Legal Description Of Acquisition.

Parcel 1:

Lots 1 through 13, both inclusive, in the subdivision of Lot 2 (except the south 144 feet thereof) of Block 8 in the subdivision of Lots 31 and 32 in Assessor's Division of part of the northwest quarter of the west half of the northeast quarter of Section 32, Township 39 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

Parcel 2:

The north one-third of the south 144 feet of subblock 2 of Block 8 in the subdivision of Lots 31 and 32 in Assessor's Division of the northwest quarter and the west half of the northeast quarter of Section 32, Township 39 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

Parcel 3:

Lot 1 through 5, both inclusive, in Josephine P. Allin's Subdivision of the south 96 feet of Lot 2 in Block 8 in subdivision of Lots 31 and 32 in Assessor's Division of the northwest quarter and the west half of the northeast quarter of Section 32, Township 39 North, Range 14, East of the Third Principal Meridian, Cook County, Illinois.

Parcel 4:

The west 140 feet of Lot 3 in Block 8 in subdivision of Lots 31 and 32 in Assessor's Division of part of the northwest quarter and the west half of the northeast quarter of Section 32, Township 39 North, Range 14, East of the Third Principal Meridian, according to the plat thereof recorded July 16, 1957

as Document Number 89140 of said subdivision of Lots 31 and 32 recorded June 26, 1879 as Document Number 227582 in Cook County, Illinois.

Parcel 5:

All of the north/south vacated alley lying east of and adjoining Parcels 1, 2 and 3 and lying west of and adjoining Lot 1 in Block 8 of Parcel 7, as aforesaid.

Parcel 6:

All of the east/west vacated alley lying south of Lot 5 in Josephine P. Allin's Subdivision aforesaid and north of the west 140 feet of Lot 3 in Block 8 in the subdivision of Lots 31 and 32 in Assessor's Division aforesaid.

Parcel 7:

Lot 1 and the east 123.7 feet of Lot 3 and the east 123.7 feet of the east and west vacated alley between said Lots 1 and 3 in Block 8, and all of Blocks 9, 10 and 11 and vacated Laflin, Jasper and Loomis Streets adjoining said Blocks 8, 9, 10 and 11 in the subdivision for purposes of partition of Lots 31 and 32 of Assessor's Division of part of the northwest quarter and the west half of the northeast quarter of Section 32, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Parcel 8:

Lots 1 to 19, both inclusive, in the subdivision of Block 7 in partition of Lots 31 and 32 in Assessor's Division of the northwest quarter and the west half of the northeast quarter of Section 32, Township 39 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

Exhibit C

TIF-FUNDED IMPROVEMENTS

<u>Line Item</u>	<u>Cost</u>
Acquisition	\$4,650,000
Environmental Remediation	300,000
Site Preparation	350,000
TOTAL	\$5,300,000*

*The total amount of assistance to be provided by the City is limited as set forth in the Agreement.

EXHIBIT D

REDEVELOPMENT PLAN

The Redevelopment Plan for the 35th/Halsted Redevelopment Project Area is located in the records of the City's Law Department.

CONSTRUCTION CONTRACT

Between: MIRACLE L.L.C., an Illinois limited liability company (hereinafter referred to as the "Owner"), whose address is:

c/o Colliers, Bennett & Kahnweiler, Inc.
9700 W. Bryn Mawr Ave.
Rosemont, Illinois 60018
Attention: David R. Kahnweiler

and: WOOTON, LTD., an Illinois Corporation (hereinafter referred to as the "Contractor"), whose address is:

400 West Huron Street
Chicago, Illinois 60610
Attention: Robert Buono

Date of Contract: November 24, 1997

Premises: Real estate described on Exhibit "A" attached hereto and by this reference incorporated herein (hereinafter referred to as the "Premises")

Architect: LEV ZETLIN & ASSOCIATES INC. (hereinafter referred to as "Architect"), whose address is:

5 North Wabash Ave.
Chicago, Illinois
Attention Joseph Burns

In consideration of the mutual covenants and conditions hereinafter set forth and the foregoing definitions which are by this reference incorporated herein, the parties hereby agree as follows:

ARTICLE I
The Work

1.1. Performance of the Work. The Contractor, pursuant to the provisions hereof, shall perform all the work (hereinafter referred to as the "Work") necessary to fully and completely construct the improvements (all such improvements are hereinafter referred to as the "Project"), as described and specified in the plans and specifications (hereinafter referred to as the "Plans") identified on Exhibit "B" attached hereto and by this reference incorporated herein. The Contractor shall perform all the Work and furnish all the materials, equipment, labor, services, scaffolds, hoisting and transportation for same, together with any tools and machinery and all other protection necessary to perform and protect the Work.

1.2. Contractor Acknowledgements.

1.2.1. The Contractor acknowledges that it has visited the Premises and is familiar with all of the existing conditions that may affect the Work and agrees that: (i) it has carefully examined and reviewed and

understands the Plans; (ii) it has carefully examined and understands the nature, location and character of the Work and the Premises, including, without limitation, the existing improvements, the surface condition of the Premises and all structures and obstructions thereon, both natural and man-made, and all surface water conditions of the Premises and the surrounding area, not including, however, any subsurface conditions of the Premises not apparent from Contractor's examination of the Premises and from tests submitted to Contractor; (iii) it has carefully examined and understands the nature, location and character of the general area in which the Premises is located, including, without limitation, its climatic conditions, available labor supply and labor costs and available equipment supply and equipment costs; (iv) it has carefully examined and understands the quality and quantity of all materials, supplies, tools, equipment, labor and professional services necessary to complete the Work within the cost required by the Plans, this Construction Contract and all documentation and instructions relating to the Work (all of the foregoing being hereinafter collectively referred to as the "Contract Documents") Contract Documents and (v) it has the ability to complete the Work on or before the Completion Date (as hereinafter defined) at an aggregate cost not to exceed the Contract Sum; (vi) it has familiarized itself with conditions affecting the difficulty of the Work; and (vii) it has entered into this contract based on its own examination, investigation and evaluation and not in reliance upon any opinions or representations of Owner or Architect or any of their respective officers, agents or employees.

1.2.2. Contractor hereby represents and warrants to Owner that Contractor is a business entity which is experienced and skilled in the construction of projects of the type described in the Plans, is licensed to engage in the general construction business in the jurisdiction where the Premises is located and is in compliance with all applicable governmental laws and regulations precedent to performance of the Work.

1.2.3. Contractor agrees to furnish efficient business administration, coordination, supervision and superintendence of the Work and to furnish at all times a competent and adequate administrative and supervisory staff and an adequate supply of workmen and materials and to perform the Work in the best and most sound way and in the most expeditious and economical manner consistent with the interests of Owner.

1.2.4. Contractor agrees to cooperate with the Architect and all persons or entities retained by Owner to provide consultation and advice, and to coordinate the Work with the work of such parties so that the Work shall be completed in the most efficient and expeditious manner.

1.2.5. Except for such Shop Drawings which the Plans require to be prepared by Contractor or a subcontractor, Contractor shall not be responsible for any of the Architect's customary responsibilities for design nor have any liability therefor. The Contractor shall perform no portion of the Work without strict adherence to the Contract Documents or, where required, final shop drawings, product data or samples for such portion of the Work.

1.2.6. Contractor shall be responsible to Owner for the acts and omissions of all its employees, all subcontractors and their agents and employees, and all other persons performing any of the Work under any contract or agreement with the Contractor or any subcontractor.

1.3. Commencement and Completion.

1.3.1. Time is of the essence of the Contractor's performance and it shall commence the Work within three (3) days of issuance of such building permits required to commence the Work (such date is hereinafter referred to as the "Commencement Date"). The Contractor shall Complete the Work on or before September 1, 1998. Said date is herein referred to as the "Completion Date". Contractor agrees to complete the Work on or before the Completion Date. Except as specifically provided to the contrary in Paragraph 1.3.2 below, the Completion Date shall not be extended nor shall the Contract Sum be increased.

1.3.2. The Completion Date shall be extended for causes due to a delay in the performance of the Work which affects the critical path of the performance of the Work and would logically require an extension of the time necessary to complete the Work and which is caused by: (i) acts of god (excepting climatic conditions); (ii) fire or other casualty; (iii) unusual and unforeseeable obstructions in transportation; (iv) unavoidable casualties,

labor disputes, stoppage of the Work by order of any court or other public authority through no act or fault of Contractor, anyone employed by Contractor or any subcontractor; (v) the acts or omissions of Owner, Architect or anyone employed by any of the aforesaid parties; or (vi) other causes beyond the control of Contractor. No extension of the Completion Date shall be granted if, in the reasonable opinion of Architect, the delay is not of a nature so as to entail the necessity of additional time to complete the Work. Any extension of the Completion Date shall be for a period of time equal to the additional time required to complete the Work caused by such delay; provided, however, in the event that such causes occur concurrently, the actual time of the delay shall be the time elapsed while such causes exist. Except as specifically provided in this Paragraph 1.3.2 to the contrary, the Contractor agrees not to make, and hereby waives, any claim for damages, including those resulting from increased labor or material costs, on account of any delay, obstruction or hindrance for any cause whatsoever, including but not limited to, the aforesaid causes, and agree that the sole right and remedy therefor shall be an extension of time subject to the limitations as herein provided.

1.3.3. The Work shall be deemed Complete when: (i) all requirements for Completion of the Work set forth in Section 2.3 hereof have been completed, (ii) issuance of a Final Certificate of Occupancy by the applicable governmental authority, provided, however, that if such Final Certificate of Occupancy is not issued due solely to the fault of Owner or Architect, and same is so indicated by the applicable governmental authority, for the purposes of determining completion pursuant to this Section 1.3.3, said Final Certificate of Occupancy shall be deemed to have been issued on the date that Contractor would be able to procure said Final Certificate of Occupancy absent the fault of Owner or Architect and (iii) the Architect shall have issued a certificate of Substantial Completion in the form of Exhibit "C" attached hereto and by this reference incorporated herein.

1.4. Materials. All materials and equipment supplied as part of the Work shall be new, and all workmanship shall be of the best quality in strict accordance with this Construction Contract. The Contractor shall make no substitution of materials unless approved in writing by Architect. All work performed by the Contractor shall be under the direction of a competent supervisor on the Premises employed by the Contractor. All labor shall be performed by workmen skilled in their respective trades, and workmanship shall be of good quality so that first class work in accordance with the standards of construction set forth in the Contract Documents will result. Any work, materials or equipment which does not substantially conform to these requirements or the standards set forth in the Contract Documents may be disapproved by Architect, in which case they shall be removed and replaced by the Contractor.

1.5. Cleanup.

1.5.1. The Contractor shall clean up the Premises in a thorough and workmanlike manner to the reasonable satisfaction of Owner wherever necessary during the progress of work and upon completion and when reasonably requested by the Owner.

1.5.2. The Premises shall be maintained in a neat and orderly condition and kept free from accumulation of waste materials and rubbish during the entire construction period. All crates, cartons and other flammable waste materials or trash shall be removed from the work areas at the end of each working day. The Contractor shall, and shall require all subcontractors to, clean and maintain its portion of the Work as required and as directed by Architect or Contractor. If the Work and Premises are not maintained properly, the Owner may have any accumulations of waste materials or trash removed and charge the cost to the Contractor.

1.5.3. Electrical closets, pipe and duct shafts, chases, furred spaces and similar spaces which are generally unfinished shall be cleaned by the Contractor and left free from rubbish, loose plaster, mortar drippings, extraneous construction materials, dirt and dust before preliminary inspection of the Project.

1.5.4. As soon as practical before Completion of the Work, the Contractor shall dismantle all temporary facilities and remove from the Premises all construction and installation equipment, fences, scaffolding, surplus materials and rubbish of every kind and supplies and the like belonging to Contractor or subcontractors.

1.6. Safety. The Contractor shall take all necessary precautions to keep the Premises free of safety hazards, and shall protect all materials, equipment and completed and partially completed work from loss and damage, including theft and damage by weather and, if necessary, shall provide suitable housing therefor, and shall correct any damage or disfigurement to contiguous work or property resulting from the Work. Contractor agrees that the prevention of accidents to workers engaged upon or in the vicinity of the Work is its responsibility. Contractor shall establish and implement safety measures, policies and standards conforming to those required or recommended by governmental or quasi-governmental authorities having jurisdiction. Contractor shall comply with the reasonable recommendations of insurance companies having an interest in the Work.

1.7. Compliance With Laws.

1.7.1. The Contractor agrees to comply with all federal and state laws, codes and regulations and all municipal laws, building codes, ordinances and regulations in force at the commencement of the Work, applicable to the Work to be performed under this Construction Contract, and to obtain at its own expense all licenses and permits necessary for the performance by Contractor of the Work, excluding building and similar permits which shall be the cost of Owner. The Contractor shall also comply with the current applicable requirements of the American Insurance Association and other codes described in the Plans, or which are applicable to the performance of the Work. Contractor shall promptly, at its sole cost and expense, correct any violations of such laws, codes, regulations, ordinances and orders committed by Contractor, its subcontractors agents, servants and employees. The Contractor shall pay all taxes, assessments and premiums under the Federal Social Security Act, any applicable Unemployment Insurance, Workmen's Compensation Act, Sales Tax, Use Tax, Personal Property Taxes or other applicable taxes or assessments now or hereafter in effect and payable by reason of or in connection with any part of the Work.

1.7.2. The Contractor shall assist the Owner in obtaining the building permit or permits necessary for the proper execution and completion of the Work. The Owner shall pay the costs of such building permits.

1.7.3. The Contractor shall give all notices and comply with all laws, ordinances, rules, regulations and lawful orders of any public authority bearing on the performance or safety of performance of the Work and shall pay any costs or fees incurred in such compliance and any fines or penalties imposed for violation thereof and any costs or fees incurred by Owner due to any such violation.

1.7.4. It is not the responsibility of the Contractor to make certain that the Contract Documents are in accordance with applicable laws, statutes, building codes, regulations or requirements of the American Insurance Association. If the Contractor observes that any of the Contract Documents are at variance therewith in any respect, it shall promptly notify the Owner and the Architect in writing, and any necessary changes shall be accomplished by appropriate Change Order; provided, however, if the Contractor or any subcontractor performs any Work knowing it to be contrary to such laws, ordinances, rules and regulations, and without such notice to the Owner and the Architect, it shall assume full responsibility therefor and shall bear all costs and expenses attributable thereto and for the correction thereof.

1.8. Title. Title to all work completed or in the course of construction or installation, all equipment, construction materials, tools and supplies, the cost of which is chargeable to the Work shall pass to the Owner simultaneously with passage of title from the vendors thereof to the Contractor.

1.9. Liens. The Contractor shall keep the Premises free and clear from all liens and charges arising out of the Work, including materialmen's, laborers' and mechanics' liens, and shall give the Owner prompt written notice of actual and prospective claims of any such liens or charges known to the Contractor.

1.10 Warranty.

1.10.1. The Contractor warrants to the Owner that materials and equipment furnished under the Contract will be of good quality and new unless otherwise required or permitted by the Contract Documents, that the Work will be free from defects not inherent in the quality required or permitted, and that the Work will conform with the requirements of the Contract Documents. Work not conforming to these requirements, including substitutions not properly approved and authorized, may be considered defective. The Contractor's warranty excludes remedy for damage or defect caused by abuse, modifications not executed by the Contractor, improper or insufficient maintenance, improper operation, or normal wear and tear under normal usage.

1.11. Quality Control.

1.11.1. Contractor shall at all times provide sufficient, safe and proper facilities for the inspection of the Work by Architect, Owner and the party loaning funds to Owner in connection with the Work (hereinafter referred to as the "Lender") and their respective representatives. Contractor shall, within twenty-four (24) hours after receiving written notice from Architect, proceed to take down and remove all portions of the Work which the applicable governmental authority shall have condemned as unsound, improper or in any way failing to conform hereto and shall replace the same with proper and satisfactory Work and make good all work damaged or destroyed thereby. The failure to discover or notify Contractor of defective or nonconforming Work at the time the Work, or any portion thereof is performed or completed by Architect or any other party inspecting the Work shall not relieve Contractor of full responsibility for replacement of the defective or nonconforming Work and all damages resulting therefrom. Contractor agrees and understands that neither Owner nor Architect will provide continuous or exhaustive inspection of Contractor's Work and that Contractor is fully responsible for the materials, procedures, methods and techniques utilized and for providing completed Work. Neither failure to inspect the Work nor, upon inspection, failure to uncover defects in the Work shall be deemed acceptance of the Work. If the Owner elects to accept defective or nonconforming Work, Owner may require an appropriate adjustment in the Contract Sum. No inspection, testing or other administrative activity performed by or for the benefit of Architect or Owner shall relieve the Contractor from the obligation to perform the Work in strict accordance with Contract Documents.

1.11.2. Contractor shall furnish reports of all required inspections to Architect and shall in a timely manner distribute copies of all inspection reports, certificates of inspection, testing or approval directly to Architect and such other parties as the Owner requests. Contractor shall give Architect timely notice of all tests and inspections, so that Architect may observe such inspection, testing or approval.

1.12. Changes. Owner hereby reserves the right at any time and from time to time, by written order (hereinafter referred to as a "Change Order") to Contractor, to make changes in the Work as it, in its sole discretion, may deem necessary. Contractor shall thereupon perform the changed Work in accordance with the terms of this Contract and the Change Order. The Contractor shall provide estimates of the cost or credit of any contemplated change to the Work promptly upon the request of Owner or Architect, providing, to the extent practical, competitive bids therefor. The cost or credit to Owner for any change shall be equal to the actual Cost of the Work (or reduction to the Cost of the Work) resulting from such plus (or minus in the event of a reduction) an increase (or decrease) in the Contractor's Fee equal to the eight (8%) percent of the Cost of the Work, as such term is hereinafter defined, of said change. A change to the Work shall be deemed authorized only by Change Order.

1.13. Architect. The Architect shall have the authority to reject Work which does not conform to the Contract Documents. Whenever, in the reasonable opinion of the Architect, it is necessary or advisable to ensure the proper implementation of the intent of the Contract Documents, it will have authority to require special inspection or testing of the Work. Neither the Architect's failure to act under this Section 1.13, nor any decision made by it either to exercise or not to exercise such authority, shall give rise under the Contract Documents to any duty, liability or responsibility of the Owner. The Architect shall be the interpreter of the Contract Documents and shall be the judge of the performance of the Contractor and subcontractors.

1.14. Means, Methods and Techniques. The means, methods, techniques, sequences, procedures and safety measures utilized in the performance of the Work are the sole responsibility of the Contractor. Any means, method, technique, sequence or procedure set forth in the Contract Documents is solely to specify the desired end result; and if the means, method, technique, sequence or procedure will not result in the desired end result or is unsafe or illegal, it is the Contractor's responsibility to select a correct means, method, technique, sequence or procedure. Nothing in the review of the general quality and progress of the Work, including review of submittals and work by the Architect and the Owner, shall be construed as the assumption of authority for administration or supervision over the performance of the Work.

1.15. Shop Drawings and Samples.

1.15.1. Contractor shall submit to Architect with reasonable promptness shop drawings and samples for all materials and equipment required by the Contract Documents. Shop drawings and samples shall be properly identified as specified or as Owner or Architect may require.

1.15.2. Contractor shall make any change or corrections required by Owner or Architect and shall resubmit the required number of corrected copies of shop drawings or new samples, until acceptable. If Contractor determines any change or correction required by Owner or Architect shall result in an increase in the Contract Sum or extension of the applicable Completion Date, it shall notify Owner and Architect of the need for such change with ten (10) days of request for such change, otherwise such changes or corrections shall be accomplished without any increase in the Contract Sum or extension of the applicable Completion Date. Contractor shall direct specific attention in writing or on resubmitted Shop Drawings to revisions other than the corrections requested by Architect on previous submissions.

1.15.3. Contractor is to have final choice in all items originally specified in multiple choice or in the manner of "or other equal thereto". No such choice of Contractor shall have any cost consequence to Owner. All costs to contiguous and adjacent portions of the Work occasioned by such choice or by approval of substitutions offered or requested by Contractor are to be borne by Contractor. When two (2) or more products are specified for an item of work, any one (1) thereof shall be deemed acceptable. When only one (1) product is specified and either the term "or equal" is used in connection with the product or no product is specified, then Contractor may offer for Architect's review a substitute product which will completely accomplish the purpose of the Contract Documents. The Contractor shall offer for the Architect's review a substitute product which will completely accomplish the purpose of the Contract Documents in the event that the specified product is not available or will not produce the desired result. Requests for substitution of products, materials or processes other than those specified will be deemed a warranty by the Contractor submitting same, and shall be accompanied by evidence to support such warranty, that the proposed substitution: (1) is equal in quality and serviceability to the specified item; (2) will not entail changes in detail and construction of related work; and (3) will not provide a cost disadvantage to the Owner. The aforesaid warranty shall not be deemed to warrant the required design or artistic effect of such substitution. The Contractor will furnish with its request such drawings, specifications, samples, performance data and other information as may be required of it to assist the Architect in determining whether the proposed substitution is acceptable. The burden of proof of the fact above stated shall be upon the Contractor; however, the final decision shall be that of the Architect, which decision shall be consistent with the intent of the Contract Documents.

1.15.4. No portion of the Work requiring submission of a shop drawing or sample shall be commenced until the submission has been reviewed by Architect and submitted to Architect. All such portions of the Work shall be in accordance with approved shop drawings or samples. Contractor shall maintain at the Premises a complete and up-to-date file and status schedule of all approved and unapproved shop drawings and samples.

1.15.5. Contractor shall maintain at the Premises for Owner and Architect one (1) copy of all drawings, specifications, addenda, approved shop drawings, Change Orders and other modifications, in good order and marked to record all changes made during construction. These documents, marked to record all changes made

during construction, shall be available to Architect and shall be delivered to him for delivery to Owner as a condition precedent to Completion of the Work.

1.15.6. Contractor shall be responsible for the repair of all damage to the Work unless caused by Owner. All repair, cutting, fitting or patching of the Work that may be required to correct damaged Work to make its several parts fit together properly, shall be promptly done by the trade whose work is to be cut, fit or patched in a manner that will not endanger the Work and will leave same in good condition, and shall be paid for by the Contractor. Notwithstanding the foregoing, structural members shall not be cut except upon written authority of the Architect and Contractor. Work done contrary to such authority is at the risk of the Contractor, subject to replacement at its own expense and without reimbursement under the Contract. Permission to patch any areas or items of work shall not constitute a waiver of the right to require complete removal and replacement of said areas or items of work, if, in the Architect's opinion, said patching does not satisfactorily restore quality and appearance of same.

1.16. Equipment.

1.16.1. Manufacturers' nameplates shall not be permanently attached to ornamental and miscellaneous metal work, doors, frames, millwork and similar factory-fabricated products, furnishings, equipment and accessories on which, if in the reasonable opinion of the Architect the nameplates would be objectionable if visible after installation of the Work. This does not apply to Underwriters' Laboratories' labels, where required.

1.16.2. Each major component of the mechanical and electrical equipment shall have the manufacturer's name, address, model number and rating on a plate securely affixed in a conspicuous place, as required in the mechanical and electrical sections of the specifications.

1.16.3. All manufactured articles, materials and equipment shall be applied, installed, connected, erected, used, cleaned and conditioned in accordance with the manufacturer's written specifications or instructions except as otherwise specified herein.

1.16.4. In case of any differences or conflicts between the requirements of the manufacturer's instructions or specifications and the technical sections of the specifications, the instructions or specifications having the more detailed and precise requirements which are specifically applicable to the work in question, as reasonably determined by the Architect, shall govern. The Contractor shall assign or have assigned to Owner any and all manufacturer's warranties with respect to any item of equipment or material for which such warranty was issued.

1.17. Operation and Maintenance Instructions. Contractor shall furnish three (3) complete sets of manuals, containing the manufacturers' instructions for maintenance and operation of each item of equipment and apparatus furnished under the Contract Documents, a manufacturer's parts list, a current price list and any additional data specifically required under the various sections of the specifications for each division of the Work. The manuals shall be arranged in proper order, indexed and suitably bound. At the Completion of the Work, the Contractor shall certify and shall obtain and deliver to Owner the certification of each subcontractor, by endorsement thereon, that each of the manuals is complete and accurate. The Contractor shall deliver the manuals, arranged in proper order, indexed and endorsed as hereinbefore specified and assembled for all divisions of the Work and submit them to Owner. Contractor shall provide suitable transfer cases and deliver the records therein, indexed and marked for each division of the Work.

1.18. Correction of Work.

1.18.1. The Contractor shall promptly correct Work rejected by the Architect or failing to conform to the requirements of the Contract Documents, whether observed before or after Substantial Completion and whether or not fabricated, installed or completed. The Contractor shall bear costs of correcting such rejected Work, including additional testing and inspections and compensation for the Architect's services and expenses made necessary thereby.

1.18.2. If, within one year after the date of Substantial Completion of the Work or designated portion thereof, any of the Work is found to be not in accordance with the requirements of the Contract Documents, the Contractor shall correct it promptly after receipt of written notice from the Owner to do so unless the Owner has previously given the Contractor a written acceptance of such condition. This period of one year shall be extended with respect to portions of Work first performed after Substantial Completion by the period of time between Substantial Completion and the actual performance of the Work. This obligation under this Subparagraph 1.18.2. shall survive acceptance of the Work under the Contract and termination of the Contract. The Owner shall give such notice promptly after discovery of the condition.

1.18.3. The Contractor shall remove from the site portions of the Work which are not in accordance with the requirements of the Contract Documents and are neither corrected by the Contractor nor accepted by the Owner.

1.18.4. If the Contractor defaults or neglects to carry out the Work in accordance with the Contract Documents or if the Contractor fails to correct the Work during the period described in Subparagraph 1.18.2, and thereafter fails within a five (5) days period after receipt of written notice from the Owner to commence and continue correction of such default or neglect with diligence and promptness, the Owner may, without prejudice to other remedies the Owner may have, and upon notice to the Contractor, correct such deficiencies. In such case there shall be deducted from payments then or thereafter due the Contractor the actual cost of correcting such deficiencies, including compensation paid for the Architect's additional services. If payments then or thereafter due the Contractor are not sufficient to cover such amounts, the Contractor shall pay the difference to the Owner.

1.18.5. If the Contractor does not proceed with correction of nonconforming Work within a reasonable time fixed by written notice from the Architect, the Owner may, if Contractor fails within five (5) days after notice from Owner to commence such cure and diligently proceed with such cure, remove it and store the salvable materials or equipment at the Contractor's expense. If the Contractor does not pay costs of such removal and storage within ten days after written notice, the Owner may upon ten additional days' written notice sell such materials and equipment at auction or at private sale and shall account for the proceeds thereof, after deducting costs and damages that should have been borne by the Contractor, including compensation for the Architect's services and expenses made necessary thereby. If such proceeds of sale do not cover costs which the Contractor should have borne, the Contract Sum shall be reduced by the deficiency. If payments then or thereafter due the Contractor are not sufficient to cover such amount, the Contractor shall pay the difference to the Owner.

1.18.6. The Contractor shall bear the cost of correcting destroyed or damaged construction, whether completed or partially completed, of the Owner or separate contractors caused by the Contractor's correction or removal of Work which is not in accordance with the requirements of the Contract Documents.

1.18.7. Nothing contained in this Paragraph 1.18 shall be construed to establish a period of limitation with respect to other obligations which the Contractor might have under the Contract Documents. Establishment of the time period of one year as described in Subparagraph 1.18.2. relates only to the specific obligation of the Contractor to correct the Work, and has no relationship to the time within which the obligation to comply with the Contract Documents may be sought to be enforced, nor the time within which proceedings may be commenced to establish the Contractor's liability with respect to the Contractor's obligations other than specifically to correct the Work.

1.18.8. The foregoing twelve (12) month obligation of Contractor to correct the Work shall survive acceptance of the Work by Owner and Pepsi and termination of this Contract. The Minimum Bucket Threshold as defined in Subparagraph 6.11 shall not apply to claims under this Section 1.18.

ARTICLE II
Payment

2.1. **Payments Contractor.**

2.1.1 **Contract Sum.** Contractor shall receive in payment of its performance hereunder the total of the Contractor's Fee, as hereinafter defined, and the Cost of the Work defined in Section 2.1.2 hereof (said total is herein referred to as the "Contract Sum"). The Contractor's Fee shall be equal to four (4%) per cent of the Cost of the Work. Payments shall be made in monthly installments as the Work progresses. On one occasion during each calendar month, the Contractor shall submit to Owner a written requisition for payment showing the Cost of the Work theretofore performed and materials stored and protected on the Premises plus the proportionate value of the Contractor's Fee in relation to the total Cost of the Work, from which shall be deducted a reserve (hereinafter referred to as the "Reserve") equal to ten (10%) percent until the Work is fifty (50%) percent complete, after which time the Reserve shall be equal to five (5%) percent. The Reserve shall be paid to the Contractor at such time as a Certificate of Occupancy is issued by the City of Chicago permitting occupancy of the Project. The amount of the requisition to the extent approved by Owner and after the Architect has issued its Certificate of Payment, shall be payable to the Contractor within ten (10) days after such receipt by Owner of such requisition. Each requisition for payment shall be accompanied by a sworn statement of the Contractor listing the total amount of Work performed and material supplied by Contractor and all of its subcontractors and material suppliers; the amount of previous payments; a breakdown allocating the total payments to Contractor, its subcontractors and materialmen; the amount of the reserve; and the balance to complete the Work. Said statement shall be accompanied by waivers of lien of Contractor, its subcontractors and materialmen in the total amount of all payments to be made, which shall be acceptable to the Owner and any disbursement agent or title insurance company acting on the Owner's behalf, any Lender providing funds in connection with the Work (any such party loaning funds being hereinafter referred to as "Owner's Lender"). Evidence of clear title to all personal property, equipment and fixtures shall be presented to Owner prior to any payment therefor. Said statement and the waivers of lien shall be in accord with the laws of the state of Illinois. Owner shall be under no obligation to pay or insure payment to Subcontractors, such obligation to be that of the Contractor.

All payments to Contractor may, at Owner's sole option, be made through a construction escrow with a title insurance company designated by Owner (hereinafter referred to as the "Title Company"). The Escrow shall be on terms and conditions of the Title Company's standard construction escrow modified to conform to this Contract and reasonably acceptable to Owner and the Construction Lender. All of the documentation required by this Section 3.1 shall be delivered to and reviewed by the Title Company. Owner shall pay the cost of the Construction Escrow and the cost of title insurance in the amount of the value of the Premises and the Contract Sum. The Contractor may, at its cost, if any, arrange for the Title Company to approve all such documentation on an "after-the-fact" waiver approval method where all documentation is delivered and reviewed thirty (30) days after payment to Contractor and the Escrow shall permit same. Notwithstanding this procedure, the Escrow shall provide for a date down endorsement giving mechanic's lien coverage in the full amount of each draw at the time the funds are paid to Contractor.

2.1.2 **Cost of the Work.** The term Cost of the Work shall mean the costs set forth in this Section 3.2 which are necessarily paid or incurred by the Contractor in the proper performance of the Work. Such costs shall be at rates not higher than the standard paid in the locality of the Premises except with prior written consent of the Owner. Such costs are as follows:

- a. Wages paid for labor in the direct employ of the Contractor in the performance of the Work under applicable collective bargaining agreements, or under a salary or wage schedule, including such welfare or other benefits, if any, as may be payable with respect thereto.
- b. Salaries and other remuneration of Contractor's employees when stationed at the field office, in whatever capacity employed. Employees engaged, at shops or on

the road, in expediting the production or transportation of materials or equipment shall be considered as stationed at the field office and their salaries paid for that portion of their time spent on this Work.

c. Hourly rate charges (subject to change from time to time), proportionate share of car expense, where applicable, and other remuneration of Contractor's personnel or agents (excluding supervisory, accounting and secretarial personnel) for their time directly attributable to the Work and of Contractor's roving superintendents for time traveling to and at the Project.

d. Cost of contributions, assessments or taxes insofar as such cost is based on wages, salaries, or other remuneration paid to employees of the Contractor and included in the Cost of the Work under Subparagraphs A(i), A(ii) and A(iii) above, including, but without limitation, all amounts paid by the Contractor on account of this Contract or the Work, or both, for or with respect to Unemployment Insurance, Workers' Compensation, Social Security Taxes, Contractor's employee vacation and retirement plans regarding employees' Work under this Contract, and all contributions and assessments required by law or by labor union requirements with respect to such employees.

e. Payments made or to be made by the Contractor to subcontractors and to material suppliers for Work performed and materials supplied in connection with the Work.

f. Cost, including transportation, storage, loading, unloading and maintenance, of all materials, supplies, equipment, canvas, tarpaulins, temporary facilities and hand tools not owned by the workmen, which are consumed or used in the performance of the Work, and cost less salvage value on such items used but not consumed which remain the property of the Contractor.

g. Rental charges of all necessary machinery and equipment used at the site of the Work, whether rented from the Contractor or others, including installation, minor repairs and replacements, dismantling, removal, cleaning, transportation and delivery costs thereof, at rental charges consistent with those prevailing in the area plus all costs for operation, maintenance and repair for any such equipment and for equipment that is purchased and charged to the Work.

h. Sales, consumer, occupational, personal property, use or similar taxes related to the Work and for which the Contractor or the Project is liable, imposed by any governmental authority. The foregoing is not by way of limitation and is intended to include all governmental taxes, fees or other charges incurred by Contractor relative to the Work except for income taxes.

i. Cost of premiums for all bonds and insurance which the Contractor is required by the Contract Documents to purchase and maintain.

j. Permit fees, royalties, damages for infringement of patents and costs of defending suits therefor, and deposits lost for causes other than the Contractor's negligence.

k. Losses, expenses and costs, not compensated by insurance or otherwise, sustained by the Contractor in connection with the Work. Such losses shall include settlements made with the written consent and approval of the Owner, which consent shall not be unreasonably withheld or delayed. If such loss was not Contractor's fault and requires reconstruction and the Contractor is placed in charge thereof, he shall be paid for his services a fee agreed upon by the Owner and the Contractor.

l. Cost of removal of all debris, cleaning and other expenses to maintain the Work and the Premises in safe and orderly condition.

- m. ✓ Cost incurred in providing proper and adequate protection of persons and property, including safety and emergency measures.
- n. The cost of all water, heat and other utilities relative to the Work.
- o. The cost of license fees, inspections and certificates of inspection, and association dues directly attributable to the Project.
- p. Costs of compliance with any governmental or regulatory acts, laws, statutes, ordinances or orders.
- q. ✓ Costs incurred in providing proper and adequate protection of persons and property, including safety and emergency measures.
- r. Costs incurred in the performance of guarantee, warranty, or corrective Work before or after Final Completion, not due to the default or gross negligence of Contractor and not paid by or recoverable from Subcontractors.
- s. Minor expenses such as telegrams, long distance telephone calls, telephone service at the site, expressage, and similar petty cash items in connection with the Work.
- t. The proportion of reasonable transportation and traveling expenses of the Contractor or of his officers or employees incurred in discharge of duties connected with the Work.
- u. The Cost of all matters and items required to be paid for by the Contractor or performed by the Contractor under any of the provisions, terms or conditions of this Contract and any ancillary documents including, but not limited to, all replacement of materials and correction of Work when the cost of such Work cannot be "backcharged" to, or recovered from, said subcontractors or exceeds amounts remaining due and unpaid or recoverable from subcontractors performing such Work.
- v. Proportionate share of Contractor's cost to provide and maintain yards, garages and other storage facilities, if any, directly connected with the Contractor's operations.
- w. Attorneys' and other professional fees relative to the Work, exclusive of such fees incurred in connection with the execution of this Contract.
- x. Any other costs incurred by Contractor in connection with the performance of the Work when required for compliance with the Plans, general or special conditions or any other document or when otherwise recognized as such by Owner.
- y. Costs of items normally referred to as "General Condition Items".

The term Cost of the Work shall not include any of the following items: (i) Salaries or other compensation of the Contractor's personnel at the Contractor's principal office and branch offices except as otherwise set forth herein; (ii) Expenses of the Contractor's principal and branch offices other than the field office; (iii) Any part of the Contractor's capital expenses, including interest on the Contractor's capital employed for the Work, except as otherwise set forth herein; and (iv) Overhead or general office expenses of any kind.

2.1.3 Maintain Records. Contractor shall keep such full and detailed separate project accounts as are customarily maintained by Contractor and as will enable proper financial management and control of costs incurred in connection with the performance of the Work. Contractor shall supply Owner with such reports and other documents as Owner or Owner's Lender may reasonably request. Owner shall have access, during normal business

hours, to all of Contractor's books and records relative to the Work, and Contractor shall keep same until such time as Owner reasonably approves the disposal thereof but in no event beyond the anniversary of the Completion, provided that Contractor shall notify Owner and permit Owner to remove any such records that Contractor desires to destroy at any time before the fifth anniversary of the Completion.

2.2. Reserve. Final payment of the reserve shall be made to Contractor within fifteen (15) days after completion of the Work in accordance with the terms of this Construction Contract. Simultaneously, and as a condition to receiving the last payment of the Contract Sum due hereunder, the Contractor shall deliver to the Owner a final sworn contractor's statement and final waivers of lien of the Contractor, its subcontractors and material suppliers sufficient to waive and release any and all claims of compensation due or to become due in consideration of the Work.

2.3. Final Completion.

2.3.1. Within ten (10) days of receipt of written notice from the Contractor that the Work is substantially completed and ready for final inspection and acceptance, the Owner and Architect shall make such inspection, and if Architect finds that the Work and other obligations of Contractor are substantially completed, then Architect shall, within two (2) days thereafter, either signify his acceptance in writing to Contractor stating that there has been Completion of Work and it is acceptable to Owner under the terms and conditions of the Contract Documents, or notify Contractor in writing as to the reason or reasons why Owner refuses to accept the Work. The date of issuance of the written notice of acceptance shall be designated as the date of Completion of the Work. A final application for payment may be made after the date of Completion of the Work, provided that no mechanic's liens are in effect.

2.3.2. If Completion of the Work has occurred, but minor items remain to be performed through no fault of Contractor, Owner may, in its sole discretion, issue its acceptance of the Work, subject to such items listed on the Punch List which shall be set forth in the notice of acceptance as provided in Paragraph 2.3.1 above, and one hundred ten (110%) of the cost of such incomplete items (as determined by Architect) shall be retained by Owner. The amount so retained shall not become due and payable to Contractor until Architect shall certify, in writing, that said items listed have been completed, Owner's inspection shall confirm such to be correct and Contractor shall submit an application for payment with respect to such items.

2.3.3. If any subcontractor refuses to furnish a release or waiver required by the Owner, the Contractor may furnish a bond, title insurance or other security reasonably satisfactory to the Owner to indemnify it against any such lien. If any such lien remains unsatisfied after all payments are made, the Contractor shall refund to the Owner all monies that the latter may be compelled to pay in discharging such lien, including all costs, expenses and reasonable attorneys' fees.

2.3.4. Completion of any part of the Work shall be deemed to occur only after final inspection by Architect, as set forth above, and when all requirements of the Contract Documents have been completed. Upon Completion of such Work the Owner may take over the Work for occupancy and use thereafter.

2.4. Additional Compensation. Contractor shall not be entitled to receive any extra compensation of any kind whatsoever, for extra or additional work of any kind, unless the same was ordered by the Owner in writing, signed by the authorized representative of the Owner. Contractor specifically agrees that it will make no claim that it was authorized to do any extra work or make any modification to the Work in the absence of such written order. The Contract Sum is the full and total remuneration and consideration to be paid to Contractor for the performance of the Work.

2.5. Royalties. The Contractor agrees to pay all royalties and license fees and to indemnify and hold harmless the Owner and its agents from loss or damage or expense to which they may be put as a result of claims

made or litigation on account of alleged violation or infringement of any royalties, patents or patented rights arising out of the Work, methods, materials or things used by the Contractor.

ARTICLE III
Contractor's Liability

3.1. Assumption of Liability. To the extent permitted by applicable law, the Contractor assumes the entire responsibility and liability for, and agrees to hold the Owner, Owner's Lender, the Architect and their agents, employees, partners, beneficiaries and anyone else acting on behalf of any of the foregoing (all of said parties are hereinafter sometimes collectively referred to as "Indemnitees"), harmless from, any and all damage or injury of any kind or nature whatsoever (including death resulting therefrom) to all persons whether employees of the Contractor or otherwise, and to all property (including loss of use thereof) caused by, resulting from, arising out of or occurring in connection with the negligent or wrongful execution of the Work, and all damage, direct or indirect, of whatsoever nature, resulting from the negligent or wrongful performance of the Work. If any person shall make a claim for any damage or injury (including death resulting therefrom) as hereinabove described, based upon the foregoing, the Contractor agrees to indemnify and save such Indemnitee harmless from and against all losses and all liabilities, expenses and other detriments of every nature and description (including reasonable attorneys' fees), to which the Indemnitee may be subjected by reason of any negligent or wrongful act or omission of the Contractor or of any of the Contractor's subcontractors, employees, agents, invitees or licensees, where such loss, liability, expense or other detriment arises out of or in connection with the performance of Work, including, but not limited to, personal injury and loss of or damage to property of the Indemnitee or others. The Contractor agrees to assume on behalf of the Indemnitee or its agents or contractors the defense through counsel of any action at law or equity which may be brought against any of such parties upon such claim and to pay on behalf of same upon demand the amount of any judgment which may be entered against any of such parties in any such action. The obligation under this paragraph shall be continuing and shall not be diminished by any approval or acceptance of or payment for work by the Owner or its agents, but shall not extend to acts or omissions of the Owner or any other third party.

Without limiting the generality of the foregoing, the indemnity hereinabove set forth shall include all liability, damages, loss, claims, demands and actions on account of personal injury, death or property loss to any Indemnitee and any of Indemnitee's employees, agents, contractors, licensees or invitees, whether based upon or claimed to be based upon, statutory (including, without limitation, workmen's compensation), contractual, tort or other liability of any Indemnitee, contractor or subcontractor or any other persons. The provisions of this indemnification paragraph shall not be construed to indemnify any Indemnitee for any loss or damage attributable to the acts or omissions of such Indemnitee or to eliminate or reduce any other indemnification or right which an Indemnitee may have by law. No bond or insurance protection nor any limitation on the amount or type of damages, compensation or benefits payable by or for the Indemnitors under workers' or workmen's compensation acts, disability benefit acts or other employee benefit acts shall limit the indemnity hereinabove provided.

3.2. Release of Owner. The Contractor hereby releases and discharges the Owner from liability for and assumes the risk of loss of or damage to equipment or other property of the Contractor, and hereby indemnifies the Owner against all claims and liabilities for loss of or damage to equipment or other property of third parties leased or otherwise used by the Contractor and tools or other property owned by or in the custody of the Contractor's employees.

3.3. Limitation. The obligations of the Contractor hereunder shall not extend to the liability of the Architect, his agents or employees, arising out of (i) the preparation or approval of maps, drawings, opinions, reports, surveys, Change Orders, designs or specifications, or (ii) the giving of or the failure to give directions or instructions by the Architect, its agents or employees, provided that the giving or failure to give such direction or instruction is the primary cause of the injury or damage.

3.4. Employees. Contractor and all subcontractors agree to assume the entire liability for all personal injury and claims of personal injury suffered by their own employees asserted by persons allegedly injured in connection with the Work, and hereby waive any limitation of liability whatsoever, including but not limited to limitations based upon the Worker's Compensation Act. To the extent permitted by law, Contractor and all subcontractors agree to indemnify, hold harmless and defend Owner and the Architect and their respective agents, contractors and employees from and against any and all loss, expense, damage or injury, including court costs and reasonable fees of counsel sustained as a result of all such personal injury and claims of personal injury arising as a result of any act or omission of Contractor, any subcontractor or anyone acting on behalf of Contractor.

ARTICLE IV **Insurance**

4.1. Type of Insurance. The Contractor shall purchase and maintain the following insurance issued in amounts required by law but in no event less than those specified below and no Work shall be commenced under this Construction Contract until Contractor shall have obtained all requisite insurance and Owner shall have approved of same:

4.1.1. Workmen's Compensation in accordance with the laws of the state where the Premises are located, including a broad form, all states endorsement, and Employers Liability in an amount not less than TWO MILLION AND NO/100 DOLLARS (\$2,000,000.00).

4.1.2. Comprehensive General Liability Insurance as follows:

4.1.2.1 Bodily Injury Liability in an amount not less than FIVE MILLION AND NO/100 DOLLARS (\$5,000,000.00) for injuries sustained by one or more persons in any one accident, but in any event not less than the limits provided by applicable law, statute or ordinance; and

4.1.2.2 Property Damage Liability in an amount not less than FIVE MILLION AND NO/100 DOLLARS (\$5,000,000.00) for each accident and FIVE MILLION AND NO/100 DOLLARS (\$5,000,000.00) aggregate for each year of the policy period; and

4.1.2.3 Above to include (to the extent applicable) Blanket Contractual Liability, Completed Operations, Broad Form Property Damage, Elevator Liability, an Installation Floater, Independent Contractors, Personal Injury (employees exclusion deleted), and "X", "C" and "U" exclusions deleted.

4.1.2.4 The insurance required under this subparagraph shall include products and completed operations endorsement which shall be maintained for a term ending not sooner than the second (2nd) anniversary of completion of the Work.

4.1.3. Comprehensive Automobile Liability as follows:

4.1.3.1 Bodily Injury Liability in an amount not less than FIVE MILLION AND NO/100 DOLLARS (\$5,000,000.00) for injuries sustained by each person in any one accident and TWO MILLION AND NO/100 DOLLARS (\$2,000,000.00) for injuries sustained by two or more persons in any one accident; and

4.1.3.2 Property Damage Liability in an amount not less than FIVE MILLION AND NO/100 DOLLARS (\$5,000,000.00) for each accident; and

4.1.3.3 Above to include employer's owned, non-owned, leased and hired car coverage.

4.1.4. The above required Comprehensive General Liability Insurance Policy and Comprehensive Automobile Liability Policy shall each be written on an occurrence form and contain an omnibus clause providing that Architect, Lender and Owner are included as additional insureds. Any aggregate insurance limits shall be "per project"

4.2. Requirements of Insurers. The Contractor shall comply with all requirements of the insurers issuing the aforesaid policies. The carrying of any of the aforesaid insurance shall not be interpreted as relieving Contractor from any obligation hereunder.

4.3. Subcontractor Insurance. The Contractor shall require all subcontractors to obtain and maintain separate coverage in compliance with the provisions of subparagraphs 4.1.1, 4.1.2.1, 4.1.2.2 and 4.1.2.3 and 4.1.3, but with such reasonable limits as required by Contractor. Each of the aforesaid policies of Contractor and all subcontractors shall (i) be considered primary insurance without recourse to any other similar insurance; and (ii) include Owner, Architect and Lender as additional insureds as required above.

4.4. Tools and Equipment.

4.4.1. Owner shall not be responsible for, nor shall it insure, the property of Contractor, including, but not limited to, tools and equipment located at the Premises. The Contractor and its subcontractors shall be responsible for providing theft or other insurance to protect its interest in materials in transit or in storage off the Premises.

4.4.2. Contractor shall maintain Contractors Equipment Floater Insurance for owned or leased equipment under its care, custody and control as required for the performance of Contractor's duties. Such insurance shall be for the sole benefit of the Contractor.

4.5. Notice of Cancellation. All insurance obtained by Contractor as herein required shall contain a provision that coverages afforded under said policies shall not be cancelled or materially changed without at least sixty (60) calendar days' written notice to Owner, and shall be underwritten with responsible insurance carriers rated not less than a Best's rating of "A10" and otherwise satisfactory to Owner and licensed to do business in the state where the Premises is located.

4.6. Certificates. Certificates in the form of ACORD 27 and, if requested by Owner, the applicable policies evidencing the foregoing insurance, shall be presented to Owner prior to commencement of the Work.

4.7. Builder's Risk Insurance. Owner shall carry all-risk, builder's risk insurance covering the Work hereunder in an amount equal to full replacement value.

ARTICLE V
Termination

5.1. Termination by Owner. If Contractor shall become or file or have filed against it any petition asserting that it is bankrupt or insolvent or commits an act of bankruptcy, or shall make a general assignment for the benefit of creditors, or if a receiver shall be appointed on account of its insolvency (and any of the above is not dismissed within sixty (60) days after it occurs), or if it should refuse or should fail, except in cases for which an extension of time is provided, to supply enough properly skilled workmen or proper materials for the Work, or otherwise be guilty of a material violation of any provision of the Contract as determined by the certificate of the Architect, the Owner, without prejudice and reserving any other right or remedy the Owner may have, after giving

Contractor fifteen (15) days to cure by written notice, may terminate the employment of Contractor if such violation has not been cured or, if a cure has not been commenced and is being diligently pursued, and take possession of the Premises and of all materials, tools and appliances thereon and finish the Work in whatever manner the Owner may deem expedient. Notwithstanding any of the foregoing or any other provision of this Contract to the contrary, the liability of Contractor arising out of, or in connection with, a termination by the Owner pursuant to this Section 6.1 shall in no event exceed the amount of the cost of completing the Work, excluding any special, indirect or consequential costs or damages of any nature.

5.2. Termination by Contractor. If the Owner fails to make any payment or perform any obligation required to be paid or performed by Owner hereunder that is not in dispute, then Contractor may, if Owner does not cure such failure within fifteen (15) days after notice of same from Contractor, terminate this Contract and recover from the Owner payment for all sums payable or reimbursable (through the day that Contractor can reasonably stop the performance of the Work after such termination) under the provisions of this Contract not theretofore paid or reimbursed by Owner, including, without limitation, reasonable attorneys' fees and costs caused by such termination. In this event, Contractor, upon receipt and payment as aforesaid and upon release of any liability for acts, work or deliveries occurring thereafter, shall assign and transfer to the Owner all equipment supplies, materials, subcontracts and material purchase orders so that the Owner may, if it elects, continue with the construction of the building and performance of the Work. Without limitation of the foregoing, Owner shall in any event protect, defend, indemnify and hold Contractor harmless from and against all claims, damages, suits, judgments, actions, demands, losses and expenses, including, without limitation, reasonable attorneys' fees and all claims of subcontractors and material suppliers, which may arise out of any termination by Contractor pursuant to Section 6.2 of this Contract.

ARTICLE VI General Provisions

6.1. Assignment. This Construction Contract may not be assigned or encumbered by the Contractor. The Contractor shall be as fully responsible to the Owner for the acts, omissions, materials and workmanship of its subcontractors and their employees as for the acts, omissions, materials and workmanship of the Contractor. Nothing herein contained shall be deemed a waiver of any right of Contractor to enforce liability against a subcontractor of Contractor.

6.2. Notices. All written notices hereunder shall be deemed to be made properly if personally delivered or sent by a nationally-recognized overnight courier service or by registered or certified mail, return receipt requested, and addressed to the parties at the addresses heretofore set forth. The address may be changed by either party giving such notice. Notice shall be deemed received upon delivery or if delivery is refused upon attempted delivery. Copies of any notices hereunder shall be concurrently sent to Architect.

6.3. Entire Agreement. This Construction Contract constitutes the entire agreement between the Contractor and the Owner relating to the Work. Except as specifically provided herein, no modification, waiver, termination, rescission, discharge or cancellation of this Construction Contract or of any terms thereof shall be binding on the Owner unless in writing and executed by an officer or employee of the Owner specifically authorized to do so.

6.4. Waiver. No waiver, termination, discharge or cancellation of this Construction Contract or of any terms hereof or certificate, approval or payment made to the Contractor, or use or occupancy of the Work shall impair the Owner's rights with respect to any liabilities, whether or not liquidated, of the Contractor to the Owner.

6.5. Governing Laws. This Construction Contract shall be construed in accordance with the laws of the state where the Premises are located.

6.6. Saving Clause. If any term or provision of this Construction Contract shall be found to be illegal, unenforceable or in violation of the laws, statutes, ordinances or regulations of any public authority having jurisdiction thereof by a court of competent jurisdiction, then, notwithstanding such term or provision, this Construction Contract shall be and remain in full force and effect and such term shall be deemed stricken; provided, however, this Construction Contract shall be interpreted, when possible, so as to reflect the intentions of the parties as indicated by any such stricken term or provision.

6.7. Joint Effort. The preparation of this Construction Contract has been a joint effort of the parties hereto and the resulting documents shall not, solely as a matter of judicial construction, be construed more severely against one of the parties than the other.

6.8. Captions. The captions in this Agreement are for convenience only and shall have no bearing or effect upon the terms hereof.

6.9. Third-Party Beneficiary. It is understood and agreed that Pepsi-Cola General Bottlers, Inc. (hereinafter referred to as "Pepsi"), though not a direct party in interest under the terms of this Contract, shall be deemed to be and is a third party beneficiary of all of the Owner's rights hereunder and shall be entitled to any rights, benefits and privileges which run in favor of the Owner hereunder (subject to the terms hereof), including, without limitation, any warranties or obligations to correct defective work hereunder. Notwithstanding the above, there shall not be any direct contractual relationship between the Contractor and Pepsi or between Pepsi and any subcontractor under any subcontract, and Pepsi shall not be liable for any of the obligations of Owner hereunder. Contractor shall use reasonable efforts to provide in each subcontract a provision similar to the foregoing making Pepsi a third party beneficiary under such subcontracts, entitled to the rights, privileges and benefits which run in favor of the Contractor thereunder. Pepsi shall have the right to directly enforce the rights, benefits and privileges which run in favor of the Owner hereunder.

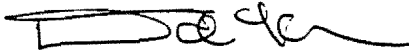
6.10. No Amendment. Sections 1.10, 1.18, 2.1.1, 4.1, 4.7, 6.1, 6.9 and 6.11 of this Contract shall not be amended, modified or supplemented without, in each instance, the prior written consent of Pepsi-Cola General Bottlers, Inc.

6.11. LIMITATIONS. NOTWITHSTANDING ANYTHING CONTAINED IN THIS CONTRACT TO THE CONTRARY AND REGARDLESS OF ANY LAW PERMITTING THE OWNER OR PEPSI ANY ADDITIONAL TIME TO FILE ANY ACTION, ANY ACTION BROUGHT BY OWNER OR BY PEPSI OR BOTH UNDER THIS CONTRACT OR RELATING TO THE WORK SHALL BE COMMENCED WITHIN FOUR (4) YEARS AFTER THE DATE OF COMPLETION OF THE WORK, AND THE FAILURE OF OWNER OR PEPSI TO BRING SUCH ACTION WITHIN SUCH FOUR (4) YEAR PERIOD SHALL BE DEEMED A WAIVER OF ANY RIGHT HEREUNDER OR AT LAW OR IN EQUITY OF OWNER OR PEPSI, AS APPLICABLE, TO BRING ANY ACTION OR CLAIM AGAINST CONTRACTOR. AFTER THE FIRST YEAR OF SUCH FOUR (4) YEAR PERIOD, OWNER OR PEPSI SHALL NOT INSTITUTE AN ACTION FOR BREACH OF SUCH WARRANTY UNLESS AND UNTIL THE AMOUNT OF ANY CLAIMS FOR ANY SUCH BREACH(ES) SHALL EXCEED FIFTY THOUSAND DOLLARS (\$50,000) IN THE AGGREGATE ("MINIMUM BUCKET THRESHOLD"); BUT PROVIDED FURTHER, HOWEVER, THAT IF SUCH MINIMUM BUCKET THRESHOLD SHALL BE EXCEEDED, SUCH PROVISION SHALL NOT BE DEEMED TO PREVENT THE PARTY INSTITUTING ANY SUCH AN ACTION FROM RECOVERING ANY AND ALL AMOUNTS THAT THEY MAY OTHERWISE BE ENTITLED TO, INCLUDING THE FIRST FIFTY THOUSAND DOLLARS (\$50,000) IN DAMAGES.

IN WITNESS WHEREOF, the parties hereto have caused this Construction Contract to be properly executed as of the day and year first above written.

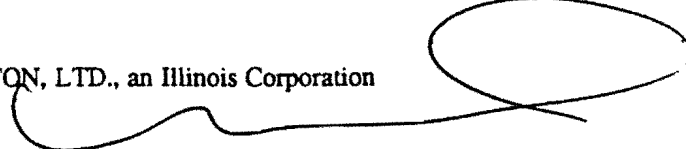
OWNER:

MIRACLE L.L.C., an Illinois limited liability company

By: 
Its: Manager

CONTRACTOR:

WOOTON, LTD., an Illinois Corporation


By: _____
Its: ~~Vice~~ President

EXHIBITS

- EXHIBIT "A" - Legal Description of Premises
- EXHIBIT "B" - Plans
- EXHIBIT "C" - Certificate of Completion

Exhibit A

Legal Description

PARCEL 1:

LOTS 1. THRU 13, BOTH INCLUSIVE, IN THE SUBDIVISION OF LOT 2 (EXCEPT THE SOUTH 144 FEET THEREOF) OF BLOCK 8 IN THE SUBDIVISION OF LOTS 31 AND 32 IN THE ASSESSOR'S DIVISION OF PART OF THE NORTH WEST QUARTER OF THE WEST HALF OF THE NORTH EAST QUARTER OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

THE NORTH ONE-THIRD OF THE SOUTH 144 FEET OF SUB BLOCK 2 OF BLOCK 8 IN THE SUBDIVISION OF LOTS 31 AND 32 IN THE ASSESSOR'S DIVISION OF THE NORTH WEST QUARTER AND THE WEST HALF OF THE NORTH EAST QUARTER OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

LOT 1 THRU 5, BOTH INCLUSIVE, JOSEPHINE P. ALLINS SUBDIVISION OF THE SOUTH 96 FEET OF LOT 2 IN BLOCK 8 IN SUBDIVISION OF LOTS 31 AND 32 IN ASSESSORS DIVISION OF THE NORTH WEST QUARTER AND THE WEST HALF OF THE NORTH EAST QUARTER OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, COOK COUNTY, ILLINOIS.

PARCEL 4:

THE WEST 140 FEET OF LOT 3 IN BLOCK 8 IN SUBDIVISION OF LOTS 31 AND 32 IN ASSESSORS DIVISION OF PART OF THE NORTH WEST QUARTER AND THE WEST HALF OF THE NORTH EAST QUARTER OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED JULY 16, 1957 AS DOCUMENT 89140 OF SAID SUBDIVISION OF LOTS 31 AND 32 RECORDED JUNE 26, 1879 AS DOCUMENT 227582 IN COOK COUNTY, ILLINOIS.

PARCEL 5:

ALL OF THE NORTH - SOUTH VACATED ALLEY LYING EAST OF AND ADJOINING PARCELS 1, 2, AND 3 AND LYING WEST OF AND ADJOINING LOT 1 IN BLOCK 8 OF PARCEL 7, AS FORESAID.

PARCEL 6:

ALL OF THE EAST-WEST VACATED ALLEY LYING SOUTH OF LOT 5 IN JOSEPHINE P. ALLINS SUBDIVISION AFORESAID AND NORTH OF THE WEST 140 FEET OF LOT 3 IN BLOCK 8 IN THE SUBDIVISION OF LOTS 31 AND 32 IN ASSESSORS DIVISION AFORESAID.

Legal Description (cont'd)

PARCEL 7:

LOT 1 AND THE EAST 123.7 FEET OF LOT 3 AND THE EAST 123.7 FEET OF THE EAST AND WEST VACATED ALLEY BETWEEN SAID LOTS 1 AND 3 IN BLOCK 8, AND ALL OF BLOCKS 9, 10, AND 11 AND VACATED LAFLIN, JASPER AND LOOMIS STREETS ADJOINING SAID BLOCKS 8, 9, 10, AND 11 IN THE SUBDIVISION FOR PURPOSES OF PARTITION OF LOTS 31 AND 32 OF ASSESSORS DIVISION OF PART OF THE NORTHWEST 1/4 AND THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 8:

LOTS 1 TO 19 BOTH INCLUSIVE, IN THE SUBDIVISION OF BLOCK 7 IN PARTITION OF LOTS 31 AND 32 IN ASSESSOR'S DIVISION OF THE NORTHWEST 1/4 AND THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

EXHIBIT "B"

PLANS

The "Plans" shall be the same as the "Final Plans" as defined in that certain Purchase and Sale Agreement by and between Miracle L.L.C., an Illinois limited liability company, as seller, and Pepsi-Cola General Bottlers, Inc., a Delaware corporation, as purchaser.

approved by Seller/Owner and Buyer, as evidenced by the _____
initials of each on every page thereof;

"Improvements" shall mean the building and other improvements to be constructed or renovated on the land commonly known as 1400 W. 35th Street, Chicago, Illinois and the southwest corner of Justine and 34th Street, Chicago, Illinois in accordance with the Final Plans.

"Laws" shall mean all federal, state, local or other laws, ordinances, statutes, codes, rules, regulations, permits, approvals, requirements, licenses and other binding determinations of any governmental authority or political subdivision or agency thereof having jurisdiction over the Project and including, without limitation, all such Laws relating to or concerning building and/or zoning and all such Laws relating to or concerning the environment, health and/or safety.

The undersigned Project Architect hereby certifies to Seller and Buyer that the Improvements are sufficiently complete ("Substantial Completion") in their entirety in accordance with the Final Plans and Laws so that (I) Buyer can occupy and utilize the entire Improvements and each part thereof for their intended use without interference from incomplete or improperly completed work and (II) only minor "punchlist" items remain to be completed and/or corrected. Project Architect makes this determination in the good faith exercise of its reasonable professional judgment. The date of Substantial Completion of the Project or portion thereof designated above is hereby established as _____.

A list of items to be completed or corrected along with itemized estimates of the costs to complete or correct each such item, prepared by Wooton, Ltd., an Illinois corporation ("General Contractor"), and verified and amended by the Project Architect in the good faith exercise of its reasonable professional judgment, is attached hereto. The failure to include any items on such list does not alter the responsibility of the General Contractor or Seller/Owner to complete the Improvements in accordance with the Final Plans, the contract between Buyer and Seller/Owner and the contract between Seller/Owner and General Contractor. The date of commencement of warranties for items on the attached list will be the date of final completion thereof.

PROJECT ARCHITECT

BY

DATE

The Seller/Owner and General Contractor will complete or correct the work on the list of items attached hereto within _____ days from the above date of Substantial Completion.

GENERAL CONTRACTOR BY DATE

SELLER/OWNER BY DATE

Buyer accepts the work or designated portion thereof as set forth above as substantially complete and will assume full possession thereof at _____ (time) on _____ (date).

BUYER BY DATE

EXHIBIT F

REQUISITION FORM

State of Illinois)
) SS
COUNTY OF COOK)

The affiant, _____, _____ of
Miracle L.L.C., an Illinois limited liability company (the
"Developer"), hereby certifies that with respect to that certain
Miracle L.L.C. Redevelopment Agreement between the Developer and
the City of Chicago dated _____, 2001 (the
"Agreement"):

A. All 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. The 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. The Developer 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 Redevelopment
Agreement are true and correct and the Developer 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 has the meanings given such terms in the Agreement.

MIRACLE L.L.C., an Illinois limited liability company

By: _____
Name
Title: _____

Subscribed and sworn before me this ___ day of _____
2001.

My commission expires: _____

Agreed and accepted:

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

EXHIBIT G

PERMITTED LIENS

1. Liens or encumbrances against the Property:

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

2. Liens or encumbrances against the Developer or the Project, other than liens against the Property, if any: those liens and encumbrances, if any, set forth in the results of UCC, tax lien and judgement searches regarding the Developer which have been delivered to the City.

EXHIBIT H

PROJECT BUDGET

[see attached]

(Sub)Exhibit "H"
 (To Redevelopment Agreement With Miracle L.L.C.)

Project Budget.

1400 W 35TH STREET PHASE I part of 111-99	BUDGET (rev 11/97)	Change Orders & Revisions	Adjusted Loan Budget	Expenditures Through Final Draw	9/29/98 SALE to Project	Post closing Activity thru 11/10/98	All Expenditures To Date	Anticip. Return of Hookbacks & Cost Savings	Anticipated Final Expenses	Projected Total Final Expenses
ACQUISITION AND REHAB COSTS										
Hookup Cost	\$4,650,000		\$4,650,000 *	4,650,000.00			4,650,000.00			4,650,000.00
Incline Land Parcel Cost	\$441,876		\$441,876 *	441,876.00			441,876.00			441,876.00
Environmental Clearing	\$,000,000	38,045	\$,338,045 *	38,045.00			38,045.00		300,000.00	338,045.00
Rehab Cost - Constr. Costs	\$9,650,000	1,218,681	\$10,868,681 *	8,571,502.00	3,568,187.00	(850,000.00)	11,289,689.00	(104,289.00)		11,185,400.00
Hookbacks re. TIF/RI R/Punchlist	\$0	0	\$0 *	0.00	217,300.00		217,300.00	(159,800.00)		57,500.00
Hard Cost Contingency	\$250,000	(18,045)	\$211,955 *	85,000.00			85,060.00	(51,390.00)		33,670.00
TOTAL ACQUISITION & REHAB COSTS	\$15,291,876	1,218,681	\$16,510,557 *	13,786,483.00	3,785,487.00	(850,000.00)	18,721,970.00	(317,479.00)	300,000.00	16,704,491.00
SOFT COSTS										
Centerpoint Loan Fees	\$69,750		\$69,750 *	69,750.00			69,750.00			69,750.00
Environmental Consultants	\$25,000		\$25,000 *	24,284.88			24,284.88			24,284.88
Earnest Money on Adjacent Site	\$53,477	(26,540)	\$26,937 *	26,936.24			26,936.24			26,936.24
Testing and Inspection	\$21,897		\$21,897 *	19,946.94			19,946.94			19,946.94
Legal fees	\$100,000		\$100,000 *	84,580.87			84,580.87		40,000.00	124,580.87
Lender's legal fees	\$12,035		\$12,035 *	12,034.85			12,034.85			12,034.85
TIF Consultant	\$14,010		\$14,010 *	14,010.16			14,010.16			14,010.16
Insurance - Builders Risk/Package	\$70,000		\$70,000 *	66,114.00			66,114.00			66,114.00
Title, survey, other closing costs	\$8,411		\$8,411 *	8,313.00	40,720.25		49,033.25			49,033.25
Permits and Fees	\$100,000	26,592	\$126,592 *	126,591.13			126,591.13			126,591.13
Pre-construction utilities	\$10,000		\$10,000 *	2,954.45			2,954.45			2,954.45
Commissions	\$1,252,500		\$1,252,500 *	122,500.00	1,019,338.86	51,761.14	1,195,600.00			1,195,600.00
Architect/Engineering Fees	\$234,972	153,302	\$388,274 *	388,273.48			388,273.48			388,273.48
Development Fee (3% rehab cost)	\$289,500		\$289,500 *	24,125.00		265,375.00	289,500.00			289,500.00
Real Estate Taxes	\$404,820		\$404,820 *	105,177.24	382,051.32		487,228.56	(4,500.00)		482,728.56
Soft Cost Contingency	\$294,746	(153,354)	\$141,392 *	38,858.79			38,858.79		12,000.00	50,858.79
Fee to Centerpoint	\$0		\$0 *	0.00	400,000.00		400,000.00			400,000.00
TOTAL SOFT COSTS	\$2,961,124	0	\$2,961,124 *	1,134,451.03	1,842,110.43	319,136.14	3,295,697.60	(4,500.00)	52,000.00	3,343,197.60
CARRY COSTS - Interest Exp	\$447,000		\$447,000 *	333,388.54	8,528.03		341,916.57			341,916.57
TOTAL PROJECT COSTS	\$18,700,000	1,218,681	\$19,918,681 *	15,254,322.57	5,636,125.46	(530,863.86)	20,359,584.17	(321,979.00)	352,000.00	20,389,605.17

EXHIBIT I

Approved Prior Expenditures

(Please see Exhibit H)

EXHIBIT J

OPINION OF DEVELOPER'S COUNSEL

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

_____, 2001

City of Chicago
121 North LaSalle Street
Chicago, IL 60602

ATTENTION: Corporation Counsel

Ladies and Gentlemen:

We have acted as counsel to Miracle L.L.C., an Illinois limited liability company (the "Developer"), in connection with the purchase of certain land and the construction of certain facilities thereon located in the 35th/Halsted 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) Miracle L.L.C. Redevelopment Agreement (the "Agreement") of even date herewith, executed by the Developer and the City of Chicago (the "City");
- (b) [insert other documents including but not limited to documents related to purchase and financing of the Property and all lender financing related to the Project]; and
- (c) all other agreements, instruments and documents executed in connection with the foregoing.

In addition to the foregoing, we have examined

- (a) the original or certified, conformed or photostatic copies of the Developer's (i) Articles of Organization, as amended to date, (ii) qualifications to do business and certificates of good standing in all states in which the Developer is qualified to do business, (iii) Operating

~~Agreement, as amended to date, and (iv) records of all Developer proceedings relating to the Project; and~~

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

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

Based on the foregoing, it is our opinion that:

1. The Developer is a limited liability company duly organized, validly existing and in good standing under the laws of its state of 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 entity under the laws of every state in which the conduct of its affairs or the ownership of its assets requires such qualification, except for those states in which its failure to qualify to do business would not have a material adverse effect on it or its business.

2. The Developer has full right, power and authority to execute and deliver the Documents to which it is a party and to perform its obligations thereunder. Such execution, delivery and performance will not conflict with, or result in a breach of, the Developer's Articles of Organization or Operating Agreement or result in a breach or other violation of any of the terms, conditions or provisions of any law or regulation, order, writ, injunction or decree of any court, government or regulatory authority, or, to the best of our knowledge after diligent inquiry, any of the terms, conditions or provisions of any agreement, instrument or document to which the Developer is a party or by which the Developer or its properties is bound. To the best of our knowledge after diligent inquiry, such execution, delivery and performance will not constitute grounds for acceleration of the maturity of any agreement, indenture, undertaking or other instrument to which the Developer is a party or by which it or any of its property may be bound, or result in

~~the creation or imposition of (or the obligation to create or impose) any lien, charge or encumbrance on, or security interest in, any of its property pursuant to the provisions of any of the foregoing, other than in favor of [Lender].~~

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

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

5. Exhibit A attached hereto (a) identifies each class of membership interests of the Developer, (b) sets forth the number of issued and authorized interests of each such class, and (c) identifies the record owners of shares of each class of membership interests of the Developer and the number of interests 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 membership interests of the Developer. Each outstanding share of the interest of the membership interests is duly authorized, validly issued, fully paid and nonassessable.

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

instrumentality, a default under which would have a material adverse effect on the Developer or its business.

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

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

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

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

11. A federal or state court sitting in the State of Illinois and applying the choice of law provisions of the State of Illinois would enforce the choice of law contained in the Documents and apply the law of the State of Illinois to the transactions evidenced thereby.

We are attorneys admitted to practice in the State of Illinois and we express no opinion as to any laws other than federal laws of the United States of America and the laws of the State of Illinois.

This opinion is issued at the Developer's request for the benefit of the City and its counsel.

Very truly yours,

By: _____

Name: _____

35TH AND HALSTEAD TIF

PEPSI FACILITY-MIRACLE-LLC (35TH and HALSTED TIF)

EXHIBIT K

YEAR	MINIMUM ASSESSED VALUE	ESTIMATED MULTIPLIER	MINIMUM EQUALIZED ASS. VALUE	BASE EAV	TAX RATE	TAXES PAID	INCREMENTAL TAXES REC'D.
1999	\$1,354,416	2.1489	\$2,910,505	\$2,872,498	8.843%	\$254,015	\$3,361
2000	\$1,437,317	2.1489	\$3,088,651	\$2,872,498	8.843%	\$257,376	\$3,361
2001	\$1,437,317	2.1489	\$3,088,651	\$2,872,498	8.843%	\$273,129	\$19,114
2002	\$1,437,317	2.1489	\$3,088,651	\$2,872,498	8.843%	\$273,129	\$19,114
2003	\$1,525,292	2.1489	\$3,277,701	\$2,872,498	8.843%	\$273,129	\$19,114
2004	\$1,525,292	2.1489	\$3,277,701	\$2,872,498	8.843%	\$289,847	\$35,832
2005	\$1,525,292	2.1489	\$3,277,701	\$2,872,498	8.843%	\$289,847	\$35,832
2006	\$1,618,652	2.1489	\$3,478,322	\$2,872,498	8.843%	\$289,847	\$35,832
2007	\$2,200,595	2.1489	\$4,728,859	\$2,872,498	8.843%	\$307,588	\$53,573
2008	\$2,870,342	2.1489	\$6,168,077	\$2,872,498	8.843%	\$418,173	\$164,158
2009	\$3,655,235	2.1489	\$7,854,735	\$2,872,498	8.843%	\$545,443	\$291,428
2010	\$3,655,235	2.1489	\$7,854,735	\$2,872,498	8.843%	\$694,594	\$440,579
2011	\$3,655,235	2.1489	\$7,854,735	\$2,872,498	8.843%	\$694,594	\$440,579
2012	\$3,878,965	2.1489	\$8,335,508	\$2,872,498	8.843%	\$694,594	\$440,579
2013	\$3,878,965	2.1489	\$8,335,508	\$2,872,498	8.843%	\$737,109	\$483,094
2014	\$3,878,965	2.1489	\$8,335,508	\$2,872,498	8.843%	\$737,109	\$483,094
2015	\$4,116,389	2.1489	\$8,845,707	\$2,872,498	8.843%	\$737,109	\$483,094
2016	\$4,116,389	2.1489	\$8,845,707	\$2,872,498	8.843%	\$782,226	\$528,211
2017	\$4,116,389	2.1489	\$8,845,707	\$2,872,498	8.843%	\$782,226	\$528,211
2018	\$4,368,345	2.1489	\$9,387,136	\$2,872,498	8.843%	\$782,226	\$528,211
2019	\$4,368,345	2.1489	\$9,387,136	\$2,872,498	8.843%	\$830,104	\$576,089
2020	\$4,368,345	2.1489	\$9,387,136	\$2,872,498	8.843%	\$830,104	\$573,170

NPV@9%=
\$1,600,000

\$6,185,632

(use this) *



City of Chicago
RICHARD M. DALEY, MAYOR

From the desk of

M. Susan Lopez
Chief Assistant Corporation Counsel
Department of Law

February 13, 2004

TO: JoAnn Worthy
Department of Planning and Development
City Hall Room 1101

Per Susan's request, attached is the Miracle, LLC Redevelopment Agreement as you requested.

Forwarded by Dionisia Leal
312.744.8410

Attachment