

APPROVAL OF REDEVELOPMENT AGREEMENT WITH ELI'S
CHICAGO'S FINEST, INC. FOR ACQUISITION OF
PROPERTY WITHIN CHICAGO READ-
DUNNING REDEVELOPMENT
PROJECT AREA.

The Committee on Finance submitted the following report:

CHICAGO, February 8, 1995.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance authorizing the approval of a redevelopment agreement with Eli's Chicago's Finest, Inc. for the Chicago Read-Dunning Redevelopment Project Area, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

On motion of Alderman Burke, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Mazola, Haithcock, Tillman, Preckwinkle, Bloom, Steele, Beavers, Dixon, Shaw, Buchanan, Huels, Fary, Olivo, Burke, Jones, Murphy, Rugai, Evans, Munoz, Laski, Miller, Medrano, Ocasio, E. Smith, Burrell, Bialczak, Suarez, Mell, Austin, Wojcik, Banks, Giles, Allen, Laurino, O'Connor, Doherty, Natarus, Bernardini, Hansen, Levar, Schulter, M. Smith, Moore -- 43.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The City of Chicago (the "City") is a duly constituted and existing municipality within the meaning of Section 1, Article VII of the 1970 Constitution of the State of Illinois and as such may legislate matters which pertain to its local governmental affairs; and

WHEREAS, The City Council of the City, in order to induce redevelopment pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, et seq. (the "Act") adopted the following ordinances on January 11, 1991: (1) An Ordinance of the City of Chicago, Chicago, Illinois Approving a Tax Increment Redevelopment Plan and Redevelopment Project for the Chicago Read-Dunning Redevelopment Project Area; (2) An Ordinance of the City of Chicago, Chicago, Illinois Designating the Chicago Read-Dunning Redevelopment Project Area of said City as a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act; (3) An Ordinance of the City of Chicago, Chicago, Illinois Adopting Tax Increment Financing for the Chicago Read-Dunning Redevelopment Project Area (the foregoing ordinances are collectively referred to herein as the "T.I.F. Ordinances"); and

WHEREAS, On December 13, 1994, the Community Development Commission of the City (the "Commission") authorized the City's Department of Planning and Development ("D.P.D.") to publish notice pursuant to Section 5/11-74.4-1(c) of the Act of its intention to negotiate a redevelopment agreement with Eli's Chicago's Finest, Inc. ("Eli's") for the redevelopment of a portion of the Chicago Read-Dunning Redevelopment Project Area, which portion (the "Property") is identified in Exhibit B to the Redevelopment Agreement ("Agreement") attached hereto, to request alternative proposals for redevelopment of the Property, and to negotiate a redevelopment agreement with Eli's in the event that D.P.D. did not receive alternative responsive proposals within fourteen (14) days after publication of the notice for alternative proposals; and

WHEREAS, D.P.D. published the requisite notice, requested alternative proposals for the redevelopment of the Property and provided reasonable opportunity for other persons to submit alternative bids or proposals, and D.P.D. did not receive alternative responsive proposals in the specified time frame with respect to the redevelopment of the Property; and

WHEREAS, Pursuant to the Commissioner's December 13, 1994, resolution, since no other responsive proposals were received by D.P.D. for the redevelopment of the Property within fourteen (14) days after such publication, the Commission recommended that Eli's be designated as the developer for the Property and that D.P.D. be authorized to negotiate, execute and deliver on behalf of the City a redevelopment agreement with Eli's for the redevelopment of the Property; and

WHEREAS, Eli's desires to acquire the Property and construct a facility ("Facility") thereon; and

WHEREAS, Subject to the terms of the Agreement, the City intends to use a portion of the proceeds of its General Obligation Fund Bonds, Project Series B of 1992 (the "Bonds"), issued pursuant to an ordinance adopted by the City Council on July 7, 1992 (the "Bond Ordinance"), in an amount not to exceed the lesser of \$1,300,000 or twenty percent (20%) of the project budget as provided in Section 4.03(a) of the Agreement, to provide for the acquisition of the Property and certain activities relating to site preparation for the construction of the Facility; and

WHEREAS, The City and Eli's intend to enter into the Agreement attached hereto with respect to the development of the Property; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The above recitals are incorporated by reference as if fully set forth herein.

SECTION 2. Eli's is hereby designated as the developer for the Property.

SECTION 3. The Agreement, in substantially the form presented to this meeting, is hereby approved. The Commissioner of the Department of Planning and Development (the "Commissioner"), with the approval of the Corporation Counsel as to form and legality, is hereby authorized to execute and deliver the Agreement substantially in the form attached hereto. The Commissioner is authorized with the approval of the Corporation Counsel to make such changes to the Agreement consistent with the purposes and intent of this ordinance.

SECTION 4. The Mayor and the Commissioner, on behalf of the City, shall be, and each of them hereby is, authorized and directed to do any and all things necessary to effect the performance of all obligations of the City under this ordinance, including but not limited to entering into any other agreement, executing any document, or taking any action which meets the conditions of the Agreement or which is deemed necessary or appropriate by the Mayor or the Commissioner to effectuate the purposes of the Agreement, provided that any City funds committed by any such agreement shall not exceed the amount of City funds provided in the Agreement.

SECTION 5. The City's fee with respect to this project, which shall be paid from incremental taxes as defined in the Agreement, is an amount not to exceed \$60,000. Such fee shall be used by the City to pay or reimburse itself for expenses related to the administration of the project that is the subject matter of the Agreement.

SECTION 6. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code of Chicago, or part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall

control. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this ordinance.

SECTION 7. This ordinance shall be effective as of the date of its passage.

Redevelopment Agreement referred to in this ordinance reads as follows:

Redevelopment Agreement

Between

The City Of Chicago

And

Eli's Chicago's Finest, Inc.

This Redevelopment Agreement (this "Agreement") is made as of this _____ day of _____, 1995, by and between the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Planning and Development ("D.P.D."), and Eli's Chicago's Finest, Inc., an Illinois corporation (the "Developer").

Recitals.

A. Constitutional Authority: As a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois (the "State"), the City has the authority to promote the health, safety and welfare of the City's inhabitants, 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. (1992 State Bar Edition) (the "Act") to finance the redevelopment of blighted areas.

C. City Council Authority: To induce redevelopment pursuant to the Act, the City Council of the City (the "City Council") adopted the following

ordinances on January 11, 1991: (1) "An Ordinance of the City of Chicago, Illinois, Approving the Tax Increment Redevelopment Plan and Redevelopment Project for the Chicago Read-Dunning Redevelopment Project Area"; (2) "An Ordinance of the City of Chicago, Illinois, Designating the Chicago Read-Dunning 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 Chicago Read-Dunning Redevelopment Project Area" (the "T.I.F. Adoption Ordinance"), (collectively referred to herein as the "T.I.F. Ordinances"). The redevelopment project area (the "Redevelopment Area") is legally described in Exhibit A hereto.

D. The Project: The Developer has, subject to the terms of that certain Real Estate Sales Contract ("Sales Contract") attached hereto as Exhibit E and entered into between the Developer and Chicago Read Joint Venture L.P., agreed to acquire certain property located within the Redevelopment Area at Forest Preserve Drive and West Montrose Avenue, Chicago, Illinois and legally described on Exhibit B hereto (the "Property"). Upon making the acquisition of the Property (the "Acquisition"), the Developer shall, within the time frames set forth in Section 3.01 hereof, commence construction on the Property of a not less than 55,000 square foot warehouse/industrial/distribution building, including ancillary improvements related thereto (e.g. sidewalks, loading docks, parking areas) (the "Facility"). The Acquisition, site preparation for the Facility and the construction of such Facility and related improvements, including but not limited to those T.I.F.-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 Read-Dunning Redevelopment Area Tax Increment Financing Program Redevelopment Plan (the "Redevelopment Plan") attached hereto as Exhibit D.

F. The City Financing: The Developer is the first end-user that has been identified by the City and Chicago Read Joint Venture, L.P., for the portion of the Redevelopment Area known as the Industrial Property ("Industrial Property"). For that reason, in order to provide for redevelopment to occur in the Industrial Property on an expedited basis, the City has agreed, subject to the terms of this Agreement, to use, in an amount not to exceed the lesser of (i) \$1,300,000 and (ii) twenty percent (20%) of the Project Budget as amended during the construction of the Project pursuant to Section 3.04 hereof, a portion of the proceeds ("G.O. Bond Proceeds") of its General Obligation Fund Bonds, Project Series B of 1992 (the "G.O. Bonds") to pay for or reimburse the Developer for the T.I.F.-Funded Improvements pursuant to the terms and conditions of this Agreement. However, in light of the City's interest in providing such funding in order to provide for timely

redevelopment of the Industrial Property, it is understood between the City and the Developer that the City's financing obligation is contingent upon the Developer's adherence to the timetable set forth in this Agreement for acquiring the Property and for commencing and completing construction of the Facility.

In addition, the City may, in its discretion, issue tax increment allocation bonds ("T.I.F. Bonds") secured by Incremental Taxes (as defined below) pursuant to a T.I.F. bond ordinance (the "T.I.F. Bond Ordinance"), at a later date, the proceeds of which (the "T.I.F. Bond Proceeds") may be used to reimburse the City for the costs of T.I.F.-Funded Improvements.

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

Section 1.

Recitals.

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:

"Acquisition Date" shall mean the date on which the Developer acquires the Property from Chicago Read Joint Venture pursuant to the terms of the Sales Contract.

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

"Certificate" shall mean the Certificate of Completion described in Section 7 hereof.

"City Fee" shall mean the fee described in Section 4.05(a) hereof.

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

"Change Order" shall mean any amendment or modification to the Scope Drawings, Plans and Specifications or the Project Budget as described in Section 3.03, Section 3.04 and Section 3.06.

"Chicago Read-Dunning Redevelopment Project Area T.I.F.-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.

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

"Construction Contract" shall mean that certain contract, to be entered into between the Developer and the General Contractor providing for construction of the Project.

"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 the Resource Conservation and Recovery Act, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, any so-called "Superfund" or "Superlien" law, the Toxic Substances Control Act, or any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree now or hereafter in force regulating, relating to or imposing liability or standards of conduct concerning any Hazardous Material, as now or at any time hereafter in effect.

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

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

"Escrow Agreement" shall mean the Escrow Agreement establishing a construction escrow, to be entered into as of the date hereof by the City, the Title Company and the Developer, substantially in the form of Exhibit F attached hereto, with such changes (that are reasonably approved by the City and the Developer) as may be reasonably required by the Escrow Agent and the private lenders for the Lender Financing.

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

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

"First Construction Disbursement" shall mean the first disbursement from the Escrow subsequent to the Closing Date related to construction or development costs.

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

"Hazardous Materials" shall mean (i) "hazardous substances" as defined by the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §9601, et seq.; the Environmental Protection Act, 415 ILCS 5/1, et seq. (1992); (ii) "hazardous wastes", as defined by the Resource Conservation and Recovery Act, 42 U.S.C. §6902, et seq.; (iii) any pollutant or contaminant or hazardous, dangerous or toxic chemicals, materials, or substances within the meaning of any other applicable federal, state or local law, regulation, ordinance, or requirement (including consent decrees and administrative orders) relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, all as amended or hereafter amended; (iv) more than one hundred (100) gallons of crude oil or any fraction thereof which is liquid at standard conditions of temperature and pressure of (60 degrees Fahrenheit and 14.7 pounds per square inch absolute); (v) any radioactive material, including any source, special nuclear or by-product material as defined at 42 U.S.C. §2011, et seq., as amended or hereafter amended; and (vi) asbestos in any form or conditions.

"Incremental Taxes" shall mean such ad valorem taxes which, pursuant to the T.I.F. Adoption Ordinance and Section 5/11-74.4-8 (b) of the Act as amended from time to time, are allocated to and when collected are paid to the Treasurer of the City of Chicago for deposit by the Treasurer into a special tax allocation fund established to pay redevelopment project costs and obligations incurred in the payment thereof.

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

"M.B.E.(s)" or minority-owned business 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 business enterprise.

"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 Developer, the Property and/or the Project set forth on Exhibit G hereto.

"Plans and Specifications" shall mean final construction documents containing a site plan and working drawings and specifications for the Project.

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

"Redevelopment Project Costs" shall mean redevelopment project costs as defined in Section 5/11-74.4-3 (q) of the Act, as amended from time to time.

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

"Survey" shall mean a plat of survey of the Property meeting joint ALTA/ACSM requirements (as more particularly set forth in Section 5 of the Sales Contract) dated within forty-five (45) days prior to the Acquisition Date, acceptable in form and content to the City and the Title Company, prepared by a surveyor registered in the State, 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 Department of Housing and Urban Development (and updates thereof to reflect improvements to the Property in connection with the construction of the Facility and related improvements as required by the City or lender(s) providing Lender Financing).

"Term of the Agreement" shall mean the latter of: (a) the date on which any and all T.I.F. Bonds, if any, evidencing tax increment financing under the Act secured in whole or in part by Incremental Taxes generated by the Project shall be redeemed; or (b) the date on which City shall have been fully reimbursed from Incremental Taxes generated by this Project for amounts expended by the City for the T.I.F.-Funded Improvements; provided, however, that such term shall in no event be longer than the period for which the Redevelopment Area is in effect (through and including January 11, 2014).

"T.I.F.-Funded Improvements" shall mean those improvements of the Project which (i) qualify as Redevelopment Project Costs, and (ii) the City has agreed to pay for out of the City Funds, subject to the terms of this Agreement.

"Title Company" shall mean Chicago Title Insurance Company.

"Title Policy" shall mean a title insurance policy in the most recently revised ALTA or equivalent form, showing the Developer as the insured, issued by the Title Company.

"W.B.E.(s)" or women-owned business means a business enterprise 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 Schedule.

a. The Developer acknowledges that it has submitted a schedule for commencement and completion of the Project to the City ("Schedule") and that the City has materially relied on the Schedule in connection with the City's undertakings specified herein. Pursuant to the Schedule, the Acquisition Date shall be on or prior to April 1, 1995 (unless extended pursuant to the terms of Sections 12(A) and/or 12(B) of the Sales Contract), and the Developer shall commence construction no later than thirty (30) days after the Acquisition Date and shall use its best efforts to complete construction no later than twelve months after the commencement of construction. The Developer acknowledges that, if the Acquisition Date is extended pursuant to Sections 12(A) and/or 12(B) of the Sales Contract, the Developer must nonetheless adhere to the timetable set forth in Section 5 of this Agreement for the fulfillment of the conditions precedent (including the performance of the Benchmark Activities on the schedule in Section 3.05), commence construction no later than thirty (30) days after the Acquisition Date, and use its best efforts to complete construction no later than twelve (12) months after the commencement of construction.

b. Notwithstanding the foregoing Section 3.01(a), the City and the Developer recognize that the Schedule may be extended for the reasons set forth in this Section 3.01(b). The Schedule may be extended for Force Majeure Delays, as that term is defined, and for the other reasons set forth, in Section 21.A of the Sales Contract. The Schedule may also be extended to the extent that the Developer is able to demonstrate to the reasonable satisfaction of the Commissioner of D.P.D. (the "Commissioner") that it is unable to perform its obligations pursuant to the Schedule due to certain extraordinary events, which for the purposes hereof shall mean a material adverse shift in the financial markets that would result in an unacceptable

increase cost to the Project (and shall include a material increase in interest rates above those rates in effect at the Closing Date) or a material adverse change in the financial condition of the Developer, that is (i) outside the control of the Developer, (ii) cannot be avoided by the exercise of due care, and (iii) have a direct and material impact on Developer's ability to adhere to the Schedule. The Developer's failure to perform its obligations hereunder pursuant to the Schedule on account of such extraordinary events shall not constitute an "event of default" pursuant to Section 15 hereunder, provided that the Developer continues to take reasonable actions to perform its obligations pursuant to the Schedule.

3.02 D.P.D. Approval Of Scope Drawings And Plans And Specifications.

(a) Preliminary Approval. The Scope Drawings and Plans and Specifications shall conform to the Redevelopment Plan as amended from time to time and all applicable state and local laws, ordinances and regulations. As provided in Section 3.05 below, and by the times provided for in the Schedule, within thirty (30) days after the Closing Date, the Developer shall deliver the Scope Drawings and Plans and Specifications to D.P.D. for its review and written approval, which approval shall not be unreasonably withheld or delayed. Developer shall simultaneously submit all such 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.

(b) Revisions. In the event D.P.D. rejects all or any portion of the Scope Drawings and/or Plans and Specifications as initially presented pursuant to Section 3.02(a), D.P.D. shall provide the Developer with written notice specifying its reasons for rejecting them. The Developer shall have fifteen (15) business days from the date Developer is notified of such rejection to submit revised or corrected documents to D.P.D. for D.P.D.'s written approval. After the initial approval, subsequent proposed changes shall be submitted to D.P.D. as a Change Order pursuant to Section 3.04 hereof.

3.03 Project Budget.

The Developer has furnished to D.P.D., and D.P.D. has approved, a cost analysis, dated as the date hereof, showing total costs for the Project in the amount of Five Million Five Hundred and Three Thousand One Hundred and Seventy-nine Dollars (\$5,503,179) ("Project Budget"). The Developer hereby certifies to the City that a) the Project Budget covers all categories of work agreed to be undertaken by the Developer under this Agreement, and b) the Project Budget is the Developer's best estimate of the costs included therein for such work as of the date of this Agreement, and c) as of the date

hereof, the City Funds, together with the Lender Financing and Equity described in Sections 4.01 and 4.02 hereof, shall be sufficient to complete the Project. Prior to the disbursement from time to time of City Funds, the Developer shall certify that the Project Budget remains true and correct as to the matters covered therein or submit any Change Orders with respect to the Project Budget for approval pursuant to Section 3.04 hereof. The Developer shall have the continuing obligation to demonstrate to the City, to the City's reasonable satisfaction, that the Project Budget remains in balance and that the City Funds, together with the Equity and Lender Financing, shall be sufficient to complete the Project.

3.04 Change Orders.

(a) Approval Required. Except as provided below in Section 3.04(b) and Section 4.05(b), all Change Orders (and documentation substantiating the need and identifying the source of funding therefor) must be submitted by Developer to D.P.D. for D.P.D.'s prior written approval (which approval shall not be unreasonably withheld or delayed), which shall respond to each Change Order within ten (10) business days. Developer shall not authorize or permit the performance of any work relating to such Change Order or the furnishing of materials in connection therewith prior to the receipt by Developer of D.P.D.'s written approval, except in the case of emergencies having a substantial impact on the progress of the Project; provided, however, that the Developer shall advise D.P.D. of the nature of the emergency and the work performed pursuant to such Change Order as soon as possible thereafter and in no event will any such emergency permit the Developer to decrease the size of the Facility or reduce the Project Budget without obtaining D.P.D.'s prior written approval. The Construction Contract, and each contract between the General Contractor and any subcontractor, shall contain a provision to the effect of this Section 3.04. An approved Change Order shall not be deemed to imply any obligation on the part of the City to increase the amount of City Funds which the City has pledged pursuant to this Agreement or provide any other additional assistance to the Developer.

(b) No Approval Required. Change Orders and/or any transfer or reallocation of costs or expenses from one line item of the Project Budget to another, where such Change Order and/or reallocation costs less than Twenty-five Thousand and no/100 Dollars (\$25,000.00) each, to an aggregate amount of Two Hundred Thousand and no/100 Dollars (\$200,000.00), shall not require D.P.D.'s prior written approval, but D.P.D. shall be notified in writing of all such Change Orders and reallocations prior to the implementation thereof and Developer, in connection with such notice, shall identify to D.P.D. the source of funding therefor.

3.05 Benchmark Activities.

The Developer, in recognition that the City's commitment of funds hereunder is contingent on the Developer's adherence to the Schedule, agrees to perform the following activities within certain benchmark time frames ("Benchmark Activities") to demonstrate that it is executing a plan to make the acquisition on or before April 1, 1995, and to commence construction within thirty (30) days thereafter, subject to the qualifications with respect thereto set forth in Section 3.01. The Developer agrees to demonstrate to the reasonable satisfaction of the Commissioner that it has performed the following Benchmark Activities within the times specified below:

a. Within thirty (30) days after the Closing Date: Submit to D.P.D. a site plan for the Property which shall include a proposed landscaping plan. Such site plan shall fulfill the covenants, conditions and restrictions of the Declaration of Protective Covenants indicated in the Sales Contract (the "Declaration").

b. Within thirty (30) days after the Closing Date: Submit Scope Drawings and Plans and Specifications of the Facility to D.P.D. and other City departments for approval pursuant to Section 3.02(a) hereof, after having complied with the requirements of the Declaration with respect thereto including obtaining the approval of the Architectural Control Committee.

c. Within thirty (30) days prior to the Acquisition Date: Provide to the City for the City's approval the form of the Construction Contract. Developer shall enter into the Construction Contract with the General Contractor by not later than the Acquisition Date.

d. By not later than the Acquisition Date: Provide to the City a fully executed loan agreement for the Lender Financing for the Facility.

3.06 D.P.D. Approval.

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

3.07 Other Approvals.

Any D.P.D. 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 5.05 hereof. The Developer shall not commence construction of the Project until the Developer has obtained all necessary permits and approvals necessary to commence construction of the Project (including but not limited to D.P.D.'s approval of the Scope Drawings and Plans and Specifications) and proof of the General Contractor's and each subcontractor's bonding.

3.08 Progress Reports And Survey Updates.

Developer shall provide D.P.D. with written quarterly progress reports detailing the status of the Project, including a revised completion date, if necessary (with any change in completion date other than a change attributable to Force Majeure Delays being considered a Change Order, requiring D.P.D.'s written approval pursuant to Section 3.04). Developer shall provide three (3) copies of an updated Survey to D.P.D. upon the request of D.P.D. or any lender providing Lender Financing, reflecting improvements made to the Property.

3.09 Inspecting Agent Or Architect.

An independent agent or architect approved by D.P.D. shall be selected to act as the inspecting agent or architect, at Developer's expense, for the Project. The inspecting agent or architect shall be in privity with the City and shall perform periodic inspections with respect to the Project, providing certifications with respect thereto to D.P.D., prior to requests for disbursement for costs related to the Project pursuant to the Escrow Agreement.

3.10 Barricades.

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

3.11 Signs And Public Relations.

Developer shall erect a sign of size and style approved by the City (which approval shall not be unreasonably withheld or delayed) in a conspicuous

location on the Property during the Project, indicating that financing has been provided by the City. The City reserves the right to include the name, photograph, artistic rendering of the Project and other pertinent information regarding Developer, the Property and the Project in the City's promotional literature and communications.

3.12 Utility Connections.

Developer shall connect or cause to 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 Developer first complies with all the City requirements governing such connections, including the payment of customary fees and costs related thereto.

3.13 Permit Fees.

In connection with the Project, 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 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 be \$5,503,179, to be applied in the manner set forth in the Project Budget. Such costs shall be funded from the following sources:

Equity (subject to Section 4.06)	\$ 200,000
Lender Financing	4,003,179
Estimated City Funds (subject to Section 4.03)	<u>1,300,000</u>
Estimated Total	\$ 5,503,179

4.02 Developer Funds.

Equity and/or Lender Financing may be used to pay any Project cost, including but not limited to Redevelopment Project Costs.

4.03 The City Funds.

(a) Sources 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 reserve the City funds from the G.O. Bond Proceeds in an amount not to exceed the lesser of (i) \$1,300,000 and (ii) twenty percent (20%) of the Project Budget, as amended during the construction of the Project pursuant to Section 3.04 hereof (the "City Funds") to pay for or reimburse Developer for the costs of the T.I.F.-Funded Improvements.

(b) Uses of City Funds. The City Funds may be used to pay directly or reimburse the Developer for costs of T.I.F.-Funded Improvements only. Exhibit C sets forth, by line item, the T.I.F.-Funded Improvements for the Project, and the maximum amount of costs that may be paid by or reimbursed from the City Funds for each line item herein, contingent upon receipt by the City of documentation satisfactory in form and substance to D.P.D. evidencing such cost and its eligibility as a Redevelopment Project Cost.

(i) Acquisition of the Property. A portion or all of the purchase price of the Property, exclusive of transaction costs, in an amount not to exceed the sum of \$4.50 per square foot ("Acquisition Price"), shall be paid or reimbursed to Developer from the City Funds on the Acquisition Date, as a T.I.F.-Funded Improvement, through an acquisition escrow.

(ii) Site Preparation. The City Funds may be used to reimburse the Developer for the costs of site preparation identified by line item in Exhibit C, in an amount not to exceed the difference between the City Funds and the Acquisition Price. Disbursements for such costs shall be made through the Escrow.

4.04 Construction Escrow.

The City and the Developer hereby agree to enter into the Escrow Agreement with the Title Company or an affiliate of the Title Company. All disbursements of Project funds shall be made through the funding of draw requests with respect thereto pursuant to the Escrow Agreement and this Agreement. In case of any conflict between the terms of this Agreement and the Escrow Agreement, the terms of this Agreement shall control.

4.05 Subsequent Disbursements.

(a) **City Fee.** The City Fee with respect to this Project, which shall be paid from Incremental Taxes, is an amount not to exceed \$60,000. Such Fee shall be used by the City to pay or reimburse itself for expenses related to the administration of the Project.

(b) **Allocation Among Line Items.** Except as provided in Section 3.04(b) above, disbursements for expenditures related to T.I.F.-Funded Improvements may be allocated to and charged against the appropriate line only, and transfers of costs and expenses from one line item to another, without the prior written consent of D.P.D., are prohibited.

(c) Allocations of Costs with Respect to Sources of Funds.

(i) **Disbursement of Equity.** Each amount paid pursuant to the Escrow Agreement, whether for T.I.F.-Funded Improvements or otherwise, shall be charged first to Equity.

(ii) **Disbursement of Lender Financing.** After there is no Equity remaining, each amount paid pursuant to the Escrow Agreement, whether for T.I.F.-Funded Improvements or otherwise, shall be charged to Lender Financing.

(iii) **Disbursement of the City Funds.** After there is no Equity or Lender Financing remaining, each amount paid pursuant to the Escrow Agreement shall be charged to the City Funds, to be used directly to pay for, or reimburse Developer for, its previous payment (out of Equity or Lender Financing) of T.I.F.-Funded Improvements.

4.06 Cost Overruns.

If the aggregate cost of the T.I.F.-Funded Improvements exceeds the 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 T.I.F.-Funded Improvements in excess of the 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 prior to the disbursement of City Funds:

5.01 Performance Of Benchmark Activities.

The Developer shall have performed the Benchmark Activities pursuant to Section 3.05 above.

5.02 Compliance With Sales Contract.

As of the Acquisition Date, the Developer and Chicago Read Joint Venture L.P., have executed the Sales Contract and the Developer shall have complied in all material respects with the terms of the Sales Contract.

5.03 Project Budget.

The Developer shall have submitted to D.P.D., and D.P.D. shall have approved, a Project Budget in accordance with the provisions of Section 3.03 hereof on or prior to the Closing Date.

5.04 Scope Drawings And Plans And Specifications.

The Developer shall have submitted to D.P.D., and D.P.D. shall have approved, the Scope Drawings and Plans and Specifications in accordance with the provisions of Section 3.02 hereof.

5.05 Other Governmental Approvals.

Not less than five (5) days prior to the First Construction Disbursement, the Developer shall have secured all other necessary approvals and permits required by any state, federal, or local statute, ordinance or regulation necessary to commence construction of the Project (and thereafter such further approvals and permits as may be necessary) and shall submit evidence thereof to D.P.D..

5.06 Financing.

The Developer shall, prior to the Acquisition Date, have furnished proof reasonably acceptable to the City that the Developer has Equity and Lender Financing in the amounts set forth in Section 4.01 to complete the Project and satisfy its obligations under this Agreement. If a portion of such funds consists of Lender Financing, the Developer shall have furnished proof on or prior to the date specified in Section 3.05 (d) hereof, that the proceeds thereof are available to be drawn upon by the Developer as needed and are sufficient (along with the Equity set forth in Section 4.01), to commence construction

of the Project within the time period required under this Agreement and to complete the Project.

5.07 Acquisition And Title.

On or prior to the Acquisition Date, the Developer shall furnish the City with a certified, later-dated copy of the Title Policy, showing the Developer as the named insured, with respect to the Property. The Title Policy shall be dated on the Acquisition 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 Title Policy shall also contain such endorsements as shall be reasonably required by Corporation Counsel, including but not limited to extended coverage and satisfactory endorsements regarding zoning, contiguity, location and survey. The Developer shall provide to D.P.D., on or prior to the Acquisition Date, documentation related to the purchase of the Property and certified copies of all easements and encumbrances of record with respect to the Property not addressed, to D.P.D.'s satisfaction, by the Title Policy and any endorsements thereto.

5.08 Evidence Of Clean Title.

On or prior to the Acquisition Date, the Developer, at its own expense, shall have provided the City with current State and county level searches under the Developer's name (and any trade name of the Developer) showing no Uniform Commercial Code security interests, judgments, pending suits, federal or state tax liens or fixture filings filed against the Developer, the Property or any fixtures now or hereafter affixed thereto, except for the Permitted Liens and other exceptions to the title done or suffered to be done by Chicago Read Joint Venture L.P., as reasonably to be approved by the City and the Developer.

5.09 Surveys.

Not less than five (5) business days prior to the Acquisition Date, the Developer shall have furnished the City with three (3) copies of the Survey.

5.10 Insurance.

The Developer, at its own expense, shall have insured the Property in accordance with Section 12 hereof. Certificates or binders evidencing the required coverage, along with paid receipts, shall have been delivered to D.P.D. prior to the Acquisition Date.

5.11 Opinion Of Developer's Counsel.

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

5.12 Financial Statements.

The Developer shall have provided Financial Statements to D.P.D. for its 1994 fiscal year, and audited or unaudited interim financial statements, not less than thirty (30) days prior to the Acquisition Date.

5.13 Other Preconditions Of Disbursement.

The Developer shall have satisfied all other preconditions of disbursement of the City Funds as provided in the G.O. Bond Ordinance, any certifications or representations made by the City in connection with the issuance of the G.O. Bonds, the T.I.F. Ordinances, this Agreement and/or the Escrow Agreement.

Section 6.

Agreements With Contractors.

6.01 Bid Requirement.

Prior to entering into an agreement with a General Contractor for construction of the T.I.F.-Funded Improvements, the Developer shall solicit bids from qualified contractors eligible to do business with the City of Chicago for the T.I.F.-Funded Improvements. The Developer shall select the General Contractor submitting the lowest responsible bid for any particular T.I.F.-Funded Improvement that can complete such T.I.F.-Funded Improvement in a timely manner, and shall submit such bid to D.P.D. for its written approval. If the Developer selects other than the lowest responsible bid for any T.I.F.-Funded Improvement, the Developer shall pay the difference between the lowest responsible bid and the bid selected. D.P.D. shall have the right to inspect all bids submitted. The General Contractor shall not begin work on the Project until the Scope Drawings and the Plans and Specifications, as provided in Section 3.02 hereof, have been approved by D.P.D. and all requisite permits have been obtained.

6.02 Construction Contract.

Within ten (10) business days after execution of the Construction Contract identified in Section 3.05 hereof by Developer, the General Contractor and any other parties thereto, the Developer shall deliver to D.P.D. and Corporation Counsel a certified copy of such contract together with any modifications, amendments or supplements thereto.

6.03 Performance And Payment Bonds.

Prior to commencement of construction the Developer shall require that the General Contractor be bonded, for any work to be performed in the public way, 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 an obligee or co-obligee on each such bond.

6.04 Employment Opportunity.

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

6.05 Local Contractors And Vendors.

The Developer shall use its best efforts to ensure that all contracts entered into in connection with the T.I.F.-Funded Improvements for work done, services provided or materials supplied shall be let (by the Developer, the General Contractor or any subcontractor) to persons or entities whose main office and place of business is located within the City of Chicago. The Construction Contract and each contract between the General Contractor and any subcontractor shall contain a provision to this effect.

6.06 Other Provisions.

The Construction Contract and each contract with any subcontractor shall contain provisions required pursuant to Section 3.04 (Change Orders), Section 8.09 (Prevailing Wage), Section 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 T.I.F.-Funded Improvements shall be provided to D.P.D. within five (5) business days of the execution thereof.

Section 7.

Completion Of Project.

Upon completion of the Project in accordance with the terms of this Agreement, and within thirty (30) business days of the Developer's written request, D.P.D. shall issue the Developer a Certificate certifying that the Developer has fulfilled its obligation to construct the Project in accordance with the terms of this Agreement; provided, however, that the issuance of any such Certificate shall not operate as a waiver of any of the City's rights under this Agreement or any other agreement. D.P.D. shall respond to the Developer's written request for a Certificate by issuing either a Certificate or a written statement detailing the ways in which the Project does not conform to this Agreement, and any other objections to the issuance of a Certificate which D.P.D. may have, and the measures which must subsequently be taken by Developer in order to obtain the Certificate. The Developer may resubmit a written request for a Certificate upon completion of such measures.

Section 8.

Covenants/Representations/Warranties Of Developer.

The Developer represents, warrants and covenants to the City as follows:

8.01 General.

The Developer represents, warrants and covenants that:

(a) The Developer is an Illinois corporation duly organized, validly existing, qualified to do business in Illinois, and licensed to do business in every 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 corporate action and will not violate its Articles of Incorporation or bylaws, 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) Until such time as the City issues the Certificate to the Developer, and unless otherwise permitted pursuant to the terms of this Agreement, the Developer shall acquire and shall maintain good, indefeasible and merchantable fee simple title to the Property free and clear of all liens (except for the Permitted Liens and Lender Financing as disclosed in the Project Budget);

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

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

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

(h) The Developer is not in default with respect to any indenture, loan agreement, mortgage, deed, note or any other agreement or instrument related to the borrowing of money to which the Developer is a party or by which the Developer is bound, which would have a material adverse effect on the Project or the Developer's operations;

(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 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 which would have a material adverse effect on the Property or the Developer's operations;

(j) Prior to the issuance of a Certificate, the Developer shall not do any of the following without the prior written consent of D.P.D.: (1) be a party to any merger, liquidation or consolidation; (2) sell, transfer, convey, lease or otherwise dispose of all or substantially all of its assets or any portion of the Property (including but not limited to any fixtures or equipment now or hereafter attached thereto) except in the ordinary course of business; (3) enter into any transaction outside the ordinary course of the Developer's business; (4) assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity that would materially and adversely affect the Developer's ability 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;

(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 D.P.D. (which consent shall not be unreasonably withheld or delayed), allow after the Acquisition Date 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, or except as disclosed on Exhibit K hereto.

8.02 Covenant To Redevelop.

Upon D.P.D.'s approval of the Scope Drawings and Plans and Specifications as provided in Section 3.02 hereof, and the Developer's receipt of all required building permits and governmental approvals, the Developer shall redevelop the Property in accordance with this Agreement and all exhibits attached hereto, the T.I.F. 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.

8.03 Redevelopment Plan.

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

8.04 Use Of The City Funds.

City Funds disbursed to the Developer shall be used by the Developer solely to pay for the T.I.F.-Funded Improvements as provided in this Agreement.

8.05 Other Bonds.

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

respect thereto. The Developer, by such undertakings shall be required only to utilize its own internal resources or those of its affiliates, if any, and shall not be obligated to incur out-of-pocket expenses to third parties except that the Developer shall be required to pay for any attorneys' fees and accountants' fees it may incur in connection with amending the Agreement or making any certifications necessary for the City to issue such bonds.

8.06 Job Creation And Retention; Covenant To Remain In The City.

Not less than one hundred five (105) jobs shall be retained by the Developer at the Project within three (3) months of the completion thereof; and not less than twenty-five (25) additional jobs shall be created by the Developer within one (1) year of completion of the Project, for a total of one hundred thirty (130) jobs to be retained or created by the Developer at the Facilities or elsewhere within the City of Chicago through the first year after completion of the Project. Developer hereby covenants and agrees to maintain its operations within the City of Chicago through the Term of the Agreement.

8.07 Employment Opportunity.

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.

8.08 Employment Profile.

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

8.09 Prevailing Wage.

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

8.10 Arms-Length Transactions.

Unless D.P.D. shall have given its prior written consent with respect thereto, no Affiliate of the Developer may receive any part of the City Funds, directly or indirectly, in payment for work done, services provided or materials supplied in connection with any T.I.F.-Funded Improvement. The Developer shall provide information with respect to any entity to receive the City Funds (by reimbursement or otherwise), upon D.P.D.'s request, prior to any such disbursement.

8.11 Conflict Of Interest.

The Developer represents and warrants 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 or the Redevelopment Plan, or any consultant hired by the City, owns or controls (or has owned or controlled) any interest, or represents any person, as agent or otherwise, who owns or controls any interest, direct or indirect, in the Developer's business or the property described in Exhibit B hereto; nor shall any such member, official, employee or consultant participate in any decision relating to the Developer's business which affects his or her interests or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested.

8.12 Disclosure Of Interest.

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

8.13 Financial Statements.

The Developer shall obtain and provide to D.P.D. Financial Statements for the Developer's fiscal year ended October 31, 1994 and each October 31st thereafter for the Term of the Agreement. In addition, the Developer shall submit internally compiled financial statements as soon as reasonably practical following the close of each fiscal year and for such other periods as D.P.D. may request.

8.14 Insurance.

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

8.15 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 at any time prior to the issuance of a Certificate, the Property or any fixtures that are or may become attached thereto, which creates, may create, or appears to create a lien upon all or any portion of the Property or Project; provided, however, that if such Non-Governmental Charge may be paid in installments, the Developer may pay the same together with any accrued interest thereon in installments as they become due and before any fine, penalty, interest, or cost may be added thereto for nonpayment. The Developer shall furnish to D.P.D., within thirty (30) days of D.P.D.'s request, official receipts from the appropriate entity, or other proof satisfactory to D.P.D., evidencing payment of the Non-Governmental Charge in question. 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 and prevent the imposition of a lien or 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 D.P.D.'s sole option, to furnish a good and sufficient bond or other security satisfactory to D.P.D. in such form and amounts as D.P.D. 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 Developer to any other person or entity. The Developer shall immediately notify D.P.D. 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.

(i) As of the Acquisition Date, the Property and the Project shall, to the best of Developer's knowledge, after diligent inquiry, be in compliance with

all applicable federal, state and local laws, statutes, ordinances, rules, regulations, executive orders and codes pertaining to or affecting the Project and the Property (collectively, "Laws"), or, with respect to the Environmental Laws, the Developer shall have disclosed to D.P.D. the respects in which the Property and the Project are not in compliance with the Environmental Laws and shall have obtained D.P.D.'s written approval of a plan to bring them into compliance with such laws; and (ii) after the Acquisition Date, the Property and the Project shall, to the best of the Developer's knowledge after diligent inquiry, be in compliance with the Laws or, if the Property and the Project were not in compliance with the Environmental Laws prior to the Acquisition Date, the Developer shall take those actions identified in the plan approved by D.P.D. pursuant to the schedule contained in the plan to bring them into 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. This Agreement shall be recorded prior to any mortgage made in connection with Lender Financing. 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 Conditional Provisions.

The covenants set forth in Exhibit O hereto, in their entirety or selectively, will become effective at the sole option of the City and upon the City's receipt of an opinion from nationally recognized bond counsel that the effectiveness of those provisions will not adversely affect the tax-exempt status of the Bonds or the T.I.F. Bonds. In the event that the City exercises its option to make any covenant(s) in Exhibit O effective, it shall so notify the Developer in accordance with Section 18 hereof.

8.20 Survival Of Covenants.

All warranties, representations, and covenants and agreements of the Developer contained in this Section 8 or 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 be in effect throughout the Term of the Agreement, unless a shorter period of survival is otherwise provided herein.

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 Opportunity.

The Developer and its successors and assigns hereby agree, and shall contractually obligate and cause its or their General Contractor, subcontractors or any Affiliate of the Developer operating on the Property (individually an "Employer" and collectively, "Employers") to agree, that for the Term of this Agreement with respect to the Developer and during the period of any other such party's provision of services hereunder or occupation of the Property:

(a) No Employer shall discriminate against any employee or applicant for employment on the basis of race, color, sex, age, religion, mental or physical disability, national origin, ancestry, sexual orientation, marital status, parental status, military discharge status or source of income, as defined in the City of Chicago Human Rights Ordinance adopted December 21, 1988, Municipal Code of Chicago, Chapter 2-160, Section 2-160-010, et seq., as amended from time to time (the "Human Rights Ordinance"). Each Employer will take affirmative action to insure that applicants are employed and employees are treated during employment without regard to their race, color, religion, sex, national origin, ancestry, age, mental or physical disability, sexual orientation, marital status, parental status, military discharge status or source of income. Such action shall include, but not be limited to the following: 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.

(b) To the greatest extent reasonably feasible, each Employer shall create training and employment opportunities for the benefit of low- and moderate-income residents of the Redevelopment Area. Moreover, to the greatest extent reasonably possible, contracts for work performed in connection with the Project shall be awarded by Employer to business concerns located in, or owned in substantial part by persons residing in, the Redevelopment Area.

(c) All solicitation or advertisement for employees placed by or on behalf of any Employer shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, ancestry, age, mental or physical disability, sexual orientation, marital status, parental status, military discharge status or source of income.

(d) Each Employer shall comply with federal, state and local equal employment and affirmative action statutes, rules and regulations, including but not limited to the Human Rights Ordinance and the Illinois Human Rights Act, 775 ILCS, 5/1-101, et seq. (1992), and any subsequent amendments and regulations promulgated pursuant thereto.

(e) The Developer shall expend during the course of construction of the Project at least the following percentages for hard costs (excluding the costs of the Acquisition) set forth in the Project Budget for contract participation by M.B.E.s or W.B.E.s in the Project:

M.B.E. Percentage

W.B.E. Percentage

25%

5%

This commitment may be met by Developer's status as an M.B.E. or W.B.E., or by a joint venture with one or more M.B.E.s or W.B.E.s (to the extent of the M.B.E. or W.B.E. participation in such joint venture), by using an M.B.E. or W.B.E. as General Contractor, by subcontracting or causing the General Contractor to subcontract a portion of the work to one or more M.B.E.s or W.B.E.s, by the purchase of materials used in the Project from one or more M.B.E.s or W.B.E.s, or by the indirect participation of M.B.E.s or W.B.E.s in other aspects of the Developer's business or by any combination of the foregoing. Those businesses that constitute both an M.B.E. and W.B.E. shall not be credited more than once

against the Developer's M.B.E. or W.B.E. commitment. The Developer 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 M.B.E.s or W.B.E.s in its activities and operations other than the Project. The City may require the Developer to demonstrate the specific efforts undertaken to involve M.B.E.s and W.B.E.s directly in the Project. Upon the written request of D.P.D., periodic reports shall be made by the Developer to the City on all efforts made to achieve compliance with the foregoing provisions. Such reports shall include the name and business address of each M.B.E. and W.B.E. solicited by the Developer to work as General Contractor or subcontractor and the responses received to such solicitation, the name and business address of each M.B.E. and W.B.E. actually involved in the Project, a description of the work performed and/or products or services supplied, the date and amount of each expenditure and such other information as may assist the City in determining the Developer's compliance with the foregoing provisions, and the status of any M.B.E. or W.B.E. performing any contract in connection with the Project. The City shall have access to the Developer's books and records, including without limitation payroll records, tax returns and records and books of account, on five (5) days notice, to allow City to review the Developer's compliance with its commitment to M.B.E./W.B.E. participation.

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

Section 11.

Environmental Matters.

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

Without limiting any other provisions hereof, 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 subsidiaries under any Environmental Laws relating to the Property.

Section 12.

Insurance.

The Developer shall procure and maintain, or cause to be maintained, at its sole cost and expense, at all times throughout the Term of this Agreement, and until each and every obligation of the Developer contained in the Agreement has been fully performed, the types of insurance specified below, with insurance companies authorized to do business in the State of Illinois covering all operations under this Agreement, whether performed by the Developer, any contractor or subcontractor:

- (a) **Prior to Execution and Delivery of this Agreement: At least ten (10) business days prior to the execution of this Agreement, the Developer shall procure and maintain the following kinds and amounts of insurance:**

- (i) **Workers' Compensation And Occupational Disease Insurance.**

Workers' Compensation and Occupational Disease Insurance, in statutory amounts, covering all employees who are to provide a service under or in connection with this Agreement. Employer's liability coverage with limits of not less than \$100,000.00 for each accident or illness shall be included.

- (ii) **Commercial Liability Insurance (Primary And Umbrella).**

Commercial Liability Insurance or equivalent with limits of not less than \$1,000,000.00 per occurrence, combined single limit, for bodily injury, personal injury and property damage liability. Products/completed operations, independent contractors, broad form property damage and contractual liability coverage are to be included. The City of Chicago is to be named as an additional insured.

- (b) **Construction: Prior to the construction of any portion of the Project, the Developer shall procure and maintain, or cause to be maintained, the following kinds and amounts of insurance:**

- (i) **Workers' Compensation And Occupational Disease Insurance.**

Workers' Compensation and Occupational Disease Insurance, in statutory amounts, covering all employees who are to provide a service under or in connection with this Agreement. Employer's liability coverage with limits of not less than \$100,000.00 for each accident or illness shall be included.

- (ii) **Commercial Liability Insurance (Primary And Umbrella).**

Commercial Liability Insurance or equivalent with limits of not less than \$2,000,000.00 per occurrence, combined single limit, for bodily injury, personal injury and property damage liability. Products/completed operations, explosion, collapse, underground, independent contractors, broad form property damage and contractual liability coverages are to be included. The City of Chicago is to be named as an additional insured.

- (iii) **Automobile Liability Insurance.**

When any motor vehicles are used in connection with work to be performed in connection with this Agreement, the Developer shall provide Automobile Liability Insurance with limits of not less than \$1,000,000.00 per

occurrence, combined single limit, for bodily injury and property damage. The City of Chicago is to be named as an additional insured.

(iv) All Risk Blanket Builders' Risk Insurance.

When the Developer, any contractor or subcontractor undertakes any construction, including improvements, betterments, and/or repairs, the Developer, such contractor or subcontractor shall provide All Risk Blanket Builders' Risk Insurance to cover the materials, equipment, machinery and fixtures that are or will be part of the permanent facilities. Coverage extensions shall include boiler and machinery, and flood.

(v) Professional Liability.

When any architects, engineers or consulting firms perform work in connection with this Agreement, Professional Liability Insurance shall be maintained with limits of \$1,000,000.00. The policy shall have an extended reporting period of two years. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work on the Project.

(c) Other Provisions.

All insurance policies shall provide that the City shall be given thirty (30) days prior written notice of any modification, renewal or cancellation. Original certificates of insurance evidencing the required coverage and renewal certificates of insurance or such similar evidence, if the coverage has an expiration or renewal date occurring during the Term of this Agreement or prior to completion of construction of the Project, as applicable, shall be delivered in a timely manner, as herein required, to the City of Chicago, Department of Finance, Risk Management Office, 510 North Peshtigo Court, Room 5A, Chicago, Illinois 60602. If the Developer fails to obtain or maintain any of the insurance policies required under this Agreement, or to pay any premium in whole or in part when due, the City may (without waiving or releasing any obligation or Event of Default by the Developer hereunder) obtain and maintain such insurance policies and take any other action which the City deems advisable to protect its interest in the Property and/or the Project. All sums so disbursed by the City, including reasonable

attorneys' fees, court costs and expenses, shall be reimbursed by the Developer upon demand by the City.

The Developer agrees, and shall cause each contractor and subcontractor to agree, that any insurance coverage and limits furnished by the Developer and such contractors or subcontractors shall in no way limit the Developer's liabilities and responsibilities specified under this Agreement or any related documents or by law, or such contractor's or subcontractor's liabilities and responsibilities specified under any related documents or by law. The Developer shall require all contractors and subcontractors to carry the insurance required herein, or the Developer may provide the coverage for any or all contractors and subcontractors, and if so, the evidence of insurance submitted shall so stipulate.

The Developer agrees, and shall cause its insurers and the insurers of each contractor and subcontractor engaged after the date hereof in connection with the Project to agree, that all such insurers shall waive their rights of subrogation against the City.

The Developer shall comply with any additional insurance requirements that are stipulated by the Interstate Commerce Commission's Regulations, Title 49 of the Code of Federal Regulations, Department of Transportation; Title 40 of the Code of Federal Regulations, Protection of the Environment; and any other federal, state or local regulations concerning the removal and transport of Hazardous Materials.

The City maintains the right to modify, delete, alter or change the provisions of this Section 12 so long as such action does not, without the Developer's prior written consent, increase the requirements set forth in this Section 12 beyond that which is reasonably customary at such time.

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 T.I.F.-

Funded Improvements or any other Project improvement, or (iii) the existence of any material misrepresentation or omission in any offering memorandum or the Redevelopment Plan or any other document related to this Agreement that is the result of information supplied 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.

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 for the purpose of inspecting the same; provided, however, that reasonable advance notice thereof shall be given to the Developer unless such notice is impractical because of the existence of an emergency.

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 after applicable notice and grace periods have expired with any person or entity if such failure may have a material adverse effect on the Developer's business, property, assets, operations or condition, financial or otherwise;

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

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

(e) the commencement of any proceedings in bankruptcy by or against the Developer or for the liquidation or reorganization of the Developer, or alleging that such 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 would have a material adverse effect on the Property or Developer's operations which remains unsatisfied or undischarged and in effect for thirty (30) days after such entry without a stay of enforcement or execution;

(h) the dissolution of the Developer; or

(i) the institution in any court of a proceeding for any crime (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 such crime.

For purposes of Sections 15.01(h) and 15.01(i) 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 issued and outstanding shares of stock.

15.02 Remedies.

Upon the occurrence of an Event of Default, the City may terminate this Agreement and all related agreements, and may suspend disbursement of the City Funds. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, secure the specific performance of the agreements contained herein.

15.03 Curative Period.

In the event the Developer shall fail to perform a monetary covenant which the Developer is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the Developer 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 shall fail to perform a non-monetary covenant which the Developer is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the Developer shall have failed to cure such default within twenty (20) 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 twenty (20) day period, the Developer shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such twenty (20) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

Section 16.

Mortgaging Of The Project.

All mortgages currently in place with respect to the Project are listed on Exhibit G hereto, including mortgages made in connection with Lender Financing. In the event that the Developer shall hereafter elect to execute and record or permit to be recorded against the Property or any portion thereof, a mortgage(s) or deed(s) of trust (any such mortgage or deed of trust being hereinafter referred to as the "Mortgage" and the holder of the same being hereinafter referred to as the "Mortgagee"), then it is hereby agreed by and between the City and the Developer as follows:

(a) Prior to the issuance by the City to the Developer of a Certificate pursuant to Section 7 hereof, no such Mortgage shall be executed on the Facility without the prior written consent of the Commissioner of D.P.D., while consent shall not be unreasonably withheld or delayed.

(b) In the event that the Mortgagee or any other party shall succeed to the Developer's interest in the Property pursuant to the exercise of remedies under a Mortgage, whether by foreclosure, deed in lieu of foreclosure, or otherwise, and in conjunction therewith accepts an assignment of the Developer's interest hereunder in accordance with Section 19.15 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 "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 or other party succeeding to the Developer's interest in the Property does not expressly accept an assignment of the Developer's interest hereunder, such party shall be bound only by those provisions of this Agreement, if any, which are covenants expressly running with the land.

(c) Upon request the City shall provide to any Mortgagee a certificate consistent with the terms of this Section 16.

Section 17.

Chicago Resident Employment Requirement.

The Developer shall require that the General Contractor shall comply with the minimum percentage of total worker hours performed by actual residents of the City of Chicago specified in Section 3-92-330 of the Municipal Code of Chicago (at least fifty percent of the total worker hours shall be performed by actual residents of the City of Chicago). Provided, however, that in addition to complying with this percentage, the Developer shall require the General Contractor to make good faith efforts to utilize qualified residents of the City of Chicago 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.

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

The Developer shall require that the General Contractor shall provide for the maintenance of adequate employee residency records to ensure that actual Chicago residents are employed on the Project. The General Contractor shall maintain copies of personnel documents supportive of every Chicago employee's actual record of residence.

Weekly certified payroll reports (U.S. Department of Labor Form WH-347 or equivalent) shall be submitted to the Commissioner 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 company hired the employee should be written in after the employee's name.

The Developer shall require the General Contractor to provide full access to the General Contractor's employment records to the Purchasing Agent, the Commissioner, the Superintendent of the Chicago Police Department, the Inspector General, or any duly authorized representative thereof. The Developer shall require the General Contractor to maintain all relevant

personnel data and records for a period of at least (3) years after final acceptance of the work constituting the Project.

At the direction of the D.P.D., affidavits and other supporting documentation will be required of the General Contractor 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 General Contractor 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.

The willful falsification of statements in the certification of payroll data may subject the General Contractor to prosecution.

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.

The Developer shall require the General Contractor include this provision in all subcontracts.

Section 18.

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 or facsimile mail, return receipt requested.

If To City:

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

With Copy To: City of Chicago
Department of Law
Room 511
121 North LaSalle Street
Chicago, Illinois 60602
Attention: Corporation Counsel

If To Developer: Eli's Chicago's Finest, Inc.
6510 West Dakin Street
Chicago, Illinois 60634
Attention: Marc S. Schulman

With Copy To: Jenner & Block
One IBM Plaza
Chicago, Illinois 60611
Attention: Donald I. Resnick

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 19.

Miscellaneous.

19.01 Amendment.

This Agreement and the exhibits attached hereto may not be amended without the prior written consent of the City.

19.02 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.

19.03 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.

19.04 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.

19.05 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.

19.06 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.

19.07 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.

19.08 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.

19.09 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.

19.10 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.

19.11 Conflict.

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

19.12 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.

19.13 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.

19.14 Approval.

Wherever this Agreement provides for the approval or consent of the City or D.P.D., or any matter is to be to the City's or D.P.D.'s satisfaction, unless specifically stated to the contrary, such approval, consent or satisfaction shall be made, given or determined by the City or D.P.D. in writing and in its sole discretion.

19.15 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 Certificate, any successor in interest to the Developer under this Agreement shall certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, including but not limited to Sections 8.19 and 8.20 hereof, for the Term of the Agreement. The Developer consents to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part.

19.16 Binding Effect.

This Agreement shall be binding upon the Developer and its successors and permitted assigns and shall inure to the benefit of the City, its successors and assigns.

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:

Eli's Chicago's Finest, Inc.

By: _____

By: _____

Its: _____

Its: _____

City of Chicago

By: _____
Commissioner, Department of
Planning and Development

State of Illinois)
) SS:
County of Cook)

I, _____, a Notary Public in and for the said County, in the State aforesaid, do hereby certify that _____ and _____ personally known to me to be the _____ and _____ of _____, 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 _____ day of _____, 199____.

Notary Public

My commission expires: _____.

[Seal]

State of Illinois)
) SS:
County of Cook)

I, _____, a Notary Public in and for the said County, in the State aforesaid, do hereby certify that _____, personally known to me to be the _____ 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 she signed, sealed, and delivered said instrument pursuant to the authority given to her by the City, as her free

and voluntary act and as the free and voluntary act of the City, for the uses and purposes therein set forth.

Given under my hand and official seal this _____ day of _____, 199____.

Notary Public

My commission expires: _____.

[Seal]

Exhibits "A", "B", "C", "D", "E", "F", "G", "H", "I", "J", "K", "L" and "O" referred to in this Redevelopment Agreement read as follows:

Exhibit "A".
(To Redevelopment Agreement.)

Redevelopment Area.

That part of the south fractional half of Section 18, Township 40 North, Range 13, East of the Third Principal Meridian, lying south of the Indian Boundary Line and being described as follows:

beginning at the intersection of the centerline of North Narragansett Avenue with the centerline of West Irving Park Road, said point of beginning being the southeast corner of said Section 18; thence westerly along said centerline of West Irving Park Road to the centerline of North Harlem Avenue; thence northerly along said last described center line, being also the west line of the southwest quarter of said Section 18, to the Indian Boundary Line; thence northeasterly along said Indian Boundary Line, being also the southeasterly line of West Forest Preserve Drive, to an intersection with the southerly extension of the centerline of North Newland Avenue north of the Indian Boundary Line; thence northerly along said last described centerline to an intersection with a line 66.00 feet, as measured at right angles, northwesterly of and parallel with said Indian Boundary Line; thence

northeasterly along said last described parallel line to an intersection with the westerly extension of the north line of the southeast quarter of said Section 18 lying south of the Indian Boundary Line; thence easterly along said last described line and along the north line of the southeast quarter of said Section 18 to the centerline of North Narragansett Avenue; thence southerly along said last described centerline, being also the east line of the southeast quarter of said Section 18, to the place of beginning, excepting therefrom all that part thereof falling in Dunning Estates, being a subdivision in the southeast quarter of said Section 18, according to the plat thereof recorded October 27, 1988 as Document No. 88495586, and also excepting therefrom all that part thereof conveyed to the Chicago Transit Authority by quitclaim deed recorded September 13, 1957 as Document No. 17018802, all in Cook County, Illinois.

Exhibit "B".

(To Redevelopment Agreement)

Eli's Property.

That part of the south fractional half of Section 18, Township 40 North, Range 13, East of the Third Principal Meridian, lying south of the Indian Boundary Line and being described as follows:

commencing at the intersection of the Indian Boundary Line, being also the southeasterly line of West Forest Preserve Drive, with the east line of North Oak Park Avenue as shown on the plat of survey recorded January 11, 1935 as Document No. 11544080; thence south 01 degrees, 42 minutes, 45 seconds west along the east line of said North Oak Park Avenue, 72.56 feet to a point of curvature in said line; thence southerly along the east line of said North Oak Park Avenue, being a curved line convex westerly, having a radius of 2,337.50 feet and being tangent to said last described line at said last described point, an arc distance of 588.00 feet (the chord of said arc bears south 05 degrees, 29 minutes, 38 seconds east, 586.45 feet); thence north 26 degrees, 07 minutes, 04 seconds east, 311.80 feet; thence north 66 degrees, 00 minutes, 33 seconds east, 640.70 feet to a point for a place of beginning, said point being the intersection of said last described line with a line drawn at right angles to said Indian Boundary Line from a point on said Indian Boundary Line, 602.83 feet, as measured along said Indian Boundary Line, northeasterly of the intersection of said Indian Boundary Line with the east line of North Oak Park Avenue as shown on plat of survey

recorded January 11, 1935 as Document No. 11544080; thence north 31 degrees, 21 minutes, 49 seconds west along said last described right angle line, 503.09 feet to said Indian Boundary Line; thence north 58 degrees, 38 minutes, 11 seconds east along said Indian Boundary Line, 383.21 feet to the most westerly corner of land taken for highway purposes by instrument recorded April 19, 1960 as Document No. 17832909; thence north 70 degrees, 24 minutes, 44 seconds east along the southeasterly line of said land taken for highway purposes by instrument recorded April 19, 1960 as Document No. 17832909, 98.13 feet; thence southeasterly along a curved line convex northeasterly and having a radius of 44.50 feet, an arc distance of 25.69 feet (the chord of said last described arc bears south 57 degrees, 13 minutes, 15 seconds east, 25.33 feet); thence southeasterly along a curved line convex northeasterly and having a radius of 144.50 feet, an arc distance of 17.30 feet (the chord of said arc bears south 37 degrees, 14 minutes, 22 seconds east, 17.29 feet); thence south 19 degrees, 28 minutes, 27 seconds east, 84.68 feet to a point of curvature; thence southeasterly along a curved line convex southwesterly, having a radius of 400.00 feet and being tangent to said last described line at said last described point, an arc distance of 41.51 feet to a point of reverse curvature (the chord of said arc bears south 22 degrees, 26 minutes, 50 seconds east, 41.49 feet); thence southeasterly along a curved line convex northeasterly, having a radius of 800.00 feet and being tangent to said last described curved line at said last described point, an arc distance of 33.40 feet to a point of tangency (the chord of said arc bears south 24 degrees, 13 minutes, 27 seconds east, 33.39 feet); thence south 23 degrees, 01 minutes, 42 seconds east along a line tangent to said last described curved line at said last described point, 113.55 feet; thence southeasterly along a curved line convex northeasterly and having a radius of 900.00 feet, an arc distance of 222.28 feet (the chord of said arc bears south 15 degrees, 57 minutes, 03 seconds east, 221.71 feet); thence south 58 degrees, 38 minutes, 11 seconds west, 323.08 feet; thence north 89 degrees, 59 minutes, 17 seconds west, 76.83 feet to the point of beginning, in Cook County, Illinois.

Containing 243,265 square feet or 5.585 acres.

Exhibit "C".
(To Redevelopment Agreement)

T.I.F.-Funded Improvements.

Line Item	Maximum Amount
Acquisition of the Property	As Provided in Section 4.03(b)(i)
Site Preparation for the Facility	As Provided in Section 4.03(b)(ii)

Reimbursement by the City for any of the items listed above is subject to evidence satisfactory to the City and its bond counsel that such cost is a Redevelopment Project Cost (as defined in the Agreement).

Exhibit "D".
(To Redevelopment Agreement)

City Of Chicago
Read-Dunning Tax Increment
Redevelopment Area
Redevelopment Plan And Project.
August, 1990.

*I.**Introduction.*

The Read-Dunning Project Site is located on the City of Chicago's (the "City") northwest side. Until recently the entire site was part of the Chicago-Read Mental Health Center, owned by the State of Illinois and managed by the Illinois Department of Mental Health and Development Disabilities (D.M.H.D.D.). However, over the last several years the State has determined that a significant portion of the area is no longer needed for its original purposes. Accordingly, in 1985 the northeast corner was transferred to the City Colleges of Chicago for a Wright College facility; in 1988 the southeast corner was sold off for residential and commercial development.

In 1912 the area (bounded roughly by Harlem Avenue to the west, Forest Preserve Drive and Montrose Avenue to the north, Narragansett Avenue to the east, and Irving Park Road to the south), was transferred to the State and became the Chicago-Read Mental Health Center, having formerly been the County Infirmary and Insane Asylum. The site was already served by a spur line of the Chicago, Milwaukee, and St. Paul and Pacific Railroad, and by a passenger depot located just south of Irving Park Road at North Nashville Avenue.

Substantial development of the site started about 1910 and continued through the early 1970s. The eastern end of the area was developed first, with the western portions being built in the 1960s and 1970s. The area was originally designed as a long term self-sufficient hospital center. Virtually all of the needs of the facility, including farming, laundry, heat and water, etc. were provided by individual facilities within the area. As the mission of mental health agencies changed from long term institutionalization of patients in an environment isolated from the main world to that of providing intermediate care in an intermixed society and economy, the Center began to change both its facilities and its focus. The long term resident facilities, along with some related structures, were demolished within the eastern section of the Center. Meanwhile, intermediate treatment facilities were being built in the western section of the Center (west of North Oak Park Avenue). Current State plans call for the demolition of other internal service buildings, including an assembly hall, a fire station, food service/general store, etc..

As the State built westward, it leapfrogged some of the interior area, attaching itself to the perimeter of the area or to Oak Park Avenue, a north/south road two-thirds of the way from Narragansett Avenue to Harlem Avenue. This pattern of utilizing mainly optimal perimeter pieces is also reflected in the placement of New Horizons (a learning disability center) at Oak Park and Montrose Avenues, the Latvian Church and School along Montrose Avenue (both complexes of land leased from the State),

Wright College in the northeast corner, and the residential and commercial properties in the southeast corner. As the area was transitioning from one designed and built for a central purpose to that of multiple purposes and users, there was not a comprehensive plan for developing the area as a whole. As a consequence, platting for roads, utility easements, etc. are lacking or inadequate. Utilities emanate from a single node to users, rather than following a grid service system. The piecemeal new development attaches on to perimeter roads and services, but does not take into account comprehensive planning and development for the interior.

The street location and description of the proposed Redevelopment Project Area ("R.P.A.") is approximately as follows:

The area is bounded by Harlem Avenue to the west, Forest Preserve Drive and Montrose Avenue to the north, Narragansett Avenue to the east, and Irving Park Road to the south. Excluded from this is the existing residential portion contained within the above boundaries, namely the Dunning Estates Subdivision (West Belle Plaine Avenue, Neenah Avenue, and Bittersweet Place).

A legal description of the above area is included in (Sub)Exhibit 1.

The R.P.A. contains approximately forty-eight (48) structures. (Some of the buildings are interconnected by walkways; these were counted as individual buildings.) On the western campus are seven (7) buildings that are part of the Read Center; there are also six (6) State of Illinois Police facilities and an auto emissions testing facility. On the eastern campus are twenty-two (22) Read Center buildings; four (4) buildings that are part of New Horizons; four (4) buildings that are part of the Horizon Business Park; and two (2) retail structures.

A map of the R.P.A. and vicinity is included as (Sub)Exhibit 2. The Redevelopment Project Area on the whole has not been subject to growth and development through investment by private enterprise, and would not reasonably be anticipated to be developed without the adoption of a redevelopment plan. The City has prepared this redevelopment plan to use tax increment financing in order to address its economic development needs and meet its redevelopment goals and objectives.

The Redevelopment Plan.

The State of Illinois is planning to vacate certain buildings in the eastern campus as part of a continuing consolidation of operations and as a response to the changing nature of mental health services. The State is proposing to make the property available to the City. In turn, the City would propose to make the property available for private development. A development entity would be required to assist the City and the State to consolidate operations on the western campus, and to relocate building operations from the eastern

campus to the western campus in addition to undertaking private development activities. Certain buildings on the east campus are anticipated to be demolished due to the single purpose nature of the buildings that make market reuse uneconomical. It is proposed that other buildings would also be razed; the State would then replace these buildings with structures to be built on the western campus. It is proposed that certain existing structures would remain on the southwestern corner of the eastern campus.

The proposed demolition of structures, the proposed building of new structures, the removal of existing heating tunnels, the provision of a water, sewer, heating, and electrical network to the eastern campus, and the provision of new stand-alone boiler systems to the two remaining Read Center building groups (the west campus and the southwest corner of the eastern campus), and the addressing of other area planning needs will require significant resources. The proposed redevelopment efforts described above would also be located near certain ongoing operations and proposed (or in process) developments (e.g., Wright College): traffic, utility service, and other requirements would need to be addressed as part of the redevelopment efforts.

The needed public investment will be possible only if tax increment financing is adopted pursuant to the terms of the Tax Increment Allocation Redevelopment Act (the "Act"). Property tax incremental revenue generated by the development will play a decisive role in encouraging private development. Conditions of obsolescence and underutilization that have precluded intensive private investment in the past will be addressed. Through this Redevelopment Plan and Project, the City will serve as the central force for marshalling the assets and energies of the private sector for a unified cooperative public-private redevelopment effort. Ultimately, the implementation of the Redevelopment Plan and Project will benefit the City and all the taxing districts which encompass the R.P.A. in the form of a significantly expanded tax base, retain existing businesses in need of expanding their operations and create new employment opportunities as a result of new private development in the R.P.A..

Summary.

It is found and declared by the City that in order to promote and protect the health, safety, morals, and welfare of the public, that: blighted area conditions need to be eradicated, and that redevelopment of such areas must be undertaken; and, to alleviate the existing adverse conditions it is necessary to encourage private investment and enhance the tax base of the taxing districts in such areas by the development or redevelopment of project areas. The eradication of blighted areas by redevelopment projects is hereby declared to be essential to the public interest. Public/private partnerships are determined to be necessary in order to achieve development goals. Without the development focus and resources provided under the Tax

Increment Allocation Redevelopment Act (Illinois Revised Statutes, Chapter 24, Section 11-74.4-3, as amended), the development goals of the municipality would not be achieved.

It was found and declared by the City that the use of incremental tax revenues derived from the tax rates of various taxing districts in the redevelopment project area for the payment of redevelopment project costs is of benefit to said taxing districts. This is because these taxing districts located in the redevelopment project area would not derive the benefits of an increased assessment base without the removal of the blighted conditions that now hinder its redevelopment.

The redevelopment activities that will take place within the R.P.A. will produce benefits that are reasonably distributed throughout the R.P.A..

The adoption of this Redevelopment Plan and Project makes possible the implementation of a comprehensive program for the economic redevelopment of the proposed area. By means of public investment, the R.P.A. will become an improved, more viable environment that will attract private investment and diversify the City tax base.

Pursuant to the Act, the R.P.A. includes only those contiguous parcels of real property and improvements thereon substantially benefited by the redevelopment project. Also pursuant to the Act, the R.P.A. is not less in the aggregate than $1\frac{1}{2}$ acres.

II.

Redevelopment Project Area Legal Description.

The Redevelopment Project Area legal description is attached in (Sub)Exhibit 1.

III.

Redevelopment Project Area Goals And Objectives.

The following goals and objectives are presented for the R.P.A. in accordance with the City's zoning ordinance and comprehensive plan. The Redevelopment Plan and Project also basically conforms to the Read-Dunning Draft Master Plan, prepared by the City's Department of Planning, for the development of the area as a whole. Such goals and objectives may be supplemented by future planning studies, traffic studies or site reports that

are undertaken by the City or by development entities on behalf of the City as part of the Planned Unit Development (P.U.D.) process.

General Goals.

- 1) To provide for implementation of economic development strategies that benefit the City and its residents.
- 2) To provide basic infrastructure improvements where necessary within the R.P.A..
- 3) To encourage a positive and feasible redevelopment of any vacant sites and/or underutilized sites.
- 4) To preserve and improve the property tax base of the City.
- 5) To create new jobs and retain existing jobs for City residents.
- 6) Coordinate all mixed-use development within the R.P.A. in a comprehensive manner, avoiding land use conflicts and negative community impacts with the surrounding area residents and existing users.

Specific Objectives.

- 1) To encourage redevelopment of the land located within the R.P.A., as well as any vacant or underutilized properties nearby for industrial uses, mixed-uses, or residential uses.
- 2) To address factors of obsolescence and deleterious land use throughout the R.P.A..
- 3) To provide infrastructure improvements necessary to the development of mixed-use, industrial, institutional, commercial, or residential properties located within the R.P.A..
- 4) Unify development through a coordinated perimeter landscape/streetscape program or such other program as identified by the City to enhance the area's appearance.
- 5) Address the need for utility service, access/egress, and other requirements for redevelopment of the R.P.A..

Redevelopment Objectives.

The purpose of the R.P.A. designation will allow the City to:

- a) Coordinate redevelopment activities within the eastern portion of the R.P.A. in order to provide a positive marketplace signal;
- b) Reduce or eliminate blighted area factors present within the area;
- c) Accomplish redevelopment over a reasonable time period;
- d) Provide for high quality development within the R.P.A.; and
- e) Provide for an attractive overall appearance of the area.

Note: The objectives may be supplemented by findings of prospective reports or studies undertaken by the City or by development entities selected by the City.

The Redevelopment Project's implementation will serve to improve the physical appearance of the entire area and contribute to the economic development of the area. Job creation associated with the project will provide new, improved employment opportunities for community and City residents.

IV.

Blighted Area Conditions Existing In The Redevelopment Project Area.

Findings.

The Redevelopment Project Area was studied to determine its qualifications as a "blighted area" as such term is defined in the Tax Increment Allocation Redevelopment Act (the "Act"), Illinois Revised Statutes, Section 11-74.4-3, as amended. It was determined that the area as a whole qualifies as a "blighted area". Refer to Appendix A for a summary of findings and a list of existing qualification factors for the area.

Eligibility Survey.

The entire designated Redevelopment Project Area was evaluated in July, 1990 through August, 1990 by representatives from the City, Kane, McKenna and Associates, Inc. and Chicago Associates Planners & Architects. In such evaluation, only information was recorded which would

directly aid in the determination of eligibility for a tax increment finance district.

V.

Redevelopment Project.

A. Redevelopment Plan And Project Objectives.

The City proposes to realize its goals and objectives of encouraging the development of the R.P.A. and encouraging private investment in industrial, institutional, residential and commercial redevelopment projects through public finance techniques including, but not limited to, Tax Increment Financing. The City proposes to undertake a two phased redevelopment project consisting of Phase 1 -- Industrial and Institutional Uses; Phase 2 -- Mixed Uses. City objectives would be served through the following:

- (1) By improving public facilities that may include:
 - i. Street improvements;
 - ii. Utility improvements (including water, storm water management and sewer improvements, water storage facilities, if necessary);
 - iii. Landscaping or streetscaping;
 - iv. Parking improvements/related parking improvements;
 - v. Signalization, traffic control and lighting;
 - vi. Appropriate signage;
 - vii. Pedestrian improvements.
- (2) By entering into redevelopment agreements with developers for qualified redevelopment projects.
- (3) By improving existing structures or site improvements; including necessary site preparation, demolition, clearance and grading of redevelopment sites, and relocation.

- (4) By constructing and/or relocating public buildings that serve existing or ongoing institutional operations including the relocation/reconfiguration of utility service.
- (5) By utilizing interest cost write-downs pursuant to provisions of the Act.
- (6) By implementing a plan that addresses the redevelopment costs of land acquisition and assembly, site preparation, demolition/removals, and provision of infrastructure improvements or upgrading that may be necessary for adaption to a market oriented reuse of sites in the R.P.A., improving the City's tax base, and diversifying the local economy.
- (7) By exercising other powers set forth in the Act as the City deems necessary.
- (8) Provide job training for City residents.
- (9) Rehabilitation of structures, if necessary.

B. Redevelopment Activities.

Pursuant to the foregoing objectives, the City will implement a coordinated program of actions, including, but not limited to, site preparation, assembly, demolition/removals, infrastructure improvements and upgrading, relocation of public buildings, new construction of public buildings, and provision of public improvements, where required. Land acquisition may be undertaken based upon specific redevelopment proposals.

Proposed Improvements.

In accordance with its estimates of tax increment and other available resources, the City may provide public improvements in the R.P.A. to enhance the immediate area as a whole, to support the Redevelopment Project and Plan, and to serve the needs of City residents. Appropriate public improvements may include, but are not limited to:

- vacation, removal, resurfacing, paving, widening, construction, turn islands, construction or reconstruction of curbs and gutters, traffic signals, and other improvements to streets, alleys, pedestrian-ways, and pathways;
- reconfiguration of existing rights-of-way;

- construction of new rights-of-way including streets, sidewalks, turning lanes, curbs and gutters;
- demolition of any obsolete structure or structures;
- improvement of public utilities including construction or reconstruction of water mains, as well as sanitary sewers and storm sewers, water storage facilities, detention ponds, signalization improvements, and streetlighting;
- job training for area residents eligible for employment in the development of the projects.

The City may determine at a later date that certain improvements are no longer needed or appropriate, or may add new improvements to the list. The type of public improvement and cost for each item is subject to City approval and to the execution of a redevelopment agreement for the proposed project, in a form acceptable to the City.

Certain public facilities may be relocated and new facilities may be constructed in order to consolidate ongoing institutional operations. Utility improvements necessary for such relocation could also be undertaken by the City.

Acquisition And Clearance.

The City may determine that to meet redevelopment objectives it may be necessary to participate in property acquisition in the Redevelopment Project Area or use other means to induce transfer of such property to the private developer.

Clearance and grading of existing properties to be acquired will, to the greatest extent possible, be scheduled to coincide with redevelopment activities so that parcels do not remain vacant for extended periods of time and so that the adverse effects of clearance activities may be minimized.

Individual structures may be exempted from acquisition if they are located so as not to interfere with the implementation of the objectives of this Redevelopment Plan or the projects implemented pursuant to this Redevelopment Plan and the owner(s) agree(s) to rehabilitate or redevelop the property, if necessary, in accordance with the objectives of the Plan as determined by the City.

Property which has been acquired may be made available for temporary public or private revenue producing uses which will not have adverse impacts on the redevelopment area, until such time as they are needed for

planned development. Such revenues, if any, would accrue to the Redevelopment Project Area.

Relocation.

Any businesses or residents occupying properties to be acquired may be considered for relocation, advisory and financial assistance in accordance with provisions set forth and adopted by the City and other governmental regulations, if any.

Land Assembly And Disposition.

Certain properties that may be acquired by the City and certain properties presently owned by the City (e.g., street rights-of-way and public facilities) may be assembled into appropriate redevelopment sites. Property assembly activities may include use of the City's eminent domain power. These properties may be sold or leased by the City to a private developer in whole or in part, for redevelopment subject to invitation for proposal requirements of the State of Illinois tax increment law. The City may amend this disposition plan in the future.

Terms of conveyance shall be incorporated into appropriate disposition agreements, and may include more specific restrictions than contained in this Redevelopment Plan or in other municipal codes and ordinances governing the use of land.

Demolition And Site Preparation.

Some of the buildings located within the R.P.A. may have to be reconfigured or relocated to accommodate new users or uses. Partial or complete demolition may be necessary as well as removal of debris. Additionally, the Redevelopment Plan contemplates site preparation or other requirements necessary to prepare the site for new uses. All of the above will serve to enhance site preparation for the City's desired redevelopment.

Interest Cost Write-Down.

Pursuant to the Act, the City may allocate a portion of incremental tax revenues to reduce the interest cost incurred in connection with redevelopment activities, enhancing the redevelopment potential of the R.P.A..

Job Training.

Pursuant to the Act, the City, its Mayor's Office of Employment and Training and other training providers, may develop training programs in conjunction with the redevelopment efforts.

Redevelopment Agreements.

Land assemblage shall be conducted for (a) sale, lease or conveyance to private developers, or (b) sale, lease, conveyance or dedication for the construction of public improvements or facilities. Terms of conveyance shall be incorporated in appropriate disposition agreements which may contain more specific controls than those stated in this Redevelopment Plan.

In the event the City determines that construction of certain improvements is not financially feasible, the City may reduce the scope of the proposed improvements.

C. General Land Use Plan.

Existing land uses in the R.P.A. are institutional, industrial and commercial/retail, as shown in (Sub)Exhibit 3. (Sub)Exhibit 4 designates the intended general land uses identified for the Redevelopment Project Area.

The Redevelopment Project shall be subject to the provisions of the City Zoning Ordinance, as such may be amended from time to time including any Planned Unit Development (P.U.D.) undertaken within the R.P.A.. The proposed general land uses would conform to the City draft Master Plan.

D. Estimated Redevelopment Project Costs.

Redevelopment project costs mean and include the sum total of all reasonable or necessary costs incurred or estimated to be incurred, as provided in the T.I.F. statute, and any such costs incidental to this Redevelopment Plan and Project. Private investments which supplement "Redevelopment Project Costs" are expected to substantially exceed such redevelopment project costs. Eligible costs permitted under the Act which may be pertinent to this Redevelopment Plan and Project are:

1. Costs of studies and surveys, development of plans and specifications, implementation and administration of the redevelopment plan including, but not limited to, staff and professional service costs for architectural, engineering, legal, marketing, financial, planning, other special services, provided,

however, that no charges for professional services may be based on a percentage of the tax increment collected;

2. Property assembly costs, including but not limited to acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, and the clearing and grading of land;
3. Costs of rehabilitation, reconstruction or repair or remodeling of existing buildings and fixtures;
4. Costs of the construction of public works or improvements;
5. Costs of job training and retraining projects;
6. Financing costs, including but not limited to all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued pursuant to the Act accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding thirty-six (36) months thereafter and including reasonable reserves related thereto;
7. All or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be in furtherance of the objectives of the Redevelopment Plan and Project, to the extent the City by written agreement accepts and approves such costs;
8. Relocation costs to the extent that the City determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or state law;
9. Costs of job training, advanced vocational education or career education, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in the Redevelopment Project Area; and (ii) when incurred by a taxing district or taxing districts other than the City, are set forth in a written agreement by or among the City and the taxing district or

taxing districts, which agreement describes the program to be undertaken, including but not limited to the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 3-37, 3-38, 3-40 and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of the School Code.

10. If deemed prudent by the City for the redevelopment project, interest costs incurred by the redeveloper related to the construction, renovation or rehabilitation of the redevelopment project provided that:
 - (a) such costs are to be paid directly from the special tax allocation fund establishment pursuant to the Act; and
 - (b) such payments in any one year may not exceed thirty percent (30%) of the annual interest costs incurred by the redeveloper with regard to the redevelopment project during that year; and
 - (c) if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this paragraph 10 then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund; and
 - (d) the total of such interest payments incurred pursuant to the Act may not exceed thirty percent (30%) of the total redevelopment project costs excluding any property assembly costs and any relocation costs incurred pursuant to the Act.

Estimated costs are shown in the next section. Adjustments to these cost items may be made without amendment to the Redevelopment Plan. The costs represent estimated amounts and do not represent actual City commitments or expenditures. Rather, they are a ceiling on possible expenditures of T.I.F. funds in the project area.

*T.I.F. Redevelopment Project**Read-Dunning Area.**Estimated Project Costs.*

Phase 1 And Phase 2 Program Actions/Improvements		Estimated Costs (A)
1.	Land acquisition and assembly costs including demolition and clearance/site preparation	\$4,700,000
2.	Construction of public facilities and buildings, rehabilitation, and related public improvements including the relocation of existing utilities and the provision of utility service	5,500,000
3.	Utility improvements including, but not limited to, water, storm, sanitary sewer, the service of public facilities	2,000,000
4.	Construction and reconfiguration of parking, rights-of-way and street improvements/construction, signalization, traffic control, and lighting, landscaping buffering and streetscaping	1,500,000

-
- (A) All project cost estimates are in 1990 dollars. In addition to the above stated costs, any issue of bonds issued to finance a phase of the project may include an amount of proceeds sufficient to pay customary and reasonable charges associated with the issuance of such obligations as well as to provide for capitalized interest and reasonably required reserves. Adjustments to the estimated line item costs above are expected. Each individual project cost will be re-evaluated in light of the projected private development and resulting tax revenues as it is considered for public financing under the provisions of the Act. The totals of line items set forth above are not intended to place a total limit on the described expenditures. Adjustments may be made in line items within the total, either increasing or decreasing line item costs for redevelopment.

Phase 1 And Phase 2 Program Actions/Improvements		Estimated Costs (A)
5.	Interest costs pursuant to the Act	\$ 1,000,000
6.	Planning, legal, engineering, administrative and other professional service costs	700,000
7.	Relocation	300,000
8.	Job training	<u>300,000</u>
TOTAL ESTIMATED COSTS:		\$16,000,000

E. Sources Of Funds To Pay Redevelopment Project Costs Eligible Under Illinois T.I.F. Statute.

Funds necessary to pay for public improvements and other project costs eligible under the T.I.F. statute are to be derived principally from property tax increment revenues, proceeds from municipal obligations to be retired primarily with tax increment revenues and interest earned on resources available but not immediately needed for the Redevelopment Plan and Project.

"Redevelopment Project Costs" specifically contemplate those eligible public costs set forth in the Illinois statute and do not contemplate the

(A) All project cost estimates are in 1990 dollars. In addition to the above stated costs, any issue of bonds issued to finance a phase of the project may include an amount of proceeds sufficient to pay customary and reasonable charges associated with the issuance of such obligations as well as to provide for capitalized interest and reasonably required reserves. Adjustments to the estimated line item costs above are expected. Each individual project cost will be re-evaluated in light of the projected private development and resulting tax revenues as it is considered for public financing under the provisions of the Act. The totals of line items set forth above are not intended to place a total limit on the described expenditures. Adjustments may be made in line items within the total, either increasing or decreasing line item costs for redevelopment.

preponderance of the costs to redevelop the area. The majority of development costs will be privately financed, and T.I.F. or other public sources are to be used only to leverage and commit private redevelopment activity.

The tax increment revenues which will be used to pay debt service on the tax increment obligations, if any, and to directly pay redevelopment project costs shall be the incremental increase in property taxes attributable to the increase in the equalized assessed value of each taxable lot, block, tract or parcel of real property in the R.P.A. over and above the initial equalized assessed value of each such lot, block, tract or parcel in the R.P.A. in the 1989 tax year.

Among the other sources of funds which may be used to pay for redevelopment project costs and debt service on municipal obligations issued to finance project costs are the following: special service area taxes, the proceeds of property sales, property taxes, certain land lease payments, certain Motor Fuel Tax revenues, certain state and federal grants or loans, certain investment income, and such other sources of funds and revenues as the City may from time to time deem appropriate.

The Redevelopment Project Area would not reasonably be expected to be developed without the use of the incremental revenues provided by the Act.

F. Nature And Term Of Obligations To Be Issued.

The City may issue obligations secured by the tax increment special tax allocation fund established for the Redevelopment Project Area pursuant to the Act or such other funds as are available to the City by virtue of its power pursuant to the Illinois State Constitution.

Any and/or all obligations issued by the City pursuant to this Redevelopment Plan and Project and the Act shall be retired not more than twenty-three (23) years from the date of adoption of the ordinance approving the Redevelopment Project Area. However, the final maturity date of any obligations issued pursuant to the Act may not be later than twenty (20) years from their respective date of issuance. One or more series of obligations may be issued from time to time in order to implement this Redevelopment Plan and Project. The total principal and interest payable in any year, or projected to be available in that year, from tax increment revenues and from bond sinking funds, capitalized interest, debt service reserve funds and all other sources of funds as may be provided by ordinance.

Those revenues not required for principal and interest payments, for required reserves, for bond sinking funds, for redevelopment project costs, for early retirement of outstanding securities, and to facilitate the economical issuance of additional bonds necessary to accomplish the Redevelopment Plan, may be declared surplus and shall then become

available for distribution annually to taxing districts overlapping the R.P.A. in the manner provided by the Act.

Such securities may be issued on either a taxable or tax-exempt basis, with either fixed rate or floating interest rates; with or without capitalized interest; with or without deferred principal retirement; with or without interest rate limits except as limited by law; and with or without redemption provisions.

G. Most Recent Equalized Assessed Valuation (E.A.V.) Of Properties In The Redevelopment Project Area.

The most recent estimate of equalized assessed valuation (E.A.V.) of the property within the R.P.A. is approximately \$6,037,175 which is the 1989 Equalized Assessed Valuation. The Boundary Map, (Sub)Exhibit 3, shows the location of the R.P.A..

H. Anticipated Equalized Assessed Valuation.

Upon completion of the anticipated private development of the Redevelopment Project Area over a ten-year period, it is estimated that the equalized assessed valuation of the property within the Redevelopment Project Area will be approximately \$45,000,000. The estimate assumes a constant Cook County equalization factor (multiplier) of 1.9122 and 1990 dollars.

VI.

Scheduling Of Redevelopment Project.

A. Redevelopment Project.

An implementation strategy will be employed with full consideration given to the availability of both public and private funding. It is anticipated that two phases of redevelopment will be undertaken: Phase 1 -- Industrial and Institutional Uses; Phase 2 -- Mixed Uses.

The Redevelopment Project will begin as soon as a development entity has identified market uses for the sites and such uses are conformant with City zoning and planning requirements. Depending upon the scope of the development as well as the actual uses, the following activities may be included in each phase:

Land Assembly and Disposition: Certain properties in the R.P.A. may be acquired by the City and may be assembled into an appropriate redevelopment site. These properties may be acquired by the City, and subsequently sold or leased by the City to a developer for redevelopment of the site.

Demolition and Site Preparation: The existing structures located within the R.P.A. may have to be reconfigured or prepared to accommodate new uses. Partial demolition may be necessary as well as removal of debris. Additionally, the redevelopment plan contemplates site preparation, or other requirements necessary to prepare the site for the desired redevelopment.

Landscaping/Buffering/Streetscaping: The City may fund certain landscaping projects which serve to beautify public properties or rights-of-way and provide buffering between land uses.

Water, Sanitary Sewer, Storm Sewer and Other Utility Improvements: The City may extend or reroute certain utilities to serve or accommodate the new development. Upgrading of existing utilities may be undertaken. The provision of necessary detention or retention ponds may also be undertaken by the City.

Roadway/Street/Parking Improvements: Widening of existing road improvements and/or vacation of roads may be undertaken by the City. Certain secondary streets/roads may be extended or constructed by the City. Related curb, gutter and paving improvements could also be constructed as needed. Parking facilities may be constructed that would be available to the general public.

Public Facilities and Improvements: The City may provide for the construction and/or renovation of public buildings and facilities in order to relocate institutional operations, needed services and to provide for efficient utilization of property within the R.P.A..

Utility services may also be provided or relocated in order to accommodate the consolidation of buildings.

Traffic Control/Signalization: The City may construct necessary traffic control or signalization improvements that improve access to the R.P.A. and enhance its redevelopment.

Public Safety Related Infrastructure: The City may construct certain public safety improvements including, but not limited to, public signage, public facilities and streetlights.

Relocation: The City may pay for certain relocation costs, conformant with City policies and regulations.

Interest Cost Coverage: The City may pay for certain interest costs incurred by a redeveloper for construction, renovation or rehabilitation of the redevelopment project. Such funding would be paid for out of annual tax increment revenue generated from the R.P.A. as allowed under the Act.

Professional Services: The City may use tax increment financing to pay necessary planning, legal, engineering, administrative and financing costs during project implementation.

B. Commitment To Fair Employment Practices And Affirmative Action.

As part of any Redevelopment Agreement entered into by the City and any private developers, both will agree to establish and implement an honorable, progressive and goal-oriented affirmative action program that serves appropriate sectors of the City. The program will conform to the most recent City policies and plans.

With respect to the public/private development's internal operations, both entities will pursue employment practices which provide equal opportunity to all people regardless of sex, color, race or creed. Neither party will countenance discrimination against any employee or applicant because of sex, marital status, national origin, age, or the presence of physical handicaps. These nondiscriminatory practices will apply to all areas of employment, including: hiring, upgrading and promotions, terminations, compensation, benefit programs and education opportunities.

All those involved with employment activities will be responsible for conformance to this policy and the compliance requirements of applicable state and federal regulations.

The City and private developers will adopt a policy of equal employment opportunity and will include or require the inclusion of this statement in all contracts and subcontracts at any level. Additionally, any public/private entities will seek to ensure and maintain a working environment free of harassment, intimidation and coercion at all sites, and in all facilities at which all employees are assigned to work. It shall be specifically ensured that all on-site supervisory personnel are aware of and carry out the obligation to maintain such a working environment, with specific attention to minority and/or female individuals.

Finally, the entities will utilize affirmative action to ensure that business opportunities are provided and that job applicants are employed and treated in a nondiscriminatory manner. Underlying this policy is the recognition by the entities that successful affirmative action programs are important to the continued growth and vitality of the community.

C. Completion Of Redevelopment Project And Retirement Of Obligations To Finance Redevelopment Costs.

This Redevelopment Project will be completed on or before a date 23 years from the adoption of an ordinance designating the Redevelopment Project Area. The City expects that the Redevelopment Project will be completed sooner than the maximum time limit set by the Act, depending on the incremental property tax yield. Actual construction activities for both phases are anticipated to be completed within approximately 7 to 10 years.

VII.

*Provisions For Amending The Tax Increment
Redevelopment Plan And Project.*

This Redevelopment Plan and Project may be amended pursuant to the provisions of the Act.

[(Sub)Exhibits 2, 3, 4 and 5 referred to in this Redevelopment Plan and Project printed on pages 65213 through 65216 of this Journal.]

(Sub)Exhibit 1 referred to in this Redevelopment Plan and Project reads as follows:

(Sub)Exhibit 1.
(To Redevelopment Plan And Project)

Chicago Read Tax Increment Finance District Map.

That part of the south fractional half of Section 18, Township 40 North, Range 13, East of the Third Principal Meridian, lying south of the Indian Boundary Line and being described as follows:

beginning at the intersection of the centerline of North Narragansett Avenue with the centerline of West Irving Park Road, said point of beginning being the southeast corner of said Section 18; thence westerly along said centerline of West Irving Park Road to the centerline of North Harlem Avenue; thence northerly along said last described

centerline, being also the west line of the southwest quarter of said Section 18, to the Indian Boundary Line; thence northeasterly along said Indian Boundary Line, being also the southeasterly line of West Forest Preserve Drive, to an intersection with the southerly extension of the centerline of North Newland Avenue north of the Indian Boundary Line; thence northerly along said last described centerline to an intersection with a line 66.00 feet, as measured at right angles, northwesterly of and parallel with said Indian Boundary Line; thence northeasterly along said last described parallel line to an intersection with the westerly extension of the north line of the southeast quarter of said Section 18 lying south of the Indian Boundary Line; thence easterly along said last described line and along the north line of the southeast quarter of said Section 18 to the centerline of North Narragansett Avenue; thence southerly along said last described centerline, being also the east line of the southeast quarter of said Section 18, to the place of beginning, excepting therefrom all that part thereof falling in Dunning Estates, being a subdivision in the southeast quarter of said Section 18, according to the plat thereof recorded October 27, 1988 as Document No. 88495586 and also excepting therefrom all that part thereof conveyed to the Chicago Transit Authority by quitclaim deed recorded September 13, 1957 as Document No. 17018802, all in Cook County, Illinois.

Containing 235 acres.

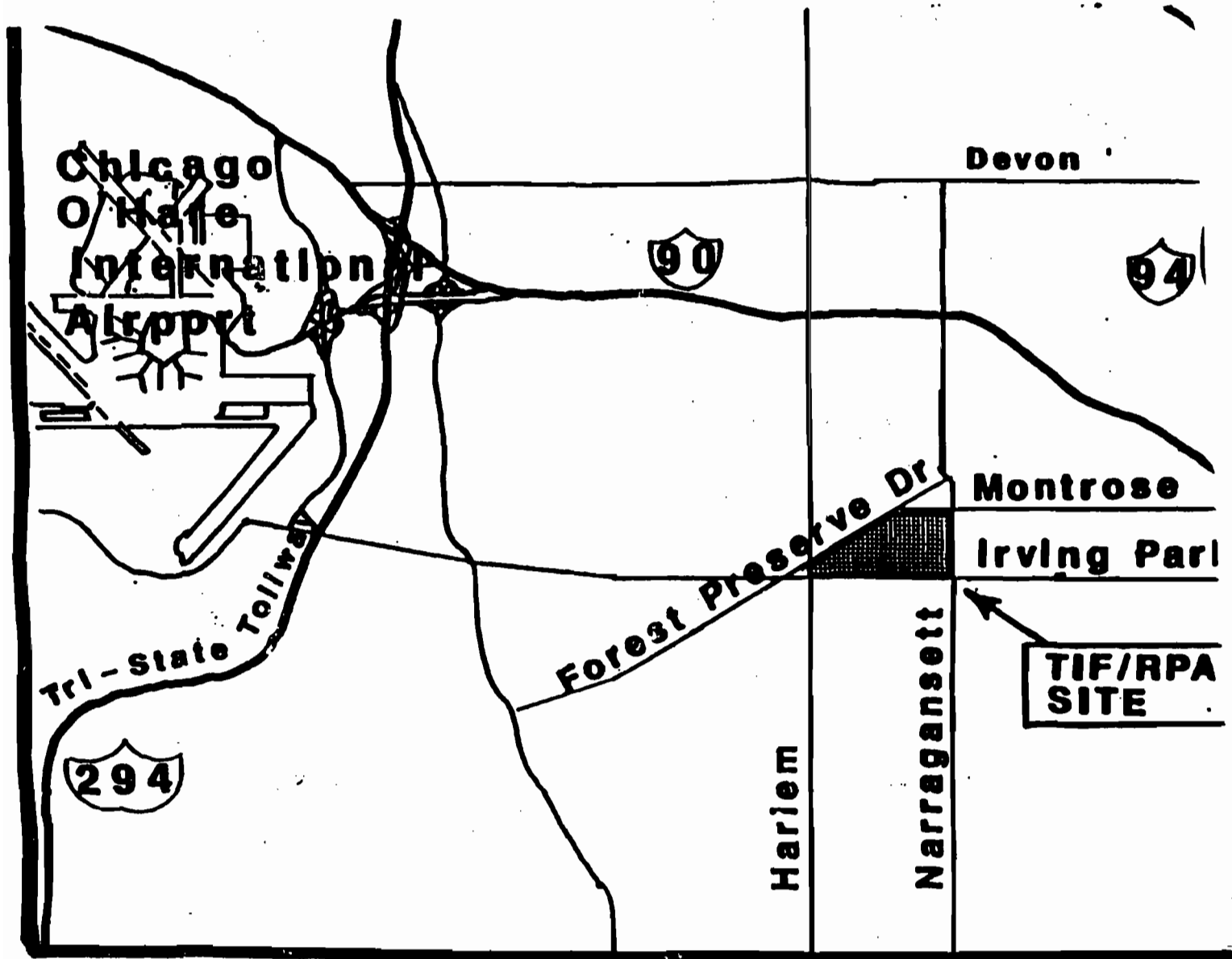
Exhibit "E".
(To Redevelopment Agreement)

Real Estate Sales Contract.

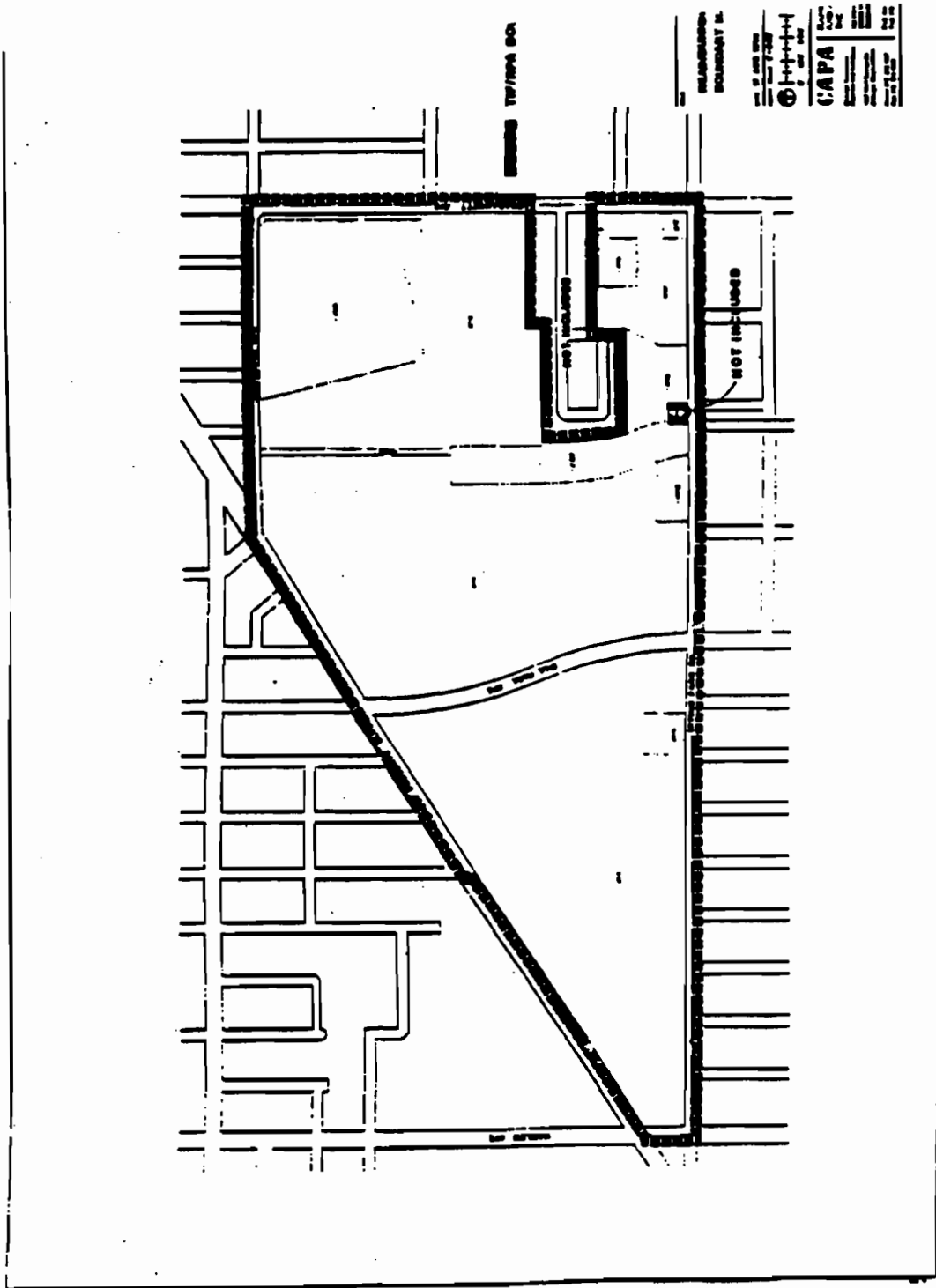
1. Eli's Chicago's Finest, Inc., an Illinois corporation ("Purchaser"), agrees to purchase at a price of \$4.50 per square foot (the "Purchase Price") on the terms set forth herein, the real estate comprised of approximately 244,000 square feet (5.6 acres) located in Cook County, Illinois and legally described on (Sub)Exhibit A, and as shown on the drawing attached hereto as (Sub)Exhibit A-1, each attached hereto and made a part hereof (the "Property").

(Continued on page 65217)

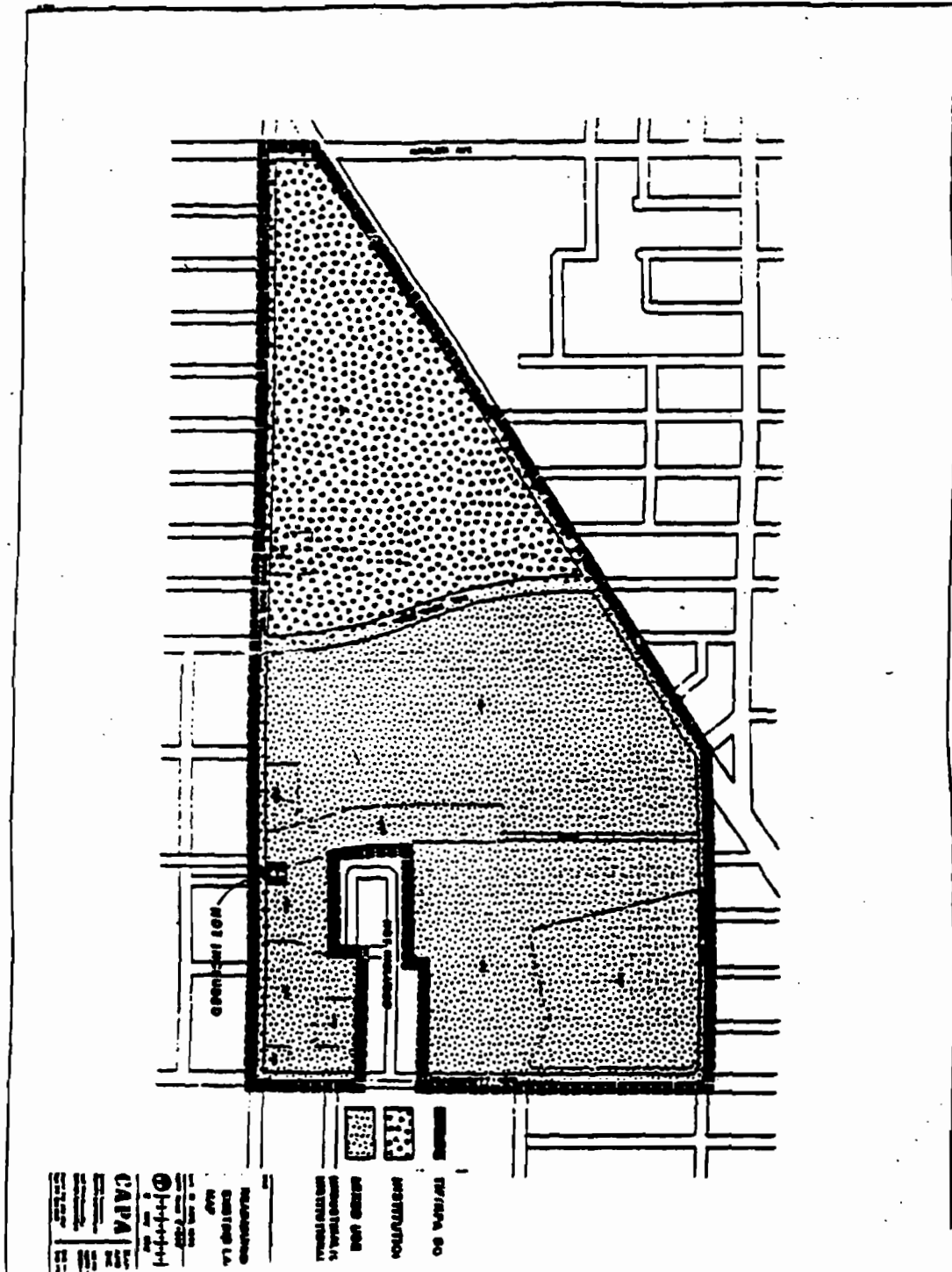
(Sub)Exhibit 2.
(To Redevelopment Plan And Project)



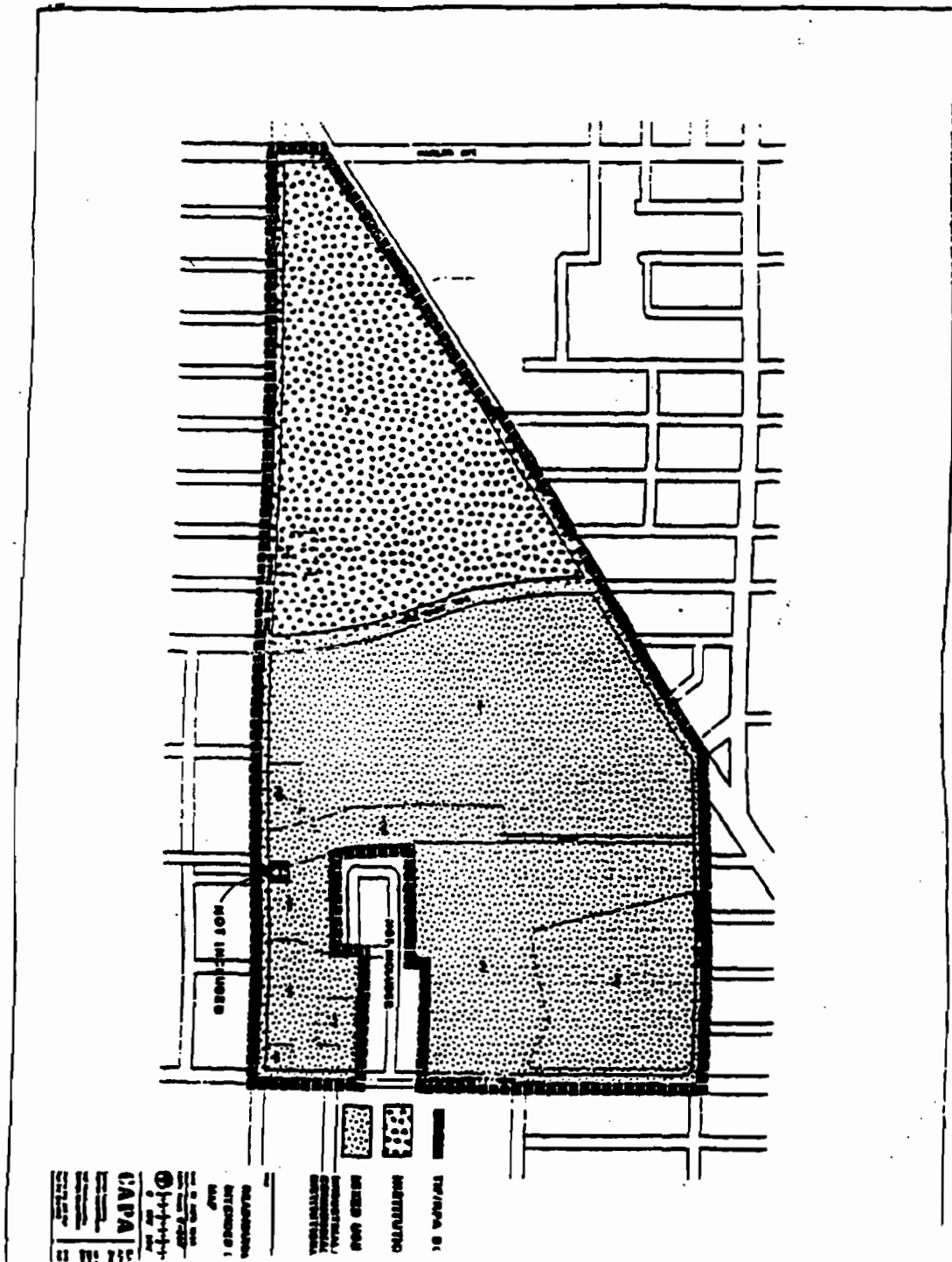
(Sub)Exhibit 3.
(To Redevelopment Plan And Project)



(Sub)Exhibit 4.
(To Redevelopment Plan And Project)



(Sub)Exhibit 5.
(To Redevelopment Plan And Project)



(Continued from page 65212)

2. Chicago Read Joint Venture L.P., an Illinois limited partnership ("Seller") agrees to sell the Property at the price and on the terms set forth herein, and to convey or cause to be conveyed to Purchaser or Purchaser's nominee by a recordable special warranty deed, subject to: (a) the Permitted City Encumbrances (as defined in that certain Chicago Read-Dunning Redevelopment Agreement (the "Redevelopment Agreement"), to be entered into, by and among the State of Illinois (the "State"), the City of Chicago (the "City") and Seller, (b) the covenants, conditions and restrictions set forth in the deed from the City to Seller conveying the Property, (c) the covenants, conditions and restrictions set forth in Section 21 of this Contract, (d) the covenants, conditions and restrictions set forth in that certain Declaration of Protective Covenants for Chicago Read Business Park (the "Declaration"), (e) real estate taxes not then due and payable, and (f) acts done or suffered to be done by Purchaser, its agents or employees (collectively, the "Permitted Exceptions").

3. The Purchase Price shall be paid as follows:

(a) Upon the execution of this Contract, Purchaser shall deliver to Chicago Title & Trust Company ("Escrowee") the amount of Ten Thousand and no/100 Dollars (\$10,000.00) as the initial earnest money deposit under this Contract, which shall be held by Escrowee pursuant to the terms of the strict joint order escrow then in use by Escrowee, with such special provisions inserted therein as may be required to conform with this Contract (the "Escrow").

(b) If Purchaser has not exercised its right to terminate this Contract as set forth in Section 8, Purchaser shall deposit an additional Forty Thousand and no/100 Dollars (\$40,000.00) into the Escrow within five (5) business days after the later of (i) the expiration of the Inspection Period (as defined in Section 8) or (ii) the date on which the condition set forth in Paragraph 11(f) below is satisfied or waived. The deposits made by Purchaser under Sections 3(a) and (b) (and under Section 12 below, if applicable) are hereinafter referred to as the "Earnest Money". All interest earned on the Earnest Money shall be payable to or for the benefit of Purchaser, unless the Earnest Money is paid to Seller by reason of a default by Purchaser hereunder, in which such event the interest shall be paid to Seller.

(c) At Closing (as defined in Section 12 below), Purchaser shall pay or cause to be paid to Seller a sum equal to the Purchase Price less the Earnest Money, plus or minus prorations, in immediately available funds.

4. The parties acknowledge that Purchaser intends to construct the Required Building (as defined in Section 21A below) and certain other

improvements on the Property for the purpose of operating Purchaser's business ("Purchaser's Intended Use").

5. No later than thirty (30) days after the date hereof Seller shall, at Seller's expense, furnish Purchaser with a current plat of survey of the Property (the "Survey"), certified by the surveyor to Purchaser, and Purchaser's lender, if any, as having been made in compliance with the Minimum Standard Detail Requirements for ALTA/ACSM Land Title Surveys for Class A Surveys including, without limitation, the Flood Zone designation of the Property and the other applicable requirements listed in Table 3 of the Minimum Standard Detail Requirements.

6. (a) Within twenty (20) days after the date hereof, Seller shall deliver or cause to be delivered to Purchaser a title commitment for an owner's title insurance policy (the "Title Commitment") issued by Chicago Title Insurance Company or another reputable title insurance company selected by Seller and reasonably acceptable to Purchaser (the "Title Company") in the amount of the Purchase Price, covering title to the Property, and showing title in the State or the City subject only to (i) the general exceptions contained in the policy, and (ii) the Permitted Exceptions. The Title Commitment shall be conclusive evidence of good title as therein shown as to all matters insured by the policy, subject only to the exceptions as therein stated.

(b) At Closing, Seller shall provide to Buyer, at Seller's expense, a title insurance policy in the amount of the Purchase Price, showing Purchaser as the fee simple owner of the Property, subject only to the Permitted Exceptions and containing an extended coverage endorsement, a contiguity endorsement (if necessary), a zoning endorsement, an access endorsement, a survey endorsement and such other endorsements as Purchaser shall reasonably request.

7. If the Survey discloses matters which would result in an exception to title other than a Permitted Exception ("Survey Defects"), or the Title Commitment discloses exceptions other than the Permitted Exceptions, ("Unpermitted Exceptions") (Survey Defects and Unpermitted Exceptions are collectively referred to as "Defects"), Seller shall have thirty (30) days after the date of Purchaser's written notice thereof to Seller, which notice Purchaser shall give within ten (10) business days after the later of Purchaser's receipt of the Title Commitment and Survey, to correct such Defects, and/or, at Seller's sole cost and expense, to have the Title Company waive the Unpermitted Exceptions or commit to insure for the full amount of the Title Policy against loss or damage that may be occasioned by such Defects. If Seller fails to have such Defects removed or insured against within such time period, Purchaser may elect on or before closing to (a) terminate this Contract and receive a refund of the Earnest Money, together with all interest accrued thereon; (b) accept title subject to such Defects with the right to deduct from the Purchase Price liens or encumbrances of a

definite or ascertainable amount; or (c) extend the date within which the Seller shall be allowed to cure such Defects. If Purchaser chooses the option in clause (c), and Seller fails to have such Defects removed or insured over within the extended period, Purchaser shall have the right to make elections set forth in subsections (a) and (b) above within ten (10) days after the expiration of the extended period.

8. (a) During the period commencing on the later of (i) date of this Contract and (ii) the date of full execution and delivery of the Redevelopment Agreement, and ending sixty (60) days thereafter (the "Inspection Period"), Purchaser and its agents shall have the right to enter upon the Property for the purpose of performing such environmental, soil and other tests, inspections and investigations of the Property as Purchaser deems necessary; provided, however, that Purchaser's inspections and the results obtained in connection therewith shall not be deemed to waive any of Seller's obligations under this Contract or any of the conditions to Purchaser's obligation to close the transactions contemplated by this Contract. If the Purchaser elects to terminate this Contract pursuant to this Section 8, then at Seller's request, Purchaser shall deliver to Seller true and complete copies of any reports received by Purchaser in connection with any such test, inspection or investigation.

(b) If Purchaser, in its sole discretion, determines that the Property is not satisfactory for Purchaser's Intended Use of the Property, Purchaser may, at its option, terminate this Contract upon written notice given to Seller within five (5) days after the Inspection Period expires. If Purchaser elects to terminate this Contract pursuant to this Section 8, Seller and Purchaser shall, within five (5) days after Purchaser sends its termination notice to Seller, order Escrowee to refund the Earnest Money, together with all interest earned thereon, to Purchaser, and thereafter this Contract shall be null and void.

(c) Purchaser shall indemnify and hold Seller harmless from any and all costs, losses, damages, claims, expenses or liabilities incurred by Seller as a result of Purchaser's entry onto the Property and, if the Purchaser elects to terminate this Contract pursuant to this Section 8, Purchaser shall return the Property to substantially the same condition as existed prior to such entry.

9. Seller represents, warrants and covenants to Purchaser as follows:

(a) (i) Seller is a limited partnership duly organized and validly existing under the laws of the State of Illinois; (ii) Seller has the right and power and is authorized to enter into, execute, deliver and perform this Contract; (iii) the execution, delivery and performance by Seller of this Contract shall not, by the lapse of time, the giving of notice or otherwise, constitute a violation of any applicable law or breach of any provision contained in the Seller's limited partnership agreement, or any instrument or

document to which Seller is now a party or by which it is bound; and (iv) Seller is now solvent and able to pay its debts as they mature.

(b) There are no pending or, to the best of Seller's knowledge, threatened matters of litigation, administrative action or examination, claim or demand whatsoever in respect to the ownership or operation of the Property or any part thereof which may adversely affect Seller's ability to perform hereunder.

(c) There is no pending condemnation or inverse condemnation action affecting any portion of the Property, nor, to the best of Seller's knowledge, is there any action, suit or proceeding pending or threatened against or affecting the Property, or which would affect Purchaser's Intended Use or the development of the Property. In the event any action, suit, claim or lien affecting the Property should arise subsequent to the date hereof and prior to closing, Seller shall promptly notify Purchaser thereof in writing and Purchaser may then elect to terminate this Contract and receive a refund of the Earnest Money together with all interest accrued thereon.

(d) To the best of Seller's knowledge, except for that certain lease dated March 24, 1988 by and between the State of Illinois and New Horizon Center for the Developmentally Disabled (which lease will terminate prior to Closing), there are no leases affecting the Property and, unless expressly provided for herein, Seller is not a party to, and the Property is not subject to, any contract or agreement of any kind whatsoever, written or oral, formal or informal, including, without limitation, any agreement, contract or the like whereby any party or entity other than the Seller has acquired or has any basis to assert any right, title or interest in, or right to possession, use, enjoyment or proceeds of all or any portion of the Property.

(e) Seller has received no written notice that the Property is in violation of any applicable zoning, building, health, fire or similar statutes, ordinances, regulations or codes.

(f) Seller has delivered true, complete and correct copies of the results of all environmental surveys and reports, and all soil tests and engineering tests and all other studies and materials identified on (Sub)Exhibit B attached hereto, prepared with respect to the Property by Seller or on Seller's behalf or that are in Seller's possession or control.

(g) Except as set forth in that certain Phase I Environmental Assessment dated May 12, 1993, that certain Phase II Environmental Assessment dated March, 1993, that certain Asbestos Materials Investigation dated March, 1993, and that certain Remedial Technology Evaluation dated April, 1994, all prepared by Versar, Inc. (collectively, the "Environmental Report"), Seller has received no notices (i) regarding the presence of any Hazardous Material in, on, under or about the Property, or (ii) of any violation of any Environmental Law with respect to the Property.

(h) For purposes of this Contract, "Hazardous Material" means: (1) "hazardous substances", as defined by the Comprehensive Environmental Response, Compensation and Liability Act ("C.E.R.C.L.A."), 42 U.S.C. §9601, et seq. and the Environmental Protection Act (the "E.P.A. Act"), 415 ILCS 5/1, et seq. (1992); (ii) "hazardous wastes", as defined by the Resource Conservation and Recovery Act ("R.C.R.A."), 42 U.S.C. §6902, et seq.; (iii) any pollutant or contaminant or hazardous, dangerous or toxic chemicals, materials, or substances within the meaning of any Environmental Law; (iv) more than 100 gallons of crude oil or any fraction thereof which is liquid at standard conditions of temperature and pressure (60 degrees Fahrenheit and 14.7 pounds per square inch absolute); (v) any radioactive material, including any source, special nuclear or by-product material as defined at 42 U.S.C. §2001, et seq., as amended or hereafter amended; and (vi) asbestos in any form or condition.

(i) For purposes of this Contract, "Environmental Law" means: C.E.R.C.L.A., the E.P.A. Act, R.C.R.A., the Toxic Substances Control Act, 15 U.S.C. §2601, et seq., the Clean Water Act, 33 U.S.C. §466, et seq., the Safe Drinking Water Act, 14 U.S.C. §§ 1401 -- 1450, the Hazardous Materials Transportation Act, 49 U.S.C. §1801, et seq., and any other applicable federal, state or local law, regulation, ordinance, or requirement (including consent decrees and administrative orders) relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, all as amended or hereafter amended.

(j) All warranties, representations and covenants of the Seller contained in this Contract shall be true, accurate and complete at the time of the Seller's execution of this Contract, shall be deemed remade at Closing, and shall survive the execution and delivery of the deed and the Closing of the transactions contemplated hereby for a period of eighteen (18) months (i.e., Seller must be notified in writing of any breach within eighteen months after the Closing Date).

(k) With respect to any of Seller's representations or warranties that are given "to the best of Seller's knowledge", Seller agrees to make reasonable inquiries of its agents, partners and employees with respect to the subject matter of each such representation.

10. Seller shall indemnify, defend and hold Purchaser free and harmless from and against any and all losses, liabilities, obligations, penalties, claims, fines, litigation, demands, defenses, costs, judgments, suits, proceedings, damages, disbursements or expenses of any kind or nature whatsoever (including attorneys' fees) which may at any time be imposed upon, incurred by or asserted or awarded against Purchaser in connection with or arising from any misrepresentation, inaccuracy or breach of any representation, warranty, covenant or agreement contained in this Contract

(provided Seller is notified in writing of any such misrepresentation, inaccuracy or breach within eighteen (18) months after the Closing Date).

11. Purchaser's obligation to close the transactions contemplated by this Contract shall be subject to the following conditions precedent:

(a) All of Seller's representations and warranties shall be true and correct on the Closing Date.

(b) Purchaser shall have been furnished with reasonable evidence or assurances that all utilities shown on those certain design drawings prepared by Spaceco Engineering ("Design Drawings") as identified on (Sub)Exhibit C, will be installed at no cost to Purchaser and brought to the perimeter of the Property in sufficient time so as not to cause any delay in the construction of the Required Building.

(c) Seller, at its sole cost and expense, shall have obtained any governmental approvals required with respect to the removal or destruction of any wetlands located within the Property and shall have provided Purchaser with reasonable evidence and assurances that Purchaser may proceed to construct the Required Building without regard to any wetlands' issues.

(d) Seller, the City and the State shall have executed and delivered the Redevelopment Agreement, the Redevelopment Agreement shall be in full force and effect, and all obligations of the parties thereto which apply to the Property shall have been fully complied with by the appropriate party.

(e) Purchaser shall have reviewed and approved (in its reasonable discretion) the covenants, conditions and restrictions set forth in the deed from the City to the Seller, the Declaration, and the P.U.D. (as defined in Section 21).

(f) Purchaser, within one hundred eighty (180) days after the date hereof ("City Commitment Date") shall have received from the City a binding commitment (in the form of a redevelopment agreement) reasonably satisfactory to Purchaser to provide Purchaser with such economic and financial incentives as Purchaser requires (in its sole discretion) in order to acquire, prepare and use the Property for Purchaser's Intended Use, which such incentives shall be in an aggregate value of not less than the Purchase Price for the Property (unless Purchaser in its sole discretion is willing to accept a lesser amount). In the event such commitment from the City is not given on or before the City Commitment Date, then Purchaser shall be entitled to terminate this Agreement by providing written notice of such termination to the Seller within three (3) business days after the City Commitment Date and upon such termination all Earnest Money shall be returned to Purchaser.

(g) There shall have been no change in the physical condition of the Property which would materially and adversely affect the construction of the Required Building or Purchaser's Intended Use thereof.

(h) Purchaser shall have been furnished with reasonable evidence or assurances that Seller shall be able to complete, at no cost to Purchaser, the construction of a road servicing the Property (running south from Montrose Avenue to the south boundary of the Property) and all improvements to public roads and highways serving the Property in the manner required by the Redevelopment Agreement, in sufficient time so as not to cause any delay in the construction of the Required Building.

12. A. Provided that all of the conditions precedent set forth in Section 11 of this Contract have been satisfied and subject to Section 12B, below, the Closing ("Closing") shall occur thirty (30) days after the latter of (i) the end of the Inspection Period and (ii) the date the condition set forth above in Section 11(f) is satisfied (the "Closing Date"); provided, however, that the Closing Date may be extended from time to time by Purchaser to a date not later than October 1, 1995 by Purchaser's delivery of written notice of such extension to Seller at least ten (10) days prior to the then scheduled Closing Date. In the event that Purchaser elects to extend the Closing Date beyond May 1, 1995, then, subject to Section 12B, below, commencing on May 1, 1995 and continuing on the first day of each calendar month thereafter until the Closing, Purchaser shall deposit an additional \$10,000 with Escrowee to be added to the Earnest Money (provided, however, the additional deposit shall be \$20,000 on August 1, 1995 and September 1, 1995, if applicable). The Closing shall take place at the office of the Title Company, or such other place as mutually agreed upon by the parties hereto.

12. B. Seller agrees to use its commercially reasonable efforts to be prepared to close the transactions contemplated by this Contract on or before the Closing Date, provided, however, that Seller may extend the Closing Date to a later date by delivering to Purchaser a written notice within ten (10) days of the then scheduled Closing Date ("Seller's Extension Notice"), in the event Seller is diligently pursuing, but has not completed, all actions necessary to be taken by Seller to satisfy the conditions precedent set forth in Section 11 of this Contract. If Seller extends the Closing Date by delivering Seller's Extension Notice, then, subject to Purchaser's right to extend the Closing Date as provided in Section 12A, above, the Closing Date shall be extended until the date that is thirty (30) days after Seller delivers written notice to Purchaser that it is prepared to close the transactions contemplated by this Contract ("Seller's Closing Notice"). Purchaser shall have no obligation to make any deposits of additional Earnest Money as provided in Section 12A, above, unless Purchaser exercises its right to extend the Closing Date beyond the Closing Date established by Seller's Closing Notice. In addition, if Seller fails to deliver Seller's Closing Notice on or before August 1, 1995, Purchaser shall have the right by written notice delivered to Seller on or before August 15, 1995, to (a) extend the Closing

Date until February 1, 1996, or (b) terminate this Contract and receive a refund of all Earnest Money and interest accrued thereon and Purchaser shall have no obligation to pay any additional Earnest Money in connection with its election to extend the Closing Date until February 1, 1996. Neither party shall have any right to extend the Closing Date beyond February 1, 1996.

13. Each party represents and warrants to the other that no real estate broker has been used in connection with the transaction contemplated by this Contract. Purchaser agrees to indemnify, defend and hold Seller harmless from and against any claim for a real estate broker's commission or any similar charge or fee by any party claiming to have represented Purchaser in connection with such transaction. Seller agrees to indemnify, defend and hold Purchaser harmless from and against any claim for a real estate broker's commission or any similar charge or fee by any party claiming to have represented Seller in connection with such transaction. The parties' obligations under this Section 13 shall survive the Closing.

14. General taxes shall be adjusted ratably as of the time of the Closing. All prorations are final unless otherwise provided herein. Purchaser and Seller acknowledge that they both believe that the Property is exempt from real estate taxation, and if such is the case, no such proration shall be necessary.

15. Seller shall pay the amount of any stamp tax imposed by State law and by Cook County on the transfer of title, and shall furnish a completed Real Estate Transfer Declaration signed by Seller or Seller's agent in the form required pursuant to the Real Estate Transfer Tax Act of the State and shall furnish any declaration signed by Seller or Seller's agent or meet other requirements as established by any local ordinance with regard to a transfer or transaction tax; such tax required by local ordinance shall be paid by Purchaser. All other Closing costs and recording fees shall be paid according to the then prevailing local custom. Each party shall pay their respective attorney's fees incurred in connection with this Contract and the transactions contemplated hereby.

16. At the election of Seller or Purchaser upon notice to the other party not less than five (5) days prior to the Closing Date, this sale shall be closed through an escrow with Chicago Title and Trust Company or another escrowee reasonably acceptable to Purchaser and Seller, in accordance with the general provisions of the usual form of Deed and Money Escrow Agreement then in use by Chicago Title and Trust Company or such other Escrowee, with such special provisions inserted in the Escrow Agreement as may be required to conform with this Contract. Upon the creation of such an escrow, anything herein to the contrary notwithstanding, payment of the Purchase Price and delivery of the deed shall be made through the escrow. The cost of the escrow shall be divided equally between Seller and Purchaser.

17. Time is of the essence of this Contract.

18. (a) All notices or communications herein required or which either party desires to give to the other shall be in writing and sent by registered or certified mail, postage prepaid, return receipt requested, by personal delivery, by overnight courier or by facsimile transmission, and shall be mailed, delivered or transmitted as follows:

If To Purchaser:

Eli's Chicago's Finest, Inc.
6510 West Dakin Street
Chicago, Illinois 60634
Attention: Marc Schulman
Fax Number (312) 736-0756

With Copies To:

Donald I. Resnick
Jenner & Block
One IBM Plaza
Chicago, Illinois 60611
Fax Number (312) 527-0484

If To Seller:

Chicago Read Joint Venture L.P.
c/o The Alter Group
3000 Glenview Road
Wilmette, Illinois 60091
Attention: Randolph F. Thomas and
Stephen M. Park
Fax Number (708) 256-6472

With Copies To:

John J. Gearen
Mayer Brown & Platt
190 South LaSalle Street
Chicago, Illinois 60603
Fax Number (312) 701-7711

(b) All notices shall be effective (i) upon receipt if by personal delivery, by overnight courier or by facsimile transmission; or (ii) two

business days after deposit in the United States Mail, if mailed by certified mail as indicated above.

(c) Upon written notice to the other party, either party may change its address for delivery of further notices or communications.

19. Seller is not a "foreign person" as defined in Section 1445 of the Internal Revenue Code and is therefore exempt from the withholding requirements of said section. At the closing, Seller will furnish Purchaser the Exemption Certificate set forth in said section.

20. Seller shall execute and deliver to Purchaser and each mortgage lender of Purchaser such disclosure documents as may be required by the Illinois Responsible Property Transfer Act. Purchaser agrees to notify Seller in writing of the name and post office address of each mortgage lender who has issued a commitment to finance the purchase hereunder, or any part thereof; such notice shall be furnished within ten (10) days after issuance of any such commitment, but in no event less than forty (40) days prior to delivery of the deed hereunder unless waived by such lender or lenders. Purchaser further agrees to place of record, simultaneously with the deed recorded pursuant to this Contract, any disclosure statement furnished to Purchaser pursuant to this Section 20 and, within thirty (30) days after delivery of the deed hereunder, to file a true and correct copy of said disclosure document(s) with the Illinois Environmental Protection Agency.

21. Purchaser covenants and agrees with Seller as follows:

- A. (i) Not later than one hundred twenty (120) days after the Closing Date, Purchaser shall, at its sole cost and expense, commence construction of one warehouse/industrial/distribution building on the Property containing not less than 50,000 square feet of space, including ancillary improvements related thereto (e.g., sidewalks, loading docks, parking areas) (the "Required Building"), and Purchaser shall proceed diligently and in good faith to cause construction of the Required Building to be substantially completed not later than twelve (12) months after the commencement of construction. The Required Building shall comply with the terms, covenants, conditions and restrictions set forth in the Declaration. Notwithstanding the foregoing, the time periods for Purchaser's performance of its obligations under this Section 21A shall be subject to and extended by any delays caused by: (x) acts of God including, without limitation, extreme weather conditions, casualties, shortages of material, labor strikes (other than those resulting from Purchaser's unlawful conduct) and other similar events or conditions which are beyond Purchaser's reasonable control (the "Force Majeure Delays"), or (y) the installation of utilities or construction of the road servicing the Property by Seller, as

required by Section 22B below or Seller's failure to comply with the terms of the Redevelopment Agreement, or (z) any other Permitted Delays as defined in Section 24.02 of the Redevelopment Agreement, provided that Purchaser gives notice to Seller of the event or condition giving rise to such Force Majeure Delay within thirty (30) days after Purchaser obtains knowledge of such event or condition, and thereafter, Purchaser shall keep Seller reasonably informed of the status of such Force Majeure Delay.

(ii) If Purchaser fails to perform its obligations under this Section 21A, or notifies Seller in writing that Purchaser does not intend to comply with such obligations ("Non-Compliance Notice"), Seller's sole remedy shall be to require Purchaser to transfer the Property back to Seller (the "Reconveyance") for no consideration and Seller shall release Purchaser from any further obligation or liability under this Agreement other than its obligations under Section 8(c) hereof or any liability attributable to Purchaser's acts or omissions during the period Purchaser owns the Property, and, if Purchaser delivers a Non-Compliance Notice to Seller, Seller must exercise this remedy within thirty (30) days of the delivery of such Non-Compliance Notice. Seller shall have the right to enforce this remedy by specific performance. In the event Purchaser fails under the terms of this Agreement to enter into a Reconveyance if required to do so hereunder, Seller may seek any remedy available to it in law or equity. The Reconveyance shall be on the following terms and conditions:

(a) The closing for the Reconveyance shall occur within thirty (30) days after notice from Seller to Purchaser that it has elected to have the Reconveyance occur.

(b) At the closing of the Reconveyance, Purchaser shall convey the Property to Seller by recordable special warranty deed, and in substantially no worse condition than existed on the date hereof, subject only to the matters described in subsections 2(a), (b), (d) and (e) hereof, and to acts done or suffered to be done by Seller or the City of Chicago ("Reconveyance Exceptions").

(c) Purchaser shall deliver a title insurance policy to Seller, in the amount of the purchase price for the Reconveyance, subject only to the Reconveyance Exceptions, and in substantially the same form as the title insurance policy delivered by Seller to Purchaser on the Closing Date hereunder.

(d) Purchaser shall pay all costs of the title insurance policy, recording the deed and transfer taxes resulting from the Reconveyance.

(e) Purchaser shall furnish all documentation reasonably necessary to accomplish the foregoing.

(f) Purchaser shall deliver a copy of any environmental reports commissioned by Purchaser.

- B. Purchaser agrees to grant in favor of Seller and its successors and assigns, easements over, across, under and upon the Property for ingress and egress, drainage, and sewer, water and other utility purposes to the extent such easements are reasonably necessary for the development, ownership, use and operation of the Industrial Property as an industrial business park; provided, however, that such easements shall not be located or used in such a way as to unreasonably interfere with the development, use, ownership or operation of the Property.
- C. Seller agrees to grant in favor of Purchaser and its successors and assigns, easements over, across, under and upon the Industrial Property for ingress and egress, drainage, and sewer, water and other utility purposes to the extent such easements are reasonably necessary for Purchaser's intended use of the Property, provided, however, that such easements shall not be located or used in such a way as to unreasonably interfere with the development, use, ownership or operation of the Industrial Property.
- D. Purchaser's and Seller's covenants set forth in this Section 21 shall survive the Closing.
- E. Purchaser shall not convey or transfer the Property to any other person (except to an entity owned and controlled by Purchaser and/or the shareholders of Purchaser) unless it has first complied with its obligations under Sections 21A(i) and 21B hereof. Notwithstanding the foregoing, if pursuant to Section 21A(ii) (if applicable) Seller fails to require the Reconveyance within the time specified after delivery of a Non-Compliance Notice, then Purchaser may transfer the Property to a third party, provided any such transfer is expressly made subject to the Permitted Exceptions.

22. A. Purchaser covenants that Purchaser or Purchaser's successors or assigns shall comply with, and shall cause the Property to comply with: (i) all of the terms, covenants, conditions and restrictions set forth in the

Declaration, including, but not limited to, those provisions requiring the prior approval (not to be unreasonably withheld or delayed) of all plans, drawings and specifications relating to the Required Building by the Architectural Control Committee (as such term is defined in the Declaration) (including, but not limited to, site, architectural and elevation plans, and landscaping and signage plans and drawings), and (ii) all of the terms, covenants, conditions and restrictions set forth in that certain Residential/Manufacturing/Institutional Planned Development approved by the City on _____ (the "P.U.D."). Notwithstanding the foregoing, the parties agree that their respective rights and obligations under this Agreement shall not be varied or limited by the terms and provisions of the Declaration, and that Seller, in its capacity as developer under the Declaration, shall not seek to enforce its rights under the Declaration in a manner that would conflict with or be inconsistent with the terms and provisions of this Agreement.

B. Seller and Purchaser, as the case may be, covenant and agree as follows:

(a) Seller shall cause all utilities shown on the Design Drawings to be installed at no cost to Purchaser and brought to the perimeter of the Property in accordance with the schedule set forth on Exhibit N (as the same may be modified) to the Redevelopment Agreement.

(b) Seller shall complete, at no cost to Purchaser, the construction of a road servicing the Property running south from Montrose Avenue to the south boundary of the Property in sufficient time so as not to cause any delay in the construction of the Required Building, and shall complete all improvements to public roads and highways serving the Property in the manner required by the Redevelopment Agreement.

(c) Purchaser shall notify Seller of the expected commencement and completion dates of the construction of the Required Building sufficiently in advance so that Seller can comply with its obligations under Section 22B.

(d) Seller agrees for a period of two years after the Closing Date (or for such shorter time period as Seller maintains voting control over the Association, as defined in the Declaration), to provide written, reasonable advance notice to Purchaser of (and permit Purchaser to attend) all meetings of the Architectural Control Committee created by the Declaration and the Board of Directors of the Association created by the Declaration.

(e) Purchaser's and Seller's covenants set forth in this Section 22 shall survive the Closing.

23. If the transactions contemplated hereby do not close by reason of a default by Purchaser in any of the terms hereof, the Seller shall, subject to Section 21A above, as its sole and exclusive remedy at law or in equity, be entitled to terminate this Contract and retain the Earnest Money, together with all interest earned thereon, whereupon this Contract shall be null and void. If the transactions contemplated hereby do not close by reason of a default by Seller in any of the terms hereof, the Purchaser may, at its election: (a) rescind this Contract, or (b) pursue against Seller any and all rights and remedies available at law or in equity, including, without limitation, an action to compel Seller's specific performance of this Contract, all in such order or concurrently as Purchaser may elect.

24. Seller acknowledges and agrees that Purchaser, by executing this Contract, acquiring the Property, or otherwise, will not assume any of Seller's obligations under the Redevelopment Agreement (whether such obligations are to be satisfied either before or after the Closing) or any of Seller's other obligations or liabilities with respect to the Property, except as specifically provided hereunder or in the Redevelopment Agreement.

25. This Contract and the rights and obligations of the parties hereunder shall be governed in accordance with the laws of the State of Illinois.

26. This Contract may not be amended, modified or discharged, nor may any of its terms be waived except by an instrument in writing signed by the Seller and Purchaser.

27. This Contract contains the entire understanding of the parties hereto with respect to the subject matter contained herein and supersedes all prior agreements, understandings or intents between the parties hereto.

28. Purchaser agrees to accept the Property in its "As Is" condition as of the date hereof, and Purchaser acknowledges that Seller has not made any representations or warranties, express or implied, to Purchaser regarding the Property unless expressly set forth in this Agreement.

29. Purchaser shall have the right, at Purchaser's sole cost and expense, to relocate any human remains discovered on the Property to certain areas in the general vicinity of the C-2 Memorial Park (as defined in the Redevelopment Agreement) as designated by Seller; provided, however, that Purchaser's rights under this Section 29 shall be subject to, and Purchaser shall perform any such relocation in accordance with: (i) all applicable laws, codes, ordinances and governmental rules and regulations, (ii) the Grave Protocols as set forth in the Redevelopment Agreement and (iii) the terms and provisions of any Permitted Exceptions. If after Closing, Purchaser submits to Seller evidence reasonably satisfactory to Seller that Purchaser has incurred direct out-of-pocket expenses related to the removal and/or relocation of human graves at the Property in accordance with clauses (i) through (iii) above, Seller shall reimburse Purchaser for such expenses in an aggregate amount not to exceed \$22,000.00.

In Witness Whereof, Purchaser and Seller have executed this Contract as of this 14th day of December, 1994.

Purchaser:

Eli's Chicago's Finest, Inc., an Illinois corporation

Attest:

(Signed) Robert Isbell
Name: Robert Isbell
Title: Assistant Secretary

By: (Signed) Marc Schulman
Name: Marc Schulman
Title: President

Seller:

Chicago Read Joint Venture L.P., an Illinois limited partnership

By: 18-Chai Corporation, an Illinois corporation, a general partner

By: (Signed) Illegible
Name: _____
Title: _____

[(Sub)Exhibit "A-1" referred to in this Real Estate Sales Contract printed on page 65236 of this Journal.]

(Sub)Exhibits "A", "B" and "C" referred to in this Real Estate Sales Contract read as follows:

(Sub)Exhibit "A".
(To Real Estate Sales Contract)

Eli's Cheesecake Site.

That part of the south fractional half of Section 18, Township 40 North, Range 13, East of the Third Principal Meridian, lying south of the Indian Boundary Line and being described as follows:

commencing at the intersection of the Indian Boundary Line, being also the southeasterly line of West Forest Preserve Drive, with the east line of North Oak Park Avenue as shown on the plat of survey recorded January 11, 1935 as Document No. 11544080; thence south 01 degrees, 42 minutes, 45 seconds west along the east line of said North Oak Park Avenue, 72.56 feet to a point of curvature in said line; thence southerly along the east line of said North Oak Park Avenue, being a curved line convex westerly, having a radius of 2,337.50 feet and being tangent to said last described line at said last described point, an arc distance of 588.00 feet (the chord of said arc bears south 05 degrees, 29 minutes, 38 seconds east, 586.45 feet); thence north 26 degrees, 07 minutes, 04 seconds east, 311.80 feet; thence north 66 degrees, 00 minutes, 33 seconds east, 640.70 feet to a point for a place of beginning, said point being the intersection of said last described line with a line drawn at right angles to said Indian Boundary Line from a point on said Indian Boundary Line, 602.83 feet, as measured along said Indian Boundary Line, northeasterly of the intersection of said Indian Boundary Line with the east line of North Oak Park Avenue as shown on plat of survey recorded January 11, 1935 as Document No. 11544080; thence north 31 degrees, 21 minutes, 49 seconds west along said last described right angle line, 503.09 feet to said Indian Boundary Line; thence north 58 degrees, 38 minutes, 11 seconds east along said Indian Boundary Line, 383.21 feet to the most westerly corner of land taken for highway purposes by instrument recorded April 19, 1960 as Document No. 17832909; thence north 70 degrees, 24 minutes, 44 seconds east along the southeasterly line of said land taken for highway purposes by instrument recorded April 19, 1960 as Document No. 17832909, 98.13 feet; thence southeasterly along a curved line convex northeasterly and having a radius of 44.50 feet, an arc distance of 25.69 feet (the chord of said last described arc bears south 57 degrees, 13 minutes, 15 seconds east, 25.33 feet); thence southeasterly along a curved line convex northeasterly and having a radius of 144.50 feet, an arc distance of 17.30 feet (the chord of said arc bears south 37 degrees, 14 minutes, 22

seconds east, 17.29 feet); thence south 19 degrees, 28 minutes, 27 seconds east, 84.68 feet to a point of curvature; thence southeasterly along a curved line convex southwesterly, having a radius of 400.00 feet and being tangent to said last described line at said last described point, an arc distance of 41.51 feet to a point of reverse curvature (the chord of said arc bears south 22 degrees, 26 minutes, 50 seconds east, 41.49 feet); thence southeasterly along a curved line convex northeasterly, having a radius of 800.00 feet and being tangent to said last described curved line at said last described point, an arc distance of 33.40 feet to a point of tangency (the chord of said arc bears south 24 degrees, 13 minutes, 27 seconds east, 33.39 feet); thence south 23 degrees, 01 minutes, 42 seconds east along a line tangent to said last described curved line at said last described point, 113.55 feet; thence southeasterly along a curved line convex northeasterly and having a radius of 900.00 feet, an arc distance of 222.28 feet (the chord of said arc bears south 15 degrees, 57 minutes, 03 seconds east, 221.71 feet); thence south 58 degrees, 38 minutes, 11 seconds west, 323.08 feet; thence north 89 degrees, 59 minutes, 17 seconds west, 76.83 feet to the point of beginning, in Cook County, Illinois.

Containing 243,265 square feet or 5.585 acres.

(Sub)Exhibit "B".
(To Real Estate Sales Contract)

Report	Dated	Consultant
Preliminary Environmentalent	9/12/91	Environmental Risk Consultants, Inc.
Addendum II/Environmental Cost Estimates Phase I and II	10/10/91	Environmental Risk Consultants, Inc.
Phase I Environmental Assessment Resurvey	5/12/93	Vernar, Inc.
Environmental Assessment Phase II	3/93	Vernar, Inc.
Asbestos Material Investigation.	3/93	Vernar, Inc.

Report	Dated	Consultant
Remedial Technology Evaluation	4/94	Vernar, Inc.
Subsurface Soil Investigation -- Phase I and II	8/21/89	Terra Testing, Inc.
Subsurface Soil Investigation -- Full Property	10/16/90	Terra Testing, Inc.
Subsurface Soil Investigation -- Roads	2/11/93	Terra Testing, Inc.
Full Property Survey	4/14/94	Edward J. Molloy
Phase I Area Survey	6/10/94	Edward J. Molloy
Topographic Survey	12/4/90	Spaceco, Inc.
Site Plan	2/16/93	KLLM
Site Traffic Analysis	9/6/90	Barton Aschman
Addendum to Site Traffic Analysis	10/26/90	Barton Aschman
Forest Preserve Drive/Montrose Avenue/Oak Park Improvements	1/21/94	Spaceco, Inc.
Interaction Design Study	2/28/94	Barton Aschman
Preliminary Landscape Plan	6/15/93	LDC
T.I.F. Designation Report	8/17/90	Kane, McKenna and Associates
Read-Dunning Tax Increment Redevelopment Plan	8/17/90	Kane, McKenna and Associates
Civil Engineering Drawings	6/15/93	Spaceco, Inc.
New Horizons Lease Final	8/24/88	
New Horizons Purchase and Sale	5/13/94	

Report	Dated	Consultant
Planned Development	1/10/91	
Covenants	6/9/94	
Design Guidelines	5/94	
Redevelopment Agreement	5/18/94	

(Sub) Exhibit "C".
(To Real Estate Sales Contract)

1. Basic Civil Engineering, Utilities, Internal Roadway: June 15, 1993.
2. Montrose/Forest Preserve Drive/Internal Roadway intersection improvement drawings: January 12, 1994.

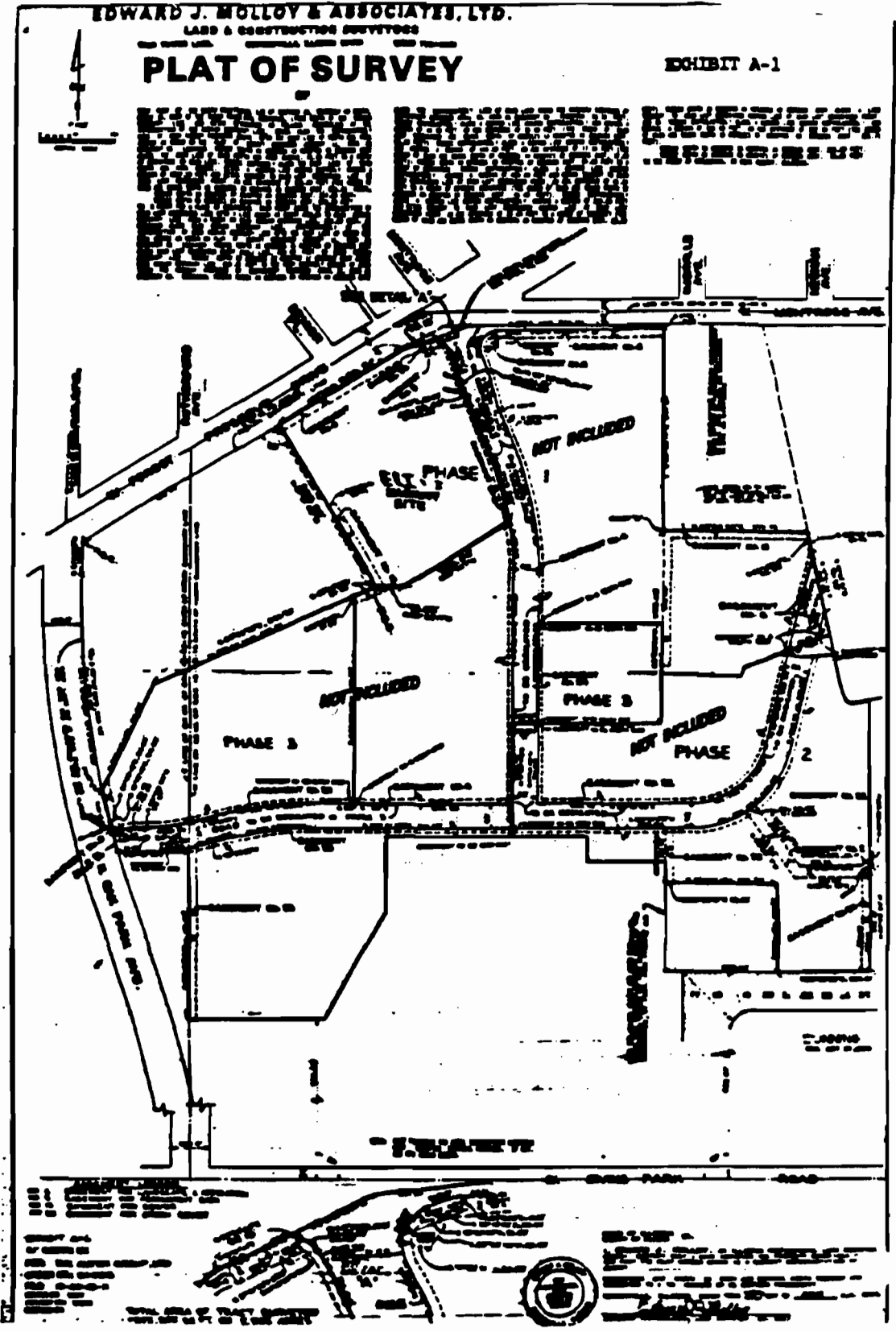
Exhibit "F".
(To Redevelopment Agreement)

Escrow Agreement.

This Escrow Agreement (the "Escrow Agreement"), dated as of _____, 199__, is made and executed by the City of Chicago, Illinois, an Illinois municipal corporation (the "City"), the undersigned developer (the "Owner"), the undersigned escrow agent (the "Escrow Agent") and the undersigned lender (the "Lender"), all as more particularly described on (Sub)Exhibit A hereto. The City and the Lender are referred to herein collectively as the "Fundors".

(Continued on page 65237)

(Sub)Exhibit "A-1".
(To Real Estate Sales Contract)



(Continued from page 65235)

Preliminary Statement.

The City has made a certain grant to the Owner (the "Grant") pursuant to that certain Redevelopment Agreement (herein as amended, supplemented and restated from time to time, the "Redevelopment Agreement") with the Owner, dated as of _____, 1994. The Lender has made a certain loan to the Owner (the "Loan") pursuant to the loan documents (herein as amended, supplemented and restated from time to time, the "Loan Agreement"). The Redevelopment Agreement and the Loan Agreement are referred to herein collectively as the "Agreements". The Loan is secured by a mortgage (the "Mortgage") covering the land and improvements described therein. The title company identified on (Sub)Exhibit A hereto (the "Title Company") has issued (or has issued its commitment to issue) an ALTA Mortgagee's Title Insurance Policy with respect to the Mortgage, referred to herein as the "Policy".

The Funders and the Owner desire to utilize the staff and expertise of the Escrow Agent to collect, review and approve lien waivers, and disburse the Escrowed Proceeds (as hereinafter defined), subject to the terms and conditions of this Escrow Agreement.

Now, Therefore, In consideration of the premises and the mutual agreements herein contained, the parties hereto agree as follows:

I.

Creation Of And Deposits To Escrow Account.

A. Escrow Account. There is hereby created with the Escrow Agent an escrow account (the "Escrow Account"), into which all funds shall be deposited hereunder in the amounts set forth in Part I of (Sub)Exhibit B hereto (the "Escrowed Proceeds"). The Escrow Agent will provide, upon written request, any information regarding the disbursement of funds from the Escrow Account, including but not limited to specific disbursements of the proceeds of the City Funds, the Equity (as defined in Paragraph B below) and the Loan.

B. Owner's Deposits. On the date hereof, the Owner will deposit into the Escrow Account the total amount set forth as Equity on Part I of (Sub)Exhibit B hereto (the "Equity"), and any additional amounts that may be required pursuant to the Redevelopment Agreement, at such times

as may be required pursuant to this Escrow Agreement or the Redevelopment Agreement.

C. Funder Deposits. Over the term of this Escrow Agreement, the Funders will deposit into the Escrow Account the total amounts set forth for each such Funder, respectively, on Part I of (Sub)Exhibit B hereto (being the proceeds of such Funder's Loan or Grant), all at intervals and installments to be determined pursuant to this Escrow Agreement and the respective Agreements. At the time of each request for a disbursement to be funded from the proceeds of a Loan or Grant hereunder, such Funder shall make a deposit with the Escrow Agent of all or a portion of the proceeds of its respective Loan or Grant, in immediately available funds, in the amount approved by each Funder pursuant to such request for disbursement as provided in Section IV hereof, provided, however, that (i) no event shall have occurred which is or, with the passage of time or the giving of notice or both, would become an event of default under any of the Agreements, and (ii) each condition set forth in Section IV, as applicable, shall have been satisfied. If at any time during the course of the work, the total of the unpaid disclosed cost of such work as indicated by the column totals on the Owner's Statements (as hereinafter defined) exceeds the amount of the undisbursed Escrowed Proceeds, the City shall not be required to make a disbursement hereunder until the Owner has deposited in the Escrow Account either (a) the sum necessary to make the available funds equal to the unpaid disclosed cost of the work, or (b) a letter in form acceptable to the City, from a financial institution, stating that such financial institution has entered into a loan agreement with the Owner pursuant to which it will fund the amount of such shortfall through this Escrow Agreement prior to the final disbursement of funds hereunder. If any Funder shall, pursuant to a disbursement request, deposit with the Escrow Agent funds in an amount greater than the amount requested from such Funder, the Escrow Agent shall promptly transfer the amount of such excess back to such Funder.

II.

Allocation Of Costs With Respect To Sources Of Funds.

Deposits to the Escrow Account by the Owner and Funders and allocations of costs with respect to sources of funds shall be made pursuant to the terms of the Redevelopment Agreement (which is hereby incorporated herein by reference as if fully set forth herein), with the Owner and Funders and not the Escrow Agent ensuring that City Funds are disbursed exclusively to pay costs described on (Sub)Exhibit C hereto as eligible costs (for T.I.F.-Funded Improvements as defined in the Redevelopment Agreement) (the "Eligible Costs") and not used to pay

costs described on (Sub)Exhibit C hereto as ineligible costs (for items other than T.I.F.-Funded Improvements as defined in the Redevelopment Agreement) (the "Ineligible Costs").

III.

Manner Of Disbursement.

Disbursements from the Escrow Account are to be made as follows, pursuant to each draw request approved pursuant to Section IV hereof:

A. By checks to each subcontractor evidencing payment due for labor and/or materials furnished for the Project (as defined in the Redevelopment Agreement);

B. To the undersigned general contractor (the "General Contractor") for general requirements, builder's overhead (and for builder's profit, when applicable) and for labor and/or materials furnished directly by the General Contractor for the Project, approved by the Funders pursuant to such disbursement request;

C. To the General Contractor for labor and/or materials furnished by subcontractors when such items have been paid directly by the General Contractor, and when substantiated by a payment affidavit and lien waiver from the subcontractor; and/or

D. To the Owner and/or other parties as approved by the Owner and the Funders for non-construction items.

For purposes of this Escrow Agreement, the term "subcontractor" shall include all mechanics and materialmen furnishing services, labor, materials and supplies to the Project.

IV.

Conditions Precedent To Disbursements.

Notwithstanding Anything In This Escrow Agreement To The Contrary, The Escrow Agent Shall Not Make Any Disbursements Hereunder If Any Funder Has Notified The Escrow Agent And All Other Parties In Writing Or By Telecopy Not To Do So. If The Escrow Agent Shall Have Received Such A Notice From Any Funder, The Escrow Agent Shall Not Make Any Disbursements Hereunder (a) Except As Provided In

Section V(G) Hereof Or (b) Unless And Until All Funders Shall Have Jointly Notified The Escrow Agent In Writing To Do So.

A. All Disbursements: The conditions precedent for all disbursements, including the first and final disbursement, are as follows:

1. Prior to each disbursement of funds hereunder, the following shall be furnished to the Escrow Agent (and such other party as may be specified):

a. If City Funds are to pay part or all of the expenses of the requested disbursement, the following shall be furnished to the City and the Escrow Agent:

(i) A Request for T.I.F. Payment attached hereto as (Sub)Exhibit D ("Request for T.I.F. Payment") completed by the General Contractor (for construction costs) or the Owner (for non-construction costs), as applicable, specifying the amount of the requested payment and the line item under which such payment is authorized and to be paid, in accordance with the schedule of Eligible Costs and Ineligible Costs attached hereto as (Sub)Exhibit C;

(ii) A certificate in the form attached hereto as (Sub)Exhibit E from the person or entity shown on (Sub)Exhibit E ("Inspector/Architect"), to the extent that disbursement is sought for soft costs or work not typically overseen by an architect, an affidavit from the construction department of Owner certifying that the work corresponds to the request for payment and that payment as shown on the Owner's Statement is due and owing;

b. A sworn owner's statement (the "Owner's Statement") disclosing all contractors, material suppliers and suppliers of services related to the Project, their respective addresses, work, materials or services to be furnished, amounts of contracts, amounts paid to date, amounts of current payments and balances due, which Owner's Statement shall be substantially similar to the Project Budget as defined in and attached to the Redevelopment Agreement (taking into account any approved Change Orders as defined in the Redevelopment Agreement), and which shall be annotated to indicate which expenditures are expected to be paid out of City Funds, Equity or the Loan, respectively;

c. A sworn General Contractor's statement setting forth in detail all contractors and material suppliers with whom the General Contractor has contracted for the Project, their respective addresses, work or materials to be furnished, amounts of contracts, amounts paid to date, amount of current payments and balances

due (the "Contractor's Statement"), together with the partial waiver of the General Contractor in the amount of the draw, and waivers of liens, affidavits, supporting waivers and/or release of liens, if necessary, from subcontractors and material suppliers listed thereon;

d. An approval of the current condition of title shown in each Policy, from each Funder holding (or to receive) a Policy. When, after the first disbursement, a further title search reveals a subsequently arising exception over which the Title Company is unwilling to insure, the Escrow Agent will notify the Funders and discontinue disbursement until the exception has been disposed of to the reasonable satisfaction of all Funders; (provided, however, that a mechanic's lien claim over which the Title Company is required to insure hereunder shall not warrant a discontinuance of disbursement);

e. Other Statements, invoices, waivers, affidavits, supporting waivers and releases of lien from such persons and in such form as may be required by the Escrow Agent, the City Comptroller or the City's Department of Planning and Development ("D.P.D.") for the purpose of releasing and waiving any and all rights to file mechanic's lien claims against the property for those amounts and the work or materials which they represent, or, alternatively, the Owner may enter into such indemnification arrangement with the Escrow Agent as required by the Escrow Agent to underwrite the requested coverage and issue the said required policy;

f. The Equity due as of the date of the requested disbursement from the Owner, if any, shall be deposited into the Escrow Account and the Escrow Account shall contain sufficient funds, in the aggregate, consisting of Equity, the proceeds of the Loan and/or the City Funds, to cover the amount of the requested disbursement; and

g. A written approval by the Owner and the Funders of each requested disbursement and a request that the disbursement be made; approval on behalf of the City shall be given by any one of the following officials of D.P.D.: its Commissioner, any Deputy Commissioner or Assistant Commissioner and shall be evidenced by the City's written approval as set forth on the Request for T.I.F. Payment.

2. The Title Company shall be in a position to issue a mechanics' lien and pending disbursement endorsement to each Funder's Policy, if any, in form and substance satisfactory to such Funder (the "Endorsement"). The amount shown in such Endorsement shall be the amount of the total disbursement(s) made by such Funder to date, and the effective

date thereof shall be the date such Funder's funds are deposited into the Escrow Account.

B. First Disbursement. Prior to the first disbursement of funds hereunder, and in addition to the requirements set forth above for all disbursements, the following shall be furnished:

Where applicable, the Title Company shall have furnished to each Funder Policies covering the recording of each Funder's Mortgage, as applicable, and the Redevelopment Agreement and showing each Funder as the insured under its respective Policy, if any.

C. Final Disbursement. Prior to the final disbursement of funds hereunder, and in addition to the requirements set forth above for all disbursements, the following shall be furnished to the Escrow Agent:

1. A Certificate of Completion in recordable form issued by the City pursuant to Section 7.01 of the Redevelopment Agreement;

2. A Certificate of Occupancy issued by the City of Chicago, Department of Buildings with respect to any buildings situated on the Property and constructed or rehabilitated pursuant to the Redevelopment Agreement;

3. An "as built" survey; and

4. Upon completion of the Project, the Owner shall promptly submit written notice thereof to the Escrow Agent and each Funder and shall cause the Title Company to issue a final Endorsement to each Funder's Policy, if any.

V.

Escrow Agent.

It is understood by the parties hereto and by the General Contractor, who executed this Escrow Agreement to evidence its understanding and not as a party hereto, that the following provisions govern the duties of the Escrow Agent hereunder:

A. The Funders, and not the Escrow Agent, are responsible for determining the amount of each Funder's deposit requirement for each disbursement. Such amounts and each Funder's agreement thereto shall be evidenced by the written request for disbursement signed by the

Owner and each Funder, and the Escrow Agent is entitled to rely thereon, without further inquiry;

B. The Escrow Agency may, at its discretion, take whatever steps the Escrow Agent may deem necessary to verify the accuracy of any sworn statement required hereunder;

C. If at any time the Escrow Agent shall discover a misstatement of a material fact in any request or other notice from the Owner, it shall promptly give notice of such discovery to each Funder and shall thereafter not disburse funds from the Escrow Account until such misstatements shall have been corrected to the satisfaction of each Funder, except as directed pursuant to the joint direction of all Funders;

D. The Escrow Agent will not accept any blanket lien waivers by the General Contractor as to labor performed and/or materials furnished by others. The Escrow Agent will not accept any blanket waiver pre-signed by any subcontractor;

E. While the subcontractors and any suppliers of labor and materials listed on sworn statements are not parties to this Escrow Agreement and have no standing hereunder, the Escrow Agent is authorized to furnish to those persons information which the Escrow Agent may deem appropriate with regard to the times at which disbursements might be made to them, and what conditions remain unsatisfied when the Escrow Agent is not in a position to disburse;

F. Any requirement or undertaking herein notwithstanding, there is no obligation assumed by the Escrow Agent for insuring that sufficient funds will be available to pay all costs incurred in completing the Project, or that the Project will be completed. Except with respect to funds for which the Escrow Agent shall have received investment instructions in writing, the Escrow Agent shall be under no duty to invest or reinvest any cash at any time held by it hereunder. All income, if any, derived from any use which the Escrow Agent may make of any deposits hereunder shall belong to the respective depositors;

G. Upon receipt of written notice to the Escrow Agent from any Funder, the Escrow Agent shall transfer to such Funder all amounts previously disbursed by such Funder into the Escrow Account that remain in the Escrow Account;

H. After payment by the Escrow Agent of the final disbursement hereunder, the Escrow Agent shall disburse any funds then remaining in the Escrow Account to the respective depositor, except that any Equity remaining shall be disbursed only pursuant to the joint direction of all Funders;

I. The Escrow Agent's charges for the services performed and title insurance protection furnished hereunder are the responsibility of the Owner and are to be paid from funds deposited herein, and the Escrow Agent reserves the right to suspend further processing of funds in the Escrow Account until this is done or other arrangements satisfactory to the Escrow Agent have been made; and

J. It is understood by the parties hereto that the requirements listed in this Section V are solely for the Escrow Agent's benefit to assist the Escrow Agent in fulfilling its obligations hereunder.

VI.

General.

A. Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth on (Sub)Exhibit F hereto, by any of the following means: (a) personal service; (b) electronic communications, whether by telex, telegram or telecopy; (c) overnight courier, receipt requested; or (d) registered or certified mail, return receipt requested. 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) above shall be deemed received upon such personal service or upon dispatch by electronic means with confirmation of receipt. Any notice, demand or request sent pursuant to clause (c) above shall be deemed received on the Business Day (as defined below) immediately following deposit with the overnight courier, and any notice, demand or request sent pursuant to clause (d) above shall be deemed received two Business Days following deposit in the mail. "Business Day" as used herein shall mean a day on which banks in the City of Chicago are not authorized or required to remain closed and which shall not be a public holiday under the laws of the State of Illinois or any ordinance or resolution of the City of Chicago.

B. No changes, amendments, modifications, cancellations or discharge of the Escrow Agreement, or any part hereof, shall be valid unless in writing executed by the parties hereto or their respective successors and assigns.

C. No official, officer or employee of the City shall be personally liable to the Owner or any successor in interest in the event of any default or breach of this Escrow Agreement by the City or for any amount which may become due to the Owner or any successor in interest, or on any obligation under the terms of this Escrow Agreement.

D. The Escrow Agent, the Funders and the Owner agree that this Escrow Agreement is not intended to give any benefits, rights, privileges, actions or remedies to any person, partnership, firm or corporation other than the Escrow Agent, the Funders and the Owner, as a third party beneficiary or otherwise, under any theory of law.

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

F. This Escrow Agreement shall be governed as to performance and interpretation in accordance with the internal laws of the State of Illinois, without regard to its conflict of law principles.

G. This Escrow Agreement may be executed in several counterparts, each of which shall constitute an original and all of which shall constitute one and the same instrument.

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

In Witness Whereof, The parties hereto have caused this Escrow Agreement to be duly executed and delivered as of the date first written above.

City of Chicago, Illinois

By: _____

Its: _____ Commissioner,
Department of Planning and Development

Eli's Chicago's Finest, Inc.

By: _____

Its: _____

[Insert name of Lender]

By: _____

Its: _____

[Insert name of Escrow Agent]

By: _____

Its: _____

Accepted:

[Insert name of General Contractor],
a _____ corporation

By: _____

Its: _____

(Sub)Exhibits "A", "B", "C", "D-1", "D-2", "E" and "F" referred to in this Escrow Agreement read as follows:

(Sub)Exhibit "A".
(To Escrow Agreement)

A. Parties.

1. Eli's Chicago's Finest, Inc., an Illinois corporation, referred to herein as the "Owner", having an address at _____, Chicago, Illinois 606____; Attention: _____.
2. [Insert Name of Lender, if any], a [national banking association], referred to herein as the "Lender", having an address at _____, Chicago, Illinois 606____; Attention: _____.
3. City of Chicago, Illinois having an address at its Department of Planning and Development, City of Chicago, 121 North LaSalle Street, Chicago, Illinois 60604, Attention: Commissioner.
4. [Insert name of Escrow Agent], an [Illinois] corporation, referred to herein as the "Escrow Agent", having an address at _____, Chicago, Illinois 606____; Attention: _____.

B. [Insert name of Title Company]

(Sub)Exhibit "B".
(To Escrow Agreement)

Funding Of The Escrow Account.

- I. Total amount to be disbursed into the Escrow Account over the term of the Escrow Agreement (total amount of each loan or grant less approved prior expenditures):

Equity:	\$ _____
Less approved prior expenditures:	\$ _____
Total Escrowed Equity:	\$ _____
City Funds:	\$ _____
Less amounts disbursed on the date hereof but not through the Escrow Account:	\$ _____
Total Escrowed City Funds:	\$ _____
Loan:	\$ _____
Less amounts disbursed on the date hereof but not through the Escrow Account:	\$ _____
Total Escrowed Loan:	\$ _____
Total Escrowed Proceeds:	\$ _____

II. Amounts disbursed into and out of the Escrow Account on the date hereof, if any:

Equity:	\$ _____
City Funds:	\$ _____
Loan:	\$ _____
Total:	\$ _____

(Sub)Exhibit "C".
(To Escrow Agreement)

Eligible And Ineligible Costs.

Eligible Costs (For T.I.F.-Funded Improvements).

Item	Amount
------	--------

Ineligible Costs.

Item	Amount
------	--------

(Sub)Exhibit "D-1".
(To Escrow Agreement)

Request For T.I.F. Payment -- Construction Costs.

Date of Request: _____, 19__.

_____, an _____ corporation (the "General Contractor"), as general contractor for the construction or rehabilitation of certain T.I.F.-Funded Improvements (as defined in the Redevelopment Agreement) on certain property owned by _____, a _____ corporation (the "Owner"), does hereby request the payments be made by the City of Chicago (the "City") for certain improvements made in accordance with the Redevelopment Agreement dated _____, 1994 by and between the City and the owner and the Escrow Agreement between the City, the Owner, certain Lender(s), the Escrow Agent and the General Contractor dated _____, 1994 (the "Escrow"). Terms used herein and not otherwise defined shall have the meanings set forth for such terms in the Escrow.

Attached hereto is an executed original Certificate of the Inspector/Architect certifying that the work for which this request is made was completed in accordance with the Scope Drawings approved by the City of Chicago.

Payment is requested in the amount of \$ _____ for the following line items identified on (Sub)Exhibit C to the Escrow Agreement as Eligible Costs:

Line Item	Amount Requested	Balance After Requested Payment
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____
5. _____	_____	_____
6. _____	_____	_____

Date of Request: _____, 19__.

_____, Inc. [General Contractor]

By: _____

Its: _____

Approved this _____ day of _____, 199__.

City of Chicago

By: _____

Its: _____

(Sub)Exhibit "D-2".
(To Escrow Agreement)

Request For T.I.F. Payment (Non-Construction Costs)

_____, a _____ corporation (the "Owner"), does hereby request that payments be made by the City of Chicago (the "City") for certain improvements in accordance with the Redevelopment Agreement dated _____, 1994 by and between the City and the Owner and the Escrow Agreement between the City, the Owner, certain Lender(s), the Escrow Agent and the General Contractor dated _____, 1994 (the "Escrow"). Terms used herein and not otherwise defined shall have the meanings set forth for such terms in the Escrow.

The undersigned hereby certifies that the work for which this request is made was completed and no mechanics' liens or other liens of any kind have been or will be filed by any person with respect thereto.

Payment is requested in the amount of \$ _____ for the following line items identified on (Sub)Exhibit C to the Escrow Agreement as Eligible Costs:

Line Item	Amount Requested	Balance After Requested Payment
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____
5. _____	_____	_____
6. _____	_____	_____

Date of request: _____, 1994.

_____, Inc. [Owner]

By: _____

Its: _____

Approved this _____ day of _____, 199__

City of Chicago

By: _____

Its: _____

*(Sub)Exhibit "E".
(To Escrow Agreement)*

Inspector/Architect Certificate.

_____, the Inspector/Architect for the construction and/or rehabilitation of the facility of _____ (the "Company") located at _____, Chicago, Illinois, pursuant to [insert Escrow Agent's name] ("Escrow Agent") Escrow No. _____ (the "Escrow"), does hereby certify and approve to the Escrow Agent, the City of Chicago (the "City") and the Company as follows:

A. The work covered by draw request number _____ dated _____, 1994 has been completed and materials are in place in substantial conformity with the "Scope Drawings" (as such term is defined in the Redevelopment Agreement (the "Agreement") dated March ____, 1994 by and between the Company and the City), any and all permits that are required for said work have been obtained and all work completed is in accordance therewith.

B. The work covered by the above-referenced draw request is composed of \$ _____ detailed as follows:

Line Item	Amount Request	Balance After Payment
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

C. Total Project (as defined in the Redevelopment Agreement) expenditures to date are \$ _____, composed of payments of City Funds totaling \$ _____ and payments of Equity and/or Lender Financing (as defined in the Redevelopment Agreement) totaling \$ _____.

D. City Funds have not been disbursed to pay for costs other than the Eligible Costs as set forth on (Sub)Exhibit C to the Escrow.

By: _____

Its: _____

(Sub)Exhibit "F".
(To Escrow Agreement)

Addresses Of Parties For Notice.

If To The City:

As set forth on (Sub)Exhibit A hereto, with copies to:

Office of the Corporation Counsel
City of Chicago
Room 511
121 North LaSalle Street
Chicago, Illinois 60602
Attention: Finance and Economic
Development
Division

If To The Owner: As set forth on (Sub)Exhibit A
hereto, with copies to:
Chicago, Illinois 606____

If To The Lender: As set forth on (Sub)Exhibit A
hereto, with copies to:
Chicago, Illinois 606____

If To The Escrow Agent: As set forth on (Sub)Exhibit A
hereto.

Exhibit "G".
(To Redevelopment Agreement)

Permitted Liens.

1. General taxes for 1993 and subsequent years not yet due and payable.
2. Rights of the public and the municipality in and to those parts of the land, if any, taken or used for road purposes. [To be expanded to include specific areas.]
3. Rights-of-way for drainage tiles, ditches, feeders and laterals.

4. Encroachment of a fence located mainly on the land southeasterly and over onto the land as disclosed by Survey Number 902547-1 by Edward J. Molloy and Associates dated November 14, 1990.
5. Roadways and tunnels across and under the land, as shown on the plat of survey made by National Survey Service, Inc., dated September 12, 1966, and amended March 21, 1967, Survey No. 91710. (Note: The portion of this exception relating to tunnels will be deleted from Chicago Title Insurance Commitment No. 72-80-144 upon receipt of a letter from the developer which states that the tunnels have been sealed at the boundary of the property.)
6. Subsequent to the conveyance of the land by the State of Illinois, the recording of any deed or other instrument of conveyance of the land, or assignment of the beneficial interest under a land trust, the transfer of real estate by sale of partnership interests, sale of stock in a corporation or similar methods, or transfer of a leasehold interest under a lease which provides for a term of thirty (30) or more years, considering any options to renew or extend whether or not any portion of the term has expired, may be subject to real estate transfer taxes levied by the City of Chicago and is subject to:
 - (1) Prior approval by the Water Commissioner; and
 - (2) Either certification of exemption from the City Building Registration Ordinance or attachment of either a certification of registration or a receipt from the Department of Buildings showing that the building has been registered by the purchaser. In the absence of such approval, the Recorder of Deeds is required by state law to refuse to record or register instruments of conveyance that are not in compliance with such tax requirements.
7. Wright College temporary parking lot lease dated _____.
8. Possible unrecorded easements for sewers as disclosed by pages 65 and 66 of City of Chicago Department of Sewers Atlas.
9. Possible unrecorded easements for water mains and facilities as shown on page No. 89-B of the City of Chicago Department of Water Atlas.
10. Memorandum of the Chicago Read-Dunning Redevelopment Agreement recorded by the Cook County Recorder of Deeds on _____, 1994 as Document No. 94-_____.
11. Any lien, encumbrance or easement contemplated by or arising out of the Chicago Read-Dunning Redevelopment Agreement dated as of

_____, 1994, by and among the State of Illinois, the City of Chicago and Chicago Read Joint Venture.

12. Any lien, encumbrance or easement contemplated or arising out of the Redevelopment Agreement dated as of _____, 1994, by and between the City of Chicago and Eli's Chicago's Finest, Inc., including, without limitation, any lien or encumbrance arising out of the lender financing, as defined in such agreement.

Exhibit "H".
(To Redevelopment Agreement)

Project Budget.

Activity	Cost
Land Acquisition (at \$4.50 per square foot)	\$1,095,000
Facility Construction	2,400,000
Site Preparation	300,000
Architectural and Engineering Services	121,500
Construction Supervision	81,000
Legal/Title/Survey	25,000
Financing Fees	50,000
Real Estate Taxes	40,000
Machinery and Equipment	1,000,000
Contingency (at 5%)	148,875
Construction Interest (at 8.5%)	111,804
Moving Costs	<u>130,000</u>
TOTAL DEVELOPMENT COST:	\$5,503,179

Exhibit "I".
(To Redevelopment Agreement)

[Intentionally Omitted]

Exhibit "J".
(To Redevelopment Agreement)

Opinion Of Developer's Counsel.

[To Be Retyped On The Developer's Counsel's Letterhead]

_____, 1994

City of Chicago
121 North LaSalle Street
Chicago, Illinois 60602

Attention: Corporation Counsel

Ladies and Gentlemen:

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

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

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

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

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

In addition to the foregoing, we have examined:

(a) the original or certified, conformed or photostatic copies of the Developer's (i) Articles of Incorporation, as amended to date, (ii) qualifications to do business and certificates of good standing in all states in which the Developer is qualified to do business, (iii) Bylaws, as amended to date, and (iv) records of all corporate 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 corporation duly organized, validly existing and in good standing under the laws of its state of incorporation, has full power and authority to own and lease its properties and to carry on its business as presently conducted, and is in good standing and duly qualified to do business as a foreign corporation under the laws of every state in which the conduct of its affairs or the ownership of its assets requires such qualification, except for those states in which its failure to qualify to do business would not have a material adverse effect on it or its business.

2. The Developer has full right, power and authority to execute and deliver the documents to which it is a party and to perform its obligations thereunder. Such execution, delivery and performance will not conflict with, or result in a breach of, the Developer's Articles of Incorporation or By-Laws 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. (Sub)Exhibit A attached hereto (a) identifies each class of capital stock of Developer, (b) sets forth the number of issued and authorized shares of each such class, and (c) identifies the record owners of shares of each class of capital stock of Developer and the number of shares held of record by each such holder. To the best of our knowledge after diligent inquiry, except as set forth on (Sub)Exhibit A, there are no warrants, options, rights or commitments of purchase, conversion, call or exchange or other rights or restrictions with respect to any of the capital stock of the Developer. Each outstanding share of the capital stock of the Developer is duly authorized, validly issued, fully paid and nonassessable.

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

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

8. To the best of our knowledge after diligent inquiry, all of the assets of the Developer are free and clear of mortgages, liens, pledges, security

interests and encumbrances except for those specifically set forth in the documents.

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

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

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

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

This opinion is issued at the Developer's request for the benefit of the City, its counsel and purchasers of the City's General Obligation Tender Bonds, _____ issued pursuant to an ordinance adopted by the City Council of the City of Chicago on _____, 19____ (the proceeds of which are to be used, in part, to finance the Project) and may not be disclosed to or relied upon by any other person.

Very truly yours,

By: _____

Name: _____

[(Sub)Exhibit "A" referred to in this Opinion of Developer's
Counsel unavailable at time of printing.]

Exhibit "K".
(To Redevelopment Agreement)

Permitted Indebtedness.

[Not Currently Available]

Exhibit "L".
(To Redevelopment Agreement)

Preliminary T.I.F. Projection -- Real Estate Taxes.

Year	Minimum Assessed Value	Estimated Multiplier	Estimated Tax Rate	Property Tax Revenue
1995	\$316,800	2.0381	9.899%	\$ 0
1996	633,600	2.0381	9.899%	63,915
1997	672,381	2.0381	9.899%	127,830
1998	672,381	2.0381	9.899%	135,654
1999	672,381	2.0381	9.899%	135,654
2000	713,537	2.0381	9.899%	135,654
2001	713,537	2.0381	9.899%	143,957
2002	713,537	2.0381	9.899%	143,957

Year	Minimum Assessed Value	Estimated Multiplier	Estimated Tax Rate	Property Tax Revenue
2003	757,211	2.0381	9.899%	\$143,957
2004	757,211	2.0381	9.899%	152,768
2005	757,211	2.0381	9.899%	152,768
2006	803,558	2.0381	9.899%	152,768
2007	803,558	2.0381	9.899%	162,119
2008	803,558	2.0381	9.899%	162,119
2009	852,742	2.0381	9.899%	162,119
2010	852,742	2.0381	9.899%	172,042
2011	852,742	2.0381	9.899%	172,042
2012	904,937	2.0381	9.899%	172,042
2013	904,937	2.0381	9.899%	182,572
2014	904,937	2.0381	9.899%	182,572
2015	960,325	2.0381	9.899%	182,572

Improvements are as described in the Agreement.

Exhibit "O".
(To Redevelopment Agreement)

Conditional Provisions.

(a) **Governmental Charges.** As long as the Developer owns the Project, 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, 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. 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 Part (b) of this exhibit 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 D.P.D. of the Developer's intent to contest or object to a Governmental Charge and, unless, at D.P.D.'s sole option, (i) the Developer shall demonstrate to D.P.D.'s satisfaction that legal proceedings instituted by the Developer contesting or objecting to a Governmental Charge shall conclusively operate to prevent a lien against or the sale or forfeiture of all or any part of the Property to satisfy such Governmental Charge prior to final determination of such proceedings and/or (ii) the Developer shall furnish a good and sufficient bond or other security satisfactory to D.P.D. in such form and amounts as D.P.D. 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. If the Developer fails to pay any Governmental Charge or to obtain discharge of the same, the Developer shall advise D.P.D. thereof in writing, at which time D.P.D. may, but shall not be obligated to, and without waiving or releasing any obligation or liability of the Developer under this Agreement, in D.P.D.'s sole discretion, make such payment, or any part thereof, or obtain such discharge and take any other action with respect thereto which D.P.D. deems advisable. All sums so paid by D.P.D., if any, and any expenses, if any, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto, shall be promptly disbursed to D.P.D. by the Developer. Notwithstanding anything contained herein to the contrary, this paragraph shall not be construed to obligate the City to pay any such Governmental Charge. Additionally, if the Developer fails to pay any Governmental Charge, the City, in its sole discretion, may require the Developer to submit to the City audited Financial Statements at the Developer's own expense.

(b) Real Estate Taxes.

(i) **Acknowledgement of Real Estate Taxes.** The Developer agrees that (A) for the purpose of this Agreement, the total projected minimum assessed value of the Property which is necessary to support the debt service indicated ("Minimum Assessed Value") is shown on Exhibit L attached to the Agreement and incorporated herein by reference for the years noted on Exhibit L; (B) Part II of Exhibit L 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 L.

(ii) **Real Estate Tax Exemption.** 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.** 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 L.

(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 by any taxpayer to raise the assessed value of the Property to the Minimum Assessed Value. The term "Underassessment Complaint" as used in this Agreement shall mean a complaint seeking to increase the assessed value of the Project.

(v) **Covenants Running with the Land.** The parties agree that the restrictions contained in this Exhibit O 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 the Redevelopment Area is no longer in effect. The Developer agrees that any sale, 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 subject to such covenants and restrictions.

(c) Insurance. In addition to the insurance required pursuant to Section 12 of the Agreement, the Developer shall at all times provide, maintain and keep in force the following insurance:

(i) All Risk Property Insurance.

(A) The Developer shall obtain All Risk Property Insurance in the amount of the full replacement value of the Developer's property located in the Redevelopment Area, including but not limited to the Property.

(B) Post-construction, the Developer shall obtain an All Risk Property policy, including improvements and betterments in the amount of full replacement value of the Developer's property located in the Redevelopment Area, including but not limited to the Property. Coverage extensions shall include business interruption/loss of rents, flood and boiler and machinery, if applicable.

**AUTHORIZATION FOR ISSUANCE OF FREE PERMIT, LICENSE
FEE EXEMPTIONS, REFUND OF FEES AND WAIVER OF
FEES FOR CERTAIN CHARITABLE, EDUCATIONAL
AND RELIGIOUS INSTITUTIONS.**

The Committee on Finance submitted the following report:

CHICAGO, February 8, 1995.

To the President and Members of the City Council:

Your Committee on Finance, to which had been referred June 16, August 3, September 14, October 5, November 2, 16, 30, December 21, 1994 and January 12, 1995, sundry proposed ordinances and orders transmitted therewith to authorize the issuance of a free permit, license fee exemptions, refund of fees and waiver of fees for certain charitable, educational and religious institutions, having had the same under advisement, begs leave to