

U.S. Equities Realty

December 4, 2012

VIA FACSIMILE AND U.S. MAIL

City of Chicago
Andrew J. Mooney, Commissioner
Department of Housing and Economic Development
121 North LaSalle Street
Chicago, IL 60602

City of Chicago
Department of Law
Finance and Economic Development Division
121 North LaSalle Street
Chicago, IL 60602

RE: Stony Island Plaza (BPD #485)
95th and Stony Island
Developer Note Payments

Dear Commissioner Mooney:

We are requesting that the City make the normal annual bond payments per the Developer Notes of the Redevelopment Agreement due December 1, 2012 for the 95th & Stony Island Avenue Project. The total amount due is \$817,500. This request will constitute the final request as with this payment the bonds will be retired.

Location Background

Stony Island Plaza, located at 1655 East 95th Street in Chicago, Illinois, is a one (1) story retail center situated in the heart of Stony Island. Each day, approximately 44,000 autos pass by the property along Stony Island Avenue and approximately 27,700 autos pass by the center on 95th Street. The property is set in a densely populated urban community consisting of approximately 240,000 people in 86,000 households within a 3-mile radius. According to several references, "at about 92nd Street, Stony Island passes to the west of the geographical feature for which it was named, a stony hill that was once an island when the glacial Lake Chicago covered the area thousands of years ago. Early pioneers gave this hill called this area Stony Island because at a distance it looked like an island inset in a tractless prairie sea".

Stony Island Plaza is a very unique retail center. It is comprised of several buildings which were developed in stages but maintain the same aesthetic appeal. The center's design includes vast parkways with suburban type lawns, landscaping and parking areas. This property has little

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direct competition within a few block radius due to the limited opportunity to develop land in the area surrounding the center. Stony Island Plaza is a source of pride for the community and serves as a "town center".

Property Summary

This striking property consists of approximately 172,665 square feet of retail space, with its largest tenant, Jewel, occupying 40.54% of the center. One amenity of the shopping center is its abundance of surface parking. The parking lot offers ample spaces which allows the tenants to provide a convenience to their customers. Another unique feature of Stony Island Plaza is the variety of its tenant base. The tenant roster is comprised of well-known national and regional credit tenants include Marshall's, KFC, Bank of America, Dots, Ashley Stewart, Footlocker and H&R Block. In 2012, a lease was negotiated with Planet Fitness Health Club for 10,010 square feet. This tenant will attract additional visitors to the center. Due to the variety of tenants at the Plaza, many shopping necessities are offered to the community. This availability of quality retailers positions Stony Island Plaza beyond its competitors and other retail centers.

Occupancy Summary

Stony Island Plaza consists of twenty-two tenants. The property is projected to be 100% leased at year-end 2012. In 2012, six (6) leasing transactions were negotiated for a total of 50,725 square feet. This represented 29.38% of the center. As a result of the implementation of the 2012 program, the property achieved 100% leased and occupied status. The 2013 Budget program projects the leasing of 3,390 square feet through the renewal of two (2) tenants. The 2013 leasing plan represents the leasing of 1.96% of the square footage of the property. The extension of U.S. Cellular is proposed to renew in February, 2013 for a three (3) year term for 1,190 square feet. The H & R Block lease which totals 2,000 square feet is projected to be renewed for a five (5) year term in May, 2013. Upon application of the 2013 leasing plan, the property will be 100% leased and occupied.

The Stony Island Plaza team works diligently to maintain the unique characteristic and look of Stony Island. In addition, the team strives to provide excellence in service to its tenants. A tenant plan is attached as Attachment #1.

Job Creation

Section 8.06 of the 1998 95th and Stony Island Redevelopment Agreement puts forward the Job Creation and Retention and Covenant to Remain in the City. Section 8.06 describes the required tenant use and mix deemed appropriate for the Plaza. Our management and leasing team has continued to lease the Plaza to vibrant and successful companies that comply with the Redevelopment Agreement.

In today's difficult job market, Stony Island Plaza continues to maintain substantially more than the required number of full and part time jobs as identified in Section 8.06 of the 1998 Redevelopment Agreement. Currently the tenants of the Plaza employ 450 full and part time employees. This exceeds the requirement of 324 permanent jobs as well as the additional best effort request to maintain an additional 75 jobs. This property is a great asset to the community in terms of generating local jobs. The summary calculation is attached as Attachment #2.

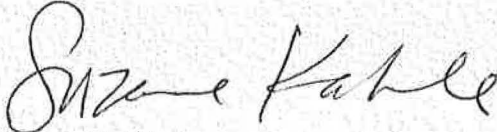
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We thus respectfully request the City to fund the payments due on the Developer Notes.

Thank you for your consideration throughout the life of this agreement. We are very proud of the accomplishments at Stony Island Plaza and the part the City has played in supporting this project. Please feel free to call me anytime at 312-456-7017 if you have any questions or concerns.

Sincerely,

U.S. EQUITIES REALTY, LLC

A handwritten signature in cursive script that reads "Suzanne Kahle".

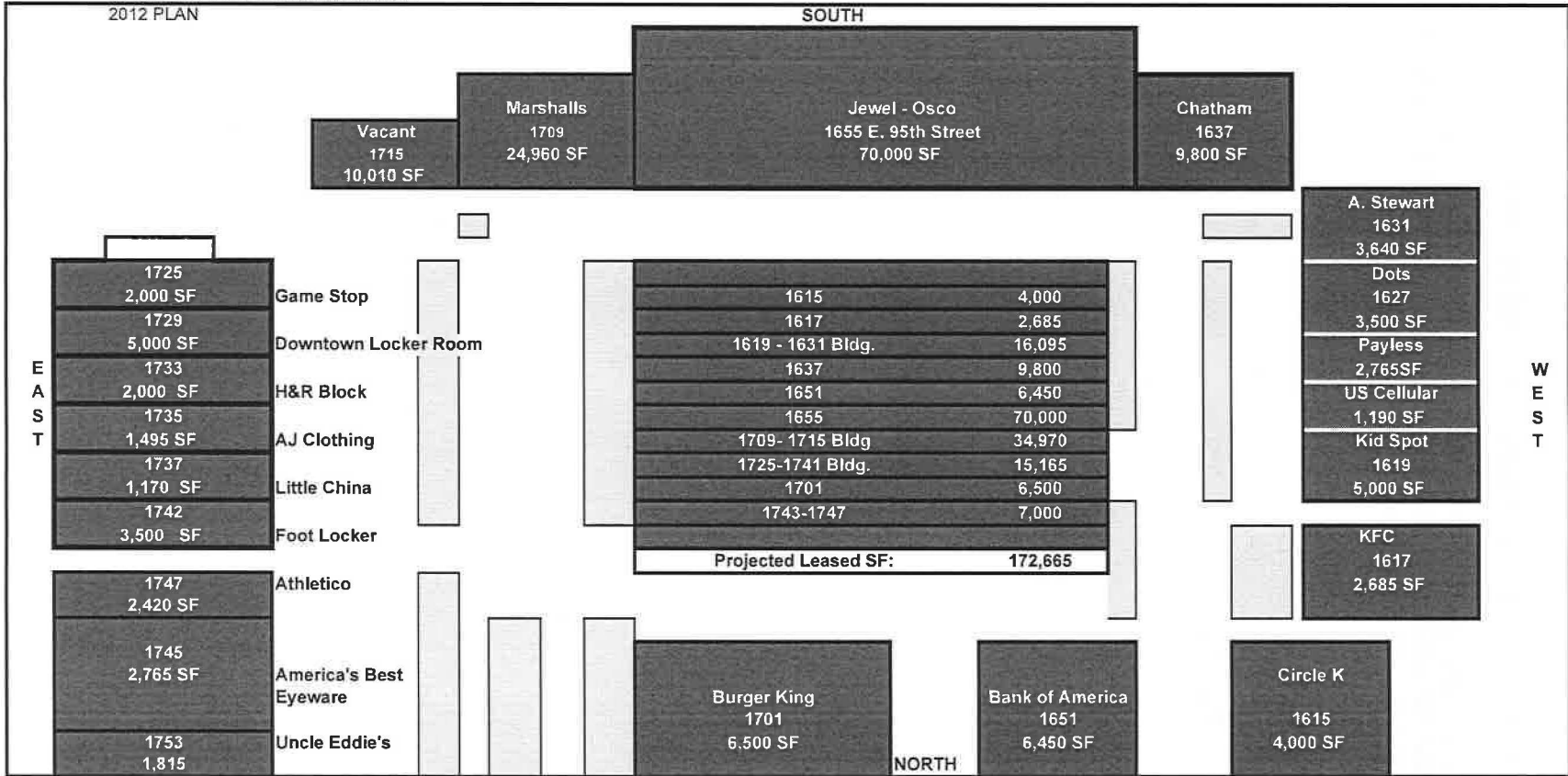
Suzanne Kahle
Vice President

cc: Alderman Sandi Jackson
Beth McGuire, DPD
Bob Wislow, USER
Michael Brim, USER

STONY ISLAND PLAZA, CHICAGO, IL

2012 PLAN

SOUTH



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NORTH

Company Name	CO. Address	2012	
		Full Time	Part Time
2012 Employment Data			
A. J. Wright/Marshalls	1709 E 95th St	9	34
AJ Clothing	1735 E. 95th St	2	0
America's Best Eyeware	1745 E 95th St	7	1
Ashley Stewart	1631 E 95th St	1	7
Burger King	1701 E 95th St	4	9
Chatham Beauty Supply	1637 E 95th St	0	0
Chatham Nail Salon	1637 E 95th St	8	9
DOTS	1627 E 95th St	2	4
Downtown Locker Room	1729 E 95th St	1	5
Foot Locker	1742 E 95th St	0	7
Game Stop	1725 E 95th St	3	5
H&R Block	1733 E 95th St	0	9
Int't Detectives	11446 S. Halsted	0	0
Jewel/Osco	1655 E. 95Th St	31	135
Osco	1655 E. 95th St	0	77
Circle K	1615 E. 95th St.	6	0
KFC	1617 E 95th St	10	8
Bank of America	1651 E 95th St.	0	0
Little China Rest.	1737 E 95th St	0	3
Payless Store	1625 E 95th St	1	4
Rainbow	1619 E 95th St	3	3
Vacant	1715 E 95th St	0	0
Uncle Eddies	1753 E 95th St.	1	5
U. S. Cellular	1623 E 95th St	9	4
Vendor: ASAP Maintenance		0	3
Vendor - Levy Security		7	0
Vendor: US Equities - property mgmt.		4	0
Vendor: Trimlawn.		2	3
Vendor - Vernon Winstead		0	4
Total		111	339
		450	

