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

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GATEWAY PARK, LLC REDEVELOPMENT AGREEMENT

This Gateway Park LLC Redevelopment Agreement (this "**Agreement**") is made as of this 23rd day of December, 1999, by and between the City of Chicago, an Illinois municipal corporation (the "**City**"), through its Department of Planning and Development ("**DPD**"), and Gateway Park, LLC, an Illinois limited liability company (the "**Developer**").

RECITALS:

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

B. Statutory Authority: The City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., (1996 State Bar Edition), as amended from time to time (the "**Act**"), to finance projects that eradicate blighted conditions and conservation area factors through the use of tax increment allocation financing for redevelopment projects.

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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 March 10, 1999: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the Greater Southwest Industrial Corridor (East) Redevelopment Project Area"; (2) "An Ordinance of the City of Chicago, Illinois Designating the Greater Southwest Industrial Corridor (East) 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 Greater Southwest Industrial Corridor (East) Redevelopment Project Area" (the "**TIF Adoption Ordinance**"), (collectively referred to herein as the "**TIF Ordinances**"). The redevelopment project area referred to above (the "**Redevelopment Area**") is legally described in Exhibit A hereto.

D. Property Acquisition: The Developer has acquired or will acquire on the date hereof (and may cause its designee to acquire in part) pursuant to that certain Agreement of Purchase and Sale dated as of February 25, 1999, which has been previously been delivered to the City (such agreement being defined herein as the "**Property Acquisition Agreement**", and the entire acquisition transaction being defined as the "**Acquisition**") certain property totaling approximately 62 acres located within the Redevelopment Area in and around the intersection of 76th Street and Albany Avenue, Chicago, Illinois 60652, and legally described on Exhibits C-1, C-2 and C-3 hereto (collectively, all of the parcels acquired in the Acquisition are defined herein as the "**Property**", with the parcel described in Exhibit C-1 defined as the "**Double Drive-In Parcel**", the parcel described in Exhibit C-2 defined as the "**Industrial Building Parcel**", and the parcel described in Exhibit C-3 defined as the "**City Parcel**").

E. Status of the Property: A portion of the Property is presently, or was, the subject of environmental litigation in consolidated civil actions titled People of the State of Illinois v. Cole Taylor Bank, et al, Cook County Circuit Court, Chancery Division, Case No. 97-CH-00840, consolidated with City of Chicago v. Cole Taylor Bank, et al., Cook County Circuit Court, Chancery Division, Case No. 97-CH-00330 (the "**Actions**"), and such Actions are the subject of a settlement agreement (the "**Settlement Agreement**"), which is Exhibit D hereto. The City Parcel and a portion of the Double Drive-In Parcel, legally described on Exhibit C-1.1 hereto, (the "**Finger Parcel**") were used as illegal dumping sites (collectively, the "**Remediation Sites**"). Such Remediation Sites require extensive clean-up and remediation before being usable for development as commercial/industrial sites. Pursuant to the Settlement Agreement, and as required under the Property Acquisition Agreement, Developer will cause the City Parcel to be conveyed by the sellers thereof directly to the City for the purposes therein and herein provided under a trustee's deed substantially in the form attached as Exhibit E-1 hereto, and the Property sellers are required to place Three Million Dollars (\$3,000,000.00) of the sale proceeds in an environmental escrow (the "**Environmental Escrow**"), pursuant to an Environmental Escrow Agreement attached as Exhibit U (the "**Environmental Escrow Agreement**"), for use by the City to pay for part of the costs incurred in cleaning up and remediating the Remediation Sites.

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F. City Remediation Work: The City, as coordinated through its Department of Environment (“DOE”), will undertake and complete clean up and environmental remediation work on the Remediation Sites by enrolling them in the Site Remediation Program of the Illinois Environmental Protection Agency (the “IEPA”) pursuant to the requirements of a remediation agreement (the “**Remediation Agreement**”), which is or will be Exhibit F hereto, and which will address remediation issues for each Remediation Site; and, in order to gain legal access thereto, pursuant to the license agreement by and between the City, the State and Developer (the “**License Agreement**”) which is Exhibit G hereto. Upon completion of the clean-up and remediation work required under the Remediation Agreement for the City Parcel, the City will convey the City Parcel to the Developer as provided in, and subject to, the applicable terms and provisions of this Agreement. The City’s undertakings generally contemplated in this Recital F are otherwise more particularly dealt with in Sections 11.03 through 11.05 of Article Eleven hereof.

G. The Project: Within the time lines set forth in Section 3.01 hereof, Developer will complete the Acquisition of the Property and will commence and complete construction of: (i) approximately 660,000 square feet of build-to-suit industrial space for StyleMaster Inc. and other tenants consisting of manufacturing and product distribution facilities (“**Phase I**”), and (ii) upon receipt of a deed from the City for the City Parcel, and subject to the terms and conditions of this Agreement, up to approximately 750,000 square feet of industrial space for lease to tenants on the City Parcel and Industrial Building Parcel (“**Phase II**”) (the facilities described in clauses (i) and (ii) are referred to herein as the “**Facility**”), and (iii) related public improvements, if any. The Acquisition and the construction of the Facility and any related public improvements (including but not limited to those TIF-Funded Improvements as defined below and set forth in Exhibit H) are collectively defined herein as the “**Project**”. Notwithstanding the above definitions of the Project and the Facility, but in no way lessening or limiting the obligations hereunder of the Developer with respect thereto, if Phase II is never commenced and completed in accordance with this Agreement, then the terms “Project” and “Facility” will be deemed to refer only to Phase I, and any related public improvements. If the Developer completes Phase II in accordance with this Agreement so that Note 2 (as defined below) is issued by the City, the terms “Project” and “Facility” will then be deemed also to include Phase II and any related public improvements. The completion of the Project would not reasonably be anticipated without the financing contemplated in this Agreement.

H. Redevelopment Plan: The Project will be carried out in accordance with this Agreement and the City of Chicago Greater Southwest Industrial Corridor (East) Redevelopment Area Project and Plan (the “**Redevelopment Plan**”) attached hereto as Exhibit I, as amended from time to time.

I. City Financing and Assistance: Subject to the Developer fulfilling its obligations under this Agreement required to obligate the City to do so, the City will issue to the Developer the Notes (as defined below), in the amounts set forth in Section 4.03 hereof, to make available the proceeds of the Notes to reimburse the Developer for the costs of the TIF-Funded Improvements pursuant to the terms and conditions of this Agreement. In addition, the City may, in its discretion, issue tax increment allocation bonds (“**TIF Bonds**”) secured by Incremental Taxes (as defined below) pursuant

to a TIF bond ordinance (the "**TIF Bond Ordinance**"), at a later date as described in Section 4.06 hereof, the proceeds of which (the "**TIF Bond Proceeds**") may be used to pay for the costs of the TIF-Funded Improvements not previously paid for from Available Increment (as defined below), including any such payment made pursuant to any Note(s) provided to the Developer pursuant to this Agreement, or in order to reimburse the City for the costs of TIF-Funded Improvements. The Developer also has applied for a CD Float Loan in the amount of \$13,230,000 (the "**CD Float Loan**") through DPD's CD Float Loan Program and has received City authorization and approval thereof to assist in providing Lender Financing (hereinafter defined) for Phase I of the Project (and Developer may hereafter apply for and seek to obtain a CD Float Loan for Phase II of the Project). The Developer also expects to benefit from the Enterprise Zone Program administered by DPD. Further, the Developer will apply for, and expects to receive sponsoring support from the City Council of the City for a tax incentive under Class 6(b) of the Cook County Classification Ordinance.

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 hereby agree as follows:

AGREEMENT:

ARTICLE ONE: INCORPORATION OF RECITALS

1.01 The recitals stated above are hereby incorporated into this Agreement by reference and made a part hereof.

ARTICLE TWO: INCORPORATION OF DEFINITIONS

2.01 The definitions set forth in Schedule A are hereby incorporated into this Agreement by reference and made a part hereof.

ARTICLE THREE: THE PROJECT

3.01 **Project Timelines.** The parties agree to the following timelines for work on the Project, in each case subject to the provisions of Section 18.16 (Force Majeure) hereof:

(a) Finger Parcel Clean-Up.

(i) Commencement. As more particularly provided in the Scope of Work and the City-Developer Side Agreement for 76th & Albany Site (Exhibit V) hereto, DOE will

commence waste management activities on the Finger Parcel on or before March 31, 2000, or as soon thereafter as soil and weather conditions permit soil screening activities to be conducted at the site;

(ii) Completion. The City will complete all waste management activities on the Finger Parcel within 60 days of the commencement of such work, barring force majeure;

(iii) Direction of Work. The City will begin the sorting and segregation of waste piles on the extreme eastern end of the Finger Parcel and work west towards the City Parcel (defined in the Scope of Work as the "Litigation Parcel"). The City may operate on multiple working faces as necessary to comply with the Project schedule;

provided, however that if it is determined by the IEPA that additional assessment and remediation are necessary after removal of the waste piles, then the City shall proceed expeditiously with such additional tasks, but only to the extent that such additional tasks are within the Scope of Work.

(b) Remediation of the City Parcel.

(i) Commencement. The City will commence the remediation of the City Parcel as soon after the Closing Date as weather conditions permit;

(ii) Completion. DOE will complete all waste management activities on the City Parcel within one year of the Closing Date, barring unforeseen site conditions or force majeure.

(c) Site Remediation Program. DOE will submit separate applications to the Site Remediation Program ("SRP") for: (1) the City Parcel, and (2) the Finger Parcel and those remaining areas of the Double-Drive-In Parcel that are subject to the filling activity described in the Scope of Work, Section II (1) (Exhibit V, hereto) (the "Additional Parcel"), and pursue separate No Further Remediation determinations for each enrolled parcel as follows:

(i) Commencement. Within 30 days of the Closing Date, DOE will submit applications into the SRP for: (1) the City Parcel, (2) the Finger Parcel and the Additional Parcel;

(ii) Completion. DOE will make its best efforts to receive the NFR determination requested in each respective application referenced in (i) above within 6 months of completion of the restoration activities for each respective parcel, all as described in the Scope of Work (Exhibit V, hereto).

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(d) Phase I. Developer will commence construction of Phase I no later than 60 days after commencement of the remediation work for the Finger Parcel; and complete construction no later than 18 months after the City's delivery to the Developer of the NFR Letter applicable to the Finger Parcel and the Additional Parcel and, Developer shall lease the Facility to its tenants such that they will commence business operations at the Facility no later than 90 days after completion of the Facility.

(e) Phase II. If the City conveys the remediated City Parcel to Developer pursuant to this Agreement, Developer will have three (3) years from the date of conveyance to commence (after having obtained required approvals pursuant to Section 3.15 hereof) development of Phase II in accordance with this Agreement.

(f) Extensions. City and Developer may extend timelines for any Project feature by mutual written agreement.

3.02 Scope Drawings and Plans and Specifications. The Developer has delivered the Scope Drawings and Plans and Specifications for Phase I of the Project to DPD and DPD has approved them. After such initial approval, subsequent proposed changes to the Scope Drawings or Plans and Specifications shall be submitted to DPD as a Change Order pursuant to Section 3.04 (Change Orders) hereof. The Scope Drawings and Plans and Specifications shall at all times conform to the Redevelopment Plan as amended from time to time and all applicable Federal, State and local laws, ordinances and regulations (including any Planned Development requirements). The Developer shall submit all necessary documents to the City's Building Department, Department of Transportation and such other City departments or governmental authorities as may be necessary to acquire building permits and other required approvals for the Project.

3.03 Project Budget. The Developer has furnished to DPD, and DPD has approved, a project budget (the "**Project Budget**"), which is attached as Exhibit N-1 hereto, showing total estimated costs for the Project in an amount of \$44,129,127, based on constructing manufacturing and product distribution facilities totaling approximately 1,400,000 square feet in two phases. The Developer hereby certifies, at a minimum, to the City that: (a) it has Lender Financing and Equity in amounts sufficient to pay for all Project costs initially to be incurred in connection with the Acquisition and the development of Phase I; and (b) the Project Budget with respect to Phase I is true, correct and complete in all material respects, and with respect to Phase II is a true, correct and complete estimate of project development costs. The Developer shall promptly deliver to DPD certified copies of any Change Orders with respect to the Project Budget for approval pursuant to Section 3.04 (Change Orders) hereof. As deemed appropriate and useful, the Project Budget has been allocated on an estimated basis between each of the Phase I and Phase II undertakings recognizing that the size and scope of the Phase II undertaking may be reduced below the Project Budget assumption of a 750,000 square foot Phase II facility.

3.04 Change Orders. All Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to material changes to the Project, or any phase

thereof, must be submitted by the Developer to DPD concurrently with the progress reports described in Section 3.07 (Progress Reports and Survey Updates) hereof. However, any Change Order relating to any of the following must be submitted by the Developer to DPD for DPD's prior written approval which shall be granted or denied within 15 Business Days; provided that if denied, a written detailed explanation shall accompany such denial, provided further that a Change Order shall be deemed approved if written notice, as provided above, is not delivered to Developer within said 15 Business Days: (a) a reduction in the square footage of the Facility by more than five percent (5%) below the minimum amount of square feet for each of Phase I and Phase II set forth in this Agreement; (b) a change in the use of the Property to a use other than industrial/manufacturing purposes; or (c) a delay in the completion of the Project. The Developer shall not authorize or permit the performance of any work relating to any Change Order or the furnishing of materials in connection therewith prior to the receipt by the Developer of DPD's written approval (to the extent required in this Section). The Construction Contract, and each contract between the General Contractor and any subcontractor, shall contain a provision to this effect. An approved Change Order shall not be deemed to imply any obligation on the part of the City to increase the amount of Available Increment which the City has pledged pursuant to this Agreement or provide any other additional assistance to the Developer.

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

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

3.07 **Progress Reports and Survey Updates.** The Developer shall provide DPD with written quarterly progress reports detailing the status of the Project, including a revised completion date, if necessary (with any change in completion date being considered a Change Order, requiring DPD's written approval pursuant to Section 3.04). The Developer shall provide three (3) copies of an updated Survey to DPD upon the request of DPD or any lender providing Lender Financing, reflecting improvements made to the Property. The Developer must also deliver to the City written quarterly progress reports detailing compliance with the requirements of Section 8.09 (Prevailing Wage), Section 10.02 (City Resident Construction Worker Employment Requirement) and Section

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10.03 (The Developer's MBE/WBE Commitment) hereof. If the reports reflect a shortfall in compliance with the requirements of Sections 8.09, 10.02 and 10.03, then there must be included therewith a written plan from the Developer acceptable to DPD to address and cure such shortfall.

3.08 Inspecting Agent or Architect. An independent agent or architect (other than the Developer's architect) approved by DPD shall be selected to act as the inspecting agent or architect, at the Developer's expense, for the Project. The inspecting agent or architect shall perform periodic inspections with respect to the Project, providing certifications with respect thereto to DPD, prior to requests for disbursement for costs related to the Project hereunder. DPD will approve the independent agent or architect selected by the Developer's lenders.

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

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

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

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

3.13 Transfer of the City Parcel.

(a) Pursuant to the Remediation Agreement and the terms and conditions of this Agreement, the City will undertake and complete the clean-up and environmental remediation of the City Parcel to the commercial/industrial land use standards required hereunder, as necessary to obtain the required comprehensive no further remediation letter from the IEPA. The parties acknowledge that the aforesaid City work may occur concurrently with the Developer proceeding with development of Phase I of the Project. In a coordinated effort with the Developer proceeding with the Phase I development, the City will also proceed with the clean-up and remediation work required to obtain a focused no further remediation letter with respect to the Finger Parcel and the Additional Parcel

pursuant to the Remediation Agreement and the License Agreement. Reference is made to Sections 11.03 through 11.05 for a more detailed description of the City's undertakings regarding clean-up and remediation of the City Parcel and the Finger Parcel.

(b) Within thirty (30) days of obtaining a no further remediation letter from the IEPA regarding the City Parcel, the City will convey the City Parcel to Developer, and the Developer shall accept such conveyance, by a form of Quit-Claim deed which is Exhibit E-2 hereto for \$1.00. Developer acknowledges and agrees that the legal description of the City Parcel at the time of such conveyance may be materially different than the legal description in the form of trustee's deed (Exhibit E-1) used to convey the City Parcel to the City because of the City's planned program of street and alley vacation within the City Parcel. Except as otherwise provided on this Agreement, the parties acknowledge that the City itself has no obligations as to the quality, marketability, or the insurability of the title it receives pursuant to Section 5.05 of this Agreement, nor as to the quality, marketability, or insurability of the title it will deliver by quit-claim deed pursuant to this Section 3.13 hereof. The no further remediation letter shall be recorded by the City with the Cook County, Illinois Recorder's Office at the City's expense. At Developer's expense, a later date title policy in an amount specified by Developer shall be delivered to Developer at closing of the conveyance of the City Parcel. Such later date title policy shall include only those exceptions included in the initial title policy issued as a result of the conveyance of the City Parcel to the City by the seller(s) thereof as described in Recital E above, along with a reference to the recording of an NFR Letter regarding the City Parcel.

(c) Cooperation. The City and the Developer recognize that after the Closing Date, there will be certain dedicated public ways with property ownership on one side of the public way in the City, pursuant to its ownership of the City Parcel, and on the other by the Developer. The parties agree that they will cooperate in vacating these public ways during the period of City ownership of the City Parcel.

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3.14 Scope of Phase II.

(a) Developer shall commence to develop not less than 300,000 square feet of industrial/manufacturing /product distribution facilities on the City Parcel within the 3 year time period required under Section 3.01(e); provided, however, that Developer may undertake one or more construction efforts to construct (or commence construction of) one or more facilities to reach the 300,000 square foot undertaking.

(b) Each construction effort for each facility proposed by Developer to be built on the City Parcel (a "Phase II Segment") will be subject to the requirements of Section 3.15 (Phase II Construction Work).

(c) No Note 2 will be issued to Developer until Developer's aggregate completed Phase II Segments developed in accordance with the time requirements of Section 3.01(e) hereunder on the City Parcel equal or exceed 300,000 square feet.

(d) Upon the expiration of the 3 year time period stated in Section 3.01(e), the City's right under Section 3.16 (Reacquisition of the City Parcel) to reacquire the Undeveloped Portion of the City Parcel will be in full force and effect, and will not be changed, modified, impacted or diminished in any way or to any degree by the construction of Phase II Segments, including those then in progress, totaling less than 300,000 square feet, until the City, in its sole discretion, approves additional Phase II Segments and the total of the Phase II Segments approved for construction (or constructed) pursuant to this Agreement exceeds 300,000 square feet.

3.15 Phase II Construction Work.

(a) Developer will not begin any work on any Phase II Segment until DPD has received and approved the following Developer items concerning such Phase II Segment: Phase II Scope Drawings and Plans and Specifications, Phase II financing program, Phase II Project Budget, Phase II construction contract, applicable tenant leases for the purposes of assuring compliance with the objectives and requirements of this Agreement, and other documents as DPD may request. Developer agrees that each and all of the bid, reporting, MBE/WBE, City residency worker hours, prevailing wage, bonding and other like requirements applicable to the Phase I construction work will apply to each Phase II Segment. Phase II Segments in the aggregate will be a minimum of 300,000 square feet of industrial/manufacturing and/or product distribution space.

(b) Subject to the Developer qualifying its Phase II construction work with DPD, it is anticipated that the Developer will seek to take advantage of the Chicago Department of Transportation Industrial Street and Alley Vacation Program and, with the support of DPD, there shall be sought City Council approval of a separate ordinance for the vacation of Albany Avenue (and any other streets within the Project which are identified to DPD and approved by DPD) as it affects the Project.

3.16 Reacquisition of the Undeveloped Portion of the City Parcel.

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(a) As provided in the quit-claim deed which is Exhibit E-2 hereto, and in this Agreement, if Developer has not commenced the construction of not less than 300,000 square feet of facilities for Phase II pursuant to Section 3.15 prior to the expiration of the 3 year period for commencement of construction requirement in Section 3.01 (e) (Project Timelines), then the City may reacquire the Undeveloped Portion of the City Parcel (or any portion thereof as agreed to by the City and the Developer) upon payment of \$2.60 per square foot therefor, and any additional closing costs actually incurred by the Developer related to the City Parcel allocable to the Undeveloped Portion thereof being reacquired, based on square footage.

(b) Developer will execute and deliver any documents and take any usual and customary actions necessary to reconvey the Undeveloped Portion of the City Parcel to the City, and to record and perfect good title in the City to the Undeveloped Portion of the City Parcel, including, but not limited to, the following:

(1) a special warranty deed from Developer to the City;

(2) an Owner's Title policy in favor of the City at the expense of Developer; evidencing a quality of title equal to that which existed when the City conveyed the City Parcel to the Developer, with no other liens or encumbrances other than those of a definite and ascertainable amount that can be (and will be) paid off out of proceeds received from the City;

(3) proration of real estate tax and other proratable items.

(c) The City will give Developer 60 days' notice of the City's election to reacquire the City Parcel, specifying a closing date for reacquisition which will be no sooner than 60 days and no later than 120 days from the date of such notice.

(d) The City's right to reacquire the Undeveloped Portion will terminate (I) if the City fails to provide Developer with notice of its election to reacquire the Undeveloped Portion within 24 months of the date of expiration of the 3 year commencement of construction requirement stated in Section 3.01(e), (II) if Developer commences and diligently proceeds to completion (based on the Developer's construction schedule for the Phase II Segment which has commenced, which schedule was previously delivered to and approved by the City hereunder) the construction of at least 300,000 square feet in accordance with its Phase II undertaking stated in Section 3.14, or (III) the City, in its sole discretion, waives such right.

(e) Developer shall use reasonable efforts to locate Phase II Segments on the City Parcel so that, if the City exercises its right to reacquire the Undeveloped Portion pursuant to this Section 3.16, the Undeveloped Portion will be of a size and character capable for development.

3.17 Clean Fill. Pursuant to the applicable terms and conditions of the Scope of Work described in Exhibit V hereto, the City will deliver clean fill to Developer for use in Phase I for \$1.50 per cubic yard. Payment for clean fill received by the City will be used to pay the costs of the work under the Remediation Agreement.

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ARTICLE FOUR: FINANCING

4.01 Total Project Cost and Sources of Funds. The cost of the Project, subject to possible adjustment if the scope of the Phase II improvements ultimately is less than 750,000 square feet but in all events not less than 300,000 square feet as herein undertaken by the Developer, is estimated to

be \$44,129,127 (inclusive of moving costs and jobs training costs), applied in the manner set forth in the Project Budget. Such costs shall be funded from the following sources:

Equity (subject to <u>Section 4.06</u>)	\$13,000,000
Lender Financing	\$35,096,000
ESTIMATED TOTAL	\$48,096,000

4.02 **Developer Funds.** Equity and/or Lender Financing shall be used to pay all Project costs, including but not limited to Redevelopment Project Costs and costs of TIF-Funded Improvements. The City acknowledges that all or a portion of Developer's Equity may also come from borrowed funds that may be secured by the pledge of membership interests in Developer and collateral other than the Facility and the Property.

4.03 **City Funds.**

(a) Uses of City Funds. City Funds may be used to pay directly or reimburse the Developer only for costs of TIF-Funded Improvements that constitute Redevelopment Project Costs. Exhibit H sets forth, by line item, the TIF-Funded Improvements for the Project contingent upon receipt by the City of documentation satisfactory in form and substance to DPD evidencing such cost and its eligibility as a Redevelopment Project Cost. Reimbursement of costs through City Funds will be in the form of payment of principal and interest under the Notes, or as provided in (b)(ii) below. The City may redeem all or any portion of the Notes without premium or penalty at any time.

(b) Sources of City Funds.

(i) Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03 and Article 5 hereof, the City hereby agrees to:

(a) issue Note 1 to Developer in principal amount no greater than \$8,000,000, when the City issues its Component Completion Certificate under Article 7 for Phase I; and

(b) issue Note 2 to Developer in principal amount no greater than the difference between the face principal amount of Note 1 and \$14,000,000, currently anticipated to be \$6,000,000, when the City issues its Component Completion Certificate under Article 7 for Phase II.

(ii) Payments under the Notes are subject to the amount of the Available Increment deposited into the Greater Southwest TIF Fund being sufficient to pay for such costs. The maximum size of Note 1 will be \$8 million. The maximum size of Note 2 will be the difference between the face principal amount of Note 1 and \$14,000,000, currently anticipated to be \$6 million. The actual principal amount of each note will be determined by the City's

Department of Finance and will be based on the amount of Available Increment each phase of construction can reasonably be expected to generate. A model which is expected to be used by the Department of Finance to determine the actual principal amount of each Note is attached hereto as Exhibit B; the amount of principal for each Note, as determined by the model, is subject to the actual numbers used in the model, including the assessment level of the Property by Cook County. Accrued and unpaid interest on the Notes will be compounded annually on January 1. The actual principal amount deemed advanced under each of the Notes shall be determined by Certifications of Expenditure issued by the City in the forms made part of Exhibits R-1 and R-2, as applicable, upon completion of Phase I and Phase II, and upon the Developer providing satisfactory evidence of expenditures for TIF-Funded Improvements and compliance with the applicable requirements and terms and conditions of this Agreement, provided that any TIF-Funded Improvement amounts for Phase I in excess of the value of Note 1 shall be included as Phase 2 expenditures, for purposes of valuing Note 2.

(iii) If the actual aggregate principal amount advanced under the Notes is less than \$14,000,000 because there are not enough TIF-Funded Improvements (exclusive of interest costs), or because of a determination by the City's Department of Finance that there is not enough Available Increment to service payment of the Notes, then the City will provide pay-as-you-go assistance from Available Increment for Developer's interest costs in accordance with the Act, up to an amount not to exceed the difference between \$14,000,000 and the actual aggregate principal of the Notes, provided, however, that such pay-as-you-go assistance shall be provided only after the Notes have been paid in full.

(iv) Developer acknowledges and agrees that the City's obligation to make payments under the Notes and to provide pay-as-you-go assistance to reimburse costs related to TIF-Funded Improvements up to a maximum of \$14,000,000 is contingent upon the fulfillment of the requirements of this Section 4.03(b).

4.04 Treatment of Prior Expenditures and Subsequent Disbursements.

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

(b) Allocation Among Line Items. Disbursements for expenditures related to TIF-Funded Improvements may be allocated to and charged against the appropriate line only, with transfers of

costs and expenses from one line item to another, without the prior written consent of DPD, being prohibited; provided, however, that such transfers among line items, in an amount not to exceed \$100,000 or \$500,000 in the aggregate (except job training), may be made without the prior written consent of DPD.

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

4.06 **TIF Bonds.** The Commissioner of DPD may, in his or her sole discretion, recommend that the City Council approve an ordinance or ordinances authorizing the issuance of TIF Bonds in an amount which, in the opinion of the Comptroller, is marketable under the then current market conditions. The proceeds of TIF Bonds may be used to pay the outstanding principal and accrued interest under the Notes, and for other purposes as the City may determine. The costs of issuance of the TIF Bonds would be borne by the City. The Developer will cooperate with the City in the issuance of the TIF Bonds, as provided in Section 8.05 (Other Bonds) hereof.

4.07 **City Fee.** The City may annually allocate an amount of the Incremental Taxes deposited in the Greater Southwest TIF Fund as a fee (the "City Fee") for payment of costs incurred by the City in the administration and monitoring of the Redevelopment Area. The Developer shall not be required to pay the City Fee, and the City Fee shall not be paid from the Available Increment prior to the payment in full of the Notes and the payment of any other assistance to the Developer specified in Section 4.03 hereof.

ARTICLE FIVE: CONDITIONS PRECEDENT FOR CLOSING

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

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

5.02 **Scope Drawings and Plans and Specifications.** The Developer shall have submitted to DPD, and DPD shall have approved, the Scope Drawings and Plans and Specifications for Phase I in accordance with the provisions of Section 3.02 hereof.

5.03 **Other Governmental Approvals.** Developer shall have submitted to DPD copies of all other necessary approvals and permits required by any State, Federal or local statute, ordinance

or regulation, or applications therefor. After the Closing Date, Developer will provide DPD with copies of Phase I approvals and permits as they are obtained by Developer or the General Contractor.

5.04 **Financing.**

(a) The Developer shall have furnished proof acceptable to the City that the Developer has Equity and Lender Financing in the amounts set forth in Section 4.01 hereof to complete the Acquisition and Phase I of the Project based on the Project Budget allocation referred to in Section 3.03 and satisfy its obligations under this Agreement. If a portion of such funds consists of Lender Financing, the Developer shall have furnished proof as of the Closing Date that the proceeds thereof are available to be drawn upon by the Developer as needed and are sufficient (along with the Equity and other sources set forth in Section 4.01) to complete the Acquisition and Phase I of the Project.

(b) Prior to the Closing Date, the Developer shall deliver to DPD a copy of the construction escrow agreement entered into by the Developer regarding the Lender Financing (the "**Construction Escrow Agreement**"), substantially in the form of Exhibit K attached hereto).

(c) Any liens against the Property in existence at the Closing Date shall be subordinated to certain encumbrances of the City set forth herein pursuant to a Subordination Agreement, (which shall be substantially in the form of Exhibit L attached hereto and otherwise acceptable to the City), executed on or prior to the Closing Date, which is to be recorded, at the expense of the Developer, with the Office of the Recorder of Deeds of Cook County.

5.05 **Acquisition and Title.**

(a) On the Closing Date, the Developer shall furnish the City with a copy of the Title Policy (or equivalent undertaking through a marked-up title commitment covering contemplated recordings of conveyance and other documents that might precede delivery of the actual Title Policy) for the Drive-In Parcel and the Industrial Parcel, certified or signed by the Title Company, showing the Developer as the named insured. The Title Policy shall be dated as of the Closing Date and shall contain only those title exceptions listed as Permitted Liens on Exhibit M hereto and shall evidence the recording of this Agreement pursuant to the provisions of Section 8.18 (Recording and Filing) hereof. The Title Policy shall also contain such endorsements as shall be required by Corporation Counsel, including but not limited to an owner's comprehensive endorsement and satisfactory endorsements regarding zoning (3.1 with parking), contiguity, location, access and survey.

(b) On the Closing Date, the Developer shall cause to be delivered to the City, a trustee's deed to the City Parcel substantially in the form attached as Exhibit E-1 hereto. Developer shall also cause to be delivered to the City, at no cost to the City, an owner's title policy (or equivalent undertaking through a marked-up title commitment covering contemplated recordings of conveyance and other documents that might precede delivery of the actual Title Policy) for the City Parcel, issued by the Title Company. The owner's title policy shall be dated as of the Closing Date and shall contain only those title exceptions listed as Permitted Liens on Exhibit M hereto, and shall evidence the

recording of this Agreement pursuant to the provisions of Section 8.18 (Recording and Filing) hereof. The owner's title policy shall also contain such endorsements as shall be required by Corporation Counsel, including but not limited to an owner's comprehensive endorsement and satisfactory endorsements regarding zoning (3.1 with parking, if available or otherwise 3.0), contiguity, location, access and survey.

(c) The Developer shall provide to DPD, prior to the Closing Date, documentation related to the purchase of the Property and certified copies of all easements and encumbrances of record with respect to the Property not addressed, to DPD's satisfaction, by the applicable title policy referred to in subsection (b) above and any endorsements thereto.

5.06 Evidence of Clean Title. Not less than five (5) business days prior to the Closing Date, the Developer, at its own expense, shall have provided the City with current searches under the Developer's name as follows:

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

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

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

5.08 Insurance. The Developer, at its own expense, shall have insured the Property in accordance with Article 12 hereof. At least five (5) business days prior to the Closing Date, certificates required pursuant to Article 12 hereof evidencing the required coverages shall have been delivered to DPD.

5.09 Opinion of the Developer's Counsel. On the Closing Date, the Developer shall furnish the City with an opinion of counsel, substantially in the form attached hereto as Exhibit P. If the Developer has engaged special counsel in connection with the Project, and such special counsel is unwilling or unable to give some of the opinions set forth in Exhibit P hereto, such opinions shall be obtained by the Developer from its general corporate counsel.

5.10 **Evidence of Prior Expenditures.** Not less than twenty (20) business days prior to the Closing Date, the Developer shall have provided evidence satisfactory to DPD in its sole discretion of the Prior Expenditures in accordance with the provisions of Section 4.04(a) hereof.

5.11 **Financial Statements.** Not less than thirty (30) days prior to the Closing Date, the Developer shall have provided Financial Statements to DPD (consisting of a pro forma balance sheet of the Developer as of the Closing Date). In addition, the Developer agrees to provide the City with copies of any financial statements of the Developer or other entities or persons required by any lenders in connection with the Lender Financing.

5.12 **Additional Documentation.** The Developer shall have provided documentation to DPD, satisfactory in form and substance to DPD, with respect to current employment matters, and copies of any ground leases or operating leases and other tenant leases executed by the Developer in connection with the Project. The Developer's planned lease with StyleMaster, Inc. shall be subject to the City's prior review and approval, solely for the purposes of determining that such lease is in accord with the objectives and requirements of this Agreement. The planned lease with StyleMaster, Inc. shall be for an industrial/manufacturing/product distribution facility of at least approximately 460,000 square feet, and for a term of at least 10 years.

5.13 **Environmental.** (a) Not less than thirty (30) days prior to the Closing Date, the Developer shall have provided to DOE and DPD with copies of all environmental audits completed with respect to the Property completed under the auspices of the Developer, particularly as related to the Drive-In Parcel and the Industrial Building Parcel. Based on the City's review thereof, the City may, in its sole discretion, require the completion of a Phase II environmental audit if not previously completed with respect to such portions of the Property prior to the Closing Date. Prior to the Closing Date, the Developer shall provide the City with a letter from the environmental engineer(s) who completed such audit(s), authorizing the City to rely on such audits. For the undertakings of the City regarding the clean-up and remediation of the City Parcel and the Finger Parcel, reference is made to Recital F and Sections 11.03 through 11.05.

(b) Developer agrees that the City may use, without cost, Developer's Phase I audits and any Phase II audits as submittals to the IEPA in support of the City's applications for NFR Letters (as defined below) contemplated by Section 11.03.

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

5.15 **Litigation.** The Developer shall provide to Corporation Counsel and DPD, at least ten (10) business days prior to the Closing Date, a description of all pending or threatened litigation or

administrative proceedings involving the Developer, if any, specifying, in each case, the amount of each claim, an estimate of probable liability, the amount of any reserves taken in connection therewith and whether (and to what extent) such potential liability is covered by insurance.

5.16 Preconditions of Accepting Certifications of Expenditure. Prior to the acceptance by DPD of any Certification of Expenditure under the Notes, the Developer shall submit to DPD documentation of such expenditures (in the form of waivers of lien, canceled checks, closing statements, or such other documentation as DPD may reasonably require), which shall be satisfactory to DPD. Delivery by the Developer to DPD of any Certification of Expenditure hereunder shall, in addition to the items therein expressly set forth, constitute a certification to the City, as of the date of such request for disbursement, that:

(a) the total amount of the certification represents the actual cost of the Acquisition or the actual amount payable to (or paid to) sellers (as referred to in Recital E) and the General Contractor and/or subcontractors who have performed work on the Project, and/or their payees;

(b) all amounts shown as previous payments on the current certificate have been paid to the parties entitled to such payment;

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

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

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

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

(g) the particular phase of the Project is In Balance. The particular phase of the Project shall be deemed to be in balance ("**In Balance**") only if the total of the available Project funds for such phase equals or exceeds the aggregate of the amount necessary to pay all unpaid Project costs incurred or to be incurred in the completion of such phase of the Project. "**Available Project Funds**" as used herein shall mean: (i) the undisbursed Lender Financing, if any; (ii) the undisbursed Equity and (iii) any other amounts deposited by the Developer pursuant to this Agreement. The Developer hereby agrees that, if the particular phase of the Project is not In Balance, the Developer shall, within 10 days after a written request by the City, deposit with the escrow agent, under the Construction Escrow Agreement, cash in an amount that will place the particular phase of the Project In Balance, which deposit shall first be exhausted before any further acceptance of a Certification of Expenditure shall be made.

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

The foregoing provisions of this Section 5.16 shall also apply to any request by the Developer for pay-as-you-go assistance pursuant to Section 4.03(b) hereof.

5.17 Conditions to Issuance of Note 2. In addition to the requirements set forth in Section 3.14 and 4.03(b) hereof, the Developer will comply with Sections 5.03, 5.06, 5.07, 5.08, 5.10, 5.11, 5.14, 5.15 and 5.16 hereof, as each relates to Phase II, prior to the issuance of Note 2 by the City.

ARTICLE SIX: AGREEMENTS WITH CONTRACTORS

6.01 Bid Requirement for General Contractor and Subcontractors.

(a) Subject to Section 6.01(b) below, the Developer has selected the General Contractor. Prior to entering into an agreement with any subcontractor for construction of the Project, (or any phase thereof) the Developer shall solicit, or shall cause the General Contractor to solicit, bids from qualified contractors eligible to do business with the City of Chicago, and shall submit all bids received to DPD for its inspection and written approval. For the TIF-Funded Improvements, the Developer shall cause the General Contractor to select the subcontractor submitting the lowest responsible bid who can complete the Project (or phase thereof) in a timely and good and workmanlike manner. If the Developer or the General Contractor selects any subcontractor submitting other than the lowest responsible bid for the TIF-Funded Improvements, the difference between the lowest responsible bid and the bid selected may not be paid out of City Funds. The Developer shall submit copies of the Construction Contract to DPD in accordance with Section 6.02 below. Photocopies of all subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to DPD within five (5) business days of the execution thereof. The Developer shall ensure that the General Contractor shall not (and shall cause the General Contractor to ensure that the subcontractors shall not) begin work on the Project (or any phase thereof) until the applicable Plans and Specifications for that phase have been approved by DPD and all requisite permits have been obtained.

(b) If, prior to entering into an agreement with a General Contractor for construction of the Project (or any phase thereof), the Developer does not solicit bids pursuant to Section 6.01(a) hereof, then the fee and mark-up of the General Contractor proposed to be paid out of City Funds shall not exceed 10% of the total amount of the Construction Contract. Except as explicitly stated in this

paragraph, all other provisions of Section 6.01(a) shall apply, including but not limited to the requirement that the General Contractor shall solicit competitive bids from all subcontractors.

6.02 Construction Contract. Prior to the execution thereof, the Developer shall deliver to DPD a copy of the proposed Construction Contract with the General Contractor selected to work on the Project (or any phase thereof) in accordance with Section 6.01 above, for DPD's prior written approval, which shall be granted or denied within ten (15) Business Days after delivery thereof provided that if denied, a written detailed explanation shall accompany such denial, provided further that a contract shall be deemed approved if written notice, as provided above is not delivered to Developer with said 15 Business Days. Within ten (10) business days after execution of such contract by the Developer, the General Contractor and any other parties thereto, the Developer shall deliver to DPD and Corporation Counsel a certified copy of such contract together with any modifications, amendments or supplements thereto.

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

6.04 Employment Opportunity. The Developer shall contractually obligate and cause the General Contractor and each subcontractor to agree to the provisions of Article 10 (Developer's Employment Obligations) hereof.

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

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ARTICLE SEVEN: COMPLETION OF CONSTRUCTION

7.01 Certificate of Completion of Construction. Upon completion of the construction of the Project in accordance with the terms of this Agreement and after the final disbursement from the Construction Escrow established pursuant to the Construction Escrow Agreement, and upon the Developer's written request, DPD shall issue to the Developer a Certificate in recordable form certifying that the Developer has fulfilled its obligation to complete the Project in accordance with the terms of this Agreement. Upon completion of Phase I or Phase II of the Project in accordance with the terms of this Agreement, and after the final disbursement from the Construction Escrow

established pursuant to the Construction Escrow Agreement made with respect to such phase of the Project, and upon Developer's written request, DPD shall issue to the Developer a Component Completion Certificate in recordable form certifying that the Developer has fulfilled its obligation to complete such phase of the Project in accordance with the terms of the Agreement. DPD shall respond to the Developer's written request for a Certificate within thirty (30) days by issuing either a Certificate or a written statement detailing the ways in which the Project does not conform to this Agreement or has not been satisfactorily completed, and the measures which must be taken by the Developer in order to obtain the Certificate. The Developer may resubmit a written request for a Certificate upon completion of such measures.

7.02 Effect of Issuance of Certificate; Continuing Obligations.

(a) Any Certificate issued pursuant to Section 7.01 hereof relates only to the portion of the Project described therein, and upon its issuance, the City will certify that the terms of the Agreement specifically related to the Developer's obligation to complete such activities have been satisfied. After the issuance of a certificate, however, all executory terms and conditions of this Agreement and all representations and covenants contained herein will continue to remain in full force and effect throughout the Term of the Agreement as to the parties described in the following paragraph, and the issuance of a Certificate shall not be construed as a waiver by the City of any of its rights and remedies pursuant to such executory terms.

(b) Those covenants specifically described at Sections 8.02, 8.06 and 8.20 as covenants that run with the land are the only covenants in this Agreement intended to be binding upon any transferee of the Property (including an assignee as described in the following sentence) throughout the Term of the Agreement notwithstanding the issuance of a Certificate. The other executory terms of this Agreement that remain after the issuance of a Certificate shall be binding only upon the Developer or a permitted assignee of the Developer who, pursuant to Section 18.14 (Assignment) of this Agreement, has contracted to take an assignment of the Developer's rights under this Agreement and assume the Developer's liabilities hereunder.

7.03 Failure to Complete. If the Developer fails to complete Phase I or Phase II of the Project in accordance with the terms of this Agreement, then the City shall have, but shall not be limited to, the right to terminate this Agreement as related to such uncompleted phase and, accordingly not issue the Note that would result from the completion of such phase.

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

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ARTICLE EIGHT: COVENANTS/REPRESENTATIONS/WARRANTIES OF THE DEVELOPER.

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

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

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

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

(d) unless otherwise permitted pursuant to the terms of this Agreement, the Developer shall acquire and shall maintain good, indefeasible and merchantable fee simple title to the Drive-In Parcel and the Industrial Parcel free and clear of all liens (except for the Permitted Liens or Lender Financing as disclosed in the Project Budget, with no limit on additional junior financing or Equity or other funds obtained from institutional or other sophisticated investors in connection with the completion and ownership of the Project, and non-governmental charges that the Developer is contesting in good faith pursuant to Section 8.15 hereof), provided, that the City shall have the right to review the proposed uses of any purchaser of the Property to confirm that no such uses are listed on Exhibit S hereto;

(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) except as otherwise set forth in this Agreement, there are no actions or proceedings by or before any court, governmental commission, board, bureau or any other administrative agency pending, or to Developer's knowledge threatened or affecting the Developer or the Property which would impair Developer's ability to perform under this Agreement;

(g) the Developer has and shall maintain all government permits, certificates and consents (including, without limitation, appropriate environmental approvals) necessary to conduct its business and will obtain and maintain such permits, certificates and consents required 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;

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

(j) prior to the earlier to occur of: (i) issuance of a Certificate or (ii) the expiration of the period described in Section 3.01(d) (as extended by the period of time which the City has the right to reacquire the City Parcel pursuant to Section 3.16), the Developer shall not do any of the following without the prior written consent of DPD or as otherwise permitted herein: (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 if such transaction would reasonably impair Developer's ability to perform under this Agreement; (4) assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity, if such transaction would reasonably impair Developer's ability to perform under this Agreement; 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 DPD, allow the existence of any liens against the Property other than the Permitted Liens; or incur any indebtedness, secured or to be secured by the Property or any fixtures now or hereafter attached thereto, except Lender Financing disclosed in the Project Budget or permitted under Section 8.01(d) above; and

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

8.02 Covenant to Redevelop. Upon DPD's approval from time to time of the Project Budget, the Scope Drawings and Plans and Specifications as provided in Sections 3.02, 3.03 and 3.15 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 TIF Ordinances, the Scope Drawings, Plans and Specifications, Project Budget and all amendments thereto, and all Federal, State and local laws, ordinances, rules, regulations, executive orders and codes applicable to the Project, the Property and/or the Developer. The covenants set forth

in this Section shall run with the land and be binding upon any transferee, until fulfilled as evidenced by the issuance of a Certificate or Component Completion Certificate.

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

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

8.05 **Other Bonds.** The Developer 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) the TIF Bonds or any additional bonds (the "Bonds") in connection with the Project, the proceeds of which are to be used to reimburse the City for expenditures made in connection with the TIF-Funded Improvements; provided, however, that any such amendments shall not have a material adverse effect on the Developer or 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 appropriate representations with respect to the Project, providing information regarding its financial condition and assisting the City in preparing an offering statement with respect thereto.

8.06 **Job Creation and Retention; Covenant to Remain in the City.**

(a) The Developer shall create or cause to be created (and retain or cause to be retained) not less than 300 Full-Time Equivalent (as that term is defined herein) permanent jobs at the Facility within 24 months after issuance of the Phase I Component Completion Certificate. Once the 300 Full-Time Equivalent permanent job count has been reached, Developer covenants there will be maintained that number of Full-Time Equivalent permanent jobs for 10 years. As necessary or appropriate, Developer will require its Phase I tenants to covenant or certify as to such tenants' respective Full-Time Equivalent permanent jobs, recognizing that such disclosure will also be required to obtain a CD Float Loan. Developer has a 12 month cure period to address any shortfalls before the City would declare an Event of Default by Developer. In such instance, if the cure period expires, then the City would have the right to suspend payments on Note 1, and interest on Note 1 will not accrue during any suspension period.

(b) Developer hereby covenants (and will include a covenant to operate in its Phase I leases) to maintain its operations within the City of Chicago at the Facility for not less than 10 years from the date of issuance of the Phase I Component Completion Certificate:

(c) The operation of the Facility shall be in compliance with the Redevelopment Plan and applicable zoning laws. The Facility and the Property may not be used for any of the uses listed on Exhibit S hereto without the prior written consent of the City.

(d) The covenants set forth in this Section shall run with the land and shall be binding on any transferee.

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

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

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

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

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

8.13 **Financial Statements.** The Developer shall obtain and provide to DPD Financial Statements for the Developer's fiscal year ended 1998 and each fiscal year thereafter for the Term of the Agreement. In addition, the Developer shall submit unaudited financial statements as soon as reasonably practical following the close of each fiscal year and for such other periods as DPD may request.

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

8.15 **Non-Governmental Charges.** (a) **Payment of Non-Governmental Charges.** Except for the Permitted Liens, the Developer agrees to pay or cause to be paid when due any Non-Governmental Charge assessed or imposed upon the Project, the Property or any fixtures that are or may become attached thereto, which creates or may 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 DPD, within thirty (30) days of DPD's request, official receipts from the appropriate entity, or other proof satisfactory to DPD, evidencing payment of the Non-Governmental Charge in question.

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

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

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

8.16 **Developer's Liabilities.** The Developer shall not enter into any transaction that would materially and adversely affect its ability to perform its obligations hereunder or to repay any material

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

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

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

8.19 Job Training/Job Readiness Programs. Developer will fund not less than \$900,000 in job training costs for both in-house and outside training programs. In developing training programs, Developer will work with the Mayor's Office of Workforce Development ("MOWD"). Developer will submit a plan for review by the City before Developer expends funds on job training programs which Developer wants to be included as a TIF eligible cost.

8.20 Real Estate Provisions.

(a) **Governmental Charges.**

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

(ii) **Right to Contest.** The Developer shall have the right before any delinquency occurs to contest or object in good faith to the amount or validity of any Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted in such manner as shall stay the collection of the contested Governmental Charge and prevent the imposition of a lien or the sale or forfeiture of the Property. Real estate taxes must be paid

in full when due and may be disputed only after such payment is made. No such contest or objection shall be deemed or construed in any way as relieving, modifying or extending the Developer's covenants to pay any such Governmental Charge at the time and in the manner provided in this Agreement unless the Developer has given prior written notice to DPD of the Developer's intent to contest or object to a Governmental Charge and, unless, at DPD's sole option:

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

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

(b) Developer's Failure To Pay Or Discharge Lien. If the Developer fails to pay any Governmental Charge or to obtain discharge of the same or contest same in the manner herein permitted, the Developer shall advise DPD thereof in writing, at which time DPD may, but shall not be obligated to, and without waiving or releasing any obligation or liability of the Developer under this Agreement, in DPD's sole discretion, make such payment, or any part thereof, or obtain such discharge and take any other action with respect thereto which DPD deems advisable. All sums so paid by DPD, if any, and any expenses, if any, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto, shall be promptly disbursed to DPD by the Developer. Notwithstanding anything contained herein to the contrary, this paragraph shall not be construed to obligate the City to pay any such Governmental Charge. Additionally, if the Developer fails to pay or contest in the manner herein permitted 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.

(c) Real Estate Taxes.

(i) Acknowledgment of Real Estate Taxes. The Developer agrees that (A) for the purpose of this Agreement, the total projected minimum assessed value of the Property that is necessary to support the debt service associated with the repayment of the Notes ("**Minimum Assessed Value**") is shown on Exhibit Q attached hereto and incorporated herein by reference for the years noted on Exhibit Q; (B) Exhibit Q 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

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derived from the respective portions of the Property and the Project for the years shown are, as estimated, fairly and accurately indicated in Exhibit Q.

(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 State 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 Q for the applicable year, except for the Class 6(b) tax incentive to be supported by the City as referenced in Recital I.

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

(v) Covenants Running with the Land. The parties agree that the restrictions contained in this Section 8.20(c) 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, lease, conveyance, or transfer of title to all or any portion of the Property or Redevelopment Area from and after the date hereof shall be made explicitly subject to such covenants and restrictions. Notwithstanding anything contained in this Section 8.20(c) to the contrary, the City, in its sole discretion and by its sole action, without the joinder or concurrence of the Developer, its successors or assigns, may waive and terminate the Developer's covenants and agreements set forth in this Section 8.20(c).

(vi) No Exemption from Real Estate Taxes. It is expressly acknowledged and agreed by Developer that the City, by virtue of taking title to the City Parcel has no intention to seek, nor will it seek an exemption from real estate taxes on the City Parcel.

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

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

ARTICLE NINE: 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 Article 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.

ARTICLE TEN: DEVELOPER'S EMPLOYMENT OBLIGATIONS

10.01 Employment Opportunity. The Developer, on behalf of itself and its successors and assigns, hereby agrees, and shall contractually obligate its or their various contractors, subcontractors or any Affiliate of the Developer operating on the Property (collectively, with the Developer, the "Employers" and individually an "Employer") to agree, that for the Term of this Agreement with respect to Developer and during the period of any other party's provision of services in connection with the construction of the Project or occupation of the Property:

(a) No Employer shall discriminate against any employee or applicant for employment based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual

orientation, military discharge status, marital status, parental status or source of income as defined in the City of Chicago Human Rights Ordinance, Chapter 2-160, Section 2-160-010 et seq., Municipal Code, except as otherwise provided by said ordinance and as amended from time to time (the "**Human Rights Ordinance**"). Each Employer shall take affirmative action to ensure that applicants are hired and employed without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income and are treated in a non-discriminatory manner with regard to all job-related matters, including without limitation: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Each Employer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this nondiscrimination clause. In addition, the Employers, in all solicitations or advertisements for employees, shall State that all qualified applicants shall receive consideration for employment without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income.

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

(c) Each Employer shall comply with all Federal, State and local equal employment and affirmative action statutes, rules and regulations, including but not limited to the City's Human Rights Ordinance and the Illinois Human Rights Act, 775 ILCS 5/1-101 et seq. (1996 State Bar Edition), and any subsequent amendments and regulations promulgated thereto.

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

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

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

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

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

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

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

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

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

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

Good faith efforts on the part of the Developer, the General Contractor and each subcontractor to provide utilization of actual Chicago residents (but not sufficient for the granting of a waiver request as provided for in the standards and procedures developed by the Purchasing Agent) shall not

suffice to replace the actual, verified achievement of the requirements of this Article concerning the worker hours performed by actual Chicago residents.

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

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

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

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

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

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

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

c. Consistent with Section 2-92-440, Municipal Code of Chicago, the Developer's MBE/WBE commitment may be achieved in part by the Developer's status as an MBE or WBE (but only to the extent of any actual work performed on the Project by the Developer), or by a joint venture with one or more MBEs or WBEs, but only to the extent of the lesser of:

(i) the MBE or WBE participation in such joint venture, or

(ii) the amount of any actual work performed on the Project by the MBE or WBE, by the Developer utilizing a MBE or a WBE as a General Contractor (but only to the extent of any actual work performed on the Project by the General Contractor), by subcontracting or causing the General Contractor to subcontract a portion of the Project to one or more MBEs or WBEs, or by the purchase of materials used in the Project from one or more MBEs or WBEs, or by any combination of the foregoing. Those entities which constitute both a MBE and a WBE shall not be credited more than once with regard to the Developer's MBE/WBE commitment as described in this Section 10.03. The Developer or the General Contractor may meet all or part of this commitment through credits received pursuant to Section 2-92-530 of the Municipal Code of Chicago for the voluntary use of MBEs or WBEs in its activities and operations other than the Project.

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

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

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

g. Prior to the commencement of the Project, the Developer, the General Contractor and all major subcontractors shall be required to meet with the monitoring staff of DPD with regard to the Developer's compliance with its obligations under this Section 10.03. During this meeting, the Developer shall demonstrate to DPD its plan to achieve its obligations under this Section 10.03, the sufficiency of which shall be approved by DPD. During the Project, the Developer shall submit the documentation required by this Section 10.03 to the monitoring staff of DPD. Failure to submit such documentation on a timely basis, or a determination by DPD, upon analysis of the documentation, that the Developer is not complying with its obligations hereunder shall, upon the delivery of written notice to the Developer, be deemed an Event of Default hereunder. Upon the occurrence of any such Event of Default, in addition to any other remedies provided in this Agreement, the City may:

- (1) withhold any further payment of any City Funds to the Developer or the General Contractor, or
- (2) seek any other remedies against the Developer available at law or in equity.

ARTICLE ELEVEN: ENVIRONMENTAL MATTERS

11.01 **Representation and Warranty.** The Developer hereby represents and warrants to the City that the Developer has conducted environmental studies sufficient to conclude that Phase I of 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; provided, that this representation is subject to the City's clean-up and remediation of the Finger Parcel in accordance with the Remediation Agreement with the IEPA as the same will take into account the undertakings of the City through its DOE contained in the Scope of Work referred to in Section 11.03 below.

11.02 **Environmental Indemnification.** Without limiting any other provisions hereof, the Developer agrees to indemnify, defend and hold the City harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses or claims of any kind whatsoever including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under any Environmental Laws incurred, suffered by or asserted against the City as a direct or indirect result of any of the following, regardless of whether or not caused by, or within the control of the Developer:

- (i) the presence of any Hazardous Material on or under, or the escape, seepage, leakage, spillage, emission, discharge or release of any Hazardous Material from: (A) all or any portion of the Property, or (B) any other real property in which the Developer, or any person directly or indirectly controlling, controlled by or under common control with the Developer, holds any estate or interest whatsoever (including, without limitation, any property

owned by a land trust in which the beneficial interest is owned, in whole or in part, by the Developer), or

(ii) any liens against the Property permitted or imposed by any Environmental Laws, or any actual or asserted liability or obligation of the City or the Developer or any of its Affiliates under any Environmental Laws relating to the Property;

subject, in each instance with respect to items (i) and (ii) above, to the undertaking of the City with regard to the clean-up remediation of the City Parcel and the Finger Parcel pursuant to the provisions of this Agreement. The indemnification provided by the Developer described above shall not include any losses or other claims (as described above) relating to any matter described in (i) or (ii) above with respect to each of the Remediation Sites, if such losses or claims have arisen, or relate to actions or events that occurred, prior to the date that the Developer has taken title to the respective Remediation Site (unless such loss or claim is related to any action of the Developer).

11.03 City to Conduct Remediation. The City, acting through its DOE, at its own expense except for the use by the City of funds deposited in the Environmental Escrow by the former owners of the Property and utilized in accordance with the terms thereof and in accordance with the Settlement Agreement, and any payments for clean fill, will conduct the clean-up and remediation (the "**Remediation Project**") of the Remediation Sites, consisting of the City Parcel and the Finger Parcel: (a) generally in accordance with the Scope of Work as defined and contained in Exhibit V attached hereto; and (b) specifically in accordance with the Remediation Agreement to be entered into with the IEPA as contemplated in the Settlement Agreement. The City shall enroll the Remediation Sites and the Additional Parcel into the IEPA's Site Remediation Program and conduct all activities relating to the Remediation Project as aforesaid to the extent necessary to obtain from the IEPA: (i) a comprehensive no further remediation letter for the City Parcel; and (ii) a focused no further remediation letter for the Finger Parcel and the Additional Parcel (individually an "**NFR Letter**", and collectively the "**NFR Letters**") for commercial/industrial use standards for these sites. After obtaining an NFR Letter for a Remediation Site, the City will record such NFR Letter with the Cook County Recorder of Deeds within 45 days.

11.04 Environmental Assessments and Other Activities in Furtherance of the Remediation Project. The Developer and the City shall make available to the other copies of all Environmental Assessments (as defined in Exhibit V - Scope of Work) related to the Property. Further, the City shall provide the Developer, with an opportunity to review and comment on, in advance of submission, all work plans, reports and other critical documents to be submitted by the City to the IEPA in seeking to obtain the NFR Letters. Consistent with the timelines set forth in Section 3.01 and in the Scope of Work, the City shall cause to be prepared by a qualified environmental consultant of its choosing the plans and specifications necessary to carry out the Remediation Project. Further, the City shall engage in a timely manner, consistent with time periods for performance of various aspects of the Remediation Project set forth in Section 3.01 and the Scope of Work, such contractor(s) and consultant(s) as are necessary to complete the Remediation Project and obtain the NFR Letters. As the Remediation Project proceeds, the City shall make available to

the Developer clean fill for the Project in accordance with and to the extent provided in Section 3.16 hereof and the Scope of Work (Exhibit V hereof).

11.05 **City's Additional Covenants Respecting the Remediation Project.** The City covenants that all actions taken in connection with the performance of the Remediation Project shall comply with applicable Federal, State and municipal law. The City shall indemnify, defend and hold harmless the Developer, its members and affiliates (and their officers and directors as applicable) from any suit, claim, loss or expense of whatever kind, including but not limited to penalties, expert and legal fees, arising from acts or omissions of the City, its agents, contractors or employees, in connection with the performance of the Remediation Project.

ARTICLE TWELVE: INSURANCE REQUIREMENTS

12.00 **Insurance Requirements.** Developer's insurance requirements are set forth in Schedule B which is hereby incorporated into this Agreement by reference and made a part hereof.

ARTICLE THIRTEEN: INDEMNIFICATION

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

- (i) the Developer's failure to comply with any of the terms, covenants and conditions contained within this Agreement; or
- (ii) the Developer's or any contractor's failure to pay General Contractors, subcontractors or materialmen in connection with the TIF-Funded Improvements or any other Project improvement; or
- (iii) the existence of any material misrepresentation or omission in this Agreement, any loan or credit application, any offering memorandum or information statement or the Redevelopment Plan or any other document related to this Agreement that is the result of information supplied or omitted by the Developer or any Affiliate of Developer or any agents, employees, contractors or persons acting under the control or at the request of the Developer or any Affiliate of Developer; or

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

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

ARTICLE FOURTEEN: 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, if any, General Contractors' and contractors' sworn statements, general contracts, subcontracts, purchase orders, waivers of lien, paid receipts and invoices, shall be available at the Developer's offices for inspection, copying, audit and examination by an authorized representative of the City, at the Developer's expense. The Developer shall incorporate this right to inspect, copy, audit and examine all books and records into all contracts entered into by the Developer with respect to the Project.

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

ARTICLE FIFTEEN: 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 or the City hereunder:

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

(b) the failure of the Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Developer under any other agreement with any person or

entity if such failure may have a material adverse effect on the Developer's ability to perform its obligations under this Agreement;

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

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

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

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

(g) the entry of any judgment or order against the Developer that would have a material adverse impact on the Project which remains unsatisfied or undischarged and in effect for sixty (60) days after such entry without a stay of enforcement or execution;

(h) subject to the provisions of Article 16 hereof, the occurrence of an event of default under the Lender Financing by the Developer, which default is not cured within any applicable cure period, provided that (A) with respect to an event of default under any CD Float Loan, such default would have an adverse impact on the ability of the Developer to complete the Project, and (B) with respect to any event of default under any other Lender Financing as a result of such default the lender has taken steps to accelerate the Developer's indebtedness or realize upon its collateral;

(i) the dissolution of the Developer; or

(j) the institution in any court of a criminal proceeding (other than a misdemeanor) against the Developer or any natural person who owns a material interest in the Developer, which is not

dismissed within thirty (30) days, or the indictment of the Developer or any natural person who owns a material interest in the Developer, for any crime (other than a misdemeanor).

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

15.02 Remedies. (a) Upon the occurrence of an Event of Default by the Developer, the City may terminate this Agreement and all related agreements, and may suspend any disbursement of City Funds. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to injunctive relief or the specific performance of the agreements contained herein; provided and except that (a) there shall be no remedy of specific performance if Section 8.02 is violated since the City's obligation to provide financial assistance hereunder through the issuance of Notes arises only upon completion of the phases of the Project; and (b) if the Developer's job covenant under Section 8.06 is not met, the City's sole remedy will be to suspend payments under Note 1 as therein contemplated.

(b) Upon the occurrence of an Event of Default by the City, Developer's sole and exclusive remedy will be to obtain specific performance by the City of the City's covenants, conditions, promises, agreements or obligations under this Agreement, and the City agrees not to contest the Developer's exercise of such remedy on the basis that the Developer has an adequate alternative remedy hereunder.

15.03 Curative Period. In the event the Developer or the City shall fail to perform a monetary covenant which the Developer or the City is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the Developer or the City shall have failed to perform such monetary covenant within ten (10) days of its receipt of a written notice from the other party specifying that it has failed to perform such monetary covenant. In the event the Developer or the City shall fail to perform a non-monetary covenant which the Developer or the City is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the Developer or the City shall have failed to cure such default within thirty (30) days of its receipt of a written notice from the City or the Developer, respectively, specifying the nature of the default; provided, however, with respect to those non-monetary defaults which are not capable of being cured within such thirty (30) day period, the Developer or the City shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured; provided, further, such notice and cure periods shall not apply to the Developer's failure to comply with the provisions of Section 8.06(a) hereof, as a specified cure period applies in that situation.

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ARTICLE SIXTEEN: MORTGAGING OF THE PROJECT

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

(a) In the event that a mortgagee or any other party shall succeed to the Developer's interest in the Property or any portion thereof pursuant to the exercise of remedies under a mortgage or deed of trust (other than an Existing Mortgage or a Permitted Mortgage), whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of the Developer's interest hereunder in accordance with Section 18.14 hereof, the City may, but shall not be obligated to, attorn to and recognize such party as the successor in interest to the Developer for all purposes under this Agreement and, unless so recognized by the City as the successor in interest, such party shall be entitled to no rights or benefits under this Agreement, but such party shall be bound by those provisions of this Agreement that are covenants expressly running with the land.

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

(c) Prior to the issuance by the City to the Developer of a Certificate pursuant to Article 7 hereof, no New Mortgage shall be executed with respect to the Property or any portion thereof without the prior written consent of the Commissioner of DPD. In any event, the mortgagor under any such New Mortgage is subject to the terms of this Article 16.

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ARTICLE SEVENTEEN: NOTICE

17.01 **Notices.** All notices and any other communications under this Agreement will: (A) be in writing; (B) be sent by: (i) telecopier/fax machine, (ii) delivered by hand, (iii) delivered by an overnight courier service which maintains records confirming the receipt of documents by the receiving party, or (iv) registered or certified U.S. Mail, return receipt requested; (c) be given at the following respective addresses:

If to the City: City of Chicago
Department of Planning and Development
Attn: Commissioner
121 North LaSalle Street, Room 1000
Chicago, IL 60602
312/744-4471 (Main No.)
312/744-2271 (Fax)

With Copies To: City of Chicago
Corporation Counsel
Attn: Finance and Economic Development Division
121 North LaSalle Street, Room 600
Chicago, IL 60602
312/744-0200 (Main No.)
312/744-8538 (Fax)

If to the Developer: Gateway Park, LLC
c/o The Regent Group
Attn: President
8999 Palmer Street
River Grove, Illinois 60171-1926
708/583-0100 (Main No.)
708/583-0500 (Fax)

With Copies To: Samuel J. Polsky, Esq.
Polsky & Associates Ltd.
205 N. Michigan Avenue
Suite 3909
Chicago, Illinois 60601
312/540-0200 (Main No.)
312/540-0207 (Fax)

or at such other address or telecopier/fax or telephone number or to the attention of such other person as the party to whom such information pertains may hereafter specify for the purpose in a notice to

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the other specifically captioned "Notice of Change of Address" and, (D) be effective or deemed delivered or furnished: (i) if given by telecopier/fax, when such communication is confirmed to have been transmitted to the appropriate telecopier/fax number specified in this article, and confirmation is deposited into the U.S. Mail, postage prepaid to the recipient's address shown herein; (ii) if given by hand delivery or overnight courier service, when left at the address of the addressee, properly addressed as provided above.

17.02 Developer Requests for City or DPD Approval. Any request under this Agreement for City or DPD approval submitted by Developer shall comply with the following requirements:

- (a) be in writing and otherwise comply with the requirements of Section 17.01 (Notices);
- (b) expressly state the particular document and section thereof relied on by Developer to request City or DPD approval;
- (c) if applicable, note in bold type, that failure to respond to Developer's request for approval by a certain date will result in the requested approval being deemed to have been given by the City or DPD;
- (d) if applicable, state the outside date for the City's or DPD's response;
- (e) be supplemented by a delivery receipt or time/date stamped notice or other documentary evidence showing the date of delivery of Developer's request.

ARTICLE EIGHTEEN: ADDITIONAL PROVISIONS

18.01 Amendments. This Agreement and the Schedules and Exhibits attached hereto may not be modified or amended except by an agreement in writing signed by the parties; provided, however, that the City in its discretion, and without the consent of any other entity or person, may amend, modify or supplement the Redevelopment Plan, which is Exhibit I hereto.

18.02 Complete Agreement, Construction, Modification. This Agreement, including any schedules, exhibits and the other agreements, documents and instruments referred to herein or contemplated hereby, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all previous negotiations, commitments and writings with respect to such subject matter.

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

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

18.05 **Waivers.** No party hereto shall be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by such party. No delay or omission on the part of a party in exercising any right shall operate as a waiver of such right or any other right unless pursuant to the specific terms hereof. A waiver by a party of a provision of this Agreement shall not prejudice or constitute a waiver of such party's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by a party, nor any course of dealing between the parties hereto, shall constitute a waiver of any of such parties' rights or of any obligations of any other party hereto as to any future transactions.

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

18.07 **Parties in Interest/No Third Party Beneficiaries.** The terms and provisions of this Agreement shall be binding upon and inure to the benefit of, and be enforceable by, the respective successors and permitted assigns of the parties hereto. This Agreement shall not run to the benefit of, or be enforceable by, any person or entity other than a party to this Agreement and its successors and permitted assigns. This Agreement should not be deemed to confer upon third parties any remedy, claim, right of reimbursement or other right. Nothing contained in this Agreement, nor any act of the City or the Developer, shall be deemed or construed by any of the parties hereto or by third persons, to create any relationship of third party beneficiary, principal, agent, limited or general partnership, joint venture, or any association or relationship involving the City or the Developer.

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

18.09 **Counterparts.** This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, with the same effect as if all parties had signed the same document. All such counterparts shall be deemed an original, shall be construed together and shall constitute one and the same instrument.

18.10 **Severability.** If any provision of this Agreement, or the application thereof, to any person, place or circumstance, shall be held by a court of competent jurisdiction to be invalid, unenforceable or void, the remainder of this Agreement and such provisions as applied to other persons, places and circumstances shall remain in full force and effect only if, after excluding the portion deemed to be unenforceable, the remaining terms shall provide for the consummation of the transactions contemplated hereby in substantially the same manner as originally set forth herein. In

such event, the parties shall negotiate, in good faith, a substitute, valid and enforceable provision or agreement which most nearly affects the parties' intent in entering into this Agreement.

18.11 **Conflict.** In the event of a conflict between any provisions of this Agreement and the provisions of the TIF Ordinances or the ordinance authorizing the execution, delivery and performance of this Agreement and the issuance of the Notes, such ordinance(s) shall prevail and control.

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

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

18.14 **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; provided, however, that the Developer may assign, on a collateral basis, the right to receive City Funds hereunder, including the Notes, to a financing source providing Lender Financing or Equity financing which has been identified to the City as of the Closing Date. 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 Section 8.20 (Real Estate and Section 8.22 (Survival of Covenants) hereof, for the Term of the Agreement. The Developer hereby consents to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part.

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

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

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18.17 **Schedules and Exhibits.** All of the schedules and exhibits attached hereto are incorporated herein by reference. Any schedules and exhibits to this Agreement will be construed to be an integral part of this Agreement to the same extent as if the same has been set forth verbatim herein.

18.18 **Business Economic Support Act.** Pursuant to the Business Economic Support Act, 30 ILCS 760/1 et seq. (1996 State Bar Edition), as amended, if the Developer is required to provide notice under the WARN Act, the Developer shall, in addition to the notice required under the WARN Act, provide at the same time a copy of the WARN Act notice to the Governor of the State, the Speaker and Minority Leader of the House of Representatives of the State, the President and Minority Leader of the Senate of State, and the Mayor of each municipality where the Developer has locations in the State. Failure by the Developer to provide such notice as described above may result in the termination of all or a part of the payment or reimbursement obligations of the City set forth herein.

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

18.20 **Construction of Words.** The use of the singular form of any word herein shall also include the plural, and vice versa. The use of the neuter-form of any word herein shall also include the masculine and feminine forms, the masculine form shall include feminine and neuter, and the feminine form shall include masculine and neuter.

18.21 **Survival of Agreements.** Except as otherwise contemplated by this Agreement, all covenants and agreements of the parties contained in this Agreement will survive the consummation of the transactions contemplated hereby.

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

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

[The remainder of this page is intentionally left blank and the signature page follows.]

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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.

GATEWAY PARK, LLC

By: William G. Bailes
William G. Bailes, Manager

Its: Michael G. DePaul
Michael G. DePaul, Manager

CITY OF CHICAGO

By: _____

_____, Commissioner, Department
of Planning and Development

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STATE OF ILLINOIS)
) ss
COUNTY OF COOK)

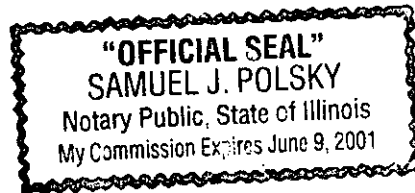
I, Samuel J. Polsky, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that William G. Bailes and Michael G. DePaul, personally known to me to each be a Manager of Gateway Park, LLC, an Illinois limited liability company (the "Developer"), and personally known to me 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 members of the Developer, as their free and voluntary act and as the free and voluntary act of the Developer, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 22nd day of December, 1999.

[Signature]
Notary Public

My Commission Expires 6/9/01

(SEAL)



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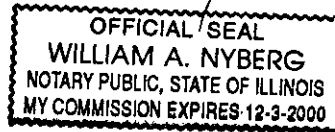
STATE OF ILLINOIS)
) ss
COUNTY OF COOK)

I, William A. Nyberg, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Christopher R. Hill, 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 23rd day of December, 1999.

W. A. Nyberg
Notary Public

My Commission Expires 12/03/00



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**Gateway Park, LLC
Redevelopment Agreement
dated as of December 23, 1999**

SCHEDULE A

Definitions

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

"Actual Residents of the City" has the meaning set forth for such phrase in Section 10.02.

"Additional Parcel" has the meaning set forth in such phrase in Section 3.01.

"Affiliate" means any individual, corporation, partner, partnership, trust or entity which owns or controls, or is owned or controlled, or is under common ownership or control with, in whole or in part, by Developer or any successor to Developer or its respective subsidiary(ies) or parent(s).

"Available Increment" shall mean 95% of the Incremental Taxes generated by the Property.

"Available Project Funds" has the meaning set forth for such phrase in Section 5.16 hereof.

"Bonds" has the meaning set forth in Section 8.05.

"Business Day(s)" means any day other than Saturday, Sunday or a legal holiday in the State.

"Certificate" shall mean the Certificate of Completion of Construction described in Section 7.01 hereof. The time of the issuance of the Certificate will also be deemed to refer to the date that the City has issued Component Completion Certificates for all phases of the Project pursuant to Section 7.01 hereof.

"Certification of Expenditure" shall mean any Certification of Expenditure referenced in the Notes pursuant to which the principal amount of the Notes will be established.

"Change Order" means any amendment or modification after the Closing Date (as defined below) to the Plans and Specifications or the Project Budget (all as defined below) and described in Section 3.02, Section 3.03 and Section 3.04, respectively.

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

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"City Fee" means the fee described in Section 4.07 hereof.

"City Funds" means the funds paid to Developer pursuant to the Notes, or as provided in Section 4.03(b)(ii).

"Closing Date" means the date of execution and delivery of this Agreement by all parties hereto as shall be evidenced by the date of this Agreement.

"Commissioner" shall mean the Commissioner of DPD.

"Component Completion Certificates" shall mean the certificate of completion that the City may issue with respect to either phase of the Project pursuant to Section 7.01 hereof.

"Construction Contract" means that certain contract substantially in the form of Exhibit J, to be entered into between the Developer and the General Contractor (as defined below) providing for construction of the Project (or any phase thereof). The parties may agree that the Construction Contract may be provided after Closing.

"Construction Escrow Agreement" means the escrow agreement establishing an escrow (the "Construction Escrow"), by and among the Title Company (or an affiliate of the Title Company), the Developer and those financing sources providing Lender Financing to the Developer, substantially in the form of Exhibit K hereto.

"Corporation Counsel" means the City's Office of Corporation Counsel.

"Department" has the meaning set forth in Section 8.09 hereof.

"Employer(s)" has the meaning set forth in Section 10.01 hereof.

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

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"**Equity**" means funds of the Developer (other than funds derived from Lender Financing (as defined below)) irrevocably available for the Project, in the amount set forth in Section 4.01 hereof, which amount may be increased pursuant to Section 4.05 (Cost Overruns).

"**Event of Default**" has the meaning set forth in Section 15.01 hereof.

"**Existing Mortgages**" has the meaning set forth in Section 16.01 hereof.

"**Financial Statements**" means audited financial statements of the Developer as of December 31st of the immediately preceding year (or the end of any other fiscal year subsequently adopted by Developer), prepared by a certified public accountant in accordance with generally accepted accounting principles consistently applied, and certified by the chief financial officer of Developer as fairly and accurately presenting the information contained therein.

"**Full-Time Equivalents**" means the total hours worked by all employees of Developer (or all employees of Project Tenants), as evidenced by payroll records, actually working at the Project in a given calendar year divided by 1920 hours.

"**General Contractor**" means McClier, hired by the Developer as the construction manager.

"**Governmental Charge**" has the meaning set forth in Section 8.20 hereof.

"**Greater Southwest TIF Fund**" means the special tax allocation fund entitled the "Greater Southwest Industrial Corridor (East) Redevelopment Project Area Special Tax Allocation Fund" created by the City in connection with the Redevelopment Area pursuant to the TIF Adoption Ordinance into which the Incremental Taxes will be deposited.

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

"**Human Rights Ordinance**" has the meaning set forth in Section 10.01 hereof.

"**In Balance**" has the meaning set forth for such phase in Section 5.16 hereof.

"**Indemnitee**" and "**Indemnites**" has the meanings set forth in Section 13.01 hereof.

"**Incremental Taxes**" means such ad valorem taxes which, pursuant to the TIF Adoption Ordinance and Section 5/11-74.4-8(b) of the Act, are allocated to, and when collected are paid to, the Treasurer of the City for deposit by the Treasurer into the Greater Southwest TIF Fund established

to pay Redevelopment Project Costs (as defined below) and obligations incurred in the payment thereof.

"Lender Financing" means funds borrowed by the Developer from lenders, including any CD Float Loan for Phase I or Phase II of the Project, and irrevocably available to pay for costs of the Project, in the amount set forth in Section 4.01 hereof.

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

"MBE/WBE Budget" means the budget attached hereto as Exhibit N-2, as the same may be adjusted and as may also ultimately be allocated between Phase I and Phase II when the final scope of Phase II is finally determined.

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

"Minimum Assessed Value" has the meaning set forth in Section 8.20(c) hereof.

"MOWD" means the Mayor's Office of Workforce Development as set forth in Section 8.19.

"Municipal Code" means the Municipal Code of the City of Chicago as presently in effect and as hereafter amended from time-to-time.

"New Mortgage" has the meaning set forth in Section 16.01 hereof.

"NFR Letter(s)" has the meaning set forth in Section 11.03 hereof.

"Non-Governmental Charge(s)" means all non-governmental charges, liens, claims, or encumbrances relating to the Developer, the Property or the Project.

"Notes" shall mean Note 1 and Note 2, or if only Note 1 is issued, then Note 1.

"Note 1" shall mean the City of Chicago Tax Increment Allocation Revenue Note 1 (Gateway Park, LLC Redevelopment Project-Phase I), Series A to be in the form attached hereto as Exhibit R-1 in the anticipated principal amount of \$8,000,000 (subject to adjustment) to be issued by the City to the Developer at the same time the City's Component Completion Certificate for Phase I is issued. Note 1 shall bear interest at an annual rate of 9% per annum, and shall provide for accrued, but unpaid interest to compound annually on January 1. The payment of the amounts due under Note 1 shall be secured only by the Available Increment (pari passu with Note 2, based on the principal amounts outstanding), and Note 1 shall have a term ending on the earlier to occur of: (i) twenty years from the date of issuance, or (ii) the date on which the Redevelopment Area is no longer in existence.

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"Note 2" shall mean the City of Chicago Tax Increment Allocation Revenue Note 2 (Gateway Park, LLC Redevelopment Project-Phase II), Series A to be in the form attached hereto as Exhibit R-2 in the anticipated principal amount of \$6,000,000 (as described in Section 4.03(b)) to be issued by the City to the Developer at the same time the City's Certificate or Component Completion Certificate for Phase II, is issued. Note 2 shall bear interest at an annual rate of 9% per annum, and shall provide for accrued, but unpaid interest to compound annually on January 1. The payment of the amounts due under Note 2 shall be secured only by the Available Increment (pari passu with Note 1, based on the principal amounts outstanding), and Note 2 shall have a term ending on the earlier to occur of: (i) twenty years from the date of issuance, or (ii) the date on which the Redevelopment Area is no longer in existence.

"Permitted Liens" means those liens and encumbrances against the Property and/or the Project set forth on Exhibit M hereto.

"Permitted Mortgage" has the meaning set forth in Section 16.01 hereof.

"Phase I" shall mean the construction of that portion of the Facility and related site improvements indicated as being a part of Phase I in the site plan attached hereto as Exhibit T.

"Phase II" shall mean the construction and other activities leading to completion of the portion of the Project which comprises Phase II, as indicated in the site plan attached hereto as Exhibit T.

"Phase II Segment" has the meaning set forth in Section 3.14 hereof.

"Plans and Specifications" means: (i) construction working drawings and specifications, and containing a site plan; (ii) landscaping plans; (iii) permanent signage plans; and (iv) all related Change Orders to the foregoing for the applicable phase of the Project, all as approved by DPD and submitted as a basis for obtaining required building and other permits.

"Prior Expenditure(s)" has the meaning set forth in Section 4.04(a) hereof.

"Project Budget" means the budget attached hereto as Exhibit N-1, showing the total cost of the Project by line item, as furnished by the Developer to DPD, in accordance with Section 3.03 hereof, as the same may be adjusted and as may ultimately be allocated between Phase I and Phase II when the scope of Phase II is finally determined.

"Redevelopment Project Costs" means redevelopment project costs as defined in Section 5/11-74.4-3(q) of the Act, as the same may be amended from time to time, that are included in the budget set forth in the Redevelopment Plan or otherwise referenced in the Redevelopment Plan.

"Remediation Project" has the meaning set forth in Section 11.03 hereof.

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"Scope Drawings" shall mean preliminary construction documents containing a site plan and preliminary drawings and specifications for the applicable phase of the Project and may include: (i) Project schematics and (ii) design/development drawings.

"Scope of Work" shall mean the scope of work described in Exhibit V hereof.

"Subordination Agreement" means the subordination agreement by Developer's lenders which is Exhibit L hereto.

"Survey" means a Class A plat of survey in the most recently revised form of ALTA/ACSM land title survey of the Property (showing the Double Drive-In Parcel, the Finger Parcel, the Industrial Building Parcel and the City Parcel) dated within 45 days of the Closing 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 Federal Emergency Management Agency (and any updates thereof to reflect improvements to the Property as required by the City or any financing source providing Lender Financing).

"Term of the Agreement" shall mean the period of time commencing on the Closing Date and ending on the earlier of: (a) March 10, 2022 or (b) the time at which the Redevelopment Area is no longer in effect.

"TIF-Funded Improvements" means those improvements of, and other expenditures and costs with respect to, the Project which: (i) qualify as Redevelopment Project Costs, (ii) are eligible costs under the Redevelopment Plan and (iii) the City has agreed to pay for out of City Funds, subject to the terms of this Agreement.

"Title Company" means Chicago Title Insurance Company.

"Title Policy" means a title insurance policy in the most recently revised ALTA or equivalent form, issued by the Title Company, showing the Developer as fee owner of the Property (or its designee as contemplated in this Agreement as to a portion thereof), noting the recording of this Agreement as an encumbrance against the Property, and a subordination agreement in favor of the City with respect to previously recorded liens against the Property related to Lender Financing, if any.

"Undeveloped Portion" means that part of the City Parcel which: (a) has not been developed by Developer as a Phase II Segment under Section 3.15; or (b) has not been approved by DPD under Section 3.15 as a Phase II Segment.

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

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

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**Gateway Park, LLC
Redevelopment Agreement
dated as of December 23, 1999**

SCHEDULE B

ARTICLE TWELVE: INSURANCE REQUIREMENTS

12.01 **Insurance.** The Developer shall provide and maintain, or cause to be provided and maintained, at the Developer's own expense, during the Term of this Agreement, the insurance coverages and requirements specified below, insuring all operations related to the Agreement.

(a) Prior to Execution and Delivery of this Agreement

(i) Workers' Compensation and Employers Liability Insurance

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

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

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

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

(i) Workers Compensation and Employers Liability Insurance

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

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

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

(iii) Automobile Liability Insurance (Primary and Umbrella)

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

(iv) Railroad Protective Liability Insurance

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

(v) All Risk Builders Risk Insurance

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

(vi) Professional Liability

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

(vii) Valuable Papers Insurance

When any plans, designs, drawings, specifications and documents are produced or used under this Agreement by the Developer's architects, contractors, sub-contractors, project managers and other parties constructing the Project, the Developer shall cause such parties to maintain Valuable Papers Insurance shall be maintained in an amount to insure against any loss whatsoever, and shall have limits sufficient to pay for the re-creations and reconstruction of such records.

(viii) Contractor's Pollution Liability

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

(c) Other Insurance Required.

- (i) Prior to the execution and delivery of this Agreement and during construction of the Project, All Risk Property Insurance in the amount of the full replacement value of the Property.
- (ii) Post-construction, throughout the Term of the Agreement, All Risk Property Insurance, including improvements and betterments in the amount of full

replacement value of the Property. Coverage extensions shall include business interruption/loss of rents, flood and boiler and machinery, if applicable.

(d) Other Requirements

- (i) The Developer will furnish the City of Chicago, Department of Planning and Development, City Hall, Room 1000, 121 North LaSalle Street 60602, original Certificates of Insurance evidencing the required coverage to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the Term of this Agreement. The Developer shall submit evidence of insurance on the City Insurance Certificate Form or equivalent prior to Agreement award. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. The failure of the City to obtain certificates or other insurance evidence from the Developer shall not be deemed to be a waiver by the City. The Developer shall advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance shall not relieve the Developer of the obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to terminate this Agreement until proper evidence of insurance is provided.
- (ii) The insurance shall provide for 60 days prior written notice to be given to the City in the event coverage is substantially changed, canceled, or non-renewed.
- (iii) Any and all deductibles or self insured retentions on referenced insurance coverages shall be borne by the Developer.
- (iv) The Developer agrees that insurers shall waive rights of subrogation against the City, its employees, elected officials, agents, or representatives.
- (v) The Developer expressly understands and agrees that any coverages and limits furnished by the Developer shall in no way limit the Developer's liabilities and responsibilities specified within the Agreement documents or by law.
- (vi) The Developer expressly understands and agrees that the Developer's insurance is primary and any insurance or self insurance programs maintained by the City shall not contribute with insurance provided by the Developer under the Agreement.

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- (vii) The required insurance shall not be limited by any limitations expressed in the indemnification language herein or any limitation placed on the indemnity therein given as a matter of law.
- (viii) The Developer shall require its general contractor, and all subcontractors to provide the insurance required herein or Developer may provide the coverages for the contractor, or subcontractors. All contractors and subcontractors shall be subject to the same requirements of Developer unless otherwise specified herein.
- (ix) If the Developer, contractor or subcontractor desires additional coverages, the Developer, Contractor and each subcontractor shall be responsible for the acquisition and cost of such additional protection.
- (x) The City Risk Management Department maintains the right to modify, delete, alter or change these requirements, so long as such action does not, without the Developer's prior written consent, increase such requirements.

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

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**Gateway Park, LLC
Redevelopment Agreement
dated as of December 23, 1999**

EXHIBIT A

REDEVELOPMENT AREA LEGAL DESCRIPTION

A true and correct copy of the legal description for the Greater Southwest Industrial Corridor (East) Redevelopment Project Area as of the Closing Date is attached to this exhibit cover sheet.

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II LEGAL DESCRIPTION

1 THAT PART OF SECTION 25 AND 36 TOWNSHIP 38 NORTH, RANGE 13, AND PART OF SECTION 30
2 AND 31, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED
3 AND DESCRIBED AS FOLLOWS: BEGINNING AT THE POINT OF INTERSECTION OF THE NORTH LINE
4 OF WEST 74TH STREET WITH THE EAST LINE OF SOUTH HOYNE AVENUE IN THE EAST 1/2 OF THE
5 NORTHWEST 1/4 OF SAID SECTION 30; THENCE NORTH ALONG SAID EAST LINE OF SOUTH HOYNE
6 AVENUE TO THE NORTH LINE OF WEST 73RD STREET; THENCE WEST ALONG SAID NORTH LINE OF
7 WEST 73RD STREET TO THE EAST LINE OF THE LAND HAVING A PERMANENT INDEX NO. 20-30-112-
8 056; THENCE NORTH ALONG EAST LINE OF SAID LAND TO THE CENTER LINE OF WEST 71ST STREET;
9 THENCE WEST ALONG SAID CENTER LINE OF WEST 71ST STREET TO THE EAST LINE OF LOT 23 IN
10 BLOCK 1 (EXTENDED NORTH) IN SUBDIVISION OF BLOCKS 1, 2, 6, 7, 8, 10, 11 AND 14 OF DEWEY
11 AND HOGG'S SUBDIVISION, ACCORDING TO THE PLAT RECORDED JUNE 23, 1891 AS DOCUMENT
12 NO. 1492344; THENCE SOUTH ALONG SAID EAST LINE OF LOT 23 TO THE NORTH LINE OF WEST
13 72ND STREET; THENCE WEST ALONG SAID NORTH LINE OF WEST 72ND STREET TO THE WEST LINE OF
14 BELL AVENUE; THENCE SOUTH ALONG THE WEST LINE OF SAID SOUTH BELL AVENUE TO THE
15 NORTH LINE OF WEST 74TH STREET; THENCE WEST ALONG SAID NORTH LINE OF WEST 74TH STREET
16 TO THE WEST LINE OF SOUTH OAKLEY AVENUE; THENCE SOUTH ALONG THE SAID WEST LINE OF
17 SOUTH OAKLEY AVENUE TO THE NORTH LINE OF WEST 75TH STREET; THENCE WEST ALONG SAID
18 NORTH LINE OF WEST 75TH STREET TO THE WEST LINE OF SOUTH CLAIRMONT AVENUE (EXTENDED
19 SOUTH); THENCE NORTH ALONG SAID WEST LINE OF SOUTH CLAIRMONT AVENUE TO THE
20 NORTH LINE OF WEST 75TH STREET (ACCORDING TO THE PLAT OF DEDICATION RECORDED AS
21 DOCUMENT NO. 91-591284; THENCE WEST ALONG THE SAID NORTH LINE OF WEST 75TH STREET
22 TO THE WEST LINE OF 16 FOOT WIDE PUBLIC ALLEY (EAST OF SOUTH WESTERN AVENUE); THENCE
23 NORTH ALONG THE SAID WEST LINE OF PUBLIC ALLEY TO THE SOUTH LINE OF LOT 37 OF BLOCK
24 13 IN SUBDIVISION OF BLOCKS 5, 12 AND 13 OF DEWEY AND HOGG'S SUBDIVISION RECORDED
25 ON JULY 1, 1891 AS DOCUMENT NO. 1497127; THENCE WEST ALONG THE SAID SOUTH LINE OF
26 LOT 37 TO THE EAST LINE OF SOUTH WESTERN AVENUE; THENCE NORTH ALONG THE SAID EAST
27 LINE OF SOUTH WESTERN AVENUE TO THE NORTH LINE OF WEST 74TH STREET; THENCE WEST
28 ALONG SAID NORTH LINE OF WEST 74TH STREET TO THE WEST LINE OF SOUTH ARTESIAN AVENUE
29 IN SAID SECTION 25; THENCE SOUTH ALONG SAID WEST LINE OF SOUTH ARTESIAN AVENUE TO
30 THE NORTH LINE OF A 16 FOOT WIDE PUBLIC ALLEY (SOUTH OF WEST 74TH STREET); THENCE WEST
31 ALONG THE NORTH LINE OF SAID ALLEY TO A POINT OF AN INTERSECTION WITH THE
32 NORTHWESTERLY LINE (EXTENDED NORTHEASTERLY) OF ANOTHER 16 FOOT WIDE PUBLIC ALLEY;
33 THENCE SOUTHWESTERLY ALONG SAID NORTHWESTERLY LINE OF PUBLIC ALLEY (EXTENDED
34 SOUTHWESTERLY) TO THE WEST LINE OF SOUTH CAMPBELL AVENUE; THENCE SOUTH ALONG
35 SAID WEST LINE OF SOUTH CAMPBELL AVENUE TO THE NORTH LINE OF A 16 FOOT PUBLIC ALLEY
36 (SOUTH OF WEST 74TH STREET; THENCE WEST ALONG SAID NORTH LINE OF ALLEY TO A POINT OF
37 INTERSECTION WITH NORTHWESTERLY LINE OF ANOTHER 16 FOOT PUBLIC ALLEY (EXTENDED
38 NORTHEASTERLY); THENCE SOUTHWESTERLY ALONG SAID NORTHWESTERLY LINE OF ALLEY
39 (EXTENDED SOUTHWESTERLY) TO THE WEST LINE OF SOUTH MAPLEWOOD AVENUE; THENCE
40 SOUTH ALONG SAID WEST LINE OF SOUTH MAPLEWOOD AVENUE (EXTENDED SOUTH) TO THE
41 NORTH LINE OF THE LAND HAVING A PERMANENT INDEX NO. 19-25-500-003; THENCE WEST
42 ALONG SAID NORTH LINE OF LAND TO THE EAST LINE OF SOUTH ROCKWELL STREET (EXTENDED
43 SOUTH); THENCE NORTH ALONG SAID EAST LINE OF SOUTH ROCKWELL STREET TO THE NORTH
44 LINE OF WEST 74TH STREET; THENCE WEST ALONG SAID NORTH LINE OF WEST 74TH STREET TO A
45 POINT ON THE EAST LINE OF SOUTH KEDZIE AVENUE, (AS WIDENED BY DOCUMENT NO. 12365546)

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SAID POINT IS 80 FEET EAST (MEASURED AT RIGHT ANGLE) OF WEST LINE OF THE NORTHWEST QUARTER OF AFOREMENTIONED SECTION 25; THENCE SOUTH ALONG SAID EAST LINE OF SOUTH KEDZIE AVENUE AS WIDENED (EXTENDED SOUTH), A DISTANCE OF 33.00 FEET TO THE CENTER LINE OF SAID WEST 74TH STREET; THENCE WEST ALONG SAID CENTER LINE OF WEST 74TH STREET (EXTENDED WEST) A DISTANCE OF 47.00 FEET TO AN INTERSECTION WITH A LINE DRAWN PARALLEL WITH AND 33.00 FEET EAST FROM (MEASURED AT RIGHT ANGLE) THE WEST LINE OF THE NORTHWEST QUARTER OF SAID SECTION 25; THENCE SOUTH ALONG SAID PARALLEL LINE, A DISTANCE OF 696.84 FEET TO AN INTERSECTION WITH THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 25; THENCE EAST ALONG THE NORTH LINE OF SAID SOUTHWEST QUARTER, A DISTANCE OF 47.00 FEET TO AN INTERSECTION WITH THE EAST LINE OF SOUTH KEDZIE AVENUE AS WIDENED BY AFOREMENTIONED DOCUMENT NO. 12365546; THENCE SOUTH ALONG SAID EAST LINE (AS WIDENED) A DISTANCE OF 860.99 FEET TO AN INTERSECTION WITH A LINE DRAWN PARALLEL WITH AND 7.00 FEET SOUTH FROM THE NORTH LINE OF LOT 41 IN BLOCK 15 OF WABASH ADDITION TO CHICAGO RECORDED MAY 14, 1890 AS DOCUMENT NO. 1269284; THENCE WEST ALONG SAID PARALLEL LINE, A DISTANCE OF 47.00 FEET TO THE EAST LINE OF SOUTH KEDZIE AVENUE IN SAID SUBDIVISION; THENCE SOUTH ALONG SAID EAST LINE OF SOUTH KEDZIE AVENUE TO THE CENTER LINE OF 16.00 FOOT WIDE VACATED ALLEY (SOUTH OF WEST 77TH STREET); THENCE EAST ALONG SAID CENTER LINE OF ALLEY TO THE WEST LINE OF SOUTH TROY STREET; THENCE NORTH ALONG SAID WEST LINE OF SOUTH TROY STREET TO THE SOUTH LINE OF WEST 77TH STREET; THENCE EAST ALONG SAID SOUTH LINE OF WEST 77TH STREET TO THE EAST LINE OF LOT 36 IN BLOCK 6 OF RESUBDIVISION OF BLOCKS 3, 4, 5 AND 6 OF WABASH ADDITION TO CHICAGO, RECORDED AS DOCUMENT NO. 9386128, SAID EAST LINE OF LOT 36 ALSO BEING THE WEST LINE OF SOUTH RICHMOND STREET; THENCE SOUTH ALONG SAID EAST LINE OF LOT 36 A DISTANCE OF 78.43 FEET TO THE SOUTHEAST CORNER OF SAID LOT 36, SAID CORNER ALSO BEING ON THE NORTHWESTERLY LINE OF WEST COLUMBUS AVENUE; THENCE SOUTHWESTERLY ALONG NORTHWESTERLY LINE OF SAID WEST COLUMBUS AVENUE TO THE SOUTHWESTERLY CORNER OF LOT 32 OF BLOCK 3 IN SAID RESUBDIVISION OF BLOCKS 3, 4, 5 AND 6 OF WABASH ADDITION TO CHICAGO, RECORDED AUGUST 28, 1926 AS DOCUMENT NO. 9386128; THENCE SOUTHEASTERLY TO THE NORTHWESTERLY CORNER OF LOT 36 OF BLOCK 2 IN WABASH ADDITION TO CHICAGO, RECORDED MAY 14, 1890 AS DOCUMENT NO. 1269284; THENCE SOUTHEASTERLY ALONG SOUTHWESTERLY LINE OF SAID LOT 36 (EXTENDED SOUTHEASTERLY) TO THE NORTHWESTERLY LINE OF A LAND HAVING A PERMANENT INDEX NO. 19-25-501-002; THENCE SOUTHWESTERLY ALONG SAID NORTHWESTERLY LINE OF LAND TO THE NORTH LINE OF WEST 79TH STREET (EAST OF SOUTH KEDZIE AVENUE); THENCE EAST ALONG SAID NORTH LINE OF WEST 79TH STREET TO A POINT OF INTERSECTION WITH SOUTHERLY LINE OF WABASH RAILROAD, HAVING A PERMANENT INDEX NO. 19-25-501-002 AFORESAID; THENCE NORTHEASTERLY ALONG SAID SOUTHERLY LINE OF WABASH RAILROAD TO THE WEST LINE OF SOUTH WESTERN AVENUE; THENCE SOUTH ALONG SAID WEST LINE OF SOUTH WESTERN AVENUE, 328.00 FEET MORE OR LESS TO THE NORTHEAST CORNER OF LAND HAVING A PERMANENT INDEX NO. 19-25-406-003 (NORTH OF WEST 76TH STREET); THENCE SOUTHWESTERLY ALONG THE NORTHERLY CURVED LINE CONCAVED TO THE SOUTHEAST OF SAID LAND TO THE NORTH LINE OF WEST 76TH STREET (33 FEET IN WIDTH); THENCE EAST ALONG SAID NORTH LINE OF WEST 76TH STREET TO THE WEST LINE OF SOUTH WESTERN AVENUE (110 FEET IN WIDTH); THENCE SOUTH ALONG SAID WEST LINE OF SOUTH WESTERN AVENUE TO THE SOUTH LINE OF WEST 79TH STREET IN SAID SECTION 36; THENCE EAST ALONG SAID SOUTH LINE OF WEST 79TH STREET (AS WIDENED) TO THE EAST LINE OF SOUTH OAKLEY AVENUE (33 FEET IN WIDTH) EXTENDED SOUTH IN SAID SECTION 31; THENCE NORTH ALONG SAID EAST LINE OF SOUTH OAKLEY AVENUE (SAID LINE BEING ALSO THE WEST LINE OF LAND HAVING A PERMANENT INDEX NO. 20-30-501-002) TO THE NORTH LINE OF LAND

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94 HAVING A PERMANENT INDEX NO. 20-30-308-007; THENCE WEST ALONG SAID NORTH LINE OF
95 LAND EXTENDED WEST TO THE SOUTHEAST CORNER OF LOT 24 OF BLOCK 17 IN FIRST ADDITION
96 TO BEVERLY GATEWAY SUBDIVISION RECORDED ON DECEMBER 12, 1925 AS DOCUMENT NO.
97 9123458 IN AFORESAID SAID SECTION 30; THENCE WEST ALONG SOUTH LINE OF SAID LOT 24
98 WHICH IS ALSO BEING THE NORTH LINE OF WEST 77TH STREET, TO THE SOUTHWEST CORNER OF
99 SAID LOT 24 WHICH IS ALSO BEING THE EAST LINE OF A 16 FOOT WIDE PUBLIC ALLEY; THENCE
100 NORTH ALONG SAID EAST LINE OF 16 FEET PUBLIC ALLEY TO THE SOUTH LINE OF WEST 76TH
101 STREET; THENCE EAST ALONG SAID SOUTH LINE OF WEST 76TH STREET TO THE NORTHWEST
102 CORNER OF LAND HAVING A PERMANENT INDEX NO. 20-30-303-006; THENCE EAST ALONG THE
103 NORTH LINE OF SAID LAND TO THE NORTHEAST CORNER OF SAID LAND WHICH IS ALSO BEING
104 THE NORTHWEST CORNER OF A LAND HAVING A PERMANENT INDEX NO. 20-30-303-007; THENCE
105 EAST ALONG NORTH LINE OF SAID LAND HAVING A PERMANENT INDEX NO. 20-30-303-007 TO THE
106 WEST LINE OF AFORESAID LAND HAVING A PERMANENT INDEX NO. 20-30-501-002; THENCE
107 NORTH ALONG SAID WEST LINE TO THE NORTHWESTERLY CURVED LINE OF SAID LAND HAVING
108 A PERMANENT INDEX NO. OF 20-30-501-002; THENCE NORTHEASTERLY ALONG SAID
109 NORTHWESTERLY CURVED LINE CONCAVED TO THE NORTHWEST, TO THE SOUTH LINE OF LAND
110 HAVING A PERMANENT INDEX NO. 20-30-500-001; THENCE EAST ALONG SAID SOUTH LINE (NOW
111 BEING STRAIGHT) TO THE WEST LINE OF LAND HAVING A PERMANENT INDEX NO. 20-30-502-002
112 (SAID LAND BEING 150 FEET IN WIDTH); THENCE SOUTH ALONG SAID WEST LINE TO THE NORTH
113 LINE OF WEST 79TH STREET; THENCE EAST ALONG SAID NORTH LINE OF WEST 79TH STREET TO THE
114 EAST LINE OF SAID LAND HAVING A PERMANENT INDEX NO. 20-30-502-002; THENCE NORTH
115 ALONG SAID EAST LINE TO THE SOUTH LINE OF LAND HAVING A PERMANENT INDEX NO. 20-30-
116 500-001; THENCE EAST ALONG SAID SOUTH LINE TO THE CENTER LINE OF SOUTH DAMEN
117 AVENUE; THENCE NORTH ALONG SAID CENTER LINE OF SOUTH DAMEN AVENUE TO THE
118 SOUTHWEST CORNER OF LAND HAVING A PERMANENT INDEX NO. 20-30-224-018; THENCE
119 NORTHEASTERLY ALONG SOUTHERLY LINE OF SAID LAND HAVING DEED BEARING OF NORTH 80
120 DEGREES 36 MINUTES 20 SECONDS EAST, A DISTANCE OF 194.44 FEET; THENCE CONTINUING EAST
121 ALONG SAID SOUTHERLY LINE, 25 FEET, THENCE SOUTH 18.50 FEET; THENCE NORTH 88 DEGREES
122 09 MINUTES 40 SECONDS EAST, 142.03 FEET, THENCE CONTINUING NORTHEASTERLY ALONG SAID
123 SOUTHERLY LINE BEING A CURVE CONCAVED TO THE NORTHWEST HAVING A RADIUS OF 469.84
124 FEET, AND AN ARC DISTANCE OF 182.68 FEET TO THE SOUTHEAST CORNER OF LAND HAVING A
125 PERMANENT INDEX NO. 20-30-224-017. THENCE NORTH ALONG EAST LINE OF SAID LAND
126 (EXTENDED NORTH) TO THE NORTH LINE OF WEST 74TH STREET; THENCE WEST ALONG SAID
127 NORTH LINE OF WEST 74TH STREET TO THE POINT OF BEGINNING, IN THE CITY OF CHICAGO,
128 COOK COUNTY, ILLINOIS

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**Gateway Park, LLC
Redevelopment Agreement
dated as of December 23, 1999**

EXHIBIT C-1

**LEGAL DESCRIPTION OF PROPERTY ACQUIRED
(The Double Drive-In Parcel)**

Parcel 1 (the Double Drive-In Parcel)

A true and correct copy of the Legal Description for Parcel 1 (the Double Drive-In Parcel) is attached to this exhibit cover sheet.

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DOUBLE DRIVE-IN PARCEL

LEGAL DESCRIPTION

PARCEL 18:

BLOCKS 8, 9, 10, 11 AND 20; BLOCK 21 (EXCEPT THE NORTH 82 FEET THEREOF); BLOCK 22 (EXCEPT THE NORTH 82 FEET THEREOF); LOT "B" AND LOTS 1 TO 46 INCLUSIVE IN BLOCK 23; ALL IN WABASH ADDITION TO CHICAGO, IN SECTION 25, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

PARCEL 19:

VACATED RICHMOND STREET LYING BETWEEN THE NORTH LINE OF 77TH STREET AND THE NORTH LINE OF SAID BLOCKS 20 AND 21 (EXCEPT THE EAST HALF OF THE NORTH 82 FEET THEREOF); VACATED FRANCISO STREET LYING BETWEEN THE NORTHWESTERLY LINE OF COLUMBUS AVENUE AND THE NORTH LINE OF SAID BLOCKS 21 AND 22 (EXCEPT THE NORTH 82 FEET THEREOF); VACATED MOZART STREET LYING BETWEEN THE NORTHWESTERLY LINE OF COLUMBUS AVENUE AND THE NORTH LINE OF SAID BLOCKS 22 AND 23 (EXCEPT THE NORTH 82.39 FEET THEREOF); VACATED 76TH STREET LYING BETWEEN THE EAST LINE OF SACRAMENTO AVENUE AND THE WEST LINE OF CALIFORNIA AVENUE; AND ALL VACATED ALLEYS IN BLOCK 8, 9, 10, 11, 20, 21, 22, AND 23 (EXCEPT THE NORTH 82 FEET OF THE ALLEYS IN BLOCK 21 AND 22 AND EXCEPT THE WEST HALF OF THE NORTH 82.39 FEET OF THE ALLEY IN BLOCK 23), ALL IN WABASH ADDITION TO CHICAGO AFORESAID, IN COOK COUNTY, ILLINOIS

PARCEL 20:

THAT PART OF THE WEST 5 FEET OF VACATED CALIFORNIA AVENUE LYING SOUTH OF THE NORTH LINE EXTENDED OF BLOCK 23 AND NORTHWEST OF THE NORTHWEST LINE EXTENDED OF COLUMBUS AVENUE IN WABASH ADDITION TO CHICAGO IN SECTION 25, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 21: THAT PART OF THE EAST 33 FEET OF SACRAMENTO AVENUE LYING NORTH OF THE NORTH LINE OF WEST 77TH STREET AND SOUTH OF THE NORTH LINE EXTENDED OF BLOCK 20 IN WABASH ADDITION TO CHICAGO IN SECTION 25, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

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**Gateway Park, LLC
Redevelopment Agreement
dated as of December 23, 1999**

EXHIBIT C-1.1

**LEGAL DESCRIPTION OF THE FINGER PARCEL
(being a part of the Double Drive-In Parcel)**

Parcel 1.1 (the Finger Parcel, being a part of the Double Drive-In Parcel)

A true and correct copy of the Legal Description for Parcel 1.1 (the Finger Parcel consisting of parcels B-1 and B-2) is attached to this exhibit cover sheet.

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PARCEL B-1

THAT PART OF SECTION 25, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT POINT ON THE SOUTHERLY RIGHT OF WAY LINE OF THE BELT RAILWAY COMPANY OF CHICAGO SHOWN ON THE PLAT OF WABASH ADDITION TO CHICAGO AND THE WESTERLY RIGHT OF WAY LINE OF CALIFORNIA AVENUE; THENCE ON AN ASSUMED BEARING OF SOUTH 0 DEGREES 00 MINUTES 00 SECONDS EAST, ALONG SAID WESTERLY RIGHT OF WAY LINE A DISTANCE OF 437.12 FEET; THENCE NORTH 40 DEGREES 04 MINUTES 37 SECONDS WEST ALONG THE TOE OF SLOPE OF A SPOILPILE LYING NORTHERLY THEREOF A DISTANCE OF 314.72 FEET; THENCE NORTH 64 DEGREES 49 MINUTES 13 SECONDS WEST, CONTINUING ALONG THE TOE OF SAID SPOILPILE, A DISTANCE OF 121.70 FEET; THENCE NORTH 82 DEGREES 59 MINUTES 49 SECONDS WEST, CONTINUING ALONG THE TOE OF SAID SPOILPILE, A DISTANCE OF 120.21 FEET; THENCE SOUTH 85 DEGREES 04 MINUTES 20 SECONDS WEST, CONTINUING ALONG THE TOE OF SAID SPOILPILE, A DISTANCE OF 58.08 FEET; THENCE SOUTH 58 DEGREES 27 MINUTES 05 SECONDS WEST, CONTINUING ALONG THE TOE OF SAID SPOILPILE, A DISTANCE OF 69.30 FEET; THENCE SOUTH 45 DEGREES 58 MINUTES 10 SECONDS WEST, CONTINUING ALONG THE TOE OF SAID SPOILPILE, A DISTANCE OF 115.03 FEET; THENCE SOUTH 33 DEGREES 21 MINUTES 10 SECONDS WEST, CONTINUING ALONG THE TOE OF SAID SPOILPILE, A DISTANCE OF 61.38 FEET; THENCE NORTH 61 DEGREES 38 MINUTES 40 SECONDS WEST, CONTINUING ALONG THE TOE OF SAID SPOILPILE, A DISTANCE OF 86.42 FEET; THENCE NORTH 46 DEGREES 49 MINUTES 32 SECONDS WEST, ALONG THE EASTERLY EDGE OF A GRAVEL ROAD, A DISTANCE OF 75.54 FEET; THENCE NORTH 35 DEGREES 01 MINUTES 52 SECONDS WEST, CONTINUING ALONG THE TOE OF SAID SPOILPILE, A DISTANCE OF 80.58 FEET; THENCE SOUTH 74 DEGREES 40 MINUTES 22 SECONDS WEST A DISTANCE OF 50.03 FEET THENCE NORTH 30 DEGREES 35 MINUTES 20 SECONDS WEST, A DISTANCE OF 86.29 FEET; THENCE NORTH 89 DEGREES 59 MINUTES 35 SECONDS EAST A DISTANCE OF 797.28 FEET; THENCE NORTH 0 DEGREES 00 MINUTES 00 SECONDS EAST A DISTANCE OF 82.39 FEET; THENCE NORTH 89 DEGREES 57 MINUTES 58 SECONDS EAST A DISTANCE OF 137.72 FEET TO THE POINT OF BEGINNING.

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Parcel B-2

THAT PART OF SECTION 25, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE SOUTH RIGHT OF WAY LINE OF THE BELT RAILWAY COMPANY OF CHICAGO SHOWN ON THE PLAT OF WABASH ADDITION TO CHICAGO AND THE CENTERLINE OF VACATED RICHMOND STREET; THENCE ON AN ASSUMED BEARING OF SOUTH 0 DEGREES 00 MINUTES 00 SECONDS EAST, ALONG SAID CENTERLINE, A DISTANCE OF 58.04 FEET; THENCE SOUTH 75 DEGREES 00 MINUTES 00 SECONDS WEST, ALONG THE TOE OF SLOPE OF A SPOILPILE LYING NORTHERLY THEREOF, A DISTANCE OF 54.64 FEET; THENCE SOUTH 75 DEGREES 18 MINUTES 28 SECONDS WEST, CONTINUING ALONG THE TOE OF SAID SPOILPILE, A DISTANCE OF 87.06 FEET; THENCE SOUTH 11 DEGREES 27 MINUTES 50 SECONDS WEST, CONTINUING ALONG THE TOE OF SAID SPOILPILE, A DISTANCE OF 38.42 FEET; THENCE SOUTH 56 DEGREES 48 MINUTES 09 SECONDS WEST, CONTINUING ALONG THE TOE OF SAID SPOILPILE, A DISTANCE OF 125.99 FEET; THENCE SOUTH 64 DEGREES 00 MINUTES 45 SECONDS WEST CONTINUING ALONG THE TOE OF SAID SPOILPILE, A DISTANCE OF 55.97 FEET; THENCE NORTH 0 DEGREES 00 MINUTES 00 SECONDS EAST, ALONG THE WEST RIGHT OF WAY LINE OF SACRAMENTO AVENUE, A DISTANCE OF 196.96 FEET TO THE SOUTH RIGHT OF WAY LINE OF SAID BELT RAILWAY COMPANY OF CHICAGO; THENCE NORTH 89 DEGREES 57 MINUTES 58 SECONDS EAST, LONG SAID SOUTH RIGHT OF WAY LINE, A DISTANCE OF 300.36 FEET TO THE POINT OF BEGINNING.

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**Gateway Park, LLC
Redevelopment Agreement
dated as of December 23, 1999**

EXHIBIT C-2

**LEGAL DESCRIPTION OF PROPERTY ACQUIRED
(The Industrial Building Parcel)**

Parcel 2 (the Industrial Building Parcel)

A true and correct copy of the legal description for Parcel 2 (the Industrial Building Parcel) is attached to this exhibit cover sheet.

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INDUSTRIAL BUILDING PARCEL

LEGAL DESCRIPTION

PARCEL 1:

LOTS 2 AND 3 IN RESUBDIVISION OF PARTS OF BLOCK 13 AND 14 AND PARTS OF STREETS AND ALLEYS VACATED BY CIRCUIT COURT DECREE DATED JUNE 26, 1963, CASE NUMBER 59C4112 IN WABASH ADDITION TO CHICAGO IN SECTION 25, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

THE SOUTH 150 FEET OF THE WEST 170 FEET OF BLOCK 14 IN WABASH ADDITION TO CHICAGO IN SECTION 25, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

THE SOUTH 174 FEET OF THE EAST 158 FEET OF THE WEST 427 FEET OF A TRACT OF LAND, DESCRIBED AS FOLLOWS:

ALL OF BLOCKS 12, 13, 14, 17, 18 AND 19; ALL OF THE STRIP OF LAND 66 FEET IN WIDTH, LYING EAST OF THE EAST LINE OF BLOCKS 17 AND 14 (AS EXTENDED) AND LYING WEST OF THE WEST LINES OF BLOCKS 18 AND 13 (AS EXTENDED), LYING SOUTH OF THE SOUTH LINE OF THE CHICAGO AND WESTERN INDIANA BELT RAILROAD RIGHT OF WAY AND LYING NORTH OF THE NORTH LINE OF 77TH STREET; ALL OF THE STRIP OF LAND 66 FEET IN WIDTH, LYING EAST OF THE EAST LINES OF BLOCKS 18 AND 13 (AS EXTENDED), LYING WEST OF THE WEST LINES OF BLOCKS 19 AND 12 (AS EXTENDED), LYING SOUTH OF THE SOUTH LINE OF THE CHICAGO AND WESTERN INDIANA BELT RAILROAD RIGHT OF WAY AND LYING NORTH OF THE NORTH LINE OF 77TH STREET; ALL OF THE STRIP OF LAND 66 FEET IN WIDTH, LYING EAST OF THE EAST LINES OF BLOCKS 19 AND 12 (AS EXTENDED), LYING WEST OF THE WEST LINES OF BLOCKS 20 AND 11 (AS EXTENDED), LYING SOUTH OF THE SOUTH LINE OF THE CHICAGO AND WESTERN INDIANA BELT RAILROAD RIGHT OF WAY AND LYING NORTH OF THE NORTH LINE OF 77TH STREET; ALL OF THE STRIP OF LAND 66 FEET IN WIDTH, LYING SOUTH OF THE SOUTH LINES OF BLOCKS 17, 18, AND 19 (AS EXTENDED), LYING NORTH OF THE NORTH LINES OF BLOCKS 12, 13, AND 14 (AS EXTENDED), LYING EAST OF THE WEST LINE OF BLOCKS 17 AND 14 (AS EXTENDED) AND LYING WEST OF THE EAST LINES OF BLOCKS 12 AND 19 (AS EXTENDED); ALL OF THE STRIP OF LAND 33 FEET IN WIDTH, LYING WEST OF THE WEST LINES OF BLOCKS 14 AND 17 (AS EXTENDED), LYING SOUTH OF THE SOUTH LINE OF THE CHICAGO AND WESTERN INDIANA BELT RAILROAD RIGHT OF WAY AND LYING NORTH OF THE NORTH LINE OF 77TH STREET; ALL OF THE 16-FOOT STRIP RUNNING NORTH AND SOUTH THROUGH BLOCK 17 AND LYING EAST OF AND ADJOINING LOT 2 IN BLOCK 17; ALL OF THE 16-FOOT STRIP RUNNING NORTH AND SOUTH THROUGH BLOCK 18 AND LYING EAST OF AND ADJOINING LOT 2 IN SAID BLOCK 18; ALL OF THE 16-FOOT STRIP RUNNING NORTH AND SOUTH THROUGH BLOCK 19 AND LYING EAST OF AND ADJOINING LOT 2 IN SAID BLOCK 19; ALL OF THE 16-FOOT STRIP RUNNING NORTH AND SOUTH THROUGH BLOCK 14, LYING EAST OF AND ADJOINING LOT 13 IN SAID BLOCK 14 AND ALL OF THE 16-FOOT STRIP RUNNING EAST AND WEST THROUGH SAID BLOCK 14 AND LYING NORTH OF AND ADJOINING LOTS 2 TO 12, INCLUSIVE, IN SAID BLOCK 14; ALL OF THE 16-FOOT STRIP RUNNING NORTH AND SOUTH THROUGH BLOCK 13 AND LYING EAST OF AND ADJOINING LOT 13 IN SAID BLOCK 13, AND ALL OF THE 16-FOOT STRIP RUNNING EAST AND WEST THROUGH SAID BLOCK 13 AND LYING NORTH OF AND ADJOINING LOTS 2 TO 12, INCLUSIVE, IN SAID BLOCK 13; ALL OF THE 16-FOOT STRIP RUNNING NORTH AND SOUTH THROUGH BLOCK 12 AND LYING EAST OF AND ADJOINING LOT 13 IN SAID BLOCK 12 AND ALL OF THE 16-FOOT STRIP RUNNING EAST AND WEST THROUGH SAID BLOCK 12 AND LYING NORTH OF AND ADJOINING LOTS 2 TO 12, INCLUSIVE, IN SAID BLOCK 12, ALL IN WABASH ADDITION TO CHICAGO IN SECTION 25, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 4:

THE EAST 158 FEET OF THE WEST 585 FEET OF THE SOUTH 174 FEET OF A TRACT OF LAND, DESCRIBED AS FOLLOWS:

ALL OF BLOCKS 13 AND 14; ALL OF A STRIP OF LAND 33 FEET IN WIDTH, LYING WEST OF THE WEST LINE OF BLOCK 14, LYING SOUTH OF THE SOUTH LINE OF WEST 76TH STREET AND LYING NORTH OF THE NORTH LINE OF WEST 77TH STREET; ALL OF A STRIP OF LAND 66 FEET IN WIDTH, LYING EAST OF THE EAST LINE OF BLOCK 14, LYING WEST OF THE WEST LINE OF BLOCK 13, LYING SOUTH OF THE SOUTH LINE OF WEST 76TH STREET AND LYING NORTH OF THE NORTH LINE OF WEST 77TH STREET; ALL OF THE 16-FOOT STRIP RUNNING NORTH AND SOUTH THROUGH BLOCK 13 AND LYING EAST OF AND ADJOINING LOT 13 IN SAID BLOCK 13; ALL OF THE 16-FOOT STRIP RUNNING EAST AND WEST THROUGH SAID BLOCK 13 AND LYING NORTH OF AND ADJOINING

INDUSTRIAL BUILDING PARCEL

LEGAL DESCRIPTION

LOTS 2 TO 12, INCLUSIVE, IN SAID BLOCK 13, ALL IN WABASH ADDITION TO CHICAGO IN SECTION 25, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 5:

THE SOUTH 174 FEET (EXCEPT THE WEST 651 FEET THEREOF) OF A TRACT OF LAND DESCRIBED AS FOLLOWS: ALL OF BLOCKS 12, 13, AND 14, ALL OF A STRIP OF LAND 33 FEET IN WIDTH LYING WEST OF THE WEST LINE OF BLOCK 14 LYING SOUTH OF THE SOUTH LINE OF WEST 76TH STREET AND LYING NORTH OF THE NORTH LINE OF WEST 77TH STREET, ALL OF A STRIP OF LAND 66 FEET IN WIDTH LYING EAST OF THE EAST LINE OF BLOCK 14 LYING WEST OF THE WEST LINE OF BLOCK 13, LYING SOUTH OF THE SOUTH LINE OF WEST 76TH STREET AND LYING NORTH OF THE NORTH LINE OF WEST 77TH STREET, ALL OF A 66 FOOT STRIP OF LAND IN WIDTH LYING EAST OF THE EAST LINE OF BLOCK 13 LYING WEST OF THE WEST LINE OF BLOCK 12 LYING SOUTH OF THE SOUTH LINE OF WEST 76TH STREET AND LYING NORTH OF THE NORTH LINE OF WEST 77TH STREET, ALL OF THE 16 FOOT STRIP RUNNING NORTH AND SOUTH THROUGH BLOCK 12 AND LYING EAST OF AND ADJOINING LOT 13 IN SAID BLOCK 12 ALL OF THE 16 FOOT STRIP RUNNING EAST AND WEST THROUGH SAID BLOCK 12 AND LYING NORTH OF AND ADJOINING LOTS 2 TO 12 INCLUSIVE IN SAID BLOCK 12 ALL IN WABASH ADDITION TO CHICAGO IN SECTION 25, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 6:

THE SOUTH 174 FEET OF THAT PART OF THE WEST HALF OF SOUTH SACRAMENTO AVENUE LYING NORTH OF THE NORTH LINE OF WEST 77TH STREET IN WABASH ADDITION TO CHICAGO IN SECTION 25, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 23:

LOT 1 IN RESUBDIVISION OF STREETS AND ALLEYS VACATED BY CIRCUIT COURT DECREE DATED JUNE 26, 1963, CASE NO. 59C4112 IN WABASH ADDITION TO CHICAGO IN SECTION 25, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

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**Gateway Park, LLC
Redevelopment Agreement
dated as of December 23, 1999**

EXHIBIT C-3

**LEGAL DESCRIPTION OF PROPERTY ACQUIRED
(The City Parcel)**

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STREET ADDRESS: GATEWAY PLAZA 76TH ST. & SACRAMENTO
CITY: CHICAGO COUNTY: COOK
TAX NUMBER: 19-25-301-001-0000

LEGAL DESCRIPTION:

PARCEL 7 FROM FILE 7801297:

ALL OF BLOCKS 17, 18 AND 19 ALL IN WABASH ADDITION TO CHICAGO IN SECTION 25, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 8 FROM FILE 7801297:

ALL OF THE STRIP OF LAND 66 FEET IN WIDTH LYING EAST OF THE EAST LINE OF BLOCK 17 IN WABASH ADDITION TO CHICAGO AND LYING WEST OF THE WEST LINE OF BLOCK 18 IN SAID WABASH ADDITION TO CHICAGO AND LYING SOUTH OF THE SOUTH LINE OF THE CHICAGO AND WESTERN INDIANA BELT RAILROAD RIGHT OF WAY SHOWN ON PLAT OF SAID WABASH ADDITION TO CHICAGO AND LYING NORTH OF THE NORTH LINE OF 76TH STREET IN WABASH ADDITION TO CHICAGO IN SECTION 25, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 9 FROM FILE 7801297:

ALL OF THE STRIP OF LAND 66 FEET IN WIDTH LYING EAST OF THE EAST LINE OF BLOCK 18 IN WABASH ADDITION TO CHICAGO AND LYING WEST OF WEST LINE OF BLOCK 19 IN SAID WABASH ADDITION TO CHICAGO AND LYING SOUTH OF THE SOUTH LINE OF THE CHICAGO AND WESTERN INDIANA BELT RAILROAD RIGHT OF WAY SHOWN ON PLAT OF SAID WABASH ADDITION TO CHICAGO AND LYING NORTH OF THE NORTH LINE OF 76TH STREET IN WABASH ADDITION TO CHICAGO IN SECTION 25, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 10 FROM FILE 7801297:

ALL OF THE STRIP OF LAND 33 FEET IN WIDTH LYING EAST OF THE EAST LINE OF BLOCK 19 IN WABASH ADDITION TO CHICAGO AND LYING SOUTH OF THE SOUTH LINE OF THE CHICAGO AND WESTERN INDIANA BELT RAILROAD RIGHT OF WAY SHOWN ON PLAT OF SAID WABASH ADDITION TO CHICAGO AND LYING NORTH OF THE NORTH LINE OF 76TH STREET IN WABASH ADDITION TO CHICAGO IN SECTION 25, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 11 FROM FILE 7801297:

ALL OF THE STRIP OF LAND 33 FEET IN WIDTH LYING WEST OF THE WEST LINE OF BLOCK 17 IN WABASH ADDITION TO CHICAGO AND LYING SOUTH OF THE SOUTH LINE OF THE CHICAGO AND WESTERN INDIANA BELT RAILROAD RIGHT OF WAY SHOWN ON PLAT OF SAID WABASH ADDITION TO CHICAGO AND LYING NORTH OF THE NORTH LINE OF 76TH STREET IN SAID WABASH ADDITION TO CHICAGO IN SECTION 25, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 12 FROM FILE 7801297:

ALL OF THE 16 FEET STRIP SHOWN ON THE PLAT OF SAID SUBDIVISION RUNNING NORTH AND SOUTH THRU BLOCK 17 IN SAID SUBDIVISION AND LYING EAST OF AND ADJOINING LOT 2 IN SAID BLOCK 17 IN WABASH ADDITION TO CHICAGO IN SECTION 25, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 13 FROM FILE 7801297:

ALL OF THE 16 FOOT STRIP SHOWN ON THE PLAT OF SAID SUBDIVISION RUNNING NORTH AND SOUTH THRU BLOCK 18 IN SAID SUBDIVISION AND LYING EAST OF AND ADJOINING LOT 2 IN SAID BLOCK 18 IN WABASH ADDITION TO CHICAGO IN SECTION 25, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 14 FROM FILE 7801297:

ALL OF THE 16 FOOT STRIP SHOWN ON THE PLAT OF SAID SUBDIVISION RUNNING NORTH AND SOUTH THROUGH BLOCK 19 IN SAID SUBDIVISION AND LYING EAST OF AND ADJOINING LOT 2 IN SAID BLOCK 19 IN WABASH ADDITION TO CHICAGO IN SECTION 25, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 15 FROM FILE 7801297:

THAT PART OF THE NORTH HALF OF WEST 76TH STREET LYING EAST OF THE CENTER LINE OF SOUTH TROY STREET AND WEST OF THE CENTER LINE OF SOUTH SACRAMENTO AVENUE IN WABASH ADDITION TO CHICAGO IN SECTION 25, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 16 FROM FILE 7801297:

THE EAST 158 FEET OF THE WEST 585 FEET (EXCEPT THE SOUTH 174 FEET) OF A TRACT OF LAND DESCRIBED AS FOLLOWS: ALL OF BLOCKS 13 AND 14, ALL OF A STRIP OF LAND 33 FEET IN WIDTH LYING WEST OF THE WEST LINE OF BLOCK 14, LYING SOUTH OF THE SOUTH LINE OF WEST 76TH STREET AND LYING NORTH OF THE NORTH LINE OF WEST 77TH STREET, ALL OF A STRIP OF LAND 66 FEET IN WIDTH LYING EAST OF THE EAST LINE OF BLOCK 14, LYING WEST OF THE WEST LINE OF BLOCK 13, LYING SOUTH OF THE SOUTH LINE OF WEST 76TH STREET AND LYING NORTH OF THE NORTH LINE OF WEST 77TH STREET ALL OF THE 16 FOOT STRIP RUNNING NORTH AND SOUTH THROUGH BLOCK 13 AND LYING EAST OF AND ADJOINING LOT 13 IN SAID BLOCK 13, ALL OF THE 16 FOOT STRIP RUNNING EAST AND WEST THROUGH SAID BLOCK 13 AND LYING NORTH OF AND ADJOINING LOTS 2 AND 12 INCLUSIVE IN SAID BLOCK 13 ALL IN WABASH ADDITION TO CHICAGO IN SECTION 25, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

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PARCEL 17 FROM FILE 7801297:

LOTS 4 AND 5 IN RESUBDIVISION OF STREETS AND ALLEYS VACATED BY CIRCUIT COURT DECREE DATED JUNE 26, 1963, CASE NO. 59C4112 IN WABASH ADDITION TO CHICAGO IN SECTION 25, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 22 FROM FILE 7801297:

A TRACT OF LAND DESCRIBED AS FOLLOWS: ALL OF BLOCKS 12, 13 AND 14, ALL OF A STRIP OF LAND 33 FEET IN WIDTH LYING WEST OF THE WEST LINE OF BLOCK 14 LYING SOUTH OF THE SOUTH LINE OF WEST 76TH STREET AND LYING NORTH OF THE NORTH LINE OF WEST 77TH STREET, ALL OF A STRIP OF LAND 66 FEET IN WIDTH LYING EAST OF THE EAST LINE OF BLOCK 14 LYING WEST OF THE WEST LINE OF BLOCK 13, LYING SOUTH OF THE SOUTH LINE OF WEST 76TH STREET AND LYING NORTH OF THE NORTH LINE OF WEST 77TH STREET, ALL OF A 66 FOOT STRIP OF LAND IN WIDTH LYING EAST OF THE EAST LINE OF BLOCK 13 LYING WEST OF THE WEST LINE OF BLOCK 12 LYING SOUTH OF THE SOUTH LINE OF WEST 76TH STREET AND LYING NORTH OF THE NORTH LINE OF WEST 77TH STREET, ALL OF THE 16 FOOT STRIP RUNNING NORTH AND SOUTH THROUGH BLOCK 12 AND LYING EAST OF AND ADJOINING LOT 13 IN SAID BLOCK 12 ALL OF THE 16 FOOT STRIP RUNNING EAST AND WEST THROUGH SAID BLOCK 12 AND LYING NORTH OF AND ADJOINING LOTS 2 TO 12 INCLUSIVE IN SAID BLOCK 12 ALL IN WABASH ADDITION TO CHICAGO IN SECTION 25, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN (EXCEPT FROM SAID TRACT OF LAND THE SOUTH 174 FEET AND THE WEST 651 FEET THEREOF) IN COOK COUNTY, ILLINOIS; ALSO

THAT PART (EXCEPT THE WEST 651 FEET THEREOF) OF THE SOUTH HALF OF WEST 76TH STREET LYING EAST OF THE CENTER LINE OF SOUTH TROY STREET AND WEST OF THE WEST LINE OF SOUTH SACRAMENTO AVENUE IN WABASH ADDITION TO CHICAGO IN SECTION 25, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS; ALSO

THAT PART (EXCEPT THE SOUTH 174 FEET THEREOF) OF THE WEST HALF OF SOUTH SACRAMENTO AVENUE LYING NORTH OF THE NORTH LINE OF WEST 77TH STREET AND SOUTH OF THE CENTER LINE OF WEST 76TH STREET IN WABASH ADDITION TO CHICAGO IN SECTION 25, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN NUMBERS:

19-25-301-001-0000, 19-25-302-001-0000, 19-25-303-001-0000

19-25-310-005-0000, 19-25-310-006-0000, 19-25-310-012-0000

AND 19-25-310-013-0000.

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**Gateway Park, LLC
Redevelopment Agreement
dated as of December 23, 1999**

EXHIBIT H

TIF-FUNDED IMPROVEMENTS

Exhibit H, TIF-Funded Improvements, is attached to this exhibit cover sheet.

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**EXHIBIT H
TIF-ELIGIBLE COSTS**

	PHASE 1	PHASE 2	TOTAL
SITE COSTS			
SITE PREP. COSTS (W/OUT SOFT COSTS)			
DEMOLITION	\$ -	\$ 300,000	\$ 300,000
ENVIRONMENTAL	\$ 250,000	\$ 300,000	\$ 550,000
SITE & UTILITIES	\$ 3,126,145	\$ 1,850,000	\$ 4,976,145
SUBTOTAL	\$ 3,376,145	\$ 2,450,000	\$ 5,826,145
ACQUISITION COSTS (W/OUT SOFT COSTS)			
LAND ACQUISITION	\$ 6,650,821	\$ -	\$ 6,650,821
RE TAXES (Apr. '99 - Dec. '99)	\$ 112,500	\$ -	\$ 112,500
SUBTOTAL	\$ 6,763,321	\$ -	\$ 6,763,321
HARD COSTS			
HARD COSTS	\$ -	\$ -	\$ -
LESS TENANT COSTS	\$ -	\$ -	\$ -
SUBTOTAL	\$ -	\$ -	\$ -
SOFT COSTS			
ARCHITECTS/ENGINEERING *	\$ 300,000	\$ 140,000	\$ 440,000
ENVIRONMENT/SURVEY/TESTING	\$ 100,000	\$ -	\$ 100,000
CONSTRUCTION ADMINISTRATION *	\$ 300,000	\$ 200,000	\$ 500,000
CONSTRUCTION INTEREST **	\$ 150,000	\$ 210,000	\$ 360,000
APPRAISIAL/INSURANCE	\$ -	\$ -	\$ -
TITLE/RECORDING	\$ -	\$ -	\$ -
LEGAL AND CONSULTING *	\$ 350,000	\$ 100,000	\$ 450,000
CONTINGENCY *	\$ 37,727	\$ 100,000	\$ 137,727
SUBTOTAL	\$ 1,237,727	\$ 750,000	\$ 1,987,727
TOTAL LAND AND BUILDING COSTS	\$ 11,377,193	\$ 3,200,000	\$ 14,577,193
JOBS TRAINING	\$ 250,000	\$ 700,000	\$ 950,000
SUBTOTAL	\$ 250,000	\$ 700,000	\$ 950,000
PERMANENT FINANCING COSTS **	\$ 2,642,121	\$ 2,103,129	\$ 4,745,250
TOTAL	\$ 14,269,314	\$ 6,003,129	\$ 20,272,443

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* To the extent not directly related to the construction of the Facility. May include costs relating to demolition and site work.

** Subject to the limitations set forth in the Act for reimbursement of interest costs of a developer.

The charges herein above are estimates only, and are therefore subject to adjustment based upon actual expenses, and review and approval thereof by DPD, in accordance with the Agreement. The total TIF funded improvements is subject to the maximum level reimbursement (\$14 million), as more fully described in the redevelopment agreement between the City of Chicago and Gateway Park, LLC ("Gateway"). This exhibit does not necessarily reflect all of the TIF-eligible costs allowable for under the TIF Act, that have been incurred by Gateway.

**Gateway Park, LLC
Redevelopment Agreement
dated as of December 23, 1999**

EXHIBIT M

PERMITTED LIENS

1. Liens or encumbrances against the Property:

Those matters set forth as Schedule B title exceptions in the owner's title insurance policy issued by the Title Company as of the date hereof, and attached hereto.

2. Liens or encumbrances against the Developer or the Project, other than liens against the Property, if any: None.

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12/22/99-PM

EXHIBIT M

Permitted Title Exceptions

Drive-In Parcel & Industrial Parcel

The following Schedule B exceptions, as more fully defined in the pro forma policy no 007801297, prepared by Chicago Title Insurance Company:

Schedule B Exceptions: E, H, T, U, O, P, BF, BG, BH, BI, BJ BK, BN, and BO. *

(Plus Exception AP, to the extent such taxes are not yet due and payable.)

Plus the mortgage between American National Bank and Trust of Chicago and Gateway Park, LLC and any related documents thereto that are recorded.

City Parcel

The following Schedule B exceptions, as more fully defined in the pro forma policy no 007831701, prepared by Chicago Title Insurance Company:

Schedule B Exceptions: F, G, H, I, U, V, AC, AE, AG, AH , AM, *

(Plus Exception AI, to the extent such taxes are not yet due and payable.)

* See the attached copies for more information.

This Exhibit shall be updated at closing to reflect any additional title exceptions as of such date.

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CHICAGO TITLE INSURANCE COMPANY
OWNER'S POLICY (1992)
SCHEDULE B

POLICY NO.: 1401 007801297 D1

NOTWITHSTANDING THE PROVISIONS OF THE CONDITIONS AND STIPULATIONS OF THIS POLICY; ALL ENDORSEMENTS, IF ANY, ATTACHED HERETO ARE VALID DESPITE THE LACK OF SIGNATURE BY EITHER THE PRESIDENT, A VICE PRESIDENT, THE SECRETARY, AN ASSISTANT SECRETARY, OR VALIDATING OFFICER OR AUTHORIZED SIGNATORY OF THE COMPANY.

EXCEPTIONS FROM COVERAGE

THIS POLICY DOES NOT INSURE AGAINST LOSS OR DAMAGE SUSTAINED BY THE INSURED (AND THE COMPANY WILL NOT PAY COSTS, ATTORNEY'S FEES OR EXPENSES) BY REASON OF THE FOLLOWING EXCEPTIONS:

GENERAL EXCEPTIONS:

- (1) RIGHTS OR CLAIMS OF PARTIES IN POSSESSION NOT SHOWN BY PUBLIC RECORDS.
- (2) ENCROACHMENTS, OVERLAPS, BOUNDARY LINE DISPUTES, OR OTHER MATTERS WHICH WOULD BE DISCLOSED BY AN ACCURATE SURVEY AND INSPECTION OF THE PREMISES.
- (3) EASEMENTS, OR CLAIMS OF EASEMENTS, NOT SHOWN BY THE PUBLIC RECORDS.
- (4) ANY LIEN, OR RIGHT TO A LIEN, FOR SERVICES, LABOR OR MATERIAL HERETOFORE OR HEREAFTER FURNISHED, IMPOSED BY LAW AND NOT SHOWN BY THE PUBLIC RECORDS.
- (5) TAXES OR SPECIAL ASSESSMENTS WHICH ARE NOT SHOWN AS EXISTING LIENS BY THE PUBLIC RECORDS.

SPECIAL EXCEPTIONS: THE MORTGAGE, IF ANY, REFERRED TO IN ITEM 4 OF SCHEDULE A.

6. NOTE: THIS IS A PRO FORMA POLICY FURNISHED TO OR ON BEHALF OF THE PARTY TO BE INSURED. IT DOES NOT REPRESENT THE PRESENT STATE OF TITLE AND IS NOT A COMMITMENT TO INSURE THE ESTATE OR INTEREST AS SHOWN HEREIN, NOR DOES IT EVIDENCE THE WILLINGNESS OF THE COMPANY TO PROVIDE ANY AFFIRMATIVE COVERAGE SHOWN HEREIN. ANY SUCH COMMITMENT MUST BE AN EXPRESS WRITTEN UNDERTAKING ON APPROPRIATE FORMS OF THE COMPANY.

AP 7.

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1. TAXES FOR THE YEAR(S) 1999
1999 TAXES ARE NOT YET DUE OR PAYABLE.

1A. NOTE: 1998 FIRST INSTALLMENT WAS DUE MARCH 02, 1999
NOTE: 1998 FINAL INSTALLMENT NOT YET DUE OR PAYABLE

PERM TAX#	PCL	YEAR	1ST INST	STAT	2ND INST	STAT
19-25-304-002-0000	1 OF 17	1998	\$5,680.30	PAID	\$5,881.96	PAID
THIS TAX NUMBER AFFECTS PARCEL IN QUESTION AND OTHER PROPERTY.						
19-25-305-002-0000	2 OF 17	1998	\$5,010.84	PAID	\$5,188.77	PAID
THIS TAX NUMBER AFFECTS PARCEL IN QUESTION AND OTHER PROPERTY.						

CHICAGO TITLE INSURANCE COMPANY
OWNER'S POLICY (1992)
SCHEDULE B

POLICY NO.: 1401 007801297 01

EXCEPTIONS FROM COVERAGE
(CONTINUED)

19-25-306-002-0000 3 OF 17 1998 \$5,010.84 PAID \$5,188.77 PAID
THIS TAX NUMBER AFFECTS PARCEL IN QUESTION AND OTHER PROPERTY.

19-25-307-002-0000 4 OF 17 1998 \$65.84 PAID \$68.22 PAID
THIS TAX NUMBER AFFECTS PARCEL IN QUESTION AND OTHER PROPERTY.

19-25-307-003-0000 5 OF 17 1998 \$5,335.69 PAID \$5,525.15 PAID
THIS TAX NUMBER AFFECTS PARCEL IN QUESTION AND OTHER PROPERTY.

19-25-310-002-0000 6 OF 17 1998 \$526.29 PAID \$544.92 PAID
THIS TAX NUMBER AFFECTS PARCEL 23.

19-25-310-003-0000 7 OF 17 1998 \$7,639.87 PAID \$7,911.06 PAID
THIS TAX NUMBER AFFECTS PARCEL IN QUESTION AND OTHER PROPERTY.

19-25-310-004-0000 8 OF 17 1998 \$2,879.95 PAID \$2,982.76 PAID
THIS TAX NUMBER AFFECTS PARCEL IN QUESTION AND OTHER PROPERTY.

19-25-310-008-0000 9 OF 17 1998 \$5,435.26 PAID \$3,923.19 PAID
THIS TAX NUMBER AFFECTS PARCEL IN QUESTION AND OTHER PROPERTY.

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CHICAGO TITLE INSURANCE COMPANY
OWNER'S POLICY (1992)
SCHEDULE B

POLICY NO.: 1401 007801297 D1

EXCEPTIONS FROM COVERAGE
(CONTINUED)

19-25-310-009-0000 10 OF 17 1998 \$9,497.16 PAID \$879.97 PAID
THE TAX RECORDS SHOW \$ 6,039.30 PAID ON ACCOUNT FOR THE FIRST INSTALLMENT.
THIS TAX NUMBER AFFECTS PARCEL IN QUESTION AND OTHER PROPERTY.

19-25-310-010-0000 11 OF 17 1998 \$11,249.98 PAID \$695.99 PAID
THIS TAX NUMBER AFFECTS PARCEL IN QUESTION AND OTHER PROPERTY.

19-25-310-014-0000 12 OF 17 1998 \$8,763.02 PAID \$3,888.45 PAID
THIS TAX NUMBER AFFECTS PARCEL IN QUESTION AND OTHER PROPERTY.

19-25-310-015-0000 13 OF 17 1998 \$8,902.38 PAID \$4,032.82 PAID
THIS TAX NUMBER AFFECTS PARCEL IN QUESTION AND OTHER PROPERTY.

19-25-312-002-0000 14 OF 17 1998 \$5,406.17 PAID \$5,598.13 PAID
THIS TAX NUMBER AFFECTS PARCEL IN QUESTION AND OTHER PROPERTY.

19-25-313-001-0000 15 OF 17 1998 \$5,214.54 PAID \$5,399.65 PAID
THIS TAX NUMBER AFFECTS PARCEL IN QUESTION AND OTHER PROPERTY.

19-25-314-001-0000 16 OF 17 1998 \$4,035.99 PAID \$4,179.30 PAID
THIS TAX NUMBER AFFECTS PARCEL IN QUESTION AND OTHER PROPERTY.

19-25-315-001-0000 17 OF 17 1998 \$2,502.26 PAID \$2,591.16 PAID
THIS TAX NUMBER AFFECTS PARCEL IN QUESTION AND OTHER PROPERTY.

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PERM TAX# 19-25-314-001-0000 PCL 16 OF 17 YEAR 1982 VOLUME 404

2D THE GENERAL TAXES AS SHOWN BELOW

Paid at Closing

YEAR	AMOUNT
1982	\$ 19,071.45

THE FIRST ESTIMATED INSTALLMENT AMOUNTING TO \$ 5,264.36 IS PAID.
THE FINAL INSTALLMENT AMOUNTING TO \$ 13,807.09 IS UNPAID.
THE TAX RECORDS SHOW \$ 3,023.41 PAID ON ACCOUNT ON FINAL
INSTALLMENT. BALANCE UNPAID OF RECORD.

JUDGMENT REFUSED: \$ 10,783.66
CERTIFICATE OF ERROR NO. 690

NOTE: PETITION DENIED COURT ORDER DATED 02-06-1987.

CHICAGO TITLE INSURANCE COMPANY
OWNER'S POLICY (1992)
SCHEDULE B

POLICY NO.: 1401 007801297 D1

EXCEPTIONS FROM COVERAGE
(CONTINUED)

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AG 8.

THE FOLLOWING IS PROVIDED FOR YOUR INFORMATION:

19-25-304-002-0000 THIS TAX NUMBER AFFECTS BLOCK 20 OF PARCEL 18 AND PART OF PARCELS 19 AND 21.

19-25-305-002-0000 THIS TAX NUMBER AFFECTS BLOCK 21 OF PARCEL 18 AND PART OF PARCEL 19.

19-25-306-002-0000 THIS TAX NUMBER AFFECTS BLOCK 22 OF PARCEL 18 AND PART OF PARCEL 19.

**19-25-307-001-0000 THIS TAX NUMBER AFFECTS 47 AND 48 OF BLOCK 23 AND OTHER PROPERTY.

19-25-307-002-0000 THIS TAX NUMBER AFFECTS LOTS 1-12 OF BLOCK 23 OF PARCEL 18, PART OF PARCELS 19 AND 20.

19-25-307-003-0000 THIS TAX NUMBER AFFECTS LOTS 13-46 OF BLOCK 23 OF PARCEL 18 AND PART OF PARCELS 19 AND 20.

19-25-310-002-0000 THIS TAX NUMBER AFFECTS PARCEL 23.

19-25-310-003-0000 THIS TAX NUMBER AFFECTS LOT 2 OF PARCEL 1 (ALSO DESCRIBED IN PARCEL 17).

19-25-310-004-0000 THIS TAX NUMBER AFFECTS LOT 3 OF PARCEL 1.

19-25-310-008-0000 THIS TAX NUMBER AFFECTS PART OF LOT 6 TO 12 OF PARCEL 2.

19-25-310-009-0000 THIS TAX NUMBER AFFECTS LOTS 1,2; PART OF LOTS 10, AND LOTS 11 & 12 OF PARCEL 3.

19-25-310-010-0000 THIS TAX NUMBER AFFECTS PART OF LOT 4, LOTS 5 TO 9, AND PART OF LOT 10, ALL IN PARCEL 4.

19-25-310-014-0000 THIS TAX NUMBER AFFECTS PART OF LOT 8, LOTS 9 TO 12, ALL IN PARCEL 5.

19-25-310-015-0000 THIS TAX NUMBER AFFECTS LOTS 2 TO 7, AND PART OF LOT 8,

CHICAGO TITLE INSURANCE COMPANY
OWNER'S POLICY (1992)
SCHEDULE B

POLICY NO.: 1401 007801297 D1

EXCEPTIONS FROM COVERAGE
(CONTINUED)

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ALL IN PARCEL 5 AND PARCEL 6.

19-25-312-002-0000 THIS TAX NUMBER AFFECTS LOTS 1 TO 47 OF BLOCK 11 OF PARCEL 18 AND PART OF PARCELS 19 AND 21.

19-25-313-001-0000 THIS TAX NUMBER AFFECTS LOTS 1 TO 44 OF BLOCK 10 OF PARCEL 18 AND PART OF PARCEL 19.

19-25-314-001-0000 THIS TAX NUMBER AFFECTS LOTS 1 TO 33 OF BLOCK 9 OF PARCEL 18 AND PART OF PARCEL 19.

19-25-315-001-0000 THIS TAX NUMBER AFFECTS LOTS 1 TO 17 OF BLOCK 8 OF PARCEL 18 AND PART OF PARCEL 19.

- 2 9. TERMS, POWERS, PROVISIONS AND LIMITATIONS OF THE TRUST UNDER WHICH TITLE TO THE LAND IS HELD.

THIS EXCEPTION SHALL BE WAIVED UPON RECEIPT AND REVIEW OF THE CONVEYANCE TO BE INSURED.

- 5 10. EASEMENT IN FAVOR OF THE ILLINOIS BELL TELEPHONE COMPANY AND THE COMMONWEALTH EDISON COMPANY, AND ITS/THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, TO INSTALL, OPERATE AND MAINTAIN ALL EQUIPMENT NECESSARY FOR THE PURPOSE OF SERVING THE LAND AND OTHER PROPERTY, TOGETHER WITH THE RIGHT OF ACCESS TO SAID EQUIPMENT, AND THE PROVISIONS RELATING THERETO CONTAINED IN THE GRANT RECORDED/FILED AS DOCUMENT NO. 19661080, AFFECTING THE THE SOUTH 5 FEET OF THE LAND. (AFFECTS LOT 3 OF PARCEL 1)

- H 11. EASEMENT IN FAVOR OF THE COMMONWEALTH EDISON COMPANY, AND ITS/THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, TO INSTALL, OPERATE AND MAINTAIN ALL EQUIPMENT NECESSARY FOR THE PURPOSE OF SERVING THE LAND AND OTHER PROPERTY, TOGETHER WITH THE RIGHT OF ACCESS TO SAID EQUIPMENT, AND THE PROVISIONS RELATING THERETO CONTAINED IN THE GRANT RECORDED/FILED AS DOCUMENT NO. 19661080. (AFFECTS PARCEL 2)

- T 12. RIGHTS OF THE MUNICIPALITY, THE STATE OF ILLINOIS, THE PUBLIC AND ADJOINING OWNERS IN AND TO VACATED SACRAMENTO AVENUE. (AFFECTS PARCELS 18, 19, 20, & 21)

- U 13. RIGHTS OF THE PUBLIC AND QUASI-PUBLIC UTILITIES, IF ANY, IN SAID VACATED SACRAMENTO AVENUE FOR MAINTENANCE THEREIN OF POLES, CONDUITS, SEWERS AND OTHER FACILITIES. (AFFECTS PARCELS 18, 19, 20, & 21)

- C 14. RIGHTS OF WAY FOR DRAINAGE TILES, DITCHES, FEEDERS, LATERALS AND UNDERGROUND

CHICAGO TITLE INSURANCE COMPANY
OWNER'S POLICY (1992)
SCHEDULE B

POLICY NO.: 1401 007801297 01

EXCEPTIONS FROM COVERAGE
(CONTINUED)

PIPES, IF ANY. (AFFECTS PARCEL 5 & 6)

P 15. RIGHTS OF THE PUBLIC, THE STATE OF ILLINOIS AND THE MUNICIPALITY IN AND TO THAT PART OF THE LAND, IF ANY, TAKEN OR USED FOR ROAD PURPOSES.

(AFFECTS PARCEL 5 & 6,)

BF 16. RIGHTS, OF PUBLIC AND QUASI-PUBLIC UTILITIES IN THE LAND, TO MAINTAIN OVERHEAD WIRES AND EQUIPMENT OVER THE SOUTHERLY PORTION OF PARCEL 2 AND PARCEL 1 AND PART OF PARCEL 17, AND OVER THE SOUTHERLY PORTION OF PARCEL 18, AS DEPICTED AND SHOWN ON THE PLAT OF SURVEY MADE BY LANDMARK, NUMBER 99-12-015-LLC, DATED DECEMBER 3, 1999,

BG 17. ENCROACHMENT OF THE CHAIN LINK FENCE LOCATED MAINLY ON THE LAND ONTO THE PROPERTY SOUTHEASTERLY AND ADJOINING BY APPROXIMATELY 0.2 TO 0.5, AS SHOWN ON THE PLAT OF SURVEY MADE BY LANDMARK, NUMBER 99-12-015-LLC, DATED DECEMBER 3, 1999.

THIS EXCEPTION WILL NOT APPEAR ON THE LOAN POLICY WHEN ISSUED.

BH 18. ENCROACHMENT OF THE PAVEMENT LOCATED MAINLY ON THE LAND ONTO THE PROPERTY EAST OF AND ADJOINING BY APPROXIMATELY 4.4, AS SHOWN ON THE PLAT OF SURVEY MADE BY LANDMARK, NUMBER 99-12-015-LLC, DATED DECEMBER 3, 1999.

THIS EXCEPTION WILL NOT APPEAR ON THE LOAN POLICY WHEN ISSUED.

BI 19. ENCROACHMENT OF THE CHAIN LINK FENCE LOCATED MAINLY ON THE LAND ONTO THE PROPERTY NORTH OF AND ADJOINING BY AN UNDISCLOSED AMOUNT, AS SHOWN ON PLAT OF OF SURVEY MADE BY LANDMARK, NUMBER 99-12-015-LLC, DATED DECEMBER 3, 1999.

THIS EXCEPTION WILL NOT APPEAR ON THE LOAN POLICY WHEN ISSUED.

BJ 20. EXISTING UNRECORDED LEASE IN FAVOR OF BAK ELECTRIC, CO. AND ALL RIGHTS THEREUNDER OF THE LESSEES AND OF ANY PERSON OR PARTY CLAIMING BY, THROUGH OR UNDER THE LESSEES.

BK 21. TERMS, PROVISIONS, COVENANTS AND RESTRICTIONS CONTAINED IN THE SETTLEMENT AGREEMENT REACHED AND AGREED TO THE FOLLOWING CASE NUMBERS 97CH00840 AND 97CH00330.

BN 22. TERMS, PROVISIONS, COVENANTS AND RESTRICTIONS CONTAINED IN THE REDEVELOPMENT AGREEMENT ENTERED IN TO BY AND BETWEEN -, RECORDED - AS DOCUMENT NUMBER -.

BO 23. ANY LIEN, OR RIGHT TO A LIEN, FOR SERVICES, LABOR OR MATERIAL, FURNISHED AFTER DATE OF POLICY, IMPOSED BY LAW AND NOT SHOWN BY THE PUBLIC RECORDS.

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CHICAGO TITLE INSURANCE COMPANY
OWNERS/LOAN POLICY
PROFORMA DELETE EXCEPTIONS

POLICY NO.: 1401 007801297 01

FOR THE PURPOSES OF THIS PRO FORMA POLICY, THE FOLLOWING EXCEPTIONS ARE HEREBY DELETED:

BE 6. *****

THE PRO FORMA DELETE EXCEPTIONS ON THIS PAGE SHALL ONLY BE REMOVED FROM THE POLICY UPON RECEIPT AND REVIEW OF ANY AND ALL REQUISITE CLEARANCE ITEMS, AND THIS PRO FORMA IS SUBJECT TO ANY SUCH FURTHER EXCEPTIONS, IF ANY, AS MAY BE DEEMED NECESSARY.

D 7. WATER AND/OR SEWER SERVICES LIEN IN FAVOR OF THE CITY OF CHICAGO AGAINST PROPERTY KNOWN AS 7640 SOUTH ALBANY, CHICAGO RECORDED AUGUST 22, 1995 AS DOCUMENT NUMBER 95552718 IN THE AMOUNT OF \$1,374.14. (AFFECTS LOT 3 OF PARCEL 1)

Y 8. WE SHOULD BE FURNISHED A STATEMENT THAT THERE IS NO PROPERTY MANAGER EMPLOYED TO MANAGE THE LAND, OR, IN THE ALTERNATIVE, A FINAL LIEN WAIVER FROM ANY SUCH PROPERTY MANAGER.

V 9. RIGHT, TITLE AND INTEREST OF HARRIS TRUST AND SAVINGS BANK, AS TRUSTEE UNDER TRUST NUMBER 11637 AS TO PARCEL 4 BY VIRTUE OF THE DEED FROM HERMAN ALEXANDER KOLE DATED MAY 4, 1955 AND RECORDED MAY 4, 1955 AS DOCUMENT NUMBER 16225549. (AFFECTS PARCELS 18, 19, 20, & 21)

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CHICAGO TITLE INSURANCE COMPANY
POLICY SIGNATURE PAGE

POLICY NO.: 1401 007801297 D1

THIS POLICY SHALL NOT BE VALID OR BINDING UNTIL SIGNED BY AN AUTHORIZED SIGNATORY.

CHICAGO TITLE INSURANCE COMPANY

BY _____
AUTHORIZED SIGNATORY

09208703

12/22/99- PM

EXHIBIT M

Permitted Title Exceptions

Drive-In Parcel & Industrial Parcel

The following Schedule B exceptions, as more fully defined in the pro forma policy no 007801297, prepared by Chicago Title Insurance Company:

Schedule B Exceptions: E, H, T, U, O, P, BF, BG, BH, BI, BJ BK, BN, and BO. *

(Plus Exception AP, to the extent such taxes are not yet due and payable.)

Plus the mortgage between American National Bank and Trust of Chicago and Gateway Park, LLC and any related documents thereto that are recorded.

City Parcel

The following Schedule B exceptions, as more fully defined in the pro forma policy no 007831701, prepared by Chicago Title Insurance Company:

Schedule B Exceptions: F, G, H, I, U, V, AC, AE, AG, AH , AM, *

(Plus Exception AI, to the extent such taxes are not yet due and payable.)

*. See the attached copies for more information.

This Exhibit shall be updated at closing to reflect any additional title exceptions as of such date.

09208703

CHICAGO TITLE INSURANCE COMPANY
OWNER'S POLICY (1992)
SCHEDULE B

POLICY NO.: 1401 007831701 D1

NOTWITHSTANDING THE PROVISIONS OF THE CONDITIONS AND STIPULATIONS OF THIS POLICY, ALL ENDORSEMENTS, IF ANY, ATTACHED HERETO ARE VALID DESPITE THE LACK OF SIGNATURE BY EITHER THE PRESIDENT, A VICE PRESIDENT, THE SECRETARY, AN ASSISTANT SECRETARY, OR VALIDATING OFFICER OR AUTHORIZED SIGNATORY OF THE COMPANY.

EXCEPTIONS FROM COVERAGE

THIS POLICY DOES NOT INSURE AGAINST LOSS OR DAMAGE SUSTAINED BY THE INSURED (AND THE COMPANY WILL NOT PAY COSTS, ATTORNEY'S FEES OR EXPENSES) BY REASON OF THE FOLLOWING EXCEPTIONS:

GENERAL EXCEPTIONS:

- (1) RIGHTS OR CLAIMS OF PARTIES IN POSSESSION NOT SHOWN BY PUBLIC RECORDS.
- (2) ENCROACHMENTS, OVERLAPS, BOUNDARY LINE DISPUTES, OR OTHER MATTERS WHICH WOULD BE DISCLOSED BY AN ACCURATE SURVEY AND INSPECTION OF THE PREMISES.
- (3) EASEMENTS, OR CLAIMS OF EASEMENTS, NOT SHOWN BY THE PUBLIC RECORDS.
- (4) ANY LIEN, OR RIGHT TO A LIEN, FOR SERVICES, LABOR OR MATERIAL HERETOFORE OR HEREAFTER FURNISHED, IMPOSED BY LAW AND NOT SHOWN BY THE PUBLIC RECORDS.
- (5) TAXES OR SPECIAL ASSESSMENTS WHICH ARE NOT SHOWN AS EXISTING LIENS BY THE PUBLIC RECORDS.

SPECIAL EXCEPTIONS: THE MORTGAGE, IF ANY, REFERRED TO IN ITEM 4 OF SCHEDULE A.

W 6. NOTE: THIS IS A PRO FORMA POLICY FURNISHED TO OR ON BEHALF OF THE PARTY TO BE INSURED. IT DOES NOT REPRESENT THE PRESENT STATE OF TITLE AND IS NOT A COMMITMENT TO INSURE THE ESTATE OR INTEREST AS SHOWN HEREIN, NOR DOES IT EVIDENCE THE WILLINGNESS OF THE COMPANY TO PROVIDE ANY AFFIRMATIVE COVERAGE SHOWN HEREIN. ANY SUCH COMMITMENT MUST BE AN EXPRESS WRITTEN UNDERTAKING ON APPROPRIATE FORMS OF THE COMPANY.

AI 7. 1. TAXES FOR THE YEAR(S) 1999, AND
1999 TAXES ARE NOT YET DUE OR PAYABLE.

1A. NOTE: 1998 FIRST INSTALLMENT WAS DUE MARCH 02, 1999
NOTE: 1998 FINAL INSTALLMENT WAS DUE NOVEMBER 1, 1999.

PERM TAX#	PCL	YEAR	STAT
19-25-301-001-0000	1 OF 7	1998	PAID
THIS TAX NUMBER AFFECTS PART OF PARCEL IN QUESTION. (AFFECTS LOTS 1-2 BLOCK 17 OF PARCEL 7 AND PART PARCELS 8, 11 & 15)			
19-25-302-001-0000	2 OF 7	1998	PAID
THIS TAX NUMBER AFFECTS PART OF PARCEL IN QUESTION. (AFFECTS LOTS 1-2 BLOCK 18 OF PARCEL 7 AND PART PARCELS 8, 9 & 15)			

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CHICAGO TITLE INSURANCE COMPANY
OWNER'S POLICY (1992)
SCHEDULE B

POLICY NO.: 1401 007831701 D1

EXCEPTIONS FROM COVERAGE
(CONTINUED)

19-25-303-001-0000 3 OF 7 1998 PAID
THIS TAX NUMBER AFFECTS PART OF PARCEL IN QUESTION.
(AFFECTS LOTS 1-2 BLOCK 19 OF PARCEL 7 AND PART PARCELS 9, 10 & 15)

19-25-310-005-0000 4 OF 7 1998 PAID
THIS TAX NUMBER AFFECTS PART OF PARCEL IN QUESTION.
(AFFECTS LOT 4 PARCEL 17)

19-25-310-006-0000 5 OF 7 1998 PAID
THIS TAX NUMBER AFFECTS PART OF PARCEL IN QUESTION.
(AFFECTS LOT 5 PARCEL 17)

19-25-310-012-0000 6 OF 7 1998 PAID
THIS TAX NUMBER AFFECTS PART OF PARCEL IN QUESTION.
(AFFECTS PARCEL 16)

19-25-310-013-0000 7 OF 7 1998 PAID
THIS TAX NUMBER AFFECTS PART OF PARCEL IN QUESTION.
(AFFECTS PARCEL 22)

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F 8. RIGHTS OF WAY FOR DRAINAGE TILES, DITCHES, FEEDERS, LATERALS AND UNDERGROUND PIPES, IF ANY. (AFFECTS PARCEL 22)

G 9. RIGHTS OF THE PUBLIC, THE STATE OF ILLINOIS AND THE MUNICIPALITY IN AND TO THAT PART OF THE LAND, IF ANY, TAKEN OR USED FOR ROAD PURPOSES.
(AFFECTS LOTS 4 AND 5 OF PARCEL, PARCEL 16 AND 22)

H 10. EASEMENT IN FAVOR OF THE COMMONWEALTH EDISON COMPANY AND THE ILLINOIS BELL TELEPHONE COMPANY, AND ITS/THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, TO INSTALL, OPERATE AND MAINTAIN ALL EQUIPMENT NECESSARY FOR THE PURPOSE OF SERVING THE LAND AND OTHER PROPERTY, TOGETHER WITH THE RIGHT OF ACCESS TO SAID EQUIPMENT, AND THE PROVISIONS RELATING THERETO CONTAINED IN THE GRANT RECORDED/FILED AS DOCUMENT NO. 19661080, AFFECTING THE NORTH 10 FEET OF THE SOUTH 11 FEET OF LOT 4 OF PARCEL 11 OF THE LAND.
(AFFECTS LOT 4 OF PARCEL 17)

I 11. RIGHTS OF THE PUBLIC, THE STATE OF ILLINOIS AND THE MUNICIPALITY IN AND TO THAT PART OF THE LAND, IF ANY, TAKEN OR USED FOR ROAD PURPOSES.

CHICAGO TITLE INSURANCE COMPANY
OWNER'S POLICY (1992)
SCHEDULE B

POLICY NO.: 1401 007831701 D1

EXCEPTIONS FROM COVERAGE
(CONTINUED)

(AFFECTS PARCELS 7 TO 17)

U 12. RIGHTS, OF PUBLIC AND QUASI-PUBLIC UTILITIES IN THE LAND, TO MAINTAIN THE OVERHEAD WIRES AND EQUIPMENT OVER PORTIONS OF THE LAND AS DEPICTED ON THE PLAT OF SURVEY MADE BY LANDMARK, NUMBER 99-12-015-CITY, DATED DECEMBER 3, 1999.

(AFFECTS THE SOUTHERLY PORTIONS OF LOT 4 AND 5 OF PARCEL 17, PARCEL 16, PORTIONS OF PARCEL 22, PARCEL 10 AND PARCEL 7)

V 13. ENCROACHMENT OF THE PAVEMENT LOCATED MAINLY ON THE LAND ONTO THE PROPERTY WEST OF AND ADJOINING BY APPROXIMATELY 0.7, AS SHOWN ON THE PLAT OF SURVEY MADE BY LANDMARK, NUMBER 99-12-015-CITY, DATED DECEMBER 3, 1999.

AC 14. TERMS, PROVISIONS, COVENANTS AND RESTRICTIONS CONTAINED IN THE SETTLEMENT AGREEMENT REACHED AND AGREED TO THE FOLLOWING CASE NUMBERS 97 CH 840 AND 97 CH 330.

AE 15. ENCROACHMENT OF THE CONCRETE PILE LOCATED ON THE LAND ONTO AND OVER PORTIONS OF SOUTH WHIPPLE STREET AND PORTIONS OF 76TH STREET BY UNDISCLOSED AMOUNTS, AS SHOWN ON PLAT OF SURVEY NUMBER 99-12-015-CITY PREPARED BY LANDMARK DATED DECEMBER 3, 1999.

AG 16. ENCROACHMENT OF THE CHAIN LINK FENCES LOCATED MAINLY ON THE PROPERTY EAST OF AND ADJOINING ONTO THE LAND BY UNDISCLOSED AMOUNTS AS SHOWN ON THE PLAT OF SURVEY MADE BY LANDMARK, NUMBER 99-12-015-CITY, DATED DECEMBER 3, 1999.

AH 17. ENCROACHMENT OF THE CONCRETE CURB AND GUTTERS LOCATED ON THE LAND ONTO SOUTH WHIPPLE STREET, NOT VACATED, AND SOUTH ALBANY, NOT VACATED, BY UNDISCLOSED AMOUNTS AS SHOWN ON THE PLAT OF SURVEY MADE BY LANDMARK, NUMBER 99-12-015-CITY, DATED DECEMBER 3, 1999.

AM 18. TERMS, PROVISIONS, COVENANTS AND RESTRICTIONS CONTAINED IN THE REDEVELOPMENT AGREEMENT ENTERED IN TO BY AND BETWEEN -, RECORDED - AS DOCUMENT NUMBER -.

09208703

CHICAGO TITLE INSURANCE COMPANY
OWNERS/LOAN POLICY
PROFORMA DELETE EXCEPTIONS

POLICY NO.: 1401 007831701 D1

FOR THE PURPOSES OF THIS PRO FORMA POLICY, THE FOLLOWING EXCEPTIONS ARE HEREBY DELETED:

- X 6. THE PRO FORMA DELETE EXCEPTIONS ON THIS PAGE SHALL ONLY BE REMOVED FROM THE POLICY UPON RECEIPT AND REVIEW OF ANY AND ALL REQUISITE CLEARANCE ITEMS, AND THIS PRO FORMA IS SUBJECT TO ANY SUCH FURTHER EXCEPTIONS, IF ANY, AS MAY BE DEEMED NECESSARY.

- C 7. EXISTING UNRECORDED LEASES AND ALL RIGHTS THEREUNDER OF THE LESSEES AND OF ANY PERSON OR PARTY CLAIMING BY, THROUGH OR UNDER THE LESSEES.

- D 8. WE SHOULD BE FURNISHED A STATEMENT THAT THERE IS NO PROPERTY MANAGER EMPLOYED TO MANAGE THE LAND, OR, IN THE ALTERNATIVE, A FINAL LIEN WAIVER FROM ANY SUCH PROPERTY MANAGER.

- E 9. TERMS, POWERS, PROVISIONS AND LIMITATIONS OF THE TRUST UNDER WHICH TITLE TO THE LAND IS HELD.

THIS EXCEPTION SHALL BE WAIVED UPON REVIEW AND RECEIPT OF THE CONVEYANCE TO BE INSURED HEREUNDER.

09208703

CHICAGO TITLE INSURANCE COMPANY
POLICY SIGNATURE PAGE

POLICY NO.: 1401 007831701 D1

THIS POLICY SHALL NOT BE VALID OR BINDING UNTIL SIGNED BY AN AUTHORIZED SIGNATORY.

CHICAGO TITLE INSURANCE COMPANY

BY _____

AUTHORIZED SIGNATORY

09208703

**Gateway Park, LLC
Redevelopment Agreement
dated as of December 23, 1999**

EXHIBIT N-1

PROJECT BUDGET

Exhibit N-1, Project Budget, is attached to this exhibit cover sheet.

09208703

EXHIBIT N-1: PROJECT BUDGET

	TIF ELIGIBLE			PRIVATE			TOTAL		
	PHASE 1	PHASE 2	TOTAL	PHASE 1	PHASE 2	TOTAL	PHASE 1	PHASE 2	TOTAL
SITE COSTS									
SITE PREP. COSTS (W/OUT SOFT COSTS)									
DEMOLITION	\$ -	\$ 300,000	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ 300,000	\$ 300,000
ENVIRONMENTAL	\$ 250,000	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000	\$ 300,000	\$ 550,000
SITE & UTILITIES	\$ 3,126,145	\$ 1,850,000	\$ 4,976,145	\$ -	\$ -	\$ -	\$ 3,126,145	\$ 1,850,000	\$ 4,976,145
SUBTOTAL	\$ 3,376,145	\$ 2,450,000	\$ 5,276,145	\$ -	\$ -	\$ -	\$ 3,376,145	\$ 2,450,000	\$ 5,826,145
ACQUISITION COSTS (W/OUT SOFT COSTS)									
LAND ACQUISITION	\$ 6,650,821	\$ -	\$ 6,650,821	\$ -	\$ -	\$ -	\$ 6,650,821	\$ -	\$ 6,650,821
RE TAXES (Apr. '99 - Dec. '99)	\$ 112,500	\$ -	\$ 112,500	\$ -	\$ -	\$ -	\$ 112,500	\$ -	\$ 112,500
ENVIRONMENTAL INSURANCE	\$ -	\$ -	\$ -	\$ 50,000	\$ -	\$ 50,000	\$ 50,000	\$ -	\$ 50,000
SUBTOTAL	\$ 6,763,321	\$ -	\$ 6,763,321	\$ 50,000	\$ -	\$ 50,000	\$ 6,813,321	\$ -	\$ 6,813,321
HARD COSTS									
HARD COSTS	\$ -	\$ -	\$ -	\$ 13,416,557	\$ 15,350,000	\$ 28,766,557	\$ 13,416,557	\$ 15,350,000	\$ 28,766,557
LESS TENANT COSTS	\$ -	\$ -	\$ -	\$ (1,038,750)	\$ -	\$ (1,038,750)	\$ (1,038,750)	\$ -	\$ (1,038,750)
SUBTOTAL	\$ -	\$ -	\$ -	\$ 12,377,807	\$ 15,350,000	\$ 27,727,807	\$ 12,377,807	\$ 15,350,000	\$ 27,727,807
SOFT COSTS									
ARCHITECTS/ENGINEERING	\$ 300,000	\$ 140,000	\$ 440,000	\$ 120,000	\$ 86,000	\$ 206,000	\$ 420,000	\$ 226,000	\$ 646,000
ENVIRONMENT/SURVEY/TESTING	\$ 100,000	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ 100,000
TAXES	\$ -	\$ -	\$ -	\$ 112,500	\$ 80,000	\$ 192,500	\$ 112,500	\$ 80,000	\$ 192,500
CONSTRUCTION ADMINISTRATION	\$ 300,000	\$ 200,000	\$ 500,000	\$ 450,000	\$ 550,000	\$ 1,000,000	\$ 750,000	\$ 750,000	\$ 1,500,000
CONSTRUCTION INTEREST	\$ 150,000	\$ 210,000	\$ 360,000	\$ 910,000	\$ 840,000	\$ 1,750,000	\$ 1,060,000	\$ 1,050,000	\$ 2,110,000
LOAN FEES (CONST & PERM)	\$ -	\$ -	\$ -	\$ 402,500	\$ 240,000	\$ 642,500	\$ 402,500	\$ 240,000	\$ 642,500
APPRAISAL/INSURANCE	\$ -	\$ -	\$ -	\$ 25,000	\$ 25,000	\$ 50,000	\$ 25,000	\$ 25,000	\$ 50,000
TITLE/RECORDING	\$ -	\$ -	\$ -	\$ 25,000	\$ 25,000	\$ 50,000	\$ 25,000	\$ 25,000	\$ 50,000
LEGAL AND CONSULTING	\$ 350,000	\$ 100,000	\$ 450,000	\$ 100,000	\$ 100,000	\$ 200,000	\$ 450,000	\$ 200,000	\$ 650,000
CONTINGENCY	\$ 37,727	\$ 100,000	\$ 137,727	\$ 50,000	\$ 200,000	\$ 250,000	\$ 87,727	\$ 300,000	\$ 387,727
SUBTOTAL	\$ 1,237,727	\$ 750,000	\$ 1,987,727	\$ 2,195,000	\$ 2,146,000	\$ 4,341,000	\$ 3,432,727	\$ 2,896,000	\$ 6,328,727
TOTAL LAND AND BUILDING COSTS	\$ 11,377,193	\$ 3,200,000	\$ 14,027,193	\$ 14,622,807	\$ 17,496,000	\$ 32,118,807	\$ 26,000,000	\$ 20,696,000	\$ 46,696,000
RELOCATION COSTS									
MOVING	\$ -	\$ -	\$ -	\$ 350,000	\$ 100,000	\$ 450,000	\$ 350,000	\$ 100,000	\$ 450,000
JOBS TRAINING	\$ 250,000	\$ 700,000	\$ 950,000	\$ -	\$ -	\$ -	\$ 250,000	\$ 700,000	\$ 950,000
SUBTOTAL	\$ 250,000	\$ 700,000	\$ 950,000	\$ 350,000	\$ 100,000	\$ 450,000	\$ 600,000	\$ 800,000	\$ 1,400,000
TOTAL	\$ 11,627,193	\$ 3,900,000	\$ 14,977,193	\$ 14,972,807	\$ 17,596,000	\$ 32,568,807	\$ 26,600,000	\$ 21,496,000	\$ 48,096,000

30% of Permanent Financing Costs (8.55% for 5yrs) \$ 2,842,121 \$ 2,103,129 \$ 4,745,250 \$ 2,842,121 \$ 2,103,129 \$ 4,745,250

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09208703

**Gateway Park, LLC
Redevelopment Agreement
dated as of December 23, 1999**

EXHIBIT N-2

MBE/WBE BUDGET

Exhibit N-2, MBE/WBE Budget, is attached to this cover sheet.

09208703

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**EXHIBIT N-2
MBE/WBE BUDGET**

LINE ITEM	PHASE 1 *	PHASE 2 *	TOTAL *
<u>SITE COSTS</u>			
DEMOLITION	\$ -	\$ 300,000	\$ 300,000
SITE & UTILITIES	\$ 3,126,145	\$ 1,850,000	\$ 4,976,145
SUBTOTAL	\$ 3,126,145	\$ 2,150,000	\$ 5,276,145
<u>HARD COSTS</u>			
BUILDING	\$ 13,666,557	\$ 15,650,000	\$ 29,316,557
SUBTOTAL	\$ 13,666,557	\$ 15,650,000	\$ 29,316,557
<u>SOFT COSTS</u>			
ARCHITECTS/ENGINEERING	\$ 420,000	\$ 226,000	\$ 646,000
CONSTRUCTION ADMINISTRATION	\$ 750,000	\$ 750,000	\$ 1,500,000
SUBTOTAL	\$ 1,170,000	\$ 976,000	\$ 2,146,000
TOTAL COMBINED EXPENSES	\$ 17,962,702	\$ 18,776,000	\$ 36,738,702

* This Exhibit, and the Project Budget from which the projected expenses are taken, presumes that the building for Phase 1, when completed, will contain approximately 660,000 square feet and that the building for Phase 2, when completed, will include approximately 750,000 square feet. If the size of either building is less than the square footage noted above, then this Exhibit shall be adjusted in accordance with the revised Project Budget for such Phase(s).

09208703

**Gateway Park, LLC
Redevelopment Agreement
dated as of December 23, 1999**

EXHIBIT Q

**PRELIMINARY TIF PROJECTION - REAL ESTATE TAXES
(MINIMUM ASSESSED VALUE)**

09208703

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EXHIBIT Q
MINIMUM AV MODEL (PHASE 1)

Phase I Sq Ft	660,000 ¹
FMV/Ft Assessor	\$30.706 ²
Total FMV Phase 1	\$20,266,233 ³
Equalizer	2.1489 ⁴
Tax Rate	8.843% ⁴
Triennial Assessment Increase	7.00% ⁴
Base EAV	\$865,373
Percentage of R.E. Increment Pledged	95%
Maximum Note Amount	\$8,000,000 ⁵
Construction Completion Year	2000
Assessment Year / First Full Year of Operations	2001
First Full Tax Collection Year	2002

NOTES:

- To be adjusted to reflect the size of the building, as shown on Developer's Plans and approved by the City for Phase 1.
- See Note 1 "Total FMV Phase 1", calculated as the value of the "Total FMV Phase 1" / the "Phase 1 Sq. Ft.", provided that if the "Phase 1 Sq. Ft." is less than the amount shown on this pro forma, then the "FMV/Ft Assessor" total shall remain at the rate in this pro forma, and the values for the "Total FMV Phase 1" and the "Phase 1 Sq. Ft." entries shall be adjusted accordingly.
- FMV required to support Note 1.
- To be adjusted based upon the most current tax rate available for the site immediately prior to the issuance of the Note.
- The lesser of \$8 Million or the value of the "Total NPV of Pledged Increment", to be adjusted based upon the actual size of Note 1 so that if Note 1 is issued in an amount less than \$8 Million, then the

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Tax Payment Years:	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	
New Building FMV Phase 1	<i>Construction Period -</i>	<i>First Full Year Of Operations</i>	\$20,266,233	\$20,266,233	\$21,684,869	\$21,684,869	\$21,684,869	\$23,202,810	\$23,202,810	\$23,202,810	\$24,827,007	\$24,827,007	
AV %	<i>No increment due to payment of taxes one year in arrears</i>	<i>Increment is intentionally omitted</i>	16%	16%	16%	16%	16%	16%	16%	16%	23%	30%	
Total AV			\$3,242,597	\$3,242,597	\$3,469,579	\$3,469,579	\$3,469,579	\$3,712,450	\$3,712,450	\$3,712,450	\$5,710,212	\$7,448,102	
Multiply By Equalizer			2.1489	2.1489	2.1489	2.1489	2.1489	2.1489	2.1489	2.1489	2.1489	2.1489	
New EAV			\$6,968,017	\$6,968,017	\$7,455,779	\$7,455,779	\$7,455,779	\$7,977,683	\$7,977,683	\$7,977,683	\$12,270,674	\$16,005,227	
Less Base EAV			\$865,373	\$865,373	\$865,373	\$865,373	\$865,373	\$865,373	\$865,373	\$865,373	\$865,373	\$865,373	
Incremental EAV			\$6,102,645	\$6,102,645	\$6,590,406	\$6,590,406	\$6,590,406	\$7,112,310	\$7,112,310	\$7,112,310	\$11,405,301	\$15,139,854	
Multiply By Tax Rate			8.8430%	8.8430%	8.8430%	8.8430%	8.8430%	8.8430%	8.8430%	8.8430%	8.8430%	8.8430%	
Incremental R.E. Taxes	\$0	\$0	\$539,657	\$539,657	\$582,790	\$582,790	\$582,790	\$628,942	\$628,942	\$628,942	\$1,008,571	\$1,338,817	
Total Increment Pledged	\$0	\$0	\$512,674	\$512,674	\$553,650	\$553,650	\$553,650	\$597,495	\$597,495	\$597,495	\$958,142	\$1,271,876	
Total R.E. Taxes Generated	\$76,525	\$76,525	\$616,182	\$616,182	\$659,314	\$659,314	\$659,314	\$705,467	\$705,467	\$705,467	\$1,085,096	\$1,415,342	
Building Sq. Ft. / R.E. Taxes (w/6b status)		n/a	\$0.93	\$0.93	\$1.00	\$1.00	\$1.00	\$1.07	\$1.07	\$1.07	\$1.64	\$2.14	
Building Sq. Ft. / R.E. Taxes (w/out 6b status)		n/a	\$2.10	\$2.10	\$2.25	\$2.25	\$2.25	\$2.40	\$2.40	\$2.40	\$2.57	\$2.57	
			2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	TOTAL
New Building AV Phase 1			\$24,827,007	\$26,584,897	\$26,584,897	\$26,584,897	\$28,424,440	\$28,424,440	\$28,424,440	\$30,414,151	\$30,414,151	\$30,414,151	
AV %			36%	36%	36%	36%	36%	36%	36%	36%	36%	36%	
Total AV			\$8,937,722	\$9,563,363	\$9,563,363	\$9,563,363	\$10,232,798	\$10,232,798	\$10,232,798	\$10,949,094	\$10,949,094	\$10,949,094	
Multiply By Equalizer			2.1489	2.1489	2.1489	2.1489	2.1489	2.1489	2.1489	2.1489	2.1489	2.1489	
New EAV			\$19,206,272	\$20,550,711	\$20,550,711	\$20,550,711	\$21,989,261	\$21,989,261	\$21,989,261	\$23,528,509	\$23,528,509	\$23,528,509	
Less Base EAV			\$865,373	\$865,373	\$865,373	\$865,373	\$865,373	\$865,373	\$865,373	\$865,373	\$865,373	\$865,373	
Incremental EAV			\$18,340,899	\$19,685,338	\$19,685,338	\$19,685,338	\$21,123,888	\$21,123,888	\$21,123,888	\$22,663,136	\$22,663,136	\$22,663,136	
Multiply By Tax Rate			8.8430%	8.8430%	8.8430%	8.8430%	8.8430%	8.8430%	8.8430%	8.8430%	8.8430%	8.8430%	
Incremental R.E. Taxes			\$1,621,886	\$1,740,774	\$1,740,774	\$1,740,774	\$1,867,985	\$1,867,985	\$1,867,985	\$2,004,101	\$2,004,101	\$2,004,101	\$25,522,364
Total Increment Pledged			\$1,540,791	\$1,653,736	\$1,653,736	\$1,653,736	\$1,774,586	\$1,774,586	\$1,774,586	\$1,903,896	\$1,903,896	\$1,903,896	\$24,246,246
Total R.E. Taxes Generated			\$1,698,411	\$1,817,299	\$1,817,299	\$1,817,299	\$1,944,510	\$1,944,510	\$1,944,510	\$2,080,628	\$2,080,628	\$2,080,628	\$27,052,862
Building Sq. Ft. / R.E. Taxes			\$2.57	\$2.75	\$2.75	\$2.75	\$2.95	\$2.95	\$2.95	\$3.15	\$3.15	\$3.15	
Building Sq. Ft. / R.E. Taxes (w/out 6b status)			\$2.57	\$2.75	\$2.75	\$2.75	\$2.95	\$2.95	\$2.95	\$3.15	\$3.15	\$3.15	

NPV Rate	9%
Total NPV of Real Estate Tax Increment	\$8,421,052
Total NPV of Pledged Increment	\$8,000,000

Assumes no Note accrual until Phase I assessed

09208760

EXHIBIT Q
MINIMUM AV MODEL (PHASE 2)

Phase 2 Sq Ft	750,000	1
FMV/Ft Assessor	\$22,571	2
Total FMV Phase 2	\$16,927,940	3
Equalizer	2.1489	4
Tax Rate	8.843%	4
Triennial Assessment Increase	7.00%	
Base EAV	\$1,692,508	
Percentage of R.E. Increment Pledged	95%	
Maximum Note Amount	\$6,000,000	5
Construction Completion Year	2001	
Assessment Year / First Full Year of Operations	2002	
First Full Tax Collection Year	2003	

NOTES:

- To be adjusted to reflect the size of the building, as shown on Developer's Plans and approved by the City for Phase 2.
- The value of the "Total FMV Phase 2" / the "Phase 2 Sq. Ft.", provided that if the "Phase 2 Sq. Ft." is less than the amount shown on this pro forma, then the "FMV/Ft Assessor" total shall remain at the rate is this pro forma, and the values for the "Total FMV Phase 2" and the "Phase 2 Sq. Ft." entrees shall be adjusted accordingly.
- Minimum FMV required to support the Note value; this amount may be adjusted if the development is smaller.
- To be adjusted based upon the most current tax rate available for the site immediately prior to the issuance of the Note.
- Note 2 will be issued for the lesser of \$14 Million minus the value of Note 1, or the value of "the Total NPV of Pledged Increment" as shown in Exhibit B for Note 2. If Note 2 is issued for an amount other than \$6 Million, then the "Maximum Note Amount" shall be modified to mirror the value of Note 2, and, the assumptions for this model shall be adjusted accordingly so that the revised "Maximum Note Amount" and the "Total NPV of Pledged Increment" are equal.

Tax Payment Years:	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
New Building FMV Phase 2	Construction	First Full Year	\$16,927,940	\$16,927,940	\$18,112,896	\$18,112,896	\$18,112,896	\$19,380,799	\$19,380,799	\$19,380,799	\$20,737,454	\$20,737,454
AV %	No increment due to payment of taxes one year in arrears	Increment is intentionally omitted	16%	16%	16%	16%	16%	16%	16%	16%	23%	30%
Total AV			\$2,708,470	\$2,708,470	\$2,898,063	\$2,898,063	\$2,898,063	\$3,100,928	\$3,100,928	\$3,100,928	\$4,769,615	\$8,221,236
Multiply By Equalizer			2.1489	2.1489	2.1489	2.1489	2.1489	2.1489	2.1489	2.1489	2.1489	2.1489
New EAV			\$5,820,232	\$5,820,232	\$6,227,648	\$6,227,648	\$6,227,648	\$6,663,584	\$6,663,584	\$6,663,584	\$10,249,425	\$13,368,815
Less Base EAV			\$1,692,508	\$1,692,508	\$1,692,508	\$1,692,508	\$1,692,508	\$1,692,508	\$1,692,508	\$1,692,508	\$1,692,508	\$1,692,508
Incremental EAV			\$4,127,724	\$4,127,724	\$4,535,140	\$4,535,140	\$4,535,140	\$4,971,076	\$4,971,076	\$4,971,076	\$8,556,917	\$11,676,307
Multiply By Tax Rate			8.8430%	8.8430%	8.8430%	8.8430%	8.8430%	8.8430%	8.8430%	8.8430%	8.8430%	8.8430%
Incremental R.E. Taxes	\$0	\$0	\$365,015	\$365,015	\$401,042	\$401,042	\$401,042	\$439,592	\$439,592	\$439,592	\$756,688	\$1,032,536
Total Increment Pledged	\$0	\$0	\$346,764	\$346,764	\$380,990	\$380,990	\$380,990	\$417,613	\$417,613	\$417,613	\$718,854	\$980,909
Total R.E. Taxes Generated	\$149,668	\$149,668	\$514,683	\$514,683	\$550,711	\$550,711	\$550,711	\$589,261	\$589,261	\$589,261	\$906,357	\$1,182,204
Building Sq. Ft. / R.E. Taxes (w/6b status)		n/a	\$0.69	\$0.69	\$0.73	\$0.73	\$0.73	\$0.79	\$0.79	\$0.79	\$1.21	\$1.58
Building Sq. Ft. / R.E. Taxes (w/out 6b status)		n/a	\$1.54	\$1.54	\$1.65	\$1.65	\$1.65	\$1.77	\$1.77	\$1.77	\$1.89	\$1.89

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	TOTAL
Total FMV	\$20,737,454	\$22,189,076	\$22,189,076	\$22,189,076	\$23,742,312	\$23,742,312	\$23,742,312	\$25,404,273	\$25,404,273	\$25,404,273	
AV %	36%	36%	36%	36%	36%	36%	36%	36%	36%	36%	
Total AV	\$7,465,484	\$7,988,067	\$7,988,067	\$7,988,067	\$8,547,232	\$8,547,232	\$8,547,232	\$9,145,538	\$9,145,538	\$9,145,538	
Multiply By Equalizer	2.1489	2.1489	2.1489	2.1489	2.1489	2.1489	2.1489	2.1489	2.1489	2.1489	
New EAV	\$16,042,578	\$17,165,558	\$17,165,558	\$17,165,558	\$18,367,147	\$18,367,147	\$18,367,147	\$19,652,847	\$19,652,847	\$19,652,847	
Less Base EAV	\$1,692,508	\$1,692,508	\$1,692,508	\$1,692,508	\$1,692,508	\$1,692,508	\$1,692,508	\$1,692,508	\$1,692,508	\$1,692,508	
Incremental EAV	\$14,350,070	\$15,473,050	\$15,473,050	\$15,473,050	\$16,674,639	\$16,674,639	\$16,674,639	\$17,960,339	\$17,960,339	\$17,960,339	
Multiply By Tax Rate	8.8430%	8.8430%	8.8430%	8.8430%	8.8430%	8.8430%	8.8430%	8.8430%	8.8430%	8.8430%	
Incremental R.E. Taxes	\$1,268,977	\$1,368,282	\$1,368,282	\$1,368,282	\$1,474,538	\$1,474,538	\$1,474,538	\$1,588,233	\$1,588,233	\$1,588,233	\$19,603,293
Total Increment Pledged	\$1,205,528	\$1,299,868	\$1,299,868	\$1,299,868	\$1,400,811	\$1,400,811	\$1,400,811	\$1,508,821	\$1,508,821	\$1,508,821	\$18,623,128
Total R.E. Taxes Generated	\$1,418,645	\$1,517,950	\$1,517,950	\$1,517,950	\$1,624,207	\$1,624,207	\$1,624,207	\$1,737,901	\$1,737,901	\$1,737,901	\$22,598,663
Building Sq. Ft. / R.E. Taxes	\$1.89	\$2.02	\$2.02	\$2.02	\$2.17	\$2.17	\$2.17	\$2.32	\$2.32	\$2.32	
Building Sq. Ft. / R.E. Taxes (w/out 6b status)	\$1.89	\$2.02	\$2.02	\$2.02	\$2.17	\$2.17	\$2.17	\$2.32	\$2.32	\$2.32	

NPV Rate	9%
Total NPV of Real Estate Tax Increment	\$6,315,789
Total NPV of Pledged Increment	\$6,000,000

Assumes no Note accrual until Phase 2 assessed

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**Gateway Park, LLC
Redevelopment Agreement
dated as of December 23, 1999**

EXHIBIT S

PROHIBITED USES

A schedule of prohibited uses for the Project is attached to this exhibit cover sheet.

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12/2/09

Prohibited Uses - Gateway Park L.L.C. Redevelopment Agreement
Supplementary to relevant provisions set forth in the Chicago Zoning Ordinance

Primary use as a trailer or container storage, transfer, or repair business, provided that said restriction shall not survive the issuance of a certificate of completion for Phase II of the project.

Retail operations not accessory to a primary industrial use. Accessory retail operations must be limited to no more than 15,000 square feet of space per primary use.

Outside storage of vehicles, where vehicle sales, repair, or storage is the primary use.

Recreation or entertainments facilities, community centers, or private clubs or lodges as primary uses and not accessory or incidental to a primary industrial use.

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