STATE OF ILLINOIS)
)SS
COUNTY OF COOK)

CERTIFICATE

I, Jennifer Rampke, the duly authorized, qualified and Executive Secretary of the **Community Development Commission of the City of Chicago,** and the custodian of the records thereof, do hereby certify that I have compared the attached copy of a Resolution adopted by the **Community Development Commission of the City of Chicago** at a Regular Meeting Held on the 14th Day of January 2003 with the original resolution adopted at said meeting and recorded in the minutes of the Commission, and do hereby certify that said copy is a true, correct and complete transcript of said Resolution.

Dated this 14th Day of January 2003

Jennifer Rampke

EXECUTIVE SECRETARY
Jennifer Rampke

03-CDC-04

COMMUNITY DEVELOPMENT COMMISSION
OF THE
CITY OF CHICAGO

RESOLUTION NO. ~~XXXXX~~ 03 - CDC - ~~03~~ 04

AUTHORITY TO NEGOTIATE A
REDEVELOPMENT AGREEMENT WITH
W9/MLM REAL ESTATE LIMITED PARTNERSHIP

WITHIN THE PROPOSED
DIVERSEY / NARRAGANSETT T.I.F. REDEVELOPMENT PROJECT AREA,

AND

TO RECOMMEND TO
THE CITY COUNCIL OF THE CITY OF CHICAGO
THE DESIGNATION OF
W9/MLM REAL ESTATE LIMITED PARTNERSHIP
AS THE DEVELOPER

WHEREAS, the Community Development Commission (the "Commission") of the City of Chicago (the "City") has heretofore been appointed by the Mayor of the City with the approval of its City Council (the City Council referred to herein collectively with the Mayor as the "Corporate Authorities") as codified in Section 2-124 of the City's Municipal Code; and

WHEREAS, the Commission is empowered by the Corporate Authorities to exercise certain powers enumerated in Section 5/11-74.4-4(k) of the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1 et seq.), (as amended from time to time, the "Act"); and

WHEREAS, the City Council, upon the Commission's recommendation of a Resolution to be considered at the Commission's January 14, 2003 meeting, and pursuant to the Act, will consider the enactment of three ordinances which will approve and adopt a certain redevelopment plan and project (the "Plan") for the proposed Diversey / Narragansett Tax Increment Financing Redevelopment Project Area (the "Area"), designate the Area as a redevelopment project area and adopt tax increment allocation financing for the Area. The street boundaries of the Area are described on Exhibit A hereto; and

WHEREAS, W9/MLM REAL ESTATE LIMITED PARTNERSHIP (the "Developer"), have presented to the City's Department of Planning and Development ("DPD") a proposal for redevelopment of the Area or a portion thereof that is in compliance with the Plan, consisting of demolition and new construction replacing the existing Brickyard Mall, situated on 50 acres of land located at the southwest corner of Diversey and Narragansett (the "Project'); and

WHEREAS, DPD requests that the Commission recommend to City Council that the Developer be designated as the developer for the Project and that DPD be authorized to negotiate, execute and deliver a redevelopment agreement with the Developer for the Project; now, therefore,

BE IT RESOLVED BY THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF CHICAGO:

Section 1. The above recitals are incorporated herein and made a part hereof.

Section 2. The Commission hereby recommends to City Council that the Developer be designated as the developer for the Project and that DPD be authorized to negotiate, execute and deliver on the City's behalf a redevelopment agreement with the Developer for the Project.

Section 3. If any provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this resolution.

Section 4. All resolutions, motions or orders in conflict with this resolution are hereby repealed to the extent of such conflict.

Section 5. This resolution shall be effective as of the date of its adoption.

Section 6. A certified copy of this resolution shall be transmitted to the City Council.

ADOPTED: January 14, 2003

Attachment: Exhibit A, Street Boundary Description

CITY OF CHICAGO
Community Development Commission
Department of Planning & Development
January 14, 2003

SUMMARY SHEET
W9/MLM Real Estate Limited Partnership
The Proposed Diversey / Narragansett Tax Increment Financing Redevelopment Project Area

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Action Requested:

1) Authorize the Department of Planning and Development to negotiate, a redevelopment agreement with W9/MLM Real Estate Limited Partnership for the Project; and

2) Recommend to the City Council the designation of W9/MLM Real Estate Limited Partnership, as the Developer for the demolition and new construction required to replace the existing Brickyard Mall situated on approximately 50 acres of land located within the boundaries of the proposed Diversey / Narragansett Tax Increment Financing Redevelopment Project Area at the southwest corner of Diversey and Narragansett (the "Project" and the "Property")

Project: The Brickyard is an 878,338 square foot mall situated on approximately 50 acres located at the southwest corner of Diversey and Narragansett Avenues in Chicago. For decades prior to 1975, this site had remained undeveloped and misused as a dumping ground. At one time dumped material formed a hill over 100 feet tall. When it first opened in 1975, the mall was considered a very innovative urban retail development, and went on to effectively serve as the retail locus of northwest Chicago for the following twenty years. Unfortunately as major retailers have undergone consolidation and fallen on financial hard times over the last several years, the mall has begun to suffer severely as well. During 2000 and 2001, three out of four of the mall's anchor tenants: Montgomery Wards, JC Penney and most recently K-Mart closed their doors. Their tenant spaces presently remain unoccupied.

The redevelopment plan calls for the complete demolition of the existing structure and its replacement with a smaller, approximate 575,000 square foot, more contemporary retail center that will include approximately 2,306 parking spaces (the "Project"). The proposed site plan has been refined to incorporate modern layout and design features demanded by today's successful retailers. Some of the finest chains in the country have expressed a strong interest in being a part of the proposed new development.

Location: The Brickyard Mall, 6465 W. Diversey Avenue, Chicago, Illinois 60707, within the proposed Diversey / Narragansett Tax Increment Financing Redevelopment Project Area (the "Area"). The Property is generally bounded by Altgeld Avenue (extended) on the south, Diversey Avenue on the north, Narragansett Avenue on the east and the Chicago Milwaukee St. Paul and Pacific Railroad on the west.

Site Area: Approximately 50 acres

Developer: W9/MLM Real Estate Limited Partnership, a Goldman Sachs affiliate.

Assistance: The City intends to negotiate a Redevelopment Agreement with the Developer for $26,500,000 in tax increment financing assistance. This amount represents 24.10% of the total project budget, which is currently estimated to be $109,959,532. The assistance will be provided to the Developer in the form of two TIF revenue Notes:

Tax Exempt Note

A tax exempt TIF Developer's Note (the "Tax Exempt Note") will be issued at certificate of completion. The Tax Exempt Note will have a term of 20 years and a maximum principal value of $19,500,000. The Developer intends to sell the Tax Exempt Note after it is issued. The long term interest rate at the time of the sale will be market driven but will be capped at 8.75%.

The Taxable Note

A taxable TIF Developer's Note (the "Taxable Note") will be issued at closing. The Taxable Note will have a term of 20 years and a maximum principal value of $7,000,000 The Taxable Note will bear interest at a rate equivalent to the 20-year Treasury rate ("index") plus a margin of 375bps but will capped at 9.75%. Interest on the Taxable Note will begin to accrue upon the date of issuance, but payments on the Taxable Note will not commence until a certificate of completion for the Project has been issued by the City.

Ward: 36th Ward, Alderman William J. Banks

Public Benefits:

Taxes

Based upon analysis, the Project will generate a substantial increase in the real estate taxes on the Property. The analysis estimates that the real estate taxes will increase from their current level of approximately $1.77 million to $2.03 million in 2004 and subsequently up to 5.41 million in 2005. Between 2004 and 2023 the Project is expected to generate approximately $83 million in total new real estate taxes and approximately $5 million in new sales taxes annually.

Jobs

After three out four original anchor tenants closed their doors, in its current state the Brickyard is now only 20% occupied limiting employment levels to approximately 200-250 full-time and part-time positions. The projected total employment upon Project completion and full occupancy is approximately 1000

MBE/WBE: The Developer will comply with the City's MBE/WBE requirements. Attachment F to the Staff Report includes the certified mail receipts as evidence that the Developer has provided the MBE/WBE contractor associations with the required notifications.

Community Outreach: Alderman Banks supports the Project.

Issues: N/A

CITY OF CHICAGO
Community Development Commission
Department of Planning & Development
January 14, 2003

STAFF REPORT
W9/MLM Real Estate Limited Partnership
The Proposed Diversey / Narragansett Tax Increment Financing Redevelopment Project Area

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MR. CHAIRMAN AND MEMBERS OF THE COMMISSION:

The Resolution before you requests authorization to negotiate a redevelopment agreement with W9/MLM Real Estate Limited Partnership for the Project. The Resolution also asks that the Community Development Commission recommend to the City Council the designation of W9/MLM Real Estate Limited Partnership, as the Developer for the demolition and new construction required to replace the existing Brickyard Mall situated on 50 acres of land located within the boundaries of the proposed Diversey / Narrgansett Tax Increment Financing Redevelopment Project Area at the southwest corner of Diversey and Narragansett (the “Property” and the “Project”)

Background
The Property is located within the proposed Diversey Narragansettt Tax Increment Financing Redevelopment Project Area, for which the City Council, upon the Commission's recommendation of a Resolution to be considered at the Commission’s January 14, 2003 meeting, will consider the enactment of three ordinances which will approve and adopt a certain redevelopment plan and project (the "Plan") for the proposed Diversey / Narragansett Tax Increment Financing Redevelopment Project Area (the “Area”), designate the Area as a redevelopment project area and adopt tax increment allocation financing for the Area.. The Area is generally bounded by George Street on the north, Fullerton Avenue on the south, Meade Avenue on the east and Natoma Avenue and the Chicago Milwaukee St. Paul and Pacific Railroad on the west.

The site proposed for development is known as the Brickyard Mall, 6465 W. Diversey Avenue, Chicago, Illinois 60707, and is situated on approximately 50 acres located within the proposed Diversey / Narragansett Tax Increment Financing Redevelopment Project Area (the “Area”). The Property is generally bounded by Altgeld Avenue (extended) on the south, Diversey Avenue on the north, Narragansett Avenue on the east and the Chicago Milwaukee St. Paul and Pacific Railroad on the west.

The Redevelopment Project Area is located primarily in the Belmont Cragin community area with one block on the western boundary in the Montclare community area. These community areas were developed in the mid-late 1800s with the extension of what is now known as the Chicago Milwaukee St. Paul and Pacific Railroad. Both community areas were annexed to the City of Chicago in 1889, however these areas did not flourish until the 1920s with increases in population and number of homes.

Prior to 1975, the underlying land on which the existing Brickyard Mall was developed had remained unimproved for decades. Even as residential neighborhoods and commercial pockets grew up around the site, it was never developed due to the presence of several clay deposits on the land. Over the course of several decades, these clay deposits were extracted and utilized by a family-owned brick company. With the exhaustion of the clay deposits, the site became unprofitable and the 70-foot deep clay pits located in the choice corner of the property deterred any prospective developers.

The brick company permitted area contractors to dump their waste materials on the property, in an effort to generate revenue from the site. When a local expressway was constructed, contractors deposited large quantities of excavated rubble on to the property. Over time, this site became a vast hill of garbage and waste.

This irregularly shaped parcel was dominated by two 70-foot deep pits that were filled with water and waste, forming a hill over 100 feet tall. Rendered virtually useless, the site was used as a dumping ground for cars and appliances. Area teenagers made it a trouble spot for congregating and off-road biking. The site was infested with rodents and was a mosquito breeding ground.

As of 1975, the property was the only site within the City limits large enough for a regional commercial development that remained privately owned and unimproved. When the existing Brickyard Mall was finally developed, the topographical constraints, adverse soil conditions and multiple grade levels within the development site remained in place. Because of its site constraints, size, location, tenant mix and multi-level configuration, the mall at that time was considered a very innovative urban retail development.

For twenty-five years, the Brickyard Mall served as the retail locus of Northwest Chicago. As recently as 1998, the mall generated $200 million in gross annual sales resulting in $4 million of sales tax revenue paid to the City. In that year, the owners of the mall paid approximately $6.1 million in property taxes. However, as major retailers have consolidated and fallen on hard times over the past several years, the mall has begun to suffer as well.

During 2000 and 2001, three of the mall's four original anchor tenants– Kmart, J.C. Penny and Montgomery Ward– closed their stores. Since that time prospective replacement anchors have refused to commit to the mall because of its antiquated layout and functionally obsolete structure. Smaller tenants in the mall, unable to rely on the traditional traffic generated by the anchors, have been devastated. Sales have dropped precipitously. The decline of the mall's customer base is adversely affecting neighborhood employment opportunities.

As a result, the mall has become obsolete in its current form. From 1998 to 2001, for example, annual sales plummeted from $200 million to $75 million, less than half of their beginning value. Projected sales for 2002 are down even further to approximately $50 million. Similarly, in 2001 the amount of property taxes paid by the owners of the mall in comparison to 1998 fell 33%, from $6.1 million to $4.1 million, and based on a recent reassessment, the amount projected to be paid for 2002 is expected to further decrease to $1.77 million. Consequently, competing centers outside the City limits have enhanced their market position and sales tax dollars have gravitated from the City to adjacent municipalities. Without a viable redevelopment strategy, similar declines in subsequent years are imminent.

Recent trends have shown that the Brickyard Mall is in need of immediate assistance, and its history proves that it can be a successful and profitable area, worthy of the city's help. Some assistance at this critical juncture will ensure that this site does not deteriorate back into the garbage heap of the past and assist with restoring it to the productive economic engine it once was. Recent events and prevailing conditions seem to indicate that the complete redevelopment of the Brickyard Mall offers the best means for fostering the continued viability of a commercial use at this location.

Development Project

<u>Proposed Developer</u>

W9/MLM Real Estate Limited Partnership, a Goldman Sachs affiliate
(See attachment E for illustration on how the developing entity can be traced back to Goldman Sachs)

<u>Proposed Development Team (see Attachment D for more details)</u>

- Mid America Asset Management - Leasing Agent / Mall Operator
- Louik/Schneider & Associates - TIF Consultant & Economic Impact Study
- Camburas & Theodore - Architectural Services
- Piper Rudnick - Legal Services

Proposed Project

The Brickyard is an 878,338 square foot mall situated on approximately 50 acres located at the southwest corner of Diversey and Narragansett Avenues in Chicago. The problem is that no new thriving replacement anchors will commit to the mall because of its antiquated layout and functionally obsolete structure. The redevelopment plan calls for the complete demolition of the existing structure and its replacement with a smaller, approximate 575,000 square foot, more contemporary retail center that will include approximately 2,306 parking spaces (the "Project"). The proposed site plan has been refined to incorporate modern layout and design features demanded by today's successful retailers. Architecture and landscaping details have been refined to provide an appealing atmosphere and functional design without losing the flavor of the urban site. Some of the finest chains in the country have expressed a strong interest in being a part of the proposed new development. The developer will develop the Project, conveying two of the proposed anchor sites upon their completion to the identified end users. The Project will be managed and operated by Mid-America Asset Management.

The merchandise and tenant mix will be designed to appeal to the middle-class communities that surround the mall. Jewel-Osco which has been an anchor tenant since the opening of the Brickyard Mall (at that time Jewel Grand Bazaar) has agreed to stay on and will be relocated within the new retail center near Wrightwood and Narragansett, thereby brought closer to street for improved exposure. Negotiations are being finalized with a national middle market department store chain and a nationally recognized home improvement chain for the two anchor sites that the developer intends to sell the identified end user upon construction completion. Mid-America Asset Management is concentrating some of its other lease negotiation efforts on securing nationally recognized family apparel chains, an electronics / appliance store chain, and an office supply store chain.

Deal Structure

The City intends to negotiate a redevelopment agreement with the Developer for a maximum amount of $26,500,000 in tax increment financing assistance. This amount represents 24.10% of the total project budget, which is currently estimated to be $109,959,532. The City TIF financial assistance is to be repaid exclusively from 97.5% of the incremental tax revenues generated by the Project Site PINs (the "Site"), but only after the City has first retained $1,000,000 in increment generated by the TIF district. The assistance will be provided to the Developer in the form of two Notes:

Tax Exempt TIF Developer's Note

A Tax Exempt TIF Developer's Note (the "Tax Exempt Note") will be issued at certificate of completion. The Tax Exempt Note will have a 20 year term and maximum principal value of $19,500,000. The developer intends to sell the Tax Exempt Note so the long term interest rate will driven by the sale. The Tax Exempt Note will have an interim interest rate (covering the period, if any, between the issuance and sale of the Tax Exempt Note) which will be equivalent to the AAA 20 year G.O. Bond rate as published by Bloomberg ("index") plus a margin of 300bps but will capped at 8.75%. The developer will be responsible for paying all legal and issuance costs in relation to the Tax Exempt Note, including the costs of Bond Counsel.

Taxable TIF Developer's Note

A taxable TIF Developer's Note (the "Note") will be issued at closing. The Note will have a maximum principal value of $7,000,000 and will bear interest at a rate established at the time of issuance which will be equivalent to the 20-year Treasury rate per the daily Federal Reserve Statistical Release ("index") plus a margin of 375bps but will be capped at 9.75%. The Taxable Note will be issued upon closing of the Redevelopment Agreement and reflect a maximum term of 20 years but may be prepaid at anytime. Interest on the Taxable Note will begin to accrue upon the date of issuance, but payments on the Taxable Note will not commence until a certificate of completion for the Project has been issued by the City.

Payments on both Notes will not commence until a certificate of completion has been issued by the City for the Project. The developer will be required to maintain a minimum occupancy level for ten years following the issuance of a certificate of completion.

Any transfer of property involving majority ownership prior to the 5th anniversary date of the issuance of the certificate of completion requires City consent. City approval is predicated on the new ownership entity's ability to demonstrate the financial capacity together with the experience needed to effectively operate and manage a large retail shopping center and that entity agreeing to assume all surviving responsibilities and covenants applicable to the developer.

If at any time prior to the 10th anniversary date of the issuance of the certificate of completion, the developer elects to transfer the property, then the City will reduce the Taxable Note by 35% of any "excess profits" realized from the transfer. Any profits realized by the developer contributing to an internal rate of return in excess of 22.5% will construed by the City to be "excess profits".

<u>Enterprise Zone Expansion</u>
In an effort to further assist the Project, the City would also submit an application to the State of Illinois, Department of Commerce and Community Affairs ('DCCA') requesting an expansion of the nearby Enterprise Zone #5 to include the proposed Project site so that applicable tax exemptions and credits could be sought by the developer, or Project tenants when eligible. The majority of the potential savings to the developer would mainly be derived from the Sales Tax Exemption on Building on Materials, which DPD estimates could be between $1 million and $2 million.

Project Budget			
Uses of Funds		Sources of Funds	
Assigned Value for Site*	27,000,000	City of Chicago	26,500,000
Site Work	8,250,000	Conventional Financing	49,960,236
Demolition	2,800,000	Equity	33,499,296
Property Assembly Costs	10,630,750		
Pre-existing Tenant Shell	3,576,157		
New Small Tenant Shell	4,892,975		
New Big Box Shells	4,410,000		
New Anchor #1 Building	4,197,721		
New Anchor #2 Building	9,100,000		
Tenant Improvements	6,403,505		
Public Amenities	162,000		
Landscaping (TIF eligible)	312,915		
Landscaping (non TIF eligible)	561,150		
Environmental	6,400,000		
Architect-site & demolition	357,300		
Architect-Non TIF eligible services	641,869		
Civil Engineering-site & demolition	1,078,000		
Civil Engineering-non TIF eligible	462,000		
Legal-leases	224,841		
Legal-property assembly	125,129		
Legal-zoning and TIF	150,000		
TIF Consultant	200,000		
Permits-site & demolition	216,346		
Permits-non TIF eligible	388,654		
Real Estate Taxes	2,628,000		
Construction Loan Interest / Fees	6,560,000		
Const Mgmt Fees-TIF eligible	776,573		
Const Mgmt Fees-non TIF eligible	1,392,624		
Commissions	2,372,060		
General Conditions-TIF eligible	1,320,649		
General Conditions-non TIF eligible	2,368,314		
Total Uses	109,959,532	Total Sources	109,959,532

* The Brickyard was part of an overall acquisition portfolio consisting of nine shopping malls and one strip mall center across the country which cost $177.5MM irrespective of closing costs and renovations. The developer's parent entity group purchased the Brickyard property in 1997 for an all-in cost totaling $41,215,000 inclusive of closing costs and renovations needed at the time. However, a recently performed tax assessment (12/3/01) values the property at $27MM which value becomes the basis for evaluating current project costs.

Conformance with Plan

The proposed redevelopment is in conformance with the land use goals and objectives of the proposed Diversey / Narrgansett Tax Increment Financing Redevelopment Project Area Plan. The Plan encourages commercial, mixed use (commercial / industrial) and open space and any other uses that are allowed in the Business Planned Development No. 127, C1-1, M1-1 and R-3 general classifications in the Chicago Zoning Ordinance.

Community Outreach

Alderman Banks is in support of the project.

Public Benefits

Taxes

Based upon analysis, the Project will generate a substantial increase in the real estate taxes on the Property. The analysis estimates that the real estate taxes will increase from their current level of approximately $1.77 million to $2.03 million in 2004 and subsequently up to 5.41 million in 2005.

Between 2004 and 2023 the Project is expected to generate approximately $83 million in total new real estate taxes and approximately $5 million in new sales taxes annually.

Jobs

After three out four original anchor tenants closed their doors, in its current state the Brickyard is now only 20% occupied limiting employment levels to approximately 200-250 full-time and part-time positions. The projected total employment upon completion and full occupancy is approximately 1000.

Prevailing Wage, MBE/WBE, City Residency

The Developer has agreed to comply with all City ordinances regarding Prevailing Wage, MBE/WBE and City Residency. Attachment F to the Staff Report includes the certified mail receipts as evidence that the Developer has provided the MBE/WBE contractor associations with the required notifications.

Recommendation

DPD requests that the Commission provide DPD with authority to negotiate, a redevelopment agreement with the Developer for the Project. DPD also requests that the Community Development Commission recommend to the City Council the designation of W9/MLM Real Estate Limited Partnership, as the Developer for the demolition and new construction required to replace the existing Brickyard Mall situated on approximately 50 acres of land located within the boundaries of the proposed Diversey / Narrgansett Tax Increment Financing Redevelopment Project Area at the southwest corner of Diversey and Narragansett (the "Property" and the "Project").

Attachments

A) TIF Boundary Map
B) Site Plan Map
C) Term Sheet
D) Developer History and Experience
E) Developer's Organizational Chart
F) MBE/WBE Contractor Notifications and Certified Mail Receipts

Attachment A

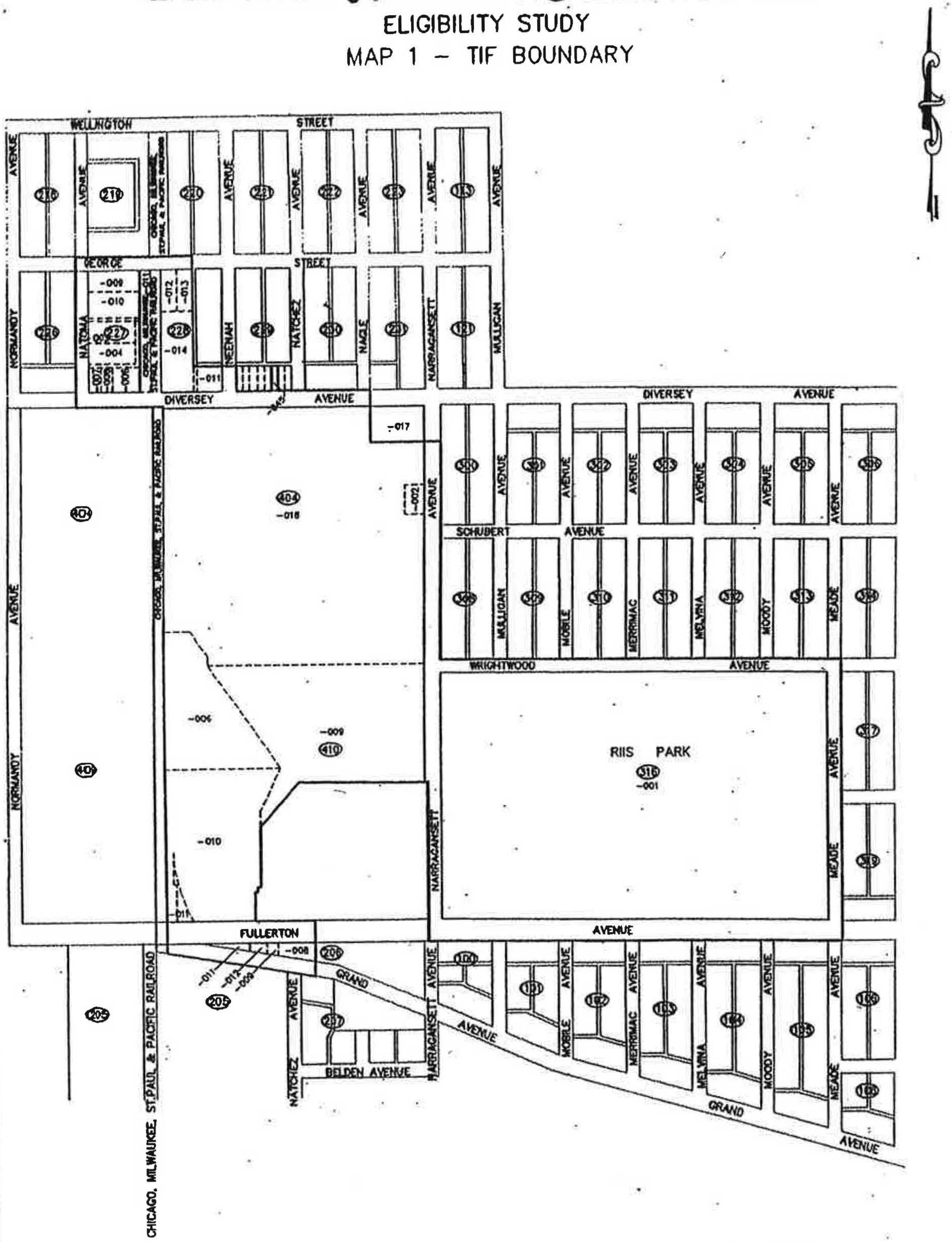
TIF Boundary Map

The Area is generally bounded by George Street on the north, Fullerton Avenue on the south, Meade Avenue on the east and Natoma Avenue and the Chicago Milwaukee St. Paul and Pacific Railroad on the west.

Diversey/Narragansett TIF

ELIGIBILITY STUDY

MAP 1 – TIF BOUNDARY



LEGEND

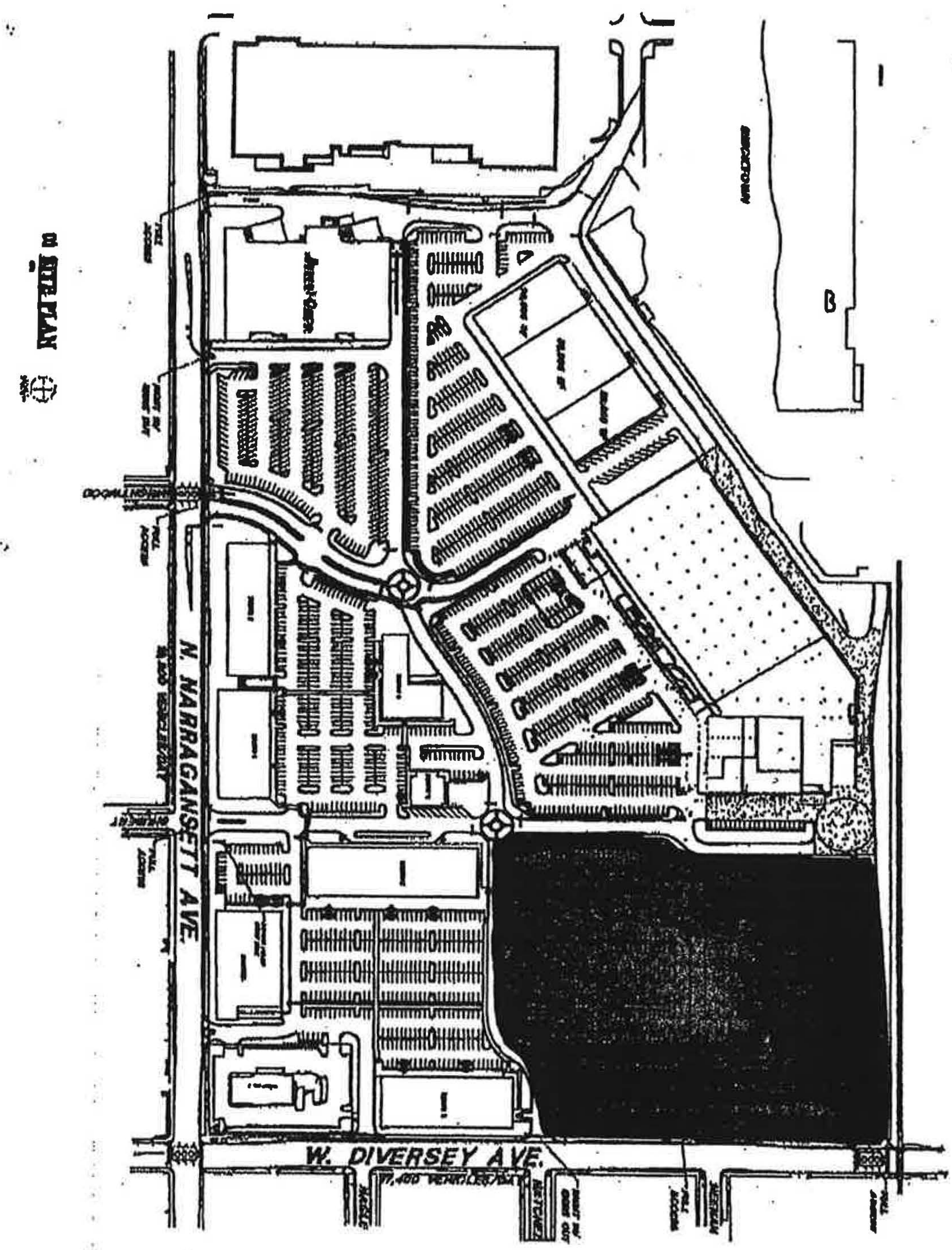
TIF BOUNDARY

GREMLEY & BIEDERMANN, INC.
PROFESSIONAL ILLINOIS LAND SURVEYORS

LOUIK/SCHNEIDER & ASSOCIATES, INC.

Attachment B

Site Plan Map



THE BRICKYARD
DIVERSEY AVE. & NARRAGANSETT AVE.

CHICAGO, ILLINOIS
A DEVELOPMENT OF
MID - AMERICA ASSET MANAGEMENT

O'BRIEN & ASSOCIATES

ISSUE LOG

SHEET NO.
L0-2

Attachment C

Term Sheet

Project Description:
The redevelopment plan calls for the complete demolition of the existing structure and its replacement with a smaller, approximate 575,000 square foot, more contemporary retail center that will include approximately 2,306 parking spaces (the "Project"). The proposed site plan has been refined to incorporate modern layout and design features demanded by today's successful retailers. Architecture and landscaping details have been refined to provide an appealing atmosphere and functional design without losing the flavor of the urban site. Some of the finest chains in the country have expressed a strong interest in being a part of the proposed new development. The developer will develop the Project, conveying two of the proposed anchor sites upon their completion to the identified end users. The Project will be managed and operated by Mid-America Asset Management.

The merchandise and tenant mix will be designed to appeal to the middle-class communities that surround the mall. Jewel-Osco which has been an anchor tenant since the opening of the Brickyard Mall (at that time Jewel Grand Bazaar) has agreed to stay on and will be relocated within the new retail center near Wrightwood and Narragansett, thereby brought closer to street for improved exposure. Negotiations are being finalized with a national middle market department store chain and a nationally recognized home improvement chain for the two anchor sites that the developer intends to sell to the identified end user upon construction completion.

City Funding Commitment to W9/MLM Real Estate Limited Partnership:
The City intends to negotiate a redevelopment agreement with the Developer for a maximum amount of $26,500,000 in tax increment financing assistance. This amount represents 24.10% of the total project budget, which is currently estimated to be $109,959,532. The City TIF financial assistance is to be repaid exclusively from 97.5% of the incremental tax revenues generated by the Project Site PINs (the "Site"), but only after the City has first retained $1,000,000 in increment generated by the TIF district. The assistance will be provided to the Developer in the form of two Notes:

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Project Budget			
Uses of Funds		Sources of Funds	
Land & Existing Structures*	27,000,000	City of Chicago	26,500,000
Site Work	8,250,000	Conventional Financing	49,960,236
Demolition	2,800,000	Equity	33,499,296
Property Assembly Costs	10,630,750		
Pre-existing Tenant Shell	3,576,157		
New Small Tenant Shell	4,892,975		
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New Anchor #1 Building	4,197,721		
New Anchor #2 Building	9,100,000		
Tenant Improvements	6,403,505		
Public Amenities	162,000		
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Landscaping (non TIF eligible)	561,150		
Environmental	6,400,000		
Architect-site & demolition	357,300		
Architect-Non TIF eligible services	641,869		
Civil Engineering-site & demolition	1,078,000		
Civil Engineering-non TIF eligible	462,000		
Legal-leases	224,841		
Legal-property assembly	125,129		
Legal-zoning and TIF	150,000		
TIF Consultant	200,000		
Permits-site & demolition	216,346		
Permits-non TIF eligible	388,654		
Real Estate Taxes	2,628,000		
Construction Loan Interest / Fees	6,560,000		
Const Mgmt Fees-TIF eligible	776,573		
Const Mgmt Fees-non TIF eligible	1,392,624		
Commissions	2,372,060		
General Conditions-TIF eligible	1,320,649		
General Conditions-non TIF eligible	2,368,314		
Total Uses	109,959,532	Total Sources	109,959,532

* The Brickyard was part of an overall acquisition portfolio consisting of nine shopping malls and one strip mall center across the country which cost $177.5MM irrespective of closing costs and renovations. The developer's parent entity group purchased the Brickyard property in 1997 for an all-in cost totaling $41,215,000 inclusive of closing costs and renovations needed at the time. However, a recently performed tax assessment (12/3/01) values the property at $27MM which value becomes the basis for evaluating current project costs.

Attachment D

Developer History and Experience

Whitehall Street Real Estate Limited Partnerships
Goldman Sachs is a global leader in real estate principal investing. As a leading global investment bank, Goldman Sachs has immediate access to some of the wold's most well respected businesses and resources in global and local markets. Goldman Sachs' expertise in strategic advisory assignments and innovative financing structuring provides an important competitive edge, particularly with respect to larger, complex transactions. Goldman Sachs is well positioned to identify, value and harvest real estate investments as a result of its franchise, global infrastructure and presence, experience and relationships in the real estate industry and access to sellers and purchasers of assets.

The firm's primary vehicle for such investments is the Whitehall Funds ("Whitehall"), a series of fully discretionary real estate funds managed by the Real Estate Principle Investment Area ("REPIA") of Goldman Sachs. REPIA professionals identify, structure and finance the acquisition of real estate assets or management companies through the purchase of equity interests, mortgages and other debt interests.

The Whitehall Funds were conceived in 1991 with the $145 million equity capitalization of Whitehall I by Goldman Sachs (17% of committed equity) alongside several public and private investors. Cumulatively, the Whitehall Funds have committed approximately $9.5 billion of equity from inception through December 31, 2000 (approx. 20% from Goldman Sachs) to acquire over 280 investments (approx. 40,000 assets) representing aggregate cost of $58 billion and a total fund cost of $31 billion (excluding third party ownership interests). Whitehall 2001 (the tenth Whitehall fund) closed in May 2001 with approximately $2.3 billion in equity commitments.

As world markets evolved over the life of the Whitehall Funds, Whitehall has leveraged its experience in the US to move into foreign markets. Whitehall has established a global platform of 117 professionals with local market infrastructure and has redirected a large percentage of its focus toward international investment. From inception to December 31, 2000, approximately 40% of fund cost is currently invested outside the US.

Mid-America Asset Management (proposed operator of newly developed retail center)
Mid-America Asset Management, headquartered in Oakbrook Terrace, was established as part of the Mid-America Real Estate Group in 1990 as a fully integrated real estate firm specializing in property management, leasing, construction, development, and financial reporting.

The shopping center industry regards Mid-America as a leading full service real estate firm in the Midwest, operating 70 community centers totaling over 17 million square feet with a value in excess of $1 billion.

Mid-America has extensive expertise in retail redevelopment in Chicago and its suburbs. The company has added hundreds of new stores to the City of Chicago including Crate and Barrel, Container Store, Trader Joe's, Circuit City, Home Depot, Cub Foods, Borders Books, and dozens of smaller specialty stores. Noteworthy redevelopment projects include:

> *The Streets of Woodfield, Schaumburg*
> Developed in the early 90s as One Schaumburg Place, this center failed with the demise of its anchor tenants. Mid-America's involvement began with a strategic plan to replace weaker tenants with 40 new stores including Carson Pirie Scott, Galyans, Loews Cineplex, Gameworks, and Maggiano's Little Italy. This successfully 600,000 square foot redevelopment is nationally recognized for its unique "streetlike" architectural design.

Chatham Ridge, Chicago
When the lender foreclosed on this property, they engaged Mid-America to redevelop the center. Mid-America convinced Cub Foods to build and open a superstore. Mid-America also added other fine stores including Marshall's and Bally's Fitness. This 160,000 square foot inner city redevelopment was brought to full occupancy. Sales performance has exceeded expectations.

Mid-America is a member of the International Council of Shopping Centers, the Urban Land Institute, and Chain Links. We have participated in the effort known as Retail Chicago, a function within the City of Chicago Department of Planning and Development.

Three principals of Mid-America will be involved in the Brickyard redevelopment. Michael George, co-founder and president of Mid-America will have overall responsibility for the supervision of the project. Michelle Panovich, principal, has over 21 years experience in construction, development, and property management. She will coordinate and oversee execution of all aspects of the project. Richard Spinell, principal, will manage anchor leasing, specialty shop leasing, and tenant relocations.

Attachment E

Developer's Organizational Chart

Organizational Chart for Brickyard