2010 Annual Report

LaSalle Central Redevelopment Project Area

Pursuant to 65 ILCS 5/11-74.4-5(d)

JUNE 30, 2011

COMPTROLLER

ANNUAL TAX INCREMENT FINANCE REPORT
OFFICE OF ILLINOIS COMPTROLLER JUDY BAAR TOPINKA

Name of Municipality: Chicago
County: Cook
Unit Code: 016/620/30

Reporting Fiscal Year: **2010**
Fiscal Year End: 12/ 31 **/2010**

TIF Administrator Contact Information

First Name: Andrew J.
Last Name: Mooney
Address: City Hall 121 N. LaSalle
Title: TIF Administrator
Telephone: (312) 744-0025
City: Chicago, IL
Zip: 60602
E-Mail: TIFReports@cityofchicago.org

I attest to the best of my knowledge, this report of the redevelopment project areas in:
City/Village of Chicago is complete and accurate at the end of this reporting
Fiscal year under the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.]
Or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

Written signature of TIF Administrator

7.2011
Date

Section 1 (65 ILCS 5/11-74.4-5 (d) (1.5) and 65 ILCS 5/11-74.6-22 (d) (1.5)*)

FILL OUT ONE FOR EACH TIF DISTRICT

Name of Redevelopment Project Area	Date Designated	Date Terminated
105th/Vincennes	10/3/2001	12/31/2025
111th Street/Kedzie Avenue Business District	9/29/1999	9/29/2022
119th and Halsted	2/6/2002	12/31/2026
119th/I-57	11/6/2002	12/31/2026
126th and Torrence	12/21/1994	12/21/2017
134th and Avenue K	3/12/2008	12/31/2032
24th/Michigan	7/21/1999	7/21/2022
26th and King Drive	1/11/2006	12/31/2030
35th and Wallace	12/15/1999	12/31/2023
35th/Halsted	1/14/1997	12/31/2021
35th/State	1/14/2004	12/31/2028
40th/State	3/10/2004	12/31/2028
43rd/Cottage Grove	7/8/1998	12/31/2022
45th/Western Industrial Park Conservation Area	3/27/2002	12/31/2026
47th/Ashland	3/27/2002	12/31/2026
47th/Halsted	5/29/2002	12/31/2026
47th/King Drive	3/27/2002	12/31/2026
47th/State	7/21/2004	12/31/2028
49th Street/St. Lawrence Avenue	1/10/1996	12/31/2020
51st/ Archer	5/17/2000	12/31/2024
53rd Street	1/10/2001	12/31/2025
60th and Western	5/9/1996	5/9/2019

*All statutory citations refer to one of two sections of the Illinois Municipal Code: the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

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Local Government Division
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Name of Municipality: Chicago
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Fiscal Year End: 12 / 31 **/2010**

63rd/Ashland	3/29/2006	12/31/2030
63rd/Pulaski	5/17/2000	12/31/2024
67th/Cicero	10/2/2002	12/31/2026
69th/Ashland	11/3/2004	12/31/2028
71st and Stony Island	10/7/1998	10/7/2021
72nd and Cicero	11/17/1993	11/17/2016
73rd and Kedzie	11/17/1993	11/17/2016
73rd/University	9/13/2006	12/31/2030
79th and Cicero	6/8/2005	12/31/2029
79th Street Corridor	7/8/1998	7/8/2021
79th Street/Southwest Highway	10/3/2001	12/31/2025
79th/Vincennes	9/27/2007	12/31/2031
83rd/Stewart	3/31/2004	12/31/2028
87th/Cottage Grove	11/13/2002	12/31/2026
89th and State	4/1/1998	4/1/2021
95th and Western	7/13/1995	7/13/2018
95th Street and Stony Island	5/16/1990	12/31/2014
Addison Corridor North	6/4/1997	6/4/2020
Addison South	5/9/2007	12/31/2031
Archer Courts	5/12/1999	12/31/2023
Archer/ Central	5/17/2000	12/31/2024
Archer/Western	2/11/2009	12/31/2033
Armitage/Pulaski	6/13/2007	12/31/2031
Austin/Commercial	9/27/2007	12/31/2031
Avalon Park/South Shore	7/31/2002	12/31/2026
Avondale	7/29/2009	12/31/2033
Belmont/ Central	1/12/2000	12/31/2024
Belmont/Cicero	1/12/2000	12/31/2024
Bronzeville	11/4/1998	12/31/2022
Bryn Mawr/Broadway	12/11/1996	12/11/2019
Calumet Avenue/Cermak Road	7/29/1998	7/29/2021
Calumet River	3/10/2010	12/31/2034
Canal/Congress	11/12/1998	12/31/2022
Central West	2/16/2000	12/31/2024
Chatham-Ridge	12/18/1986	12/31/2010 (1)
Chicago/ Kingsbury	4/12/2000	12/31/2024
Chicago/Central Park	2/27/2002	12/31/2026
Chicago Lakeside Development – Phase 1 (USX)	5/12/2010	12/31/2034
Chinatown Basin	12/18/1986	12/31/2010
Cicero/Archer	5/17/2000	12/31/2024
Clark Street and Ridge Avenue	9/29/1999	9/29/2022
Clark/Montrose	7/7/1999	7/7/2022
Commercial Avenue	11/13/2002	12/31/2026
Devon/Sheridan	3/31/2004	12/31/2028

(1) This TIF has been terminated; however, the sales tax portion continues to exist for the sole purpose of servicing outstanding obligations which may be retired early at which point the sales tax portion will also terminate.

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Devon/Western	11/3/1999	12/31/2023
Diversey/ Narragansett	2/5/2003	12/31/2027
Division/Homan	6/27/2001	12/31/2025
Division/North Branch	3/15/1991	3/15/2014
Division-Hooker	7/10/1996	7/10/2019
Drexel Boulevard	7/10/2002	12/31/2026
Eastman/North Branch	10/7/1993	10/7/2016
Edgewater/ Ashland	10/1/2003	12/31/2027
Elston/Armstrong Industrial Corridor	7/19/2007	12/31/2031
Englewood Mall	11/29/1989	11/29/2012
Englewood Neighborhood	6/27/2001	12/31/2025
Ewing Avenue	3/10/2010	12/31/2034
Forty-first Street and Dr. Martin Luther King, Jr. Drive	7/13/1994	7/13/2017
Fullerton/ Milwaukee	2/16/2000	12/31/2024
Galewood/Armitage Industrial	7/7/1999	7/7/2022
Goose Island	7/10/1996	7/10/2019
Greater Southwest Industrial Corridor (East)	3/10/1999	12/31/2023
Greater Southwest Industrial Corridor (West)	4/12/2000	12/31/2024
Harlem Industrial Park Conservation Area	3/14/2007	12/31/2031
Harrison/Central	7/26/2006	12/31/2030
Hollywood/Sheridan	11/7/2007	12/31/2031
Homan/Grand Trunk	12/15/1993	12/15/2016
Homan-Arthington	2/5/1998	2/5/2021
Howard-Paulina	10/14/1988	12/31/2012
Humboldt Park Commercial	6/27/2001	12/31/2025
Irving Park/Elston	5/13/2009	12/31/2033
Irving/Cicero	6/10/1996	12/31/2020
Jefferson Park Business District	9/9/1998	9/9/2021
Jefferson/ Roosevelt	8/30/2000	12/31/2024
Kennedy/Kimball	3/12/2008	12/31/2032
Kinzie Industrial Corridor	6/10/1998	6/10/2021
Kostner Avenue	11/5/2008	12/31/2032
Lake Calumet Area Industrial	12/13/2000	12/31/2024
Lakefront	3/27/2002	12/31/2026
Lakeside/Clarendon	7/21/2004	12/31/2028
LaSalle Central	11/15/2006	12/31/2030
Lawrence/ Kedzie	2/16/2000	12/31/2024
Lawrence/Broadway	6/27/2001	12/31/2025
Lawrence/Pulaski	2/27/2002	12/31/2026
Lincoln Avenue	11/3/1999	12/31/2023
Lincoln-Belmont-Ashland	11/2/1994	11/2/2017
Little Village East	4/22/2009	12/31/2033
Little Village Industrial Corridor	6/13/2007	12/31/2031
Madden/Wells	11/6/2002	12/31/2026

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Madison/Austin Corridor	9/29/1999	12/31/2023
Michigan/Cermak	9/13/1989	12/31/2013
Midway Industrial Corridor	2/16/2000	12/31/2024
Midwest	5/17/2000	12/31/2024
Montclare	8/30/2000	12/31/2024
Montrose/Clarendon	6/30/2010	12/31/2034
Near North	7/30/1997	7/30/2020
Near South	11/28/1990	12/31/2014
Near West	3/23/1989	12/31/2013
North Branch (North)	7/2/1997	12/31/2021
North Branch (South)	2/5/1998	2/5/2021
North Pullman	6/30/2009	12/31/2033
North-Cicero	7/30/1997	7/30/2020
Northwest Industrial Corridor	12/2/1998	12/2/2021
Ogden/Pulaski	4/9/2008	12/31/2032
Ohio/Wabash	6/7/2000	12/31/2024
Pershing/King	9/5/2007	12/31/2031
Peterson/ Cicero	2/16/2000	12/31/2024
Peterson/ Pulaski	2/16/2000	12/31/2024
Pilsen Industrial Corridor	6/10/1998	12/31/2022
Portage Park	9/9/1998	9/9/2021
Pratt/Ridge Industrial Park Conservation Area	6/23/2004	12/31/2028
Pulaski Corridor	6/9/1999	6/9/2022
Randolph and Wells	6/9/2010	12/31/2034
Ravenswood Corridor	3/9/2005	12/31/2029
Read-Dunning	1/11/1991	12/31/2015
River South	7/30/1997	7/30/2020
River West	1/10/2001	12/31/2025
Roosevelt/Canal	3/19/1997	12/31/2021
Roosevelt/Cicero	2/5/1998	2/5/2021
Roosevelt/Racine	11/4/1998	12/31/2022
Roosevelt/Union	5/12/1999	5/12/2022
Roosevelt-Homan	12/5/1990	12/31/2014
Roseland/Michigan	1/16/2002	12/31/2026
Sanitary Drainage and Ship Canal	7/24/1991	7/24/2014
South Chicago	4/12/2000	12/31/2024
South Works Industrial	11/3/1999	12/31/2023
Stevenson/Brighton	4/11/2007	12/31/2031
Stockyards Annex	12/11/1996	12/31/2020
Stockyards Industrial Commercial	3/9/1989	12/31/2013
Stockyards Southeast Quadrant Industrial	2/26/1992	2/26/2015
Stony Island Avenue Commercial and Burnside Industrial Corridors	6/10/1998	6/10/2033
Touhy/Western	9/13/2006	12/31/2030
Weed/Fremont	1/8/2008	12/31/2032

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West Grand	6/10/1996	6/10/2019
West Irving Park	1/12/2000	12/31/2024
West Pullman Industrial Park	3/11/1998	3/11/2021
West Ridge-Peterson Avenue	10/27/1986	12/31/2010
West Woodlawn	5/12/2010	12/31/2034
Western Avenue North	1/12/2000	12/31/2024
Western Avenue Rock Island	2/8/2006	12/31/2030
Western Avenue South	1/12/2000	12/31/2024
Western/Ogden	2/5/1998	2/5/2021
Wilson Yard	6/27/2001	12/31/2025
Woodlawn	1/20/1999	1/20/2022

SECTION 2 [Sections 2 through 5 must be completed for each redevelopment project area listed in Section 1.]

Name of Redevelopment Project Area: LaSalle Central Redevelopment Project Area
Primary Use of Redevelopment Project Area*: Combination/Mixed
If "Combination/Mixed" List Component Types: Commercial/Public Facilities
Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one):
Tax Increment Allocation Redevelopment Act X Industrial Jobs Recovery Law ____

	No	Yes
Were there any amendments to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] **If yes, please enclose the amendment labeled Attachment A**	X	
Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6-22 (d) (3)] **Please enclose the CEO Certification labeled Attachment B**		X
Opinion of legal counsel that municipality is in compliance with the Act. [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)] **Please enclose the Legal Counsel Opinion labeled Attachment C**		X
Were there any activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented in the preceding fiscal year and a description of the activities undertaken? [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] **If yes, please enclose the Activities Statement labeled Attachment D**		X
Were any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)] **If yes, please enclose the Agreement(s) labeled Attachment E**		X
Is there additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (7) (D) and 5/11-74.6-22 (d) (7) (D)] **If yes, please enclose the Additional Information labeled Attachment F**		X
Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)] **If yes, please enclose the contract(s) or description of the contract(s) labeled Attachment G**	X	
Were there any reports or meeting minutes submitted to the municipality by the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)] **If yes, please enclose the Joint Review Board Report labeled Attachment H**	X	
Were any obligations issued by municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] **If yes, please enclose the Official Statement labeled Attachment I**	X	
Was analysis prepared by a financial advisor or underwriter setting forth the nature and term of obligation and projected debt service including required reserves and debt coverage? [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] **If yes, please enclose the Analysis labeled Attachment J**	X	
Cumulatively, have deposits equal or greater than $100,000 been made into the special tax allocation fund? 65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2) **If yes, please enclose Audited financial statements of the special tax allocation fund labeled Attachment K**		X
Cumulatively, have deposits of incremental revenue equal to or greater than $100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)] **If yes, please enclose a certified letter statement reviewing compliance with the Act labeled Attachment L**		X
A list of all intergovernmental agreements in effect in FY 2010, to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)] **If yes, please enclose list only of the intergovernmental agreements labeled Attachment M**		X

* Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.

SECTION 3.1 - (65 ILCS 5/11-74.4-5 (d) (5) and 65 ILCS 5/11-74.6-22 (d) (5))
Provide an analysis of the special tax allocation fund.

	Reporting Year	Cumulative *	
Fund Balance at Beginning of Reporting Period	$ 51,542,540		
Revenue/Cash Receipts Deposited in Fund During Reporting FY:			
			% of Total
Property Tax Increment	19,627,645	$ 75,212,371	100%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	55,335		0%
Land/Building Sale Proceeds			0%
Bond Proceeds			0%
Transfers in from Municipal Sources (Porting in)			0%
Private Sources			0%
Other (identify source _____; if multiple other sources, attach schedule)			0%
Total Amount Deposited in Special Tax Allocation Fund During Reporting Period	19,682,980		
Cumulative Total Revenues/Cash Receipts		$ 75,212,371	100%
Total Expenditures/Cash Disbursements (Carried forward from Section 3.2)	3,771,270		
Transfers out to Municipal Sources (Porting out)	20,000,000		
Distribution of Surplus			
Total Expenditures/Disbursements	23,771,270		
NET INCOME/CASH RECEIPTS OVER/(UNDER) CASH DISBURSEMENTS	(4,088,290)		
FUND BALANCE, END OF REPORTING PERIOD	$ 47,454,250		

- if there is a positive fund balance at the end of the reporting period, you must complete Section 3.3

* Except as set forth in the next sentence, each amount reported on the rows below, if any, is cumulative from the inception of the respective Project Area. Cumulative figures for the categories of 'Interest,' 'Land/Building Sale Proceeds' and 'Other' may not be fully available for this report due to either of the following: (i) the disposal of certain older records pursuant to the City's records retention policy, or (ii) the availability of records only from January 1, 1997 forward.

SECTION 3.2 A- (65 ILCS 5/11-74.4-5 (d) (5) and 65 ILCS 5/11-74.6-22 (d) (5))
ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND
(by category of permissible redevelopment cost, amounts expended during reporting period)

FOR AMOUNTS >$10,000 SECTION 3.2 B MUST BE COMPLETED

Category of Permissible Redevelopment Cost [65 ILCS 5/11-74.4-3 (q) and 65 ILCS 5/11-74.6-10 (o)]

		Reporting Fiscal Year
1. Costs of studies, administration and professional services—Subsections (q)(1) and (o) (1)		
	340,188	
		$ 340,188
2. Cost of marketing sites—Subsections (q)(1.6) and (o)(1.6)		
		$ -
3. Property assembly, demolition, site preparation and environmental site improvement costs. Subsection (q)(2), (o)(2) and (o)(3)		
		$ -
4. Costs of rehabilitation, reconstruction, repair or remodeling and replacement of existing public buildings. Subsection (q)(3) and (o)(4)		
	241,600	
		$ 241,600
5. Costs of construction of public works and improvements. Subsection (q)(4) and (o)(5)		
	3,189,482	
		$ 3,189,482
6. Costs of removing contaminants required by environmental laws or rules (o)(6) - Industrial Jobs Recovery TIFs ONLY		
		$ -

7. Cost of job training and retraining, including "welfare to work" programs Subsection (q)(5), (o)(7) and (o)(12)		
		$ -
8. Financing costs. Subsection (q) (6) and (o)(8)		
		$ -
9. Approved capital costs. Subsection (q)(7) and (o)(9)		
		$ -
10. Cost of Reimbursing school districts for their increased costs caused by TIF assisted housing projects. Subsection (q)(7.5) - Tax Increment Allocation Redevelopment TIFs ONLY		
		$ -
11. Relocation costs. Subsection (q)(8) and (o)(10)		
		$ -
12. Payments in lieu of taxes. Subsection (q)(9) and (o)(11)		
		$ -
13. Costs of job training, retraining advanced vocational or career education provided by other taxing bodies. Subsection (q)(10) and (o)(12)		
		$ -

14. Costs of reimbursing private developers for interest expenses incurred on approved redevelopment projects. Subsection (q)(11)(A-E) and (o)(13)(A-E)		
		$ -
15. Costs of construction of new housing units for low income and very low-income households. Subsection (q)(11)(F) - Tax Increment Allocation Redevelopment TIFs ONLY		
		$ -
16. Cost of day care services and operational costs of day care centers. Subsection (q) (11.5) - Tax Increment Allocation Redevelopment TIFs ONLY		
		$ -

TOTAL ITEMIZED EXPENDITURES		$ 3,771,270

Section 3.2 B

List all vendors, including other municipal funds, that were paid in excess of $10,000 during the current reporting year.*

Name	Service	Amount
City Staff Costs [1]	Administration	$322,572
City Program Management Costs	Administration	$11,078
The Ziegler Cos.	Development	$241,600
FHP Tectonics corp.	Public Improvement	$62,492
The Gordian Group	Public Improvement	$37,250
Wiis Janney Elstner & Associates	Public Improvement	$109,806
Transystems Corp.	Public Improvement	$102,470
Alfred Benesch & Co.	Public Improvement	$237,517
TY Lin International Great Lakes Inc.	Public Improvement	$213,000
Collins Engineers Inc.	Public Improvement	$119,153
FH Paschen/SN Nielsen & Associates LLC	Public Improvement	$1,167,744
H W Lochner Inc.	Public Improvement	$61,982
G&V Construction Co. Inc	Public Improvement	$15,768
Chicago Department of Transportation	Public Improvement	$31,952
Consoer Townsend Envirodyne	Public Improvement	$64,336
MQ Sewer & Water Contractors	Public Improvement	$962,254

[1] Costs relate directly to the salaries and fringe benefits of employees working solely on tax increment financing districts.

* This table may include payments for Projects that were undertaken prior to 11/1/1999.

SECTION 3.3 - (65 ILCS 5/11-74.4-5 (d) (5) 65 ILCS 11-74.6-22 (d) (5))
Breakdown of the Balance in the Special Tax Allocation Fund At the End of the Reporting Period
(65 ILCS 5/11-74.4-5 (d) (5) (D) and 65 ILCS 5/11-74.6-22 (d) (5) (D))

FUND BALANCE, END OF REPORTING PERIOD	$ 47,454,250

1. Description of Debt Obligations	**Amount of Original Issuance**	**Amount Designated**
Reserved for debt service	$ -	$ -
Total Amount Designated for Obligations	$ -	$ -

2. Description of Project Costs to be Paid		
Designated for future redevelopment project costs		$ 35,454,250
Total Amount Designated for Project Costs		$ 35,454,250

TOTAL AMOUNT DESIGNATED	$ 35,454,250
SURPLUS*/(DEFICIT)	$ 12,000,000

*NOTE: If a surplus is calculated, the municipality may be required to repay the amount to overlapping taxing districts.

SECTION 4 [65 ILCS 5/11-74.4-5 (d) (6) and 65 ILCS 5/11-74.6-22 (d) (6)]

Provide a description of all property purchased by the municipality during the reporting fiscal year within the redevelopment project area.

__X__ **No property was acquired by the Municipality Within the Redevelopment Project Area**

SECTION 5 - 65 ILCS 5/11-74.4-5 (d) (7) (G) and 65 ILCS 5/11-74.6-22 (d) (7) (G)
Please include a brief description of each project.

See "General Notes" Below.	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Total Estimated to Complete Project
TOTAL:			
Private Investment Undertaken	$ -	$ -	$ 97,817,832
Public Investment Undertaken	$ 724,800	$ 10,446,297	$ 39,569,613
Ratio of Private/Public Investment	0		2 17/36
Project 1: Ziegler	Project is Ongoing ***		
Private Investment Undertaken			$ 5,847,280
Public Investment Undertaken	$ 724,800		$ 2,416,000
Ratio of Private/Public Investment	0		2 29/69
Project 2: United Airlines, Inc.	Project is Ongoing ***		
Private Investment Undertaken			$ 45,896,881
Public Investment Undertaken	$ -	$ 6,750,000	$ 25,889,769
Ratio of Private/Public Investment	0		1 17/22
Project 3: NAVTEQ	Project is Ongoing ***		
Private Investment Undertaken			$ 23,583,483
Public Investment Undertaken		$ 1,500,000	$ 5,000,000
Ratio of Private/Public Investment	0		4 43/60
Project 4: Miller Coors - 250 S. Wacker	Project is Ongoing ***		
Private Investment Undertaken			$ 21,500,000
Public Investment Undertaken		$ 1,955,000	$ 5,775,000
Ratio of Private/Public Investment	0		3 60/83
Project 5: Lyric Opera Building	Project is Ongoing ***		
Private Investment Undertaken			$ 990,188
Public Investment Undertaken		$ 241,297	$ 488,844
Ratio of Private/Public Investment	0		2 1/39

*** As of the last date of the reporting fiscal year, the construction of this Project was ongoing; the Private Investment Undertaken and Ratio figures for this Project will be reported on the Annual Report for the fiscal year in which the construction of the Project is completed and the total Private Investment figure is available.

General Notes

(a) Each actual or estimated Public Investment reported here is, to the extent possible, comprised only of payments financed by tax increment revenues. In contrast, each actual or estimated Private Investment reported here is, to the extent possible, comprised of payments financed by revenues that are not tax increment revenues and, therefore, may include private equity, private lender financing, private grants, other public monies, or other local, state or federal grants or loans.

(b) Each amount reported here under Public Investment Undertaken, Total Estimated to Complete Project, is the maximum amount of payments financed by tax increment revenues that could be made pursuant to the corresponding Project's operating documents, but not including interest that may later be payable on developer notes, and may not necessarily reflect actual expenditures, if any, as reported in Section 3 herein. The total public investment amount ultimately made under each Project will depend upon the future occurrence of various conditions, including interest that may be payable on developer notes as set forth in the Project's operating documents.

(c) Each amount reported here under Public Investment Undertaken, 11/1/1999 to Date, is cumulative from the Date of execution of the corresponding Project to the end of the reporting year, and may include interest amounts paid to finance the Public Investment amount. Projects undertaken prior to 11/1/1999 are not reported on this table.

(d) Intergovernmental agreements, if any, are reported on Attachment M hereto.

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

Attachment B

CERTIFICATION

TO:

Judy Baar Topinka
Comptroller of the State of Illinois
James R. Thompson Center
100 West Randolph Street, Suite 15-500
Chicago, Illinois 60601
Attention: June Canello, Director of Local Government

Jean-Claude Brizard
Chief Executive Officer
Chicago Board of Education
125 South Clark Street, 5th Floor
Chicago, Illinois 60603

Dolores Javier, Treasurer
City Colleges of Chicago
226 West Jackson Boulevard, Room 1125
Chicago, Illinois 60606

Jacqueline Torres, Director of Finance
Metropolitan Water Reclamation District of Greater Chicago
100 East Erie Street, Room 2429
Chicago, Illinois 60611

Herman Brewer
Director
Cook County Bureau of Planning & Dev.
69 West Washington Street, Suite 2900
Chicago, Illinois 60602

Douglas Wright
South Cook County Mosquito Abatement District
155th & Dixie Highway
P.O. Box 1030
Harvey, Illinois 60426

Dan Donovan, Comptroller
Forest Preserve District of Cook County
69 W. Washington Street, Suite 2060
Chicago, IL 60602

Michael P. Kelly, Interim General Superintendent & CEO
Chicago Park District
541 North Fairbanks
Chicago, Illinois 60611

I, Rahm Emanuel, in connection with the annual report (the "Report") of information required by Section 11-74.4-5(d) of the Tax Increment Allocation Redevelopment Act, 65 ILCS5/11-74.4-1 et seq, (the "Act") with regard to the LaSalle Central Redevelopment Project Area (the "Redevelopment Project Area"), do hereby certify as follows:

Attachment B

1. I am the duly qualified and acting Mayor of the City of Chicago, Illinois (the "City") and, as such, I am the City's Chief Executive Officer. This Certification is being given by me in such capacity.

2. During the preceding fiscal year of the City, being January 1 through December 31, 2010, the City complied, in all material respects, with the requirements of the Act, as applicable from time to time, regarding the Redevelopment Project Area.

3. In giving this Certification, I have relied on the opinion of the Corporation Counsel of the City furnished in connection with the Report.

4. This Certification may be relied upon only by the addressees hereof.

IN WITNESS WHEREOF, I have hereunto affixed my official signature as of this 30th day of June, 2011.

Rahm Emanuel by SRP

Rahm Emanuel, Mayor
City of Chicago, Illinois

DEPARTMENT OF LAW

June 30, 2011 CITY OF CHICAGO **Attachment C**

Judy Baar Topinka
Comptroller of the State of Illinois
James R. Thompson Center
100 West Randolph Street, Suite 15-500
Chicago, Illinois 60601
Attention: June Canello, Director of Local Government

Jean-Claude Brizard
Chief Executive Officer
Chicago Board of Education
125 South Clark Street, 5th Floor
Chicago, Illinois 60603

Dolores Javier, Treasurer
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Forest Preserve District of Cook County
69 W. Washington Street, Suite 2060
Chicago, IL 60602

Michael P. Kelly, Interim General Superintendent & CEO
Chicago Park District
541 North Fairbanks
Chicago, Illinois 60611

Re: LaSalle Central
Redevelopment Project Area (the "Redevelopment Project Area")

Dear Addressees:

I am the Corporation Counsel of the City of Chicago, Illinois (the "City") and, in such capacity, I am the head of the City's Law Department. In such capacity, I am providing the opinion required by Section 11-74.4-5(d)(4) of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq. (the "Act"), in connection with the submission of the report (the "Report") in accordance with, and containing the information required by, Section 11-74.4-5(d) of the Act for the Redevelopment Project Area.

Attorneys, past and present, in the Law Department of the City and familiar with the requirements of the Act, have had general involvement in the proceedings affecting the Redevelopment Project Area, including the preparation of ordinances adopted by the City Council of the City with respect to the following matters: approval of the redevelopment plan and project for the Redevelopment Project Area, designation of the Redevelopment Project Area as a redevelopment project area, and adoption of tax increment allocation financing for the Redevelopment Project Area, all in accordance with the then applicable provisions of the Act. Various departments of the City, including, if applicable, the Law Department, Department of Housing and Economic Development, Department of Finance and Office of Budget and Management (collectively, the "City Departments"), have personnel responsible for and familiar with the activities in the Redevelopment Project Area affecting such Department(s) and with the requirements of the Act in connection therewith. Such personnel are encouraged to seek and obtain, and do seek and obtain, the legal guidance of the Law Department with respect to issues that may arise from time to time regarding the requirements of, and compliance with, the Act.

In my capacity as Corporation Counsel, I have relied on the general knowledge and actions of the appropriately designated and trained staff of the Law Department and other applicable City Departments involved with the activities affecting the Redevelopment Project Area. In addition, I have caused to be examined or reviewed by members of the Law Department of the City the certified audit report, to the extent required to be obtained by Section 11-74.4-5(d)(9) of the Act and submitted as part of the Report, which is required to review compliance with the Act in certain respects, to determine if such audit report contains information that might affect my opinion. I have also caused to be examined or reviewed such other documents and records as were deemed necessary to enable me to render this opinion. Nothing has come to my attention that would result in my need to qualify the opinion hereinafter expressed, subject to the limitations hereinafter set forth, unless and except to the extent set forth in an Exception Schedule attached hereto as Schedule 1.

Based on the foregoing, I am of the opinion that, in all material respects, the City is in compliance with the provisions and requirements of the Act in effect and then applicable at the time actions were taken from time to time with respect to the Redevelopment Project Area.

This opinion is given in an official capacity and not personally and no personal liability shall derive herefrom. Furthermore, the only opinion that is expressed is the opinion specifically set forth herein, and no opinion is implied or should be inferred as to any other matter. Further, this opinion may be relied upon only by the addressees hereof and the Mayor of the City in providing his required certification in connection with the Report, and not by any other party.

Very truly yours,

Stephen R. Patton

Stephen R. Patton
Corporation Counsel

SCHEDULE 1

(Exception Schedule)

(X) No Exceptions

( ) Note the following Exceptions:

ATTACHMENT D

Activities Statement

Projects that were implemented during the preceding fiscal year, if any, are set forth below:

Name of Project
Navteq
Lyric Opera
Miller Coors HQ

Redevelopment activities undertaken within this Project Area during the preceding fiscal year, if any, have been made pursuant to: (i) the Redevlopment Plan for the Project Area, and (ii) any Redevelopment Agreements affecting the Project Area, and are set forth in Section 3 herein by TIF-eligible expenditure category.

ATTACHMENT E

Agreements

Agreements entered into concerning the disposition or redevelopment of property within the Project Area during the proceeding fiscal year, if any, are attached hereto.

None

ATTACHMENT F

Additional Information

The amounts shown elsewhere in this report, including those shown in Section 3 herein, have been used to pay for project cost within the Project Area and for debt service (if applicable), all in furtherance of the objectives of the Redevelopment Plan for the Project Area.

2/2 LHynes #94-19-445-51

Doc#: 1101212032 Fee: $172.00
Eugene "Gene" Moore RHSP Fee:$10.00
Cook County Recorder of Deeds
Date: 01/12/2011 08:54 AM Pg: 1 of 69

LASALLE CENTRAL REDEVELOPMENT PROJECT AREA

MILLERCOORS LLC REDEVELOPMENT AGREEMENT

BY AND BETWEEN

THE CITY OF CHICAGO

AND

MILLERCOORS LLC

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

PINs:

17-16-215-002-0000

S Y
P 68
S W
SC Y
INT Y

Box 400-CTCC

TABLE OF CONTENTS

LIST OF EXHIBITS

Exhibit A	*Redevelopment Area
Exhibit B	*Property
Exhibit C	*TIF-Funded Improvements
Exhibit D	Redevelopment Plan
Exhibit E	Construction Contract
Exhibit F	*Jobs Certificate
Exhibit G	*Permitted Liens
Exhibit H-1	*Project Budget
Exhibit H-2	*MBE/WBE Budget
Exhibit I	Approved Prior Expenditures
Exhibit J	Opinion of Developer's Counsel
Exhibit K	Requisition Form
Exhibit L	Form of Payment Bond

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

[leave blank 3" x 5" space for recorder's office]

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

MILLERCOORS LLC REDEVELOPMENT AGREEMENT

This MillerCoors LLC Redevelopment Agreement (this "**Agreement**") is made as of this 30th day of December, 2010, by and between the City of Chicago, an Illinois municipal corporation (the "**City**"), through its Department of Community Development ("**DCD**"), and MillerCoors LLC, a Delaware limited liability company (the "**Developer**").

RECITALS

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

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

C. **City Council Authority**: To induce redevelopment pursuant to the Act, the City Council of the City (the "**City Council**") adopted the following ordinances on November 15, 2006 and amended and corrected the ordinances on February 7, 2007 and May 9, 2007: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the LaSalle Central Redevelopment Project Area"; (2) "An Ordinance of the City of Chicago, Illinois Designating the LaSalle Central 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 LaSalle Central Redevelopment Project Area" (the "**TIF Adoption Ordinance**") (items(1)-(3) 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. **The Project**: The Developer is a joint venture between Miller Brewing Company and Coors Brewing Company combining their respective U.S. and Puerto Rico operations.The Developer intends to relocate its corporate headquarters to the real property located within the Redevelopment Area and commonly known as 250 South Wacker Drive, Chicago, Illinois and legally described on Exhibit B hereto (the "**Property**"). In connection with such relocation, Developer has executed that certain Office Lease Agreement executed October 23, 2008 by and between AEWP V 250 S Wacker LLC, as landlord, and Developer, as tenant (as amended from time to time, the "**Lease**"), pursuant to which Developer shall, among other matters, lease approximately 129,122 rentable square feet of space on floors 8 through 16 (the "**Developer Space**") of the building located on the Property (the "**Building**") for an initial period of fifteen (15) years with two extension periods of five years each, subject to the terms and conditions, including expansion options, contained in the Lease.

Upon such relocation, and during the Term of this Agreement (as hereinafter defined), the portion of the Building leased and occupied by the Developer, which shall consist of a minimum of 129,122 square feet throughout the Term of this Agreement, will be the principal office of the Developer's business and the site which the Developer's principal executive officers have designated as their principal offices (the "**Headquarters**"). In connection with its occupancy of the Building, Developer shall construct substantial tenant improvements necessary to permit Developer to take possession in accordance with the terms of the Lease. Such relocation will create a substantial public benefit through its creation of approximately 325 FTE jobs (as hereinafter defined). The construction of tenant improvements in the Developer Space (including but not limited to those TIF-Funded Improvements as defined below and set forth on **Exhibit C**), installation of exterior roofline signage and an exterior façade sign or monument sign at street level and the construction of improvements to the river wall west of the Building are collectively referred to herein as the "**Rehabilitation Project**." The Rehabilitation Project and the use of the Developer Space as the Developer's corporate headquarters are collectively referred to herein as the "**Project**." The completion of the Project would not reasonably be anticipated without the financing contemplated in this Agreement.

E. **Redevelopment Plan**: The Project will be carried out in accordance with this Agreement and the City of Chicago LaSalle Central Redevelopment Project Area Tax Increment Financing Program Redevelopment Plan (the "**Redevelopment Plan**") attached hereto as **Exhibit D**.

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

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

SECTION 1. RECITALS

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

SECTION 2. DEFINITIONS

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

"**Act**" shall have the meaning set forth in the Recitals hereof.

"**Actual residents of the City**" shall mean persons domiciled within the City.

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

"**Annual Compliance Report**" shall mean a signed report from the Developer to the City (a) itemizing each of the Developer's obligations under the RDA during the preceding calendar year, (b) certifying the Developer's compliance or noncompliance with such obligations, (c) attaching evidence (whether or not previously submitted to the City) of such compliance or noncompliance and (d) certifying that the Developer is not in default with respect to any provision of the RDA, the agreements evidencing the Lender Financing, if any, or any related agreements; provided, that the obligations to be covered by the Annual Compliance Report shall include the following: (1) compliance with the Operating Covenant (**Section 8.06**), (2) compliance with the Jobs Covenant (**Section 8.06**), (3) delivery of Financial Statements and unaudited financial statements (**Section 8.13**), (4) delivery of updated insurance certificates, if applicable (**Section 8.14**), (5) delivery of evidence of payment of Non-Governmental Charges, if applicable (**Section 8.15**), (6) delivery of a substitute Letter of Credit, if applicable (**Section 8.22**), (7) delivery of evidence that LEED Certification has been obtained (**Section 8.24**) and (8) compliance with all other executory provisions of the RDA.

"**Annual Installments**" shall have the meaning set forth for such term in **Section 4.03** hereof.

"**Available Incremental Taxes**" shall mean, for each payment, an amount equal to the Incremental Taxes on deposit in the LaSalle Central Redevelopment Project Area TIF Fund as of December 31st of the calendar year prior to the year in which the Requisition Form for such payment is received by the City, and which are available for the financing or payment of Redevelopment Project Costs, after deducting (i) the 10.0% City Fee, (ii) all Incremental Taxes from a New Project pledged or allocated to assist the New Project, (iii) all Incremental Taxes previously allocated or pledged by the City before the date of this Agreement including, without limitation, (A) Incremental Taxes allocated or pledged to Navteq Corporation and/or its Affiliates and (B) Incremental Taxes allocated or pledged to The Ziegler Companies, Inc. and/or its Affiliates and (iv) debt service payments with respect to the Bonds, if any.

"**Bond(s)**" shall have the meaning set forth for such term in **Section 8.05** hereof.

"**Bond Ordinance**" shall mean the City ordinance authorizing the issuance of Bonds.

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

"**Change Order**" shall mean any amendment or modification to the Scope Drawings, Plans and Specifications or the Project Budget as described in **Section 3.02**, **Section 3.03**, **Section 3.04** and **Section 3.05**, respectively.

"**City**" shall have the meaning set forth in the Recitals hereof.

"**City Council**" shall have the meaning set forth in the Recitals hereof.

"**City Fee**" shall mean the fee described in **Section 4.05(c)** hereof

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

"**Closing Date**" shall mean the date of execution and delivery of this Agreement by all parties hereto, which shall be deemed to be the date appearing in the first paragraph of this Agreement.

"**Compliance Period**" shall have the meaning set forth in **Section 8.06** hereof.

"**Construction Contract**" shall mean that certain contract, substantially in the form attached hereto as **Exhibit E**, to be entered into between the Developer and the General Contractor providing for construction of the Rehabilitation Project.

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

"**Developer Space**" shall have the meaning set forth in the Recitals hereof.

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

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

"**Equity**" shall mean funds of the Developer (other than funds derived from Lender Financing) irrevocably available for the Rehabilitation Project, in the amount set forth in **Section 4.01** hereof, which amount may be increased pursuant to **Section 4.06** (Cost Overruns) and **Section 4.03(b)**.

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

"**Extension Notice**" shall have the meaning set forth in **Section 8.06** hereof.

"**Final Project Cost**" shall have the meaning set forth in **Section 7.01** hereof.

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

"**First Anniversary**" shall mean the one-year anniversary of the date the Certificate is issued.

"**Full-Time Equivalent Employee**" or "**FTE**" shall mean an employee of the Developer or an Affiliate (or, with respect to job shares or similar work arrangements, two such employees counted collectively as a single FTE) who is employed in a permanent corporate headquarters position at least 35 hours per week at the Building during the applicable month, excluding (a) persons engaged as or employed by independent contractors, third party service providers or consultants and (b) persons employed or engaged by the Developer, an Affiliate or by third parties in positions ancillary to the Developer's operations at the Building including, without limitation, food service workers, security guards, cleaning personnel, or similar positions.

"**General Contractor**" shall mean Clune Construction Company, the general contractor(s) selected and hired by the Developer pursuant to **Section 6.01**.

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

"**Headquarters**" shall have the meaning set forth in the Recitals hereof.

"**Human Rights Ordinance**" shall have the meaning set forth in **Section 10** hereof.

"**Incremental Taxes**" shall mean such ad valorem taxes which, pursuant to the TIF Adoption Ordinance and Section 5/11-74.4-8(b) of the Act, are allocated to and when collected are paid to the Treasurer of the City of Chicago for deposit by the Treasurer into the LaSalle Central TIF Fund established to pay Redevelopment Project Costs and obligations incurred in the payment thereof.

"**Incremental Taxes From a New Project**" shall mean (a) individually, Incremental Taxes generated by the equalized assessed value ("**EAV**") of the parcel(s) comprising a New Project over and above the initial EAV of such affected parcel(s) as certified by the Cook County Clerk in the certified initial EAV of all tax parcels in the Redevelopment Area and (b) collectively, the sum of Incremental Taxes From a New Project for all New Projects, if there are multiple New Projects.

"**Indemnitees**" shall have the meaning set forth in **Section 13.01** hereof.

"**Initial Payment**" shall have the meaning set forth for such term in **Section 4.03** hereof.

"**Interior Build-out**" shall mean the completion of all rehabilitation activities for the Rehabilitation Project associated with the line items in the Project Budget that appear under the "Interior Hard Construction" heading, including without limitation cabling infrastructure, security

equipment, audiovisual and signage.

"**Jobs Certificate**" shall mean the Jobs Certificate attached hereto as **Exhibit F**.

"**Jobs Covenant**" shall have the meaning set forth in **Section 8.06** hereof.

"**Landlord**" shall mean AEWP V 250 S Wacker LLC.

"**LaSalle Central TIF Fund**" shall mean the special tax allocation fund created by the City in connection with the Redevelopment Area into which the Incremental Taxes will be deposited.

"**Lease**" shall have the meaning set forth in the Recitals hereof.

"**LEED Certification**" shall mean a basic Certification of the Rehabilitation Project under the Leadership in Energy and Environmental Design (LEED) Green Building Rating System maintained by the U.S. Green Building Council and applicable to commercial interiors.

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

"**Letter of Credit**" shall mean the initial irrevocable, direct pay transferable Letter of Credit naming the City as the sole beneficiary for the Letter of Credit Amount delivered to the City pursuant to **Section 4.03 (b)** hereof, and, unless the context or use indicates another or different meaning or intent, any substitute Letter of Credit delivered to the City, in form and substance satisfactory to the City in its sole and absolute discretion, and any extensions thereof.

"**Letter of Credit Amount**" shall mean an amount equal to the aggregate amount of City Funds that the City has paid to the Developer and is anticipated to pay to the Developer after giving effect to the Initial Payment and the next Annual Installment of City Funds calculated under **Section 4.03**. For example, (a) in connection with the making of the Initial Payment, the Letter of Credit Amount shall equal the amount of the Initial Payment and (b) in connection with the payment of the first Annual Installment, the Letter of Credit Amount shall equal the sum of the Initial Payment plus the first Annual Installment.

"**Material Amendment**" shall mean an amendment (other than as described in the last sentence of this paragraph) of the Lease the net effect of which is to directly or indirectly do any of the following: (a) materially reduce, increase, abate or rebate base rent, other amounts deemed rent, operating expense payments, tax payments, tenant improvement allowances or credits, or other monetary amounts payable (or monetary credits) under the Lease, or otherwise confer or take away any material economic benefit, in each case taking into account all direct economic effects under the Lease of the amendment; (b) shorten the initial 15-year term of the Lease or grant additional early termination rights that, if exercised, would shorten the initial 15-year term of the Lease; or (c) [additional provisions may follow based on review of signed Lease]. Reductions or expansions of space pursuant to the express expansion or contraction rights granted in the Lease in effect as of the date hereof shall not constitute Material Amendments.

"**MBE(s)**" shall mean a business identified in the Directory of Certified Minority Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by

the City's Department of Procurement Services as a minority-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable.

"**MBE/WBE Budget**" shall mean the budget attached hereto as **Exhibit H-2**, as described in **Section 10.03**.

"**New Project**" shall mean a development project (a) for which the related redevelopment agreement is recorded on or after the date of this Agreement and (b) which will receive assistance in the form of Incremental Taxes; provided, however, that "New Project" shall not include any development project that is or will be exempt from the payment of ad valorem property taxes.

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

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

"**Officers**" shall mean the Developer's chief executive officer, chief financial officer, and senior officer-level employees performing the primary executive and financial functions for the Developer's corporate headquarters.

"**Operating Covenant**" shall have the meaning set forth in **Section 8.06** hereof.

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

"**Permitted Mortgage**" shall have the meaning set forth in **Section 16** hereof.

"**Plans and Specifications**" shall mean construction documents containing a site plan and working drawings and specifications for the Rehabilitation Project, as submitted to the City as the basis for obtaining building permits for the Rehabilitation Project.

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

"**Project**" shall have the meaning set forth in the Recitals hereof.

"**Project Budget**" shall mean the budget attached hereto as **Exhibit H-1**, showing the total cost of the Rehabilitation Project by line item, furnished by the Developer to DCD, in accordance with **Section 3.03** hereof.

"**Property**" shall have the meaning set forth in the Recitals hereof.

"**Redevelopment Area**" shall have the meaning set forth in the Recitals hereof.

"**Redevelopment Plan**" shall have the meaning set forth in the Recitals hereof.

"**Redevelopment Project Costs**" shall mean redevelopment project costs as defined in Section 5/11-74.4-3(q) of the Act that are included in the budget set forth in the Redevelopment Plan or otherwise referenced in the Redevelopment Plan.

"**Rehabilitation Project**" shall have the meaning set forth in the Recitals hereof.

"**Requisition Form**" shall mean the document, in the form attached hereto as **Exhibit K**, to be delivered by the Developer to DCD pursuant to **Section 4.04** of this Agreement.

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

"**Survey**" shall mean that certain survey of the Property, consisting of one page, prepared by James, Schaeffer & Schimming, Inc. and bearing a most recent revision date of March 29, 2000, Number 89-519 "G".

"**Term of the Agreement**" shall mean the period of time commencing on the Closing Date and ending on the later of: (a) eleven years after the date of the issuance of the Certificate or (b) the date on which the Redevelopment Area is no longer in effect.

"**TIF Adoption Ordinance**" shall have the meaning set forth in the Recitals hereof.

"**TIF-Funded Improvements**" shall mean those improvements of the Rehabilitation 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 the City Funds, subject to the terms of this Agreement. **Exhibit C** lists the TIF-Funded Improvements for the Rehabilitation Project.

"**TIF Ordinances**" shall have the meaning set forth in the Recitals hereof.

"**Title Company**" shall mean Chicago Title Insurance Company.

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

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

"**WBE(s)**" shall mean a business identified in the Directory of Certified Women Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a women-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable.

SECTION 3. THE PROJECT

3.01 The Project. With respect to the Rehabilitation Project, the Developer shall, pursuant to the Plans and Specifications and the Lease and subject to the provisions of **Section 18.17** hereof, complete the Rehabilitation Project and conduct business operations in the Developer Space no later than September 1, 2009. With respect to the use of the Developer Space as the Developer's corporate headquarters, the Developer shall be bound by the Operating Covenant, Job Covenants and other obligations and deadlines described in **Section 8.06** and elsewhere in this Agreement.

3.02 Scope Drawings and Plans and Specifications. The Developer has delivered the Scope Drawings and Plans and Specifications to DCD and DCD has approved same. After such initial approval, subsequent proposed changes to the Scope Drawings or Plans and Specifications shall be submitted to DCD as a Change Order pursuant to **Section 3.04** hereof. The Scope Drawings and Plans and Specifications shall at all times conform to the Redevelopment Plan and all applicable federal, state and local laws, ordinances and regulations. 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 DCD, and DCD has approved, a Project Budget showing total costs for the Rehabilitation Project in an amount not less than Twenty-One Million Five Hundred Thousand Dollars ($21,500,000). The Developer hereby certifies to the City that (a) the City Funds, together with Lender Financing, if any, and Equity described in **Section 4.02** hereof, shall be sufficient to complete the Rehabilitation Project. The Developer hereby certifies to the City that (a) it has proceeds from Equity in an amount sufficient to pay for all Rehabilitation Project costs; and (b) the Project Budget is true, correct and complete in all material respects. The Developer shall promptly deliver to DCD certified copies of any Change Orders with respect to the Project Budget for approval pursuant to **Section 3.04** hereof.

3.04 Change Orders. Except as provided below in this **Section 3.04**, all Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to changes to the Rehabilitation Project must be submitted by the Developer to DCD concurrently with the progress reports described in **Section 3.07** hereof; provided, that any Change Order relating to any of the following must be submitted by the Developer to DCD for DCD's prior written approval: (a) a reduction in the gross or net square footage of the Developer Space by five percent (5%) or more (either individually or cumulatively); (b) a change in the use of the Developer Space to a use other than as described in **Recital D** to this Agreement; (c) a delay in the completion of the Rehabilitation Project by six (6) months or more; or (d) Change Orders resulting in an aggregate increase to the Project Budget for the Rehabilitation Project of ten percent (10%) or more. 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 DCD's written approval (to the extent said City prior approval is required pursuant to the terms of this Agreement). 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 City Funds which the City has pledged pursuant to this Agreement or provide any other additional assistance to the Developer. Notwithstanding anything to the contrary in this **Section 3.04**, Change Orders other than those set forth above do not require DCD's prior written approval as set forth in this **Section 3.04**, but DCD shall be notified in writing of all such Change Orders within 10 business days after the

execution of such Change Order and the Developer, in connection with such notice, shall identify to DCD the source of funding therefor.

3.05 DCD Approval. Any approval granted by DCD 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 DCD pursuant to this Agreement constitute approval of the quality, structural soundness or safety of the Property or the Rehabilitation Project.

3.06 Other Approvals. Any DCD 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 the Rehabilitation Project until the Developer has obtained all necessary permits and approvals (including but not limited to DCD'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 DCD with written quarterly progress reports detailing the status of the Rehabilitation Project, including a revised completion date, if necessary (with any change in completion date being considered a Change Order, requiring DCD's written approval pursuant to **Section 3.04**). The Developer shall provide three (3) copies of an updated Survey to DCD upon the request of DCD or any lender providing Lender Financing, reflecting improvements made to the Property.

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

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. DCD 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. Upon the request of DCD, the Developer shall erect a sign of size and style approved by the City in a conspicuous location on the Property during the Rehabilitation 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.

SECTION 4. FINANCING

4.01 Total Project Cost and Sources of Funds. The cost of the Rehabilitation Project is estimated to be Twenty-One Million Five Hundred Thousand Dollars ($21,500,000) to be applied in the manner set forth in the Project Budget. Such costs shall be funded from the following sources:

Equity (subject to **Sections 4.03(b) and 4.06**)	$21,500,000
ESTIMATED TOTAL	$21,500,000

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

4.03 City Funds.

(a) Uses of City Funds. City Funds may only be used to pay directly or reimburse the Developer for costs of TIF-Funded Improvements that constitute Redevelopment Project Costs. **Exhibit C** sets forth, by line item, the TIF-Funded Improvements for the Rehabilitation Project, and the maximum amount of costs that may be paid by or reimbursed from City Funds for each line item therein (subject to **Sections 4.03(b) and 4.05(d)**), contingent upon receipt by the City of documentation satisfactory in form and substance to DCD evidencing such cost and its eligibility as a Redevelopment Project Cost. City Funds shall be disbursed to the Developer in six payments, consisting of one payment (the "**Initial Payment**") within 90 days after the issuance of the Certificate to the Developer by DCD and five annual installments (the "**Annual Installments**") following the issuance of the Certificate, in each case subject to the approval of DCD and as described below. Such payment of City Funds shall be contingent upon DCD having first received, along with the Requisition Form, the Letter of Credit in the applicable Letter of Credit Amount (as adjusted to reflect the anticipated payment of City Funds) and documentation satisfactory in form and substance to DCD (including Developer's filing of a Jobs Certificate) evidencing Developer's compliance with the applicable Jobs Covenant then due, as set forth in **Section 8.06** hereof.

(b) Sources of City Funds. Subject to the terms and conditions of this Agreement, including but not limited to this **Section 4.03** and **Section 5** hereof, the City hereby agrees to provide City funds from the sources and in the amounts described directly below (the "**City Funds**") to pay for or reimburse the Developer for the costs of the TIF-Funded Improvements:

Source of City Funds	Maximum Amount
Available Incremental Taxes	$5,775,000

provided, however, that (1) the amount of City Funds in the Initial Payment shall be reduced by $250,000 if the City determines prior to issuing the Certificate that the Developer Space is unlikely to achieve a LEED Certification; and (2) in the event that the Final Project Cost is less than $21,500,000, the total amount of City Funds shall be reduced by $.75 for every $1.00 (or portion thereof) by which the Final Project Cost is less than $21,500,000; and provided further, that the

$5,775,000 to be derived from Available Incremental Taxes shall be available to pay costs related to TIF-Funded Improvements and allocated by the City for that purpose only so long as:

(A) The amount of the Available Incremental Taxes deposited into the LaSalle Central TIF Fund shall be sufficient to pay for such costs; and

(B) The Developer shall deliver to the City the Letter of Credit in the applicable Letter of Credit Amount.

The Developer acknowledges and agrees that the City's obligation to pay for TIF-Funded Improvements up to a maximum of $5,775,000 is contingent upon the fulfillment of the conditions set forth in parts (A) and (B) above; provided, that if Available Incremental Taxes are not sufficient to fund the Initial Payment or any Annual Installment when otherwise due and payable, then the City shall make up any shortfall in the Initial Payment or any Annual Installment at any time during the Term of the Agreement to the extent that Available Incremental Taxes are sufficient to pay such costs.

(c) Initial Payment. Within 90 days after the issuance of the Certificate to the Developer by DCD, DCD shall make an Initial Payment to Developer in an amount equal to (1) one-sixth of the entire amount of City Funds, as adjusted under **Section 4.03(b)(2)**, if applicable, minus (2) if applicable, the $250,000 reduction described under **Section 4.03(b)(1)**. If the City Funds, as adjusted under **Section 4.03(b)(2)**, total $5,775,000, then the Initial Payment shall equal $1,000,000 minus, if applicable, the $250,000 reduction described under **Section 4.03(b)(1)**. The Initial Payment shall be contingent upon DCD having first received, along with the Requisition Form, the Letter of Credit in the applicable Letter of Credit Amount (as adjusted to reflect the anticipated payment of City Funds) and documentation satisfactory in form and substance to DCD (including Developer's filing of a Jobs Certificate) evidencing Developer's compliance with the applicable Jobs Covenant then due, as set forth in **Section 8.06** hereof.

(d) Calculation of City Funds for Annual Installments. If the total FTEs measured as of the applicable anniversary of the issuance of the Certificate is equal to or greater than 275 FTEs, then the Annual Installment shall equal $955,000. If the total FTEs measured as of the applicable anniversary of the issuance of the Certificate is less than 275 FTEs, then the Annual Installment shall equal zero. All payments of City Funds are subject to the reductions described in **Section 4.03(b)** above.

(e) Schedule of Payment of Annual Installments.

Annual Installments will be provided based on the following schedule:

Payment	Calculation Date	Maximum Annual Installment
1st Annual Installment:	First Anniversary of Certificate issuance	up to $955,000 of Available Incremental Taxes (*)
2nd Annual Installment:	Second Anniversary of Certificate issuance	up to $955,000 of Available Incremental Taxes (*)
3rd Annual Installment:	Third Anniversary of Certificate issuance	up to $955,000 of Available Incremental Taxes (*)
4th Annual Installment:	Fourth Anniversary of Certificate issuance	up to $955,000 of Available Incremental Taxes (*)

5th Annual Installment:	Fifth Anniversary of Certificate issuance	up to $955,000 of Available Incremental Taxes (*)

*The maximum total amount of all Annual Installment shall be limited to $4,775,000

Notwithstanding the foregoing, if at any time before the fifth anniversary of the date the Certificate is issued the Developer delivers an Extension Notice and cures the applicable Event of Default during the one-year period in which the Extension Notice was delivered, then the schedule of payments of Annual Installments shall be extended by one year and shall end on the sixth anniversary of the date the Certificate is issued.

4.04 Requisition Form. On the Closing Date and when the Developer submits documentation to the City in connection with a request for the payment of the City Funds as described in **Section 4.03(a)**, beginning on the first request for payment and continuing through the earlier of (i) the Term of the Agreement or (ii) the date that the Developer has been reimbursed in full under this Agreement, the Developer shall provide DCD with a Requisition Form, along with the documentation described therein. Except for the requisition for the Initial Payment, requisition for reimbursement of TIF-Funded Improvements shall be made not more than one time per calendar year (or as otherwise permitted by DCD). The Developer shall meet with DCD at the request of DCD to discuss the Requisition Form(s) previously delivered.

4.05 Treatment of Prior Expenditures and Subsequent Disbursements.

(a) Prior Expenditures. Only those expenditures made by the Developer with respect to the Rehabilitation Project prior to the Closing Date, evidenced by documentation satisfactory to DCD and approved by DCD as satisfying costs covered in the Project Budget, shall be considered previously contributed Equity or Lender Financing hereunder (the "**Prior Expenditures**"). DCD shall have the right, in its sole discretion, to disallow any such expenditure as a Prior Expenditure. **Exhibit I** hereto sets forth the prior expenditures approved by DCD 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 DCD, being prohibited; provided, however, that such transfers among line items, in an amount not to exceed $25,000 or $100,000 in the aggregate, may be made without the prior written consent of DCD.

(c) City Fee. Annually, the City may allocate an amount not to exceed ten percent (10%) of the Incremental Taxes for payment of costs incurred by the City for the administration and monitoring of the Redevelopment Area, including the Project. Such fee shall be in addition to and shall not be deducted from or considered a part of the City Funds, and the City shall have the right to receive such funds prior to any payment of City Funds hereunder.

(d) Allocation of Costs With Respect To Sources of Funds.

(i) Disbursement of Equity. Each amount paid pursuant to this Agreement, whether for TIF-Funded Improvements or otherwise, shall be charged first to Equity.

(ii) Disbursement of Lender Financing. After there is no Equity remaining, each amount paid pursuant to this Agreement, whether for TIF-Funded Improvements or otherwise, shall be charged to Lender Financing.

(iii) Disbursement of City Funds. After there is no Equity or Lender Financing remaining, each amount paid pursuant to this Agreement shall be charged to City Funds, to be used to directly pay for, or reimburse the Developer for its previous payment for (out of Equity or Lender Financing) TIF-Funded Improvements; provided that costs of TIF-Funded Improvements that are to be paid from City Funds derived from (1) Available Incremental Taxes on deposit from time to time in the LaSalle Central TIF Fund, and/or (2) proceeds of TIF Bonds, if any, shall be payable by the City only to the extent that such funds are available; provided, further, that if Available Incremental Taxes are not sufficient to fund the Initial Payment or any Annual Installment when otherwise due and payable, then the City shall make up any shortfall in the Initial Payment or any Annual Installment at any time during the Term of the Agreement to the extent that Available Incremental Taxes are sufficient to pay such costs.

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

4.07 Preconditions of Disbursement. Prior to each disbursement of City Funds hereunder, the Developer shall submit documentation regarding the applicable expenditures to DCD, which shall be satisfactory to DCD in its sole discretion. Delivery by the Developer to DCD of any request for disbursement of City Funds 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 request for disbursement represents the actual amount payable to (or paid to) the General Contractor and/or subcontractors who have performed work on the Rehabilitation Project, and/or their payees;

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

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

(d) the representations and warranties contained in this Redevelopment 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 Rehabilitation Project is In Balance. The Rehabilitation Project shall be deemed to be in balance ("**In Balance**") only if the total of the available Rehabilitation Project funds equals or

exceeds the aggregate of the amount necessary to pay all unpaid Rehabilitation Project costs incurred or to be incurred in the completion of the Rehabilitation Project. "**Available Rehabilitation Project Funds**" as used herein shall mean: (i) the undisbursed City Funds; (ii) the undisbursed Lender Financing, if any; (iii) the undisbursed Equity and (iv) any other amounts deposited by the Developer pursuant to this Agreement. The Developer hereby agrees that, if the Rehabilitation Project is not In Balance, the Developer shall, within 10 days after a written request by the City, deposit with the escrow agent or will make available (in a manner acceptable to the City), cash in an amount that will place the Rehabilitation Project In Balance, which deposit shall first be exhausted before any further disbursement of the City Funds shall be made.

The City shall have the right, in its discretion, to require the Developer to submit further documentation as the City may require in order to verify that the matters certified to above are true and correct, and any disbursement by the City shall be subject to the City's review and approval of such documentation and its satisfaction that such certifications are true and correct; provided, however, that nothing in this sentence shall be deemed to prevent the City from relying on such certifications by the Developer. In addition, the Developer shall have satisfied all other preconditions of disbursement of City Funds for each disbursement, including but not limited to the deposit with the City of the Letter of Credit as set forth in **Section 4.03(b)** of this Agreement and the requirements set forth in the Bond Ordinance, if any, the Bonds, if any, the TIF Ordinances and this Agreement.

4.08 Conditional Grant. The City Funds being provided hereunder are being granted on a conditional basis, subject to the Developer's compliance with the provisions of this Agreement. The City Funds are subject to being reimbursed by the Developer to the City subject to the limitations and as otherwise provided in **Section 15.02** hereof.

SECTION 5. CONDITIONS PRECEDENT

The following conditions have been complied with to the City's satisfaction on or prior to the Closing Date:

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

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

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

5.04 Financing. The Developer has furnished proof reasonably 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 Rehabilitation Project and satisfy its obligations under this Agreement. If a portion of such funds consists of Lender Financing, the Developer has 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 set forth in **Section 4.01**) to complete the Rehabilitation Project. The Developer has delivered to DCD a copy of the construction escrow agreement, if any, entered into by the Developer regarding the Lender Financing. Any liens against the Developer Space

related to Lender Financing in existence at the Closing Date have been subordinated to certain encumbrances of the City set forth herein pursuant to a subordination agreement, in a form 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 Lease and Title. On the Closing Date, the Developer has furnished the City with a copy of the Title Policy for the Developer Space or a binding, signed, marked-up commitment to issue such Title Policy, certified by the Title Company, showing the Developer as the named insured. The Title Policy is dated as of the Closing Date and contains only those title exceptions listed as Permitted Liens on **Exhibit G** hereto and evidences the recording of this Agreement pursuant to the provisions of **Section 8.18** hereof. The Title Policy also contains such endorsements as shall be required by Corporation Counsel, including, as applicable (as determined by the Corporation Counsel) but not limited to an owner's comprehensive endorsement and satisfactory endorsements regarding zoning (3.1 with parking), contiguity, location, access and survey. The Developer has provided to DCD, on or prior to the Closing Date, documentation related to the lease of the Developer Space and copies of all easements and encumbrances of record with respect to the Property not addressed, to DCD's satisfaction, by the Title Policy and any endorsements thereto.

5.06 Evidence of Clean Title. The Developer, at its own expense, has provided the City with searches for Developer 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 (N.D.IL)	Pending suits and judgments
Clerk of Circuit Court, Cook County	Pending suits and judgments

showing no liens against the Developer relating to the Project, the Property or any fixtures now or hereafter affixed to the Developer Space, except for the Permitted Liens.

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

5.08 Insurance. The Developer, at its own expense, has insured the Developer Space in accordance with **Section 12** hereof, and has delivered certificates required pursuant to **Section 12** hereof evidencing the required coverages to DCD.

5.09 Opinion of the Developer's Counsel. On the Closing Date, the Developer has furnished the City with an opinion of counsel, substantially in the form attached hereto as Exhibit J, with such changes as required by or acceptable to Corporation Counsel. 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 J hereto, such opinions were obtained by the Developer from its general corporate counsel.

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

5.11 Financial Statements. The Developer has provided Financial Statements to DCD for its most recent fiscal year, and either (a) audited or unaudited interim financial statements or (b) summarized financial information, including condensed balance sheet and statement of operations, for the Developer as contained in the quarterly reports on Form 10-Q filed by Molson Coors Brewing Company.

5.12 Documentation. The Developer has provided documentation to DCD, satisfactory in form and substance to DCD, with respect to current employment matters, including the reports described in **Section 8.07**.

5.13 Environmental. The Developer has provided DCD with copies of all environmental reports or audits, if any, obtained by the Developer or Landlord with respect to the Property, together with notices addressed to the Developer or provided by Landlord to the Developer from any agency regarding environmental issues at the Property. The Developer has provided the City with a letter from the environmental engineer(s) who completed audit(s) for the Developer, authorizing the City to rely on such audits.

5.14 Corporate Documents; Economic Disclosure Statement. The Developer has provided a copy of its Articles of Organization containing the original certification of the Secretary of State of its state of organization; certificates of good standing from the Secretary of State of its state of organization and for the State of Illinois; a secretary's certificate in such form and substance as the Corporation Counsel may require; operating agreement of the Developer; and such other corporate or organizational documentation as the City has requested. The Developer has provided to the City an Economic Disclosure Statement, in the City's then current form, dated as of the Closing Date.

5.15 Litigation. The Developer has provided to Corporation Counsel and DCD in writing, a description of all pending or threatened litigation or administrative proceedings (a) involving the Developer's property located in the City, (b) that Developer is otherwise required to publicly disclose or that may affect the ability of Developer to perform its duties and obligations pursuant to this Agreement, (c) involving the City or involving the payment of franchise, income, sales or other taxes by such party to the State of Illinois or the City, or (d) involving the Developer which may have a material impact on the Project or Developer's ability to perform its obligations under this Agreement. In each case, the description shall specify 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 Lease. A complete copy of the Lease, and all other written agreements setting forth the parties' understandings relating to the Developer's relocation to or occupancy of the Developer Space and any financial agreements between the parties in any way relating to the Property, the Developer Space or the Lease, certified by the Developer, shall have been delivered to the City.

SECTION 6. AGREEMENTS WITH CONTRACTORS

6.01 Bid Requirement for General Contractor and Subcontractors. (a) Except as set forth in **Section 6.01(b)** below, prior to entering into an agreement with a General Contractor or any subcontractor for construction of the Rehabilitation Project, the Developer shall solicit, or shall cause the General Contractor to solicit, bids from qualified contractors eligible to do business with, and having an office located in, the City of Chicago, and shall submit all bids received to DCD for its inspection and written approval. For the TIF-Funded Improvements, the Developer shall select the General Contractor (or shall cause the General Contractor to select the subcontractor) submitting the lowest responsible bid who can complete the Rehabilitation Project in a timely manner. If the Developer selects a General Contractor (or the General Contractor selects any subcontractor) submitting other than the lowest responsible bid for the TIF-Funded Improvements, the difference between the lowest responsible bid and the bid selected may not be paid out of City Funds. The Developer shall submit copies of the Construction Contract to DCD 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 DCD within ten (10) 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 Rehabilitation Project until the Plans and Specifications have been approved by DCD and all requisite permits have been obtained.

(b) If, prior to entering into an agreement with a General Contractor for construction of the Rehabilitation Project, the Developer does not solicit bids pursuant to **Section 6.01(a)** hereof, then the fee of the General Contractor proposed to be paid out of City Funds shall not exceed10% 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 DCD a copy of the proposed Construction Contract with the General Contractor selected to handle the Project in accordance with **Section 6.01** above, for DCD's prior written approval, which shall be granted or denied within ten (10) business days after delivery thereof. 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 DCD 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 the commencement of any portion of the Rehabilitation Project which includes work on the public way, the Developer shall require that the General Contractor be bonded for its payment by sureties having an AA rating or better using a bond in the form attached as **Exhibit N** hereto. The City shall be named as obligee or co-obligee on any such bonds.

6.04 Employment Opportunity. The Developer shall contractually obligate and cause the General Contractor and each subcontractor to agree to the provisions of **Section 10** hereof.

6.05 Other Provisions. In addition to the requirements of this **Section 6**, the Construction Contract and each contract with any subcontractor 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, as applicable), **Section 12** (Insurance) and **Section 14.01** (Books and Records)

hereof. Photocopies of all contracts or subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to DCD within ten (10) business days of the execution thereof.

SECTION 7. COMPLETION OF CONSTRUCTION OR REHABILITATION

7.01 Certificate of Completion of Construction or Rehabilitation. Upon completion of the Rehabilitation Project in accordance with the terms of this Agreement, and upon the Developer's written request, which shall include a final Project budget detailing the total actual cost of the construction of the Rehabilitation Project (the "**Final Project Cost**"), DCD shall issue to the Developer a Certificate in recordable form certifying that the Developer has fulfilled its obligation to complete the Rehabilitation Project in accordance with the terms of this Agreement. The Certificate will not be issued until the following requirements have been met, as supported by such evidence as the City may require in its sole discretion:

(i) The Developer has completed construction of the Interior Build-out and the river walk improvements according to the Plans and Specifications;

(ii) The Final Project Cost incurred by the Developer is at least $21,500,000; provided, however, that in the event that the Final Project Cost is less than $21,500,000, the total amount of City Funds shall be reduced by $.75 for every $1.00 (or portion thereof) by which the Final Project Cost is less than $21,500,000, as described in **Section 4.03(b)**;

(iii) 275 FTEs have been relocated to the Developer Space, as evidenced by the Jobs Certificate;

(iv) The Officers have relocated their principal offices to the Developer Space;

(v) Receipt of a Certificate of Occupancy or other evidence acceptable to DCD that the Developer has complied with building permit requirements for the Rehabilitation Project;

(vi) The City's Monitoring and Compliance Unit has verified that the Developer is in full compliance with City requirements set forth in **Section 10 (including, without limitation, Sections 10.02 and 10.03)**, **Section 8.06** and **Section 8.09** (M/WBE, City Residency and Prevailing Wage) with respect to construction of the Rehabilitation Project, and that 100% of the Developer's MBE/WBE Commitment in **Section 10.03** has been fulfilled;

(vii) The Developer has incurred costs for TIF-Funded Improvements in an amount equal to or higher than $5,775,000;

(viii) The Developer has delivered the Letter of Credit as set forth in **Section 4.03(b)**;

(ix) The Developer has registered the Developer Space for, and is in the process of, receiving a LEED Certification; provided, however, that if the City determines prior to issuing the Certificate that the Developer Space is unlikely to achieve a LEED Certification, then the total amount of City Funds shall be reduced by $250,000, as described in **Section 4.03(b)**;

(x) There exists neither an Event of Default (after any applicable cure period) which is continuing nor a condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default; and

(xi) The Developer has provided to the City an Economic Disclosure Statement of BevCo Ltd., in the City's then current form.

DCD shall respond to the Developer's written request for a Certificate within forty-five (45) days by issuing either a Certificate or a written statement detailing the ways in which the Rehabilitation Project does not conform to this Agreement or has not been satisfactorily completed, and the measures which must be taken by the Developer in order to obtain the Certificate. The Developer may resubmit a written request for a Certificate upon completion of such measures.

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

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

7.03 Failure to Complete. If the Developer fails to complete the Project in accordance with the terms of this Agreement, then the City has, but shall not be limited to, any of the following rights and remedies:

(a) the right to terminate this Agreement and any other related agreements to which the City and the Developer are or shall be parties, cease all disbursement of City Funds not yet disbursed pursuant hereto and/or draw down up to the entire amount of the Letter of Credit;

(b) the right (but not the obligation) to complete those TIF-Funded Improvements that are public improvements and to pay for the costs of TIF-Funded Improvements (including interest costs) out of City Funds or other City monies. In the event that the aggregate cost of completing the TIF-

Funded Improvements exceeds the amount of City Funds available pursuant to **Section 4.01**, the Developer shall reimburse the City for all reasonable costs and expenses incurred by the City in completing such TIF-Funded Improvements in excess of the available City Funds; and

(c) the right to seek reimbursement of the City Funds from the Developer.

7.04 Notice of Expiration of Term of Agreement. Upon the expiration of the Term of the Agreement, DCD 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.

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

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

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

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

(c) the execution, delivery and performance by the Developer of this Agreement has been duly authorized by all necessary corporate 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 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 or not prohibited pursuant to or under the terms of this Agreement, the Developer shall maintain good, indefeasible and merchantable leasehold title to the Developer Space free and clear of all liens (except for the Permitted Liens, Lender Financing as disclosed in the Project Budget and non-governmental charges that the Developer is contesting in good faith pursuant to **Section 8.15** hereof);

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

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

(g) the Developer has and shall maintain all government permits, certificates and consents (including, without limitation, appropriate environmental approvals) necessary to conduct its business and to construct, 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) during the Term of the Agreement, the Developer shall not do any of the following without the prior written consent of DCD: (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 in which it has an interest (including but not limited to any fixtures or equipment now or hereafter attached thereto) except in the ordinary course of business; (3) enter into any transaction outside the ordinary course of the Developer's business; (4) assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity to the extent that such action would have an adverse effect on Developer's ability to performs its obligations 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 DCD, allow the existence of any liens against the Developer Space (or improvements thereon) other than the Permitted Liens; or incur any indebtedness, secured or to be secured by the Property (or improvements thereon) or any fixtures now or hereafter attached thereto, except Lender Financing disclosed in the Project Budget; 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; and

(m) neither the Developer nor any affiliate of the Developer is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List. For purposes of this subparagraph (m) only, the term "affiliate,"when used to indicate a relationship with a specified person or entity, means a person or entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified person or entity, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

8.02 Covenant to Redevelop. Upon DCD's approval of the Project Budget, the Scope Drawings and Plans and Specifications as provided in **Sections 3.02** and **3.03** 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 Bond Ordinance, 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 leasehold interest in the Developer Space and be binding upon any transferee of the Developer Space, but shall be deemed satisfied upon issuance by the City of a Certificate with respect thereto.

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) any bonds in connection with the Redevelopment Area, the proceeds of which may be used to reimburse the City for expenditures made in connection with, or provide a source of funds for the payment for, the TIF-Funded Improvements (the "**Bonds**"); provided, however, that any such amendments shall not have a material adverse effect on the Developer or the Project. The Developer shall, at the Developer's expense, cooperate and provide reasonable assistance in connection with the marketing of any such Bonds, including but not limited to providing written descriptions of the Project, making representations, providing information regarding its financial condition and assisting the City in preparing an offering statement with respect thereto.

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

(a) Operating Covenant. The Developer hereby covenants and agrees to maintain its Headquarters at the Building and to lease and occupy a minimum of 129,122 square feet at the Building (collectively, the "**Operating Covenant**") throughout the Compliance Period defined below. The "**Compliance Period**" shall mean the longer of (1) if the Developer does not deliver an Extension Notice (defined below), a period beginning on the date the Certificate is issued and ending on the 10th anniversary of the date the Certificate is issued, and (2) if the Developer delivers an Extension Notice and cures the applicable Event of Default during the one-year period in which the Extension Notice was delivered, a period beginning on the date the Certificate is issued and ending on the 11th anniversary of the date the Certificate is issued. A default under the Operating Covenant shall constitute an Event of Default without notice or opportunity to cure.

(b) Jobs Covenant. The Developer, directly or through one or more Affiliates, shall adhere to the following job relocation, creation and retention standards throughout the Compliance Period (collectively the "**Jobs Covenant**"):

(i) Prior to the date the Developer requests the City to issue the Certificate under **Section 7.01**, at least 275 FTE jobs shall be relocated from outside the City to the Headquarters;

(ii) From the issuance of the Certificate through the fifth anniversary of the issuance of the Certificate, the number of FTE jobs relocated to the Headquarters from outside the City and/or created at the Headquarters shall be at least 275 FTE jobs;

(iii) From the fifth anniversary of the issuance of the Certificate through the remainder of the Compliance Period, the number of FTE jobs relocated to the Headquarters from outside the City and/or created at the Headquarters shall be at least 325 FTE jobs.

Throughout the Compliance Period, the Developer shall submit to DCD annual certified Jobs Certificates disclosing compliance with the Jobs Covenant to DCD. These Jobs Certificates shall be submitted to DCD by February 1st for the prior calendar year. The Developer agrees that it shall act in good faith and, among other things, shall not hire temporary workers or relocate workers for short periods of time for the primary purpose of avoiding a breach of the Jobs Covenant. The Jobs Certificate shall include the names and titles of FTEs employed at the Headquarters as of the end of the prior calendar year.

(c) Jobs Covenant Default and Cure Period. If the Developer defaults under the Jobs Covenant described in **Section 8.06** above, an Event of Default shall not be declared with respect to such default if the Developer, upon irrevocable written notice (the "**Extension Notice**") accompanying the certified employment report, elects to extend the Compliance Period by one year to the eleventh (11th) anniversary of the date the Certificate is issued. The one-year period during which the Extension Notice is given shall be the only cure period allowed for a default by Developer of the Jobs Covenant as described in this paragraph; no other notice or cure periods shall apply thereto and if such default is not cured within such one-year period then the Compliance Period shall not be extended and an Event of Default shall exist without notice or opportunity to cure. If the Developer has not delivered a permitted Extension Notice then any default by the Developer under the Jobs Covenant shall constitute an Event of Default without notice or opportunity to cure. The Developer shall be entitled to deliver one Extension Notice. If the Developer has delivered an Extension Notice, then any subsequent default by the Developer of the Jobs Covenant as described in this paragraph shall constitute an Event of Default without notice or opportunity to cure.

(d) Covenants Run with the Leasehold Interest; Remedy. The covenants set forth in this **Section 8.06** shall run with the leasehold interest in the Developer Space and be binding upon any transferee of the Developer Space. In the event of a default for any of the covenants in this **Section 8.06**, the City shall have the right to recapture the full amount of all City Funds previously paid or disbursed to the Developer for the Project by drawing down up to the entire amount of the Letter of Credit if such default(s) is/are not cured during the applicable cure period, if any, and to exercise any other remedies described or referred to in this Agreement.

(e) Default by Landlord under Lease. A default by the Landlord under the Lease shall not (a) relieve Developer from its obligations under this Agreement or (b) constitute any defense, excuse of performance, release, discharge or similar form of equitable or other relief that would prevent or limit the City's enforcement of its remedies under this Agreement.

8.07 Employment Opportunity; Progress Reports. The Developer covenants and agrees to abide by, and contractually obligate and use reasonable efforts to cause the General Contractor and each subcontractor to abide by the terms set forth in **Section 10** hereof. The Developer shall deliver 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 when the Rehabilitation Project is 25%, 50%, 70% and 100% completed (based on the amount of

expenditures incurred in relation to the Project Budget). Notwithstanding the foregoing, if the Rehabilitation Project is begun before the Closing occurs, then at Closing the Developer shall deliver to the City a written progress report detailing compliance with the requirements of **Sections 8.09, 10.02 and 10.03** of this Agreement based on the portion of the Rehabilitation Project completed prior to Closing. If any such reports indicate a shortfall in compliance, the Developer shall also deliver a plan to DCD which shall outline, to DCD'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 DCD, from time to time, statements of its employment profile upon DCD'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 Rehabilitation 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 DCD has 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 DCD'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 aspect of the Project.

8.13 Financial Statements. The Developer shall obtain and provide to DCD Financial Statements for the Developer's fiscal year ended 2008 and each year thereafter for the Term of the Agreement. In addition, the Developer shall submit either (a) audited or unaudited interim financial statements or (b) summarized financial information, including condensed balance sheet and statement of operations, for the Developer as contained in the quarterly reports on Form 10-Q filed by Molson Coors Brewing Company.

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

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

(b) Right to Contest. The Developer has 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 DCD's sole option, to furnish a good and sufficient bond or other security satisfactory to DCD in such form and amounts as DCD 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 DCD 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 Developer Space 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 Developer Space. Upon the City's request, the Developer shall provide evidence satisfactory to the City of such compliance.

8.18 Recording and Filing. The Developer shall cause this Agreement, certain exhibits (as specified by Corporation Counsel), all amendments and supplements hereto to be recorded and filed against the Property on the date hereof in the conveyance and real property records of the county in which the Project is located. This Agreement shall be recorded prior to any mortgage made in connection with Lender Financing. The Developer shall pay all fees and charges incurred in

connection with any such recording. Upon recording, the Developer shall immediately transmit to the City an executed original of this Agreement showing the date and recording number of record.

8.19 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 Developer Space or the Project, or become due and payable, and which create, may create, or appear to create a lien upon the Developer or all or any portion of the Developer Space 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 (except for those assessed by foreign nations, states other than the State of Illinois, counties of the State other than Cook County, and municipalities other than the City) relating to the Developer, the Developer Space or the Project including but not limited to real estate taxes.

(ii) Right to Contest. The Developer has the right before any delinquency occurs to contest or object in good faith to the amount or validity of any Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted in such manner as shall stay the collection of the contested Governmental Charge and prevent the imposition of a lien or the sale or forfeiture of the Property. The Developer's right to challenge real estate taxes applicable to the Developer Space is limited as provided for in **Section 8.19(c)** below; provided, that such real estate taxes must be paid in full when due and may be disputed only after such payment is made. No such contest or objection shall be deemed or construed in any way as relieving, modifying or extending the Developer's covenants to pay any such Governmental Charge at the time and in the manner provided in this Agreement unless the Developer has given prior written notice to DCD of the Developer's intent to contest or object to a Governmental Charge and, unless, at DCD's sole option,

(i) the Developer shall demonstrate to DCD'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 Developer Space to satisfy such Governmental Charge prior to final determination of such proceedings; and/or

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

(b) Developer's Failure To Pay Or Discharge Lien. If the Developer fails to pay any Governmental Charge or to obtain discharge of the same, the Developer shall advise DCD thereof in writing, at which time DCD may, but shall not be obligated to, and without waiving or releasing any obligation or liability of the Developer under this Agreement, in DCD's sole discretion, make such payment, or any part thereof, or obtain such discharge and take any other action with respect

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

(c) Real Estate Taxes.

(i) Real Estate Tax Exemption. With respect to the Developer Space 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 the Agreement, seek, or authorize any exemption (as such term is used and defined in the Illinois Constitution, Article IX, Section 6 (1970)) for any year that the Redevelopment Plan is in effect.

(ii) 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 the Agreement, directly or indirectly, initiate, seek or apply for proceedings in order to lower the assessed value of all or any portion of the Developer Space or the Project.

(iii) No Objections. During the Term of the Agreement, 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.

(iv) Covenants Running with the Land. The parties agree that the restrictions contained in this **Section 8.19(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, Developer Space or Redevelopment Area from and after the date hereof shall be made explicitly subject to such covenants and restrictions. Notwithstanding anything contained in this **Section 8.19(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 8.19(c)**.

8.20 [intentionally omitted.]

8.21 Leasehold Title Policy. On the Closing Date, the Developer shall furnish the City with a copy of the Title Policy for the Developer Space or a binding, signed, marked-up commitment to issue such Title Policy, certified by the Title Company, showing fee simple title to the Property in the Landlord under the Lease, subject to the leasehold interest of the Developer under the Lease, with the Developer as the insured with respect to the leasehold interest in the Developer Space. The Leasehold Title Policy shall be dated as of the date the Lease or a memorandum thereof is recorded and shall contain only those title exceptions listed as Permitted Liens on **Exhibit G** hereto and shall

evidence the recording of this Agreement pursuant to the provisions of **Section 8.18** hereof. The Leasehold Title Policy also shall contain such endorsements as may 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. The Developer shall provide to DCD, prior to the Closing Date, a copy of the executed Lease and certified copies of all easements and encumbrances of record with respect to the Property not addressed, to DCD's satisfaction, by the Leasehold Title Policy and any endorsements thereto.

8.22 Letter of Credit. Prior to and as a condition to each payment of City Funds under this Agreement, the Developer shall deposit with the City the Letter of Credit in the applicable Letter of Credit Amount. The Developer shall maintain a valid Letter of Credit in the applicable Letter of Credit Amount throughout the Compliance Period.

8.23 Lease. Throughout the Compliance Period the Developer shall not (a) execute or consent to a Material Amendment or (b) sell, sublease, release, assign or otherwise transfer its interest in the Lease without the prior written consent of DCD, which consent shall be in DCD's sole discretion.

8.24 LEED Certification. Within two years after the Certificate is issued, the Developer shall provide evidence acceptable to the City that LEED Certification has been obtained.

8.25 Annual Compliance Report. Beginning with the issuance of the Certificate and continuing throughout the Term of the Agreement, the Developer shall submit to DCD the Annual Compliance Report within 30 days after the end of the calendar year to which the Annual Compliance Report relates.

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

SECTION 9. COVENANTS/REPRESENTATIONS/WARRANTIES OF CITY

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

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

SECTION 10. 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 the Developer and during the period of any other party's provision of services in connection with the construction of the Rehabilitation 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 Rehabilitation Project be awarded to business concerns that are located in, or owned in substantial part by persons residing in, the City and preferably in the Redevelopment Area.

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

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

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

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

10.02 City Resident Construction Worker Employment Requirement. The Developer agrees for itself and its successors and assigns, and shall contractually obligate its General Contractor and shall cause the General Contractor to contractually obligate its subcontractors, as applicable, to agree, that during the construction of the Rehabilitation 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 Rehabilitation 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 Chief Procurement Officer 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 Rehabilitation 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 DCD in triplicate, which shall identify clearly the actual residence of every employee on each submitted certified payroll. The first time that an employee's name appears on a payroll, the date that the Employer hired the employee should be written in after the employee's name.

The Developer, the General Contractor and each subcontractor shall provide full access to their employment records to the Chief Procurement Officer, the Commissioner of DCD, 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 Rehabilitation Project.

At the direction of DCD, 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 Chief Procurement Officer) shall not suffice to replace the actual, verified achievement of the requirements of this Section concerning the worker hours performed by actual Chicago residents.

When work at the Rehabilitation Project is completed, in the event that the City has determined that the Developer has failed to ensure the fulfillment of the requirement of this Section concerning the worker hours performed by actual Chicago residents or failed to report in the manner as indicated above, the City will thereby be damaged in the failure to provide the benefit of demonstrable employment to Chicagoans to the degree stipulated in this Section. Therefore, in such a case of non-compliance, it is agreed that 1/20 of 1 percent (0.0005) of the aggregate hard construction costs set forth in the Project budget (the product of .0005 x such aggregate hard construction costs) (as the same shall be evidenced by approved contract value for the actual contracts) shall be surrendered by the Developer to the City in payment for each percentage of shortfall toward the stipulated residency requirement. 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. The City may obtain payment of the liquidated damages hereunder, in the amount the appropriate City or official determines are due, by drawing the amount of said liquidated damages from the Letter of Credit. **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 Chief Procurement Officer'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 Rehabilitation Project.

10.03. 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 Rehabilitation Project:

(a) Consistent with the findings which support, as applicable, (i) the Minority-Owned and Women-Owned Business Enterprise Procurement Program, Section 2-92-420 et seq., Municipal Code of Chicago (the "**Procurement Program**"), and (ii) the Minority- and Women-Owned Business Enterprise Construction Program, Section 2-92-650 et seq., Municipal Code of Chicago (the "Construction Program," and collectively with the Procurement Program, the "**MBE/WBE Program**"), 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 Rehabilitation Project, at least the following percentages of the MBE/WBE Budget (as set forth in **Exhibit H-2** hereto) shall be expended for contract participation by MBEs and by WBEs:

(1) At least 24 percent by MBEs.
(2) At least four 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 Rehabilitation Project) shall be deemed a "**contractor**" and this Agreement (and any contract let by the Developer in connection with the

Rehabilitation Project) shall be deemed a "**contract**" or a "**construction contract**" as such terms are defined in Sections 2-92-420 and 2-92-670, Municipal Code of Chicago, as applicable.

(c) Consistent with Sections 2-92-440 and 2-92-720, 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 Rehabilitation 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 Rehabilitation Project by the MBE or WBE), by the Developer utilizing a MBE or a WBE as the General Contractor (but only to the extent of any actual work performed on the Rehabilitation Project by the General Contractor), by subcontracting or causing the General Contractor to subcontract a portion of the Rehabilitation Project to one or more MBEs or WBEs, or by the purchase of materials or services used in the Rehabilitation 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. In accordance with Section 2-92-730, Municipal Code of Chicago, the Developer shall not substitute any MBE or WBE General Contractor or subcontractor without the prior written approval of DCD.

(d) The Developer shall deliver quarterly reports to the City's monitoring staff during the Rehabilitation 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 Rehabilitation Project, and the responses received from such solicitation, the name and business address of each MBE or WBE actually involved in the Rehabilitation 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 the City's monitoring staff in determining the Developer's compliance with this MBE/WBE commitment. The Developer shall maintain records of all relevant data with respect to the utilization of MBEs and WBEs in connection with the Rehabilitation Project for at least five years after completion of the Rehabilitation Project, and the City's monitoring staff shall have access to all such records maintained by the Developer, on five 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 Rehabilitation Project.

(e) Upon the disqualification of any MBE or WBE General Contractor or subcontractor, if such status was misrepresented by the disqualified party, the Developer shall be obligated to discharge or cause to be discharged the disqualified General Contractor or subcontractor, and, if possible, identify and engage a qualified MBE or WBE as a replacement. For purposes of this subsection (e), the disqualification procedures are further described in Sections 2-92-540 and 2-92-730, Municipal Code of Chicago, as applicable.

(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 Sections 2-92-450 and 2-92-730, Municipal Code of Chicago, as applicable.

(g) Prior to the commencement of the Rehabilitation Project, the Developer shall be required to meet with the City's monitoring staff with regard to the Developer's compliance with its obligations under this Section 10.03. The General Contractor and all major subcontractors shall be required to attend this pre-construction meeting. During said meeting, the Developer shall demonstrate to the City's monitoring staff its plan to achieve its obligations under this Section 10.03, the sufficiency of

which shall be approved by the City's monitoring staff. During the Rehabilitation Project, the Developer shall submit the documentation required by this Section 10.03 to the City's monitoring staff, including the following: (i) subcontractor's activity report; (ii) contractor's certification concerning labor standards and prevailing wage requirements; (iii) contractor letter of understanding; (iv) monthly utilization report; (v) authorization for payroll agent; (vi) certified payroll; (vii) evidence that MBE/WBE contractor associations have been informed of the Rehabilitation Project via written notice and hearings; and (viii) evidence of compliance with job creation/job retention requirements. Failure to submit such documentation on a timely basis, or a determination by the City's monitoring staff, upon analysis of the documentation, that the Developer is not complying with its obligations under this Section 10.03, shall, upon the delivery of written notice to the Developer, be deemed an Event of Default. Upon the occurrence of any such Event of Default, in addition to any other remedies provided in this Agreement, the City may: (1) issue a written demand to the Developer to halt the Rehabilitation Project, (2) withhold any further payment of any City Funds to the Developer or the General Contractor, or (3) seek any other remedies against the Developer available at law or in equity and/or (4) draw down the Letter of Credit.

SECTION 11. ENVIRONMENTAL MATTERS

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

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

SECTION 12. INSURANCE

The Developer must provide and maintain, at Developer's own expense, or cause to be provided and maintained during the term of this Agreement, the insurance coverage 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

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

(ii) Commercial General Liability (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 must include the following: All premises and operations, products/completed operations independent contractors, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

(iii) All Risk Property

All Risk Property Insurance at replacement value of the property to protect against loss of, damage to, or destruction of the building/facility. The City is to be named as an additional insured and loss payee/mortgagee if applicable.

(b) Construction. Prior to the construction of any portion of the Project, Developer will cause its architects, contractors, subcontractors, 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

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

(ii) Commercial General Liability (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 must include the following: All premises and operations, products/completed operations (for a minimum of two (2) years following project completion), explosion, collapse, underground, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

(iii) Automobile Liability (Primary and Umbrella)

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

(iv) Railroad Protective Liability

When any work is to be done adjacent to or on railroad or transit property, Developer must provide or cause to be provided with respect to the operations that Contractors perform,

Railroad Protective Liability Insurance in the name of railroad or transit entity. The policy must 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

When Developer undertakes any construction, including improvements, betterments, and/or repairs, the Developer must provide or cause to be provided All Risk Builders Risk Insurance at replacement cost for materials, supplies, equipment, machinery and fixtures that are or will be part of the project. The City of Chicago is to be named as an additional insured and loss payee/mortgagee if applicable.

(vi) Professional Liability

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

(vii) Valuable Papers

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

(viii) Contractors Pollution Liability

When any remediation work is performed which may cause a pollution exposure, the Developer must cause the remediation contractor to provide Contractor Pollution Liability Insurance covering bodily injury, property damage and other losses caused by pollution conditions that arise from the contract scope of work with limits of not less than $1,000,000 per occurrence. Coverage must include completed operations, contractual liability, defense, excavation, environmental cleanup, remediation and disposal. When policies are renewed or replaced, the policy retroactive date must coincide with or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years. The City of Chicago is to be named as an additional insured.

(c) Post Construction:

(i) All Risk Property Insurance at replacement value of the property to protect against loss of, damage to, or destruction of the building/facility. The City is to be named as an additional insured and loss payee/mortgagee if applicable.

(d) Other Requirements:

The Developer must furnish the City of Chicago, Department of Planning Services, City Hall, Room 1000, 121 North LaSalle Street 60602, original Certificates of Insurance, or such similar evidence, 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 must submit evidence of insurance on the City of Chicago Insurance Certificate Form (copy attached) or equivalent prior to closing. 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 Developer is not a waiver by the City of any requirements for the Developer to obtain and maintain the specified coverages. The Developer shall advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance does not relieve 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 stop work and/or terminate agreement until proper evidence of insurance is provided.

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

Any deductibles or self insured retentions on referenced insurance coverages must be borne by Developer and Contractors.

The Developer hereby waives and agrees to require their insurers to waive their rights of subrogation against the City of Chicago, its employees, elected officials, agents, or representatives.

The coverages and limits furnished by Developer in no way limit the Developer's liabilities and responsibilities specified within the Agreement or by law.

Any insurance or self insurance programs maintained by the City of Chicago do not contribute with insurance provided by the Developer under the Agreement.

The required insurance to be carried is not limited by any limitations expressed in the indemnification language in this Agreement or any limitation placed on the indemnity in this Agreement given as a matter of law.

If Developer is a joint venture or limited liability company, the insurance policies must name the joint venture or limited liability company as a named insured.

The Developer must require Contractor and subcontractors to provide the insurance required herein, or Developer may provide the coverages for Contractor and subcontractors. All Contractors and subcontractors are subject to the same insurance requirements of Developer unless otherwise specified in this Agreement.

If Developer, any Contractor or subcontractor desires additional coverages, the party desiring the additional coverages is responsible for the acquisition and cost.

The City of Chicago Risk Management Department maintains the right to modify, delete, alter or change these requirements (a) without the consent of the Developer if the limits are not increased and (b) with the consent of the Developer if the limits are increased.

SECTION 13. INDEMNIFICATION

13.01 General Indemnity. Developer agrees to indemnify, pay, defend 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 Indemnities shall be designated a party thereto), that may be imposed on, suffered, incurred by or asserted against the Indemnitees in any manner relating 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 Rehabilitation Project improvement; or

(iii) the existence of any material misrepresentation or omission in this Agreement, 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 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

(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 the 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.

SECTION 14. MAINTAINING RECORDS/RIGHT TO INSPECT

14.01 Books and Records. The Developer shall keep and maintain separate, complete, accurate and detailed books and records necessary to reflect and fully disclose the total actual cost of the Project and the disposition of all funds from whatever source allocated thereto, and to monitor the Project. All such books, records and other documents, including but not limited to the Developer's loan statements, 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 has access to all portions of the Rehabilitation Project and the Property during normal business hours for the Term of the Agreement.

SECTION 15. DEFAULT AND REMEDIES

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

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

(b) the failure of the Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Developer under any other agreement with any person or entity if such failure may have a material adverse effect on the Developer's business, property, assets, operations or condition, financial or otherwise;

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

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

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

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

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

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

(i) the dissolution of the Developer;

(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);

(k) the sale or transfer of any of the ownership interests of the Developer without the prior written consent of the City;

(l) the assignment or other direct or indirect transfer of the Lease without the prior written approval of the City (which shall be in the City's sole discretion);

(m) during the period that the Developer is required to maintain the Letter of Credit, the Letter of Credit will expire within thirty (30) calendar days and the Developer has not delivered a substitute Letter of Credit, in form and substance satisfactory to the City in its sole and absolute discretion, within twenty (20) calendar days before the expiration date of the Letter of Credit;

(n) a Default (as defined in the Lease) by the Developer under the Lease that is not cured within the cure period, if any, granted under the Lease, or the Developer's execution of a Material Amendment without the prior written approval of the City under **Section 8.23**; or

(o) the Developer has not delivered evidence satisfactory to the City of LEED Certification within the time period specified in **Section 8.24**.

For purposes of **Section 15.01(j)** hereof, a person with a material interest in the Developer shall be one owning in excess of 7.5% of the Developer's issued and outstanding shares of stock.

15.02 Remedies. Upon the occurrence of an Event of Default, the City may terminate this Agreement and any other agreements to which the City and the Developer are or shall be parties, suspend disbursement of City Funds, place a lien on the Developer Space in the amount of City Funds paid, seek reimbursement of any City Funds paid and/or draw down up to the entire balance of the Letter of Credit as set forth in this **Section 15.02** below. 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 damages, injunctive relief or the specific performance of the agreements contained herein. Upon the occurrence of an Event of Default under **Section 8.06**, the Developer shall be obligated to repay to the City all previously disbursed City Funds. In addition to other instances set forth in this Agreement, the City may draw on the Letter of Credit if Developer defaults under the Jobs Covenant and/or Operating Covenant as set forth in **Section 8.06** subject, in the case of the Jobs Covenant, to the single cure period, if applicable, described in **Section 8.06(c)**.

Upon the occurrence of an Event of Default because of failure to comply with **Section 8.24, LEED Certification**, the City's remedy shall be the right to seek reimbursement of $250,000 in City Funds through drawing down the Letter of Credit. Notwithstanding the foregoing, if the City Funds

paid upon Certificate issuance were reduced by $250,000 due to anticipated failure to achieve LEED Certification as described in **Section 4.03(b)**, then the City shall not have the right to seek reimbursement of an additional $250,000 by drawing down the Letter of Credit pursuant to the immediately preceding sentence.

15.03 Curative Period. In the event the Developer shall fail to perform a monetary covenant which the Developer is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the Developer has failed to perform such monetary covenant within ten (10) days of its receipt of a written notice from the City specifying that it has failed to perform such monetary covenant. In the event the Developer shall fail to perform a non-monetary covenant which the Developer is required to perform under this Agreement, except as described in the following paragraph, an Event of Default shall not be deemed to have occurred unless the Developer has failed to cure such default within thirty (30) days of its receipt of a written notice from the City specifying the nature of the default; provided, however, with respect to those non-monetary defaults which are not capable of being cured within such thirty (30) day period, the Developer 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.

Notwithstanding any other provision of this Agreement to the contrary:

(a) the only cure periods, if any, applicable to the Developer's failure to comply with the Jobs Covenant are those set forth in **Section 8.06**;

(b) there shall be no notice requirement or cure period with respect to Events of Default described in **Section 15.01 (m)** (with respect to the Letter of Credit) or **Section 15.01(o)** (with respect to LEED Certification); and

(c) there shall be no notice requirement or cure period with respect to an Event of Default arising from the Developer's failure to comply with the Operating Covenant.

SECTION 16. MORTGAGING OF THE PROJECT

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

(a) In the event that a mortgagee or any other party shall succeed to the Developer's interest in the Property or any portion thereof pursuant to the exercise of remedies under a New Mortgage (other than a Permitted Mortgage), whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of the Developer's interest hereunder in accordance with **Section 18.15** hereof, the City may, but shall not be obligated to, attorn to and recognize such party as the successor in interest to the Developer for all purposes under this Agreement and, unless so recognized by the City as the successor in interest, such party shall be entitled to no rights or benefits under this Agreement, but such party shall be bound by those provisions of this Agreement that are covenants expressly running with the land.

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

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

SECTION 17. NOTICE

Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth below, by any of the following means: (a) personal service; (b) telecopy or facsimile; (c) overnight courier, or (d) registered or certified mail, return receipt requested.

If to the City:

City of Chicago
Department of Community Development
121 North LaSalle Street, Room 1000
Chicago, IL 60602
Fax No. (312) 744-0759
Attention: Commissioner

With Copies To:	City of Chicago Department of Law Finance and Economic Development Division 121 North LaSalle Street, Room 600 Chicago, IL 60602 Fax No. (312) 744-8538
If to the Developer:	MillerCoors LLC 250 South Wacker Drive, Suite 800 Chicago, IL 60606 Fax No. (312) 496-5883 Attention: Chris Kozina
With Copies To:	Quarles & Brady LLP 300 North LaSalle Street, Suite 4000 Chicago, IL 60654 Fax No: (312) 632-1737 Attention: Robert L. Gamrath III

Such addresses may be changed by notice to the other parties given in the same manner provided above. Any notice, demand, or request sent pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon dispatch. Any notice, demand or request sent pursuant to clause (c) shall be deemed received on the day immediately following deposit with the overnight courier and any notices, demands or requests sent pursuant to subsection (d) shall be deemed received two (2) business days following deposit in the mail.

SECTION 18. MISCELLANEOUS

18.01 Amendment. This Agreement and the Exhibits attached hereto may not be amended or modified without the prior written consent of the parties hereto; provided, however, that the City, in its sole discretion, may amend, modify or supplement **Exhibit D** hereto without the consent of any party hereto. It is agreed that no material amendment or change to this Agreement shall be made or be effective unless ratified or authorized by an ordinance duly adopted by the City Council. The term "material" for the purpose of this **Section 18.01** shall be defined as any deviation from the terms of the Agreement which operates to cancel or otherwise reduce any developmental, construction or job-creating obligations of Developer (including those set forth in **Sections 10.02 and 10.03** hereof) by more than five percent (5%) or materially changes the Project site or character of the Project or any activities undertaken by Developer affecting the Project site, the Project, or both, or increases any time agreed for performance by the Developer by more than ninety (90) days.

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

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

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

18.05 Waiver. Waiver by the City or the Developer with respect to any breach of this Agreement shall not be considered or treated as a waiver of the rights of the respective party with respect to any other default or with respect to any particular default, except to the extent specifically waived by the City or the Developer in writing. 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 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 Disclaimer. Nothing contained in this Agreement nor any act of the City shall be deemed or construed by any of the parties, or by any third person, to create or imply any relationship of third-party beneficiary, principal or agent, limited or general partnership or joint venture, or to create or imply any association or relationship involving the City.

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

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

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

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

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

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

18.14 Approval. Wherever this Agreement provides for the approval or consent of the City, DCD or the Commissioner, or any matter is to be to the City's, DCD'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, DCD 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 DCD in making all approvals, consents and determinations of satisfaction, granting the Certificate or otherwise administering this Agreement for the City.

18.15 Assignment. 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. Any successor in interest to the Developer under this Agreement shall certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, including but not limited to **Sections 8.19** (Real Estate Provisions) and **8.24** (Survival of Covenants) hereof, for the Term of the Agreement. The Developer consents to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part.

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

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

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

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

18.20 Venue and Consent to Jurisdiction. If there is a lawsuit under this Agreement, each party may 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.

18.21 Costs and Expenses. In addition to and not in limitation of the other provisions of this Agreement, Developer agrees to pay upon demand the City's out-of-pocket expenses, including attorney's fees, incurred in connection with the enforcement of the provisions of this Agreement.

This includes, subject to any limits under applicable law, attorney's fees and legal expenses, whether or not there is a lawsuit, including attorney's fees for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals and any anticipated post-judgement collection services. Developer also will pay any court costs, in addition to all other sums provided by law.

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

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.

MILLERCOORS LLC

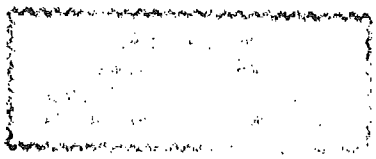
By: K A Cipley

Its: Secretary

CITY OF CHICAGO

By:_____

Christine Raguso, Acting Commissioner, Department of Community Development



STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Marcia A Young, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Karen A Ripley, personally known to me to be the Secretary of MillerCoors LLC, a Delaware limited liability company ("Developer"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed, and delivered said instrument, pursuant to the authority given to him/her by the _____ of Developer, as his/her free and voluntary act and as the free and voluntary act of Developer, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 21st day of December, 2010.

Marcia A. Young
Notary Public

My Commission Expires 4/23/14

(SEAL)

OFFICIAL SEAL
MARCIA A YOUNG
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:04/23/14

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.

MILLERCOORS LLC

By:_____

Its:_____

CITY OF CHICAGO

By:_____
Andrew J. Mooney, Acting Commissioner, Department of Community Development

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Marcia A Young, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Karen A Rupley, personally known to me to be the Secretary of MillerCoors LLC, a Delaware limited liability company ("Developer"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed, and delivered said instrument, pursuant to the authority given to him/her by the _____ of Developer, as his/her free and voluntary act and as the free and voluntary act of Developer, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 21st day of December, 2010.

Marcia A. Young
Notary Public

My Commission Expires 4/23/14

(SEAL)

OFFICIAL SEAL
MARCIA A YOUNG
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:04/23/14

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Yolanda Quesada, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Andrew J. Mooney, personally known to me to be the Acting Commissioner of the Department of Community Development of the City of Chicago (the "City"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed, and delivered said instrument pursuant to the authority given to him by the City, as his 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 30th day of December, 2010.

Yolanda Quesada
Notary Public

My Commission Expires 4-28-2013

OFFICIAL SEAL
YOLANDA QUESADA
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:09/28/13

EXHIBIT A

REDEVELOPMENT AREA

(Attached)

COOK COUNTY
RECORDER OF DEEDS
SCANNED BY_____

Kinzie Industrial Conservation:	not to exceed $1,500,000
Midwest:	not to exceed $750,000
Jefferson Park:	not to exceed $750,000

AUTHORIZATION FOR AMENDMENT OF ORDINANCE TO CORRECT LEGAL DESCRIPTION OF LA SALLE CENTRAL TAX INCREMENT FINANCING REDEVELOPMENT PROJECT AREA.

The Committee on Finance submitted the following report:

CHICAGO, May 9, 2007.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance authorizing an amendment to the LaSalle Central Tax Increment Financing Redevelopment Plan and Project, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

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

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

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

Yeas -- Aldermen Flores, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Cárdenas, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Lane, Rugai, Brookins, Muñoz, Zalewski, Solis, Ocasio, Burnett, E. Smith, Reboyras, Suarez, Matlak, Mell, Austin, Colón, Banks, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Tunney, Levar, Shiller, M. Smith, Moore, Stone -- 44.

Nays -- None.

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

The following is said ordinance as passed:

WHEREAS, On November 15, 2006, the City Council of the City of Chicago (the "City") adopted the following ordinances: An Ordinance Approving a Redevelopment Plan (the "Plan") for the LaSalle Central Redevelopment Project Area (the "Plan Ordinance"), published in the *Journal of the Proceedings of the City Council of the City of Chicago* (the "*Journal*") of November 15, 2006 at pages 92019 -- 92099; An Ordinance Designating the LaSalle Central Redevelopment Project Area a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act (the "Designation Ordinance), published in the *Journal* of November 15, 2006 at pages 92100 -- 92107; and An Ordinance Adopting Tax Increment Allocation Financing for the LaSalle Central Redevelopment Project Area (the "T.I.F. Ordinance), published in the *Journal* of November 15, 2006 at pages 92108 -- 92114 (collectively, such ordinances are hereinafter referred to as the "Original LaSalle Central Ordinances"); and

WHEREAS, On February 7, 2007, the City Council of the City of Chicago (the "City") adopted the following ordinance: An Ordinance Correcting Ordinances Related to Tax Allocation Financing for the LaSalle Central Redevelopment Project Area, published in the *Journal of the Proceedings of the City Council of the City of Chicago* (the "*Journal*") of February 7, 2007 at pages 97850 -- 97855 (the "Corrective Ordinance"; the Original LaSalle Central Ordinances, as amended by the Corrective Ordinance, the "Amended LaSalle Central Ordinances"); and

WHEREAS, The Amended LaSalle Central Ordinances each included exhibits showing the boundaries of the LaSalle Central Redevelopment Project Area (the "Area") by legal description and by street location, and a boundary map of the Area; and

WHEREAS, Said legal description subsequently was discovered to have contained an unintended, de minimis error in describing part of the eastern boundary of the Area; and

WHEREAS, The boundary description by street location and the boundary map correctly indicate the Area as it is intended to be described, and the Plan which

includes a list of only those parcels, identified by permanent index number, which are contained within the boundaries of the Area as described by street location and as shown in the boundary map; and

WHEREAS, When viewed together, the legal description, the boundary description by street location, the boundary map and the list of parcels in the Area fairly apprise the public and affected taxing districts of the property involved in the Plan, and the City desires to reform and correct the legal description to reflect the intended eastern boundary of the Area and not to alter the exterior boundaries of the Area; now, therefore,

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

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

SECTION 2. Amendment Of Prior Ordinances. The legal description in the following exhibits to the Amended LaSalle Central Ordinances:

(i) Exhibit C to the Plan Ordinance, published in the *Journal* of November 15, 2006 at pages 92095 -- 92098, as amended by the Corrective Ordinance published in the *Journal* of February 7, 2007 at pages 97852 -- 97855, which also constitutes (Sub)Appendix 1 to the Plan (attached as Exhibit A to the Plan Ordinance); and

(ii) Exhibit A to the Designation Ordinance, published in the *Journal* of November 15, 2006 at pages 92103 -- 92106, as amended by the Corrective Ordinance published in the *Journal* of February 7, 2007 at pages 97852 -- 97855; and

(iii) Exhibit A to the T.I.F. Ordinance, published in the *Journal* of November 15, 2006 at pages 92110 -- 92113, as amended by the Corrective Ordinance published in the *Journal* of February 7, 2007 at pages 97852 -- 97855,

is hereby reformed and corrected to reflect the intended eastern boundary of the Area by deleting the struck-through language and inserting the underscored language as set forth in Exhibit 1 to this ordinance.

SECTION 3. Invalidity Of Any Section. If any provision of this ordinance 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 ordinance.

SECTION 4. Superseder. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 5. Effective Date. This ordinance shall be in full force and effect immediately upon its passage.

Exhibit 1 referred to in this ordinance reads as follows:

Exhibit 1.

Corrected And Reformed Legal Description.

That part of the south half of Section 9, together with that part of the north half of Section 16, Township 39 North, Range 14 East of the Third Principal Meridian all taken as a tract of land bounded and described as follows:

beginning at the point of intersection of the east line of Canal Street with the south line of Lake Street in the east half of the southwest quarter of Section 9, Township 39 North, Range 14 East of the Third Principal Meridian, and running; thence east along said south line of Lake Street to the northerly extension of the east line of the 18 foot wide alley east of Canal Street; thence south along said northerly extension of the east line of the 18 foot wide alley east of Canal Street and the east line thereof to the north line of Randolph Street; thence west along said north line of Randolph Street to the east line of Canal Street; thence south along said east line of Canal Street to the easterly extension of the north line of the south 275.06 feet of Block 50 in the Original Town of Chicago in Section 9; thence west along said easterly extension of the north line of the south 275.06 feet of Block 50 in the Original Town of Chicago to the west line of Canal Street; thence south along said west line of Canal Street to the south line of Madison Street; thence east along said south line of Madison Street to the east line of Wacker Drive; thence north along said east line of Wacker Drive to the south line of Calhoun Place; thence east along said south line of Calhoun Place to the west line of Franklin Street; thence south along said west line of Franklin Street to the north line of Monroe Street; thence west along said north line of Monroe Street to the northerly extension of the west line of the easterly 18 feet of Lot 2 in Block 82 of School Section Addition to Chicago in Section 16; thence south along said northerly extension of the west line of the easterly 18 feet of Lot 2 in Block 82 and the west line hereof to the south line of said Lot 2; thence west along said south line of Lot 2 in Block 82 and the westerly extension thereof to the east line of Wacker Drive; thence north along said east line of Wacker Drive to the north line of Monroe Street; thence west along said north line of Monroe Street to the west line of the south branch of the Chicago River; thence south along said west line of the south branch of the Chicago River to the north line of Lot 4 in Railroad Companies' Resubdivision of Blocks 62 to 76 inclusive, 78,

parts of 61 and 71, and certain vacated streets and alleys in School Section Addition to Chicago in Section 16; thence west along said north line of Lot 4 to the westerly line thereof; thence southeasterly along said westerly line of Lot 4 to the southwesterly corner thereof; thence southeasterly along a straight line to the northwesterly corner of Lot 5 in said Railroad Companies' Resubdivision in Section 16; thence southeasterly along the westerly line of said Lot 5 to an angle point on said westerly line; thence southeasterly along said westerly line of Lot 5 to a point on said westerly line, said point lying 121.21 feet northwesterly of the southwesterly corner of Lot 5; thence east along a straight line parallel with and 121.21 feet north of the south line of said Lot 5 to the westerly line of the south branch of the Chicago River; thence southeasterly along said westerly line of the south branch of the Chicago River to the north line of Jackson Boulevard; thence south along a straight line to the south line of Jackson Boulevard; thence west along said south line of Jackson Boulevard to th east line of Canal Street; thence south along said east line of Canal Street to the north line of Van Buren Street; thence east along said north line of Van Buren Street to the east line of Wacker Drive; thence north along said east line of Wacker Drive to the south line of Jackson Boulevard; thence east along said south line of Jackson Boulevard to the west line of Franklin Street; thence south along said west line of Franklin Street to the north line of Van Buren Street; thence east along said north line of Van Buren Street to the northerly extension of the east line of the 12 foot wide alley east of Wells Street; thence south along said northerly extension of the east line of the 12 foot wide alley east of Wells Street to the south line of Van Buren Street; thence east along said south line of Van Buren Street to the west line of LaSalle Street; thence north along the northerly extension of the west line of LaSalle Street to the north line of Van Buren Street; thence east along said north line of Van Buren Street to the east line of Clark Street; thence north along said east line of Clark Street to the south line of Adams Street; thence east along said south line of Adams Street to the west line of Dearborn Street; thence north along said west line of Dearborn Street to the easterly extension of the north line of the 18 foot wide alley south of Monroe Street; thence east along said easterly extension of the north line of the 18 foot wide alley south of Monroe Street and the north line thereof to ~~a point on a line 130 feet west of and parallel with the west line of South State Street~~ the east line of the west half of Lot 3 in Block 141 in School Section Addition to Chicago in Section 16; thence north along said ~~parallel~~ east line of the west half of Lot 3 to the south line of Monroe Street; thence west along said south line of Monroe Street to the southerly extension of the west line of the most westerly 15 foot wide alley east of Dearborn Street; thence north along said southerly extension of the west line of the most westerly 15 foot wide alley east of Dearborn Street and the west line thereof to the south line of the 15 foot wide alley north of Monroe Street; thence west along said south line of the 15 foot wide alley north of Monroe Street and the westerly extension thereof to the west line of Dearborn Street; thence south along said west line of Dearborn Street to the north line of Monroe Street; thence west along said north line of Monroe Street to the east line of Lot 21 in Assessor's Division of Block 118 of School

Section Addition in Section 16; thence north along ~~the~~ said east line of ~~said~~ Lot 21 and the northerly extension thereof to the south line of Lot 33 in said Assessor's Division of Block 118 of School Section Addition in Section 16; thence west along said south line of Lot 33 to the west line thereof; thence north along said west line of Lot 33 to the south line of Lot 14 in Assessor's Division of Block 118 of School Section Addition in Section 16; thence west along said south line of Lot 14 to the east line of the 10 foot wide alley west of Clark Street; thence north along said east line of the 10 foot wide alley west of Clark Street and the northerly extension thereof to the north line of Madison Street; thence west along said north line of Madison Street to the east line of the 9 foot wide alley west of Clark Street; thence north along said east line of the 9 foot wide alley west of Clark Street to the south line of the 18 foot wide alley south of Washington Street; thence north along a straight line to the southeast corner of the parcel of land bearing Permanent Index Number 17-9-459-001; thence north along the east line of the parcel of land bearing Permanent Index Number 17-9-459-001 to the south line of Washington Street; thence east along said south line of Washington Street to th east line of Clark Street; thence north along said east line of Clark Street to the south line of Randolph Street; thence west along said south line of Randolph Street to the west line of Clark Street; thence north along said west line of Clark Street to the north line of Randolph Street; thence west along said north line of Randolph Street to the east line of LaSalle Street; thence south along said east line of LaSalle Street to the easterly extension of the south line of Court Place; thence west along said easterly extension of the south line of Court Place and the south line thereof to the west line of Wells Street; thence south along said west line of Wells Street to the north line of Washington Street; thence west along said north line of Washington Street to the east line of Franklin Street; thence north along said east line of Franklin Street to the centerline of vacated court place; thence east along said centerline of vacated Court Place to the southerly extension of the east line of Lot 2 in Block 41 in the Original Town of Chicago in the southeast quarter of Section 9; thence north along said southerly extension of the east line of Lot 2 in Block 41 and the east line thereof to the south line of Randolph Street; thence west along said south line of Randolph Street to the southerly extension of the west line of the easterly 20 feet of Lot 7 in Block 31 in the Original Town of Chicago in Section 9; thence north along said southerly extension of the west line of the easterly 20 feet of Lot 7 and the west line thereof to the south line of Couch Place; thence north along the northerly extension of the west line of the easterly 20 feet of Lot 7 to the north line of Couch Place; thence west along said north line of Couch Place to the east line of Wacker Drive; thence north along said east line of Wacker Drive to the south line of Lake Street; thence northeasterly along a straight line to the intersection of the north line of Lake Street with the easterly line of Wacker Drive; thence west along said north line of lake street to the westerly line of the north branch of the Chicago River; thence northwesterly along said westerly line of the north branch of the Chicago River to an angle point on said westerly line, said point being also the northeast corner of Lot 1 in Block 22 in the Original Town of Chicago in Section 9; thence west along the

north line of said Lot 1 in Block 22 to a point, said point being also a point on the westerly line of the north branch of the Chicago River; thence northwesterly along said westerly line of the north branch of the Chicago River to the north line of that tract of land vacated in Document Number 5507199, recorded October 6, 1914; thence west along said north line of that tract of land vacated in Document Number 5507199, a distance of 21.26 feet to a point on said north line; thence northwesterly along the easterly line of the parcel of land bearing Permanent Index Number 17-9-306-014 to a point of curvature on said easterly line; thence northwesterly along the arc of curve, said curve being concave to the northeast and having a radius of 600 feet, to the east line of Canal Street; thence south along said east line of Canal Street to the south line of Lake Street, being also the point of beginning the heretofore described tract of land, all in Cook County, Illinois.

DESIGNATION OF CENTERPOINT PROPERTIES TRUST AS PROJECT DEVELOPER, AUTHORIZATION FOR EXECUTION OF REDEVELOPMENT AGREEMENT AND PAYMENT OF CERTAIN INCREMENTAL TAXES FOR REDEVELOPMENT OF PROPERTY AT 4201 WEST VICTORIA STREET.

The Committee on Finance submitted the following report:

CHICAGO, May 9, 2007.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance authorizing entering into and executing a redevelopment agreement with CenterPoint Properties Trust, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

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

EXHIBIT B

PROPERTY

PINs:

17-16-215-002-0000

Address commonly known as: 250 South Wacker Drive, Chicago, Illinois

Legal Description:

PARCEL 1:

LOTS 15 AND 16 (EXCEPT THE EAST 54.00 FEET OF SAID LOTS) IN BLOCK 83 IN THE RESUBDIVISION OF BLOCKS 83, 92 AND 140 IN SCHOOL SECTION ADDITION TO CHICAGO IN SECTION 16, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

EXCEPTING THEREFROM THAT PART OF LOTS 15 AND 16 (EXCEPT THE EAST 54.00 FEET OF SAID LOTS) IN BLOCK 83 IN RESUBDIVISION OF BLOCKS 83, 92 AND 140 IN SCHOOL SECTION ADDITION TO CHICAGO IN SECTION 16, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING BELOW A HORIZONTAL PLANE HAVING AN ELEVATION OF +194.73 FEET ABOVE CHICAGO CITY DATUM AND LYING ABOVE A HORIZONTAL PLANE HAVING AN ELEVATION OF +183.16 FEET ABOVE CHICAGO CITY DATUM, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

THAT PART OF LOTS 15 AND 16 (EXCEPT THE EAST 54.00 FEET OF SAID LOTS) IN BLOCK 83 IN RESUBDIVISION OF BLOCKS 83, 92 AND 140 IN SCHOOL SECTION ADDITION TO CHICAGO IN SECTION 16, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING BELOW A HORIZONTAL PLANE HAVING AN ELEVATION OF +194.73 FEET ABOVE CHICAGO CITY DATUM AND LYING ABOVE A HORIZONTAL PLANE HAVING AN ELEVATION OF +183.16 FEET ABOVE CHICAGO CITY DATUM, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

EASEMENTS FOR THE BENEFIT OF PARCELS 1 AND 2 FOR INGRESS AND EGRESS, STRUCTURAL SUPPORT AND UTILITIES AS CONTAINED IN THE DECLARATION OF EASEMENTS AND COVENANTS, CONDITIONS AND RESTRICTIONS OF RECORD FOR 250 SOUTH WACKER DRIVE, CHICAGO, ILLINOIS, RECORDED JULY 3, 2006 AS DOCUMENT NUMBER 0618431022.

EXHIBIT C

TIF-FUNDED IMPROVEMENTS

Line Item	Cost
Costs of Rehabilitation	
CONSTRUCTION COSTS	
Interior Improvements Construction	$13,758,748
Riverwalk (Exterior) Improvements	$50,000
SOFT COSTS	
Architecture/Engineering	$1,266,250
Specialty Consultants/Program Manager	$456,746
Other	$19,378
Total Costs of Rehabilitation	**$15,551,122**
Financing Costs	N/A
TOTAL	

Note: Notwithstanding the total dollar amount of TIF-Funded Improvements listed above, the financial assistance to be provided by the City under this Agreement is limited to $5,775,000, subject to adjustment as provided in **Section 4.03**.

EXHIBIT F

Jobs Certificate

[to be retyped on letterhead of Developer]

_____, 20____

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

Re: Jobs Certificate
MillerCoors LLC Redevelopment Agreement

Dear Commissioner:

This Certificate is delivered pursuant to the MillerCoors LLC Redevelopment Agreement dated as of _____, 20__ (the "**Agreement**") and constitutes the Jobs Certificate of MillerCoors LLC (the "**Developer**") for the period ended _____, _____ **[add month, day and year]**. The undersigned certifies that each of the individuals listed in the chart below is a Full Time Equivalent Employee (as defined in the Agreement) of the Developer.

Sincerely yours,

MILLER COORS LLC

By:_____

Its:_____

Full Time Equivalent Employees as of _____, 20___

Employee Name (Last, First)	Number of months employed in Chicago office during the year	Paid from Chicago office? (Y or N)	Work hours total at least 35 per week? (Y or N)	Work hours total at least 1750 during the year (Y or N)	Independent contractor, third-party service provider, consultant, or ancillary services employee? (Y or N)	If an officer, list title

EXHIBIT G

PERMITTED LIENS

1. Liens or encumbrances against the Property:

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

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

EXHIBIT H-1

PROJECT BUDGET

Uses	Amount
Hard Construction Costs	
Interior Improvements Construction	$13,758,748
Riverwalk (Exterior) Improvements	$50,000
Total Construction	$13,808,748
Soft Costs	
Architecture/Engineering	$1,266,250
Specialty Consultants/Program Manager	$456,746
Other	$179,378
Total Soft Costs	$1,902,374
SUBTOTAL DEVELOPMENT COSTS	$15,711,122
Furniture, Fixtures & Equipment	$4,766,656
Technology Costs	$1,022,222
TOTAL PROJECT COSTS	$21,500,000

EXHIBIT H-2

MBE/WBE BUDGET

Uses	Amount
Construction Costs	
Interior Improvements Construction	$13,051,605
Riverwalk (Exterior) Improvements	$50,000
Total M/WBE Budget	$13,101,605

MBE/WBE EXPENDITURE GOAL

MBE (24%)	$3,144,385
WBE (4%)	$524,064

ATTACHMENT D

Doc#: 1021529089 Fee: $168.00
Eugene "Gene" Moore RHSP Fee:$10.00
Cook County Recorder of Deeds
Date: 08/03/2010 03:02 PM Pg: 1 of 67

LYRIC OPERA OF CHICAGO REDEVELOPMENT AGREEMENT

BY AND BETWEEN

THE CITY OF CHICAGO

AND

LYRIC OPERA OF CHICAGO

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

PINs: 17-09-452-001
17-09-452-002
17-09-452-003

1st AMERICAN TITLE order # 438756
1 of All 42.

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LIST OF EXHIBITS

Exhibit A	*Redevelopment Area
Exhibit B	*Property
Exhibit C	*TIF-Funded Improvements
Exhibit D	Redevelopment Plan
Exhibit E	Construction Contract
Exhibit F	*Permitted Liens
Exhibit G	*Project Budget
Exhibit H	Approved Prior Expenditures
Exhibit I	Opinion of Developer's Counsel
Exhibit J	[Intentionally omitted.]
Exhibit K	Requisition Form
Exhibit L	Form of Payment Bond

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

[leave blank 3" x 5" space for recorder's office]

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

LYRIC OPERA OF CHICAGO REDEVELOPMENT AGREEMENT

This Lyric Opera of Chicago Redevelopment Agreement (this "Agreement") is made as of this 2nd day of August, 2010, by and between the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Community Development ("DCD"), and the Lyric Opera of Chicago, a not-for-profit corporation (the "Developer").

RECITALS

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

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

C. City Council Authority: To induce redevelopment pursuant to the Act, the City Council of the City (the "City Council") adopted the following ordinances on November 15, 2006, and amended and corrected the ordinances on February 7, 2007, and May 9, 2007: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the LaSalle Central Redevelopment Project Area"; (2) "An Ordinance of the City of Chicago, Illinois Designating the LaSalle Central 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 LaSalle Central Redevelopment Project Area" (the "TIF Adoption Ordinance") (items(1)-(3) 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. The Project: The Developer currently owns certain property located within the Redevelopment Area at 20 North Wacker Drive, Chicago, Illinois 60606 and legally described on Exhibit B hereto (the "Property"), located within the building commonly known as the Civic Opera Building (the "Building"), designated a Chicago Landmark on February 5, 1998, and, within the time frames set forth in Section 3.01 hereof, shall commence and complete, in two phases, as described below, historic rehabilitation of all the Property's historic exterior doors and storefront windows on the first through third floors of the Building on the Wacker Drive and Madison Street facades. The Property and related improvements (including but not limited to those TIF-Funded Improvements as defined below and set forth on Exhibit C) are collectively referred to herein as the "Project."

The Project shall include: removal and repair of, or as appropriate, replacement of, bronze and wood doors and door elements and frames, thresholds, closers, pivots; cleaning and painting of mullions that will remain; installation of cast iron jambs or Dutchman at jamb bases; straightening and repair of castings, or replacement of casting, if necessary; removal, repair, cleaning, painting and reinstallation, or replacement as necessary, of all glass stops and glass above entrances; removal and replacement stops with new stops or cleaning and repair of existing stops as needed; cleaning and painting of cast iron; repairing of flower detail; removal and replacement of steel substructure; removal and replacement of glazing stops; completion of wet abrasive blast, collection of solid debris on exterior surfaces of existing cast iron surfaces and cleaning of area; painting of prime coat, intermediate coat, and finish coat; demolition and removal of existing concrete topping slabs and concrete at the base of existing mullions and existing jambs; furnishing and installation of Bituthene waterproofing membrane at areas of new concrete; and furnishing and installation of new concrete.

The Project shall be completed in two phases. The first phase of the Project ("Phase I") shall involve restoration of the twelve windows and seventeen doors that are in most need of repair. The second phase of the Project ("Phase II") shall involve restoration of the remaining seventeen windows and eighteen doors; provided, however, that Developer may, in its sole discretion, allocate Phase I work to Phase II, and Phase II work to Phase I. The completion of the Project would not reasonably be anticipated without the financing contemplated in this Agreement.

E. Redevelopment Plan: The Project will be carried out in accordance with this Agreement and the City of Chicago LaSalle Central Redevelopment Project Area Tax Increment Financing Program Redevelopment Plan (the "Redevelopment Plan") attached hereto as Exhibit D.

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

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

SECTION 1. RECITALS

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

SECTION 2. DEFINITIONS

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

"Act" shall have the meaning set forth in the Recitals hereof.

"Actual residents of the City" shall mean persons domiciled within the City.

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

"Annual Compliance Report" shall mean a signed report from the Developer to the City (a) itemizing each of the Developer's obligations under the Agreement during the preceding calendar year, (b) certifying the Developer's compliance or noncompliance with such obligations, (c) attaching evidence (whether or not previously submitted to the City) of such compliance or noncompliance and (d) certifying that the Developer is not in default with respect to any provision of the Agreement, the agreements evidencing the Lender Financing, if any, or any related agreements; provided, that the obligations to be covered by the Annual Compliance Report shall include the following: (1) compliance with the Operating Covenant (Section 8.06); (2) delivery of Financial Statements and unaudited financial statements (Section 8.13); (3) delivery of updated insurance certificates, if applicable (Section 8.14); (4) delivery of evidence of payment of Non-Governmental Charges, if applicable (Section 8.15); and (5) compliance with all other executory provisions of the Agreement.

"Approved Successor" shall have the meaning given such term in Section 8.26 hereof.

"Available Incremental Taxes" shall mean, for each payment, an amount equal to the Incremental Taxes on deposit in the LaSalle Central Redevelopment Project Area TIF Fund as of December 31st of the calendar year prior to the year in which the Requisition Form for such payment is received by the City, and which are available for the financing or payment of Redevelopment Project Costs, after deducting (i) the 10.0% City Fee, (ii) all Incremental Taxes from a New Project pledged or allocated to assist the New Project, (iii) all Incremental Taxes previously allocated or pledged by the City before the date of this Agreement including, without limitation, Incremental Taxes allocated or pledged to Navteq Corporation, The Ziegler Companies, Inc., MillerCoors LLC, UAL Corporation, United Air Lines, Inc., Chicago Mercantile Exchange, Inc. and/or any of their respective Affiliates, and (iv) debt service payments with respect to the Bonds, if any.

"Available Project Funds" shall have the meaning set forth for such term in Section 4.07 hereof.

"Bond(s)" shall have the meaning set forth for such term in Section 8.05 hereof.

"Bond Ordinance" shall mean the City ordinance authorizing the issuance of Bonds.

"Business Relationship" shall have the meaning set forth for such term in Section 2-156-080 of the Municipal Code of Chicago.

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

"Change Order" shall mean any amendment or modification to the Scope Drawings, Plans and Specifications or the Project Budget as described in Section 3.03, Section 3.04 and Section 3.05, respectively.

"City" shall have the meaning set forth in the Recitals hereof.

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

"City Council" shall have the meaning set forth in the Recitals hereof.

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

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

"Closing Date" shall mean the date of execution and delivery of this Agreement by all parties hereto, which shall be deemed to be the date appearing in the first paragraph of this Agreement.

"Compliance Period" shall mean a period beginning on the date the Certificate is issued and ending on the 10th anniversary of the date the Certificate is issued.

"Component Completion Certificate" 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.

"Contract" shall have the meaning set forth in Section 10.03 hereof.

"Contractor" shall have the meaning set forth in Section 10.03 hereof.

"Construction Contract" shall mean that certain contract, substantially in the form attached hereto as Exhibit E, to be entered into between the Developer and the General Contractor providing for construction of the Project.

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

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

"Environmental Laws" shall mean 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. § 9601 et seq.); (ii) any so-called "Superfund" or "Superlien" law; (iii) the Hazardous Materials Transportation Act (49 U.S.C. § 1802 et seq.); (iv) the Resource Conservation and Recovery Act (42 U.S.C. § 6902 et seq.); (v) the Clean Air Act (42 U.S.C. § 7401 et seq.); (vi) the Clean Water Act (33 U.S.C. § 1251 et seq.); (vii) the Toxic Substances Control Act (15 U.S.C. § 2601 et seq.); (viii) the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. § 136 et seq.); (ix) the Illinois Environmental Protection Act (415 ILCS 5/1 et seq.); and (x) the Municipal Code of Chicago.

"Equity" shall mean funds of the Developer (other than funds derived from Lender Financing, if any) irrevocably available for the Project, in the amount set forth in Section 4.01 hereof, which amount may be increased pursuant to Section 4.06 (Cost Overruns) or Section 4.03(b) (Source of City Funds).

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

"Final Project Cost" shall mean the sum of the Phase I Project Cost and the Phase II Project Cost as defined in Section 7.01 hereof.

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

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

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

"Human Rights Ordinance" shall have the meaning set forth in Section 10 hereof.

"In Balance" shall have the meaning set forth in Section 4.07 hereof.

"Incremental Taxes" shall mean such ad valorem taxes which, pursuant to the TIF Adoption Ordinance and Section 5/11-74.4-8(b) of the Act, are allocated to and when collected are paid to the Treasurer of the City of Chicago for deposit by the Treasurer into the LaSalle Central TIF Fund established to pay Redevelopment Project Costs and obligations incurred in the payment thereof.

"Incremental Taxes From a New Project" shall mean (a) individually, Incremental Taxes generated by the equalized assessed value ("EAV") of the parcel(s) comprising a New Project over and above the initial EAV of such affected parcel(s) as certified by the Cook County Clerk in the certified initial EAV of all tax parcels in the Redevelopment Area and (b) collectively, the sum of Incremental Taxes From a New Project for all New Projects, if there are multiple New Projects.

"Indemnitee" and "Indemnitees" shall have the meanings set forth in Section 13.01 hereof.

"LaSalle Central TIF Fund" shall mean the special tax allocation fund created by the City in connection with the Redevelopment Area into which the Incremental Taxes will be deposited.

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

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

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

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

"New Mortgage" shall have the meaning set forth in Article 16 hereof.

"New Project" shall mean a development project (a) for which the related redevelopment agreement is recorded on or after the date of this Agreement and (b) which will receive assistance in the form of Incremental Taxes; provided, however, that "New Project" shall not include any development project that is or will be exempt from the payment of ad valorem property taxes.

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

"Operating Covenant" shall have the meaning set forth in Section 8.06 hereof.

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

"Permitted Mortgage" shall have the meaning set forth in Article 16 hereof.

"Phase" shall mean, depending on the context, Phase I or Phase II.

"Phase I" shall have the meaning set forth in Recital D.

"Phase II" shall have the meaning set forth in Recital D.

"Phase I Certificate" shall have the meaning set forth in Section 7.01 hereof.

"Phase II Certificate" shall have the meaning set forth in Section 7.01 hereof.

"Phase I Payment" shall have the meaning set forth in Section 4.03(a) hereof.

"Phase II Payment" shall have the meaning set forth in Section 4.03(a) hereof.

"Plans and Specifications" shall mean final construction documents containing a site plan and working drawings and specifications for the Project, as submitted to the City as the basis for obtaining building permits for the Project.

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

"Project" shall have the meaning set forth in the Recitals hereof.

"Project Budget" shall mean the budget attached hereto as Exhibit G-1, showing the total cost of the Project by line item, furnished by the Developer to DCD, in accordance with Section 3.03 hereof.

"Property" shall have the meaning set forth in the Recitals hereof.

"Redevelopment Area" shall have the meaning set forth in the Recitals hereof.

"Redevelopment Plan" shall have the meaning set forth in the Recitals hereof.

"Redevelopment Project Costs" shall mean redevelopment project costs as defined in Section 5/11-74.4-3(q) of the Act that are included in the budget set forth in the Redevelopment Plan or otherwise referenced in the Redevelopment Plan.

"Requisition Form" shall mean the document, in the form attached hereto as Exhibit K, to be delivered by the Developer to DCD pursuant to Section 4.04 of this Agreement.

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

"Survey" shall mean that certain Plat of Survey dated February 7, 1996 (Survey No. N-119848 SUBDIVISION), by Joseph A. Lima, National Survey Service, Inc., Illinois Professional Land Surveyor No. 3080.

"Term of the Agreement" shall mean the period of time commencing on the Closing Date and concluding at the end of the Compliance Period.

"TIF Adoption Ordinance" shall have the meaning set forth in the Recitals hereof.

"TIF-Funded Improvements" shall mean those improvements of 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 the City Funds, subject to the terms of this Agreement. Exhibit C lists the TIF-Funded Improvements for the Project.

"TIF Ordinances" shall have the meaning set forth in the Recitals hereof.

"Title Company" shall mean First American Title Insurance Company.

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

to Lender Financing, if any, issued by the Title Company, and containing only those title exceptions listed as Permitted Liens on Exhibit F hereto.

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

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

SECTION 3. THE PROJECT

3.01 The Project. With respect to the Project, the Developer shall, pursuant to the Plans and Specifications and subject to the provisions of Section 18.17 hereof: (i) commence construction of Phase I no later than June 15, 2010, (ii) commence construction of Phase II no later than June 15, 2011; (iii) complete Phase I no later than June 14, 2011, and (iv) complete Phase II no later than June 14, 2012. Notwithstanding this Section 3.01, the Developer shall conduct its regular business operations on the Property in accordance with Section 8.06.

3.02 Scope Drawings and Plans and Specifications. The Developer has delivered the Scope Drawings and Plans and Specifications to DCD and DCD has approved same. After such initial approval, subsequent proposed changes to the Scope Drawings or Plans and Specifications shall be submitted to DCD as a Change Order pursuant to Section 3.04 hereof. The Scope Drawings and Plans and Specifications shall at all times conform to the Redevelopment Plan and all applicable federal, state and local laws, ordinances and regulations. 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 DCD, and DCD has approved, a Project Budget showing total costs for the Project in an amount not less than One Million Nine Hundred and Fifty-Five Thousand Three Hundred Seventy-Six Dollars ($1,955,376). The Developer hereby certifies to the City that (a) the City Funds, together with Lender Financing, if any, and Equity described in Section 4.02 hereof, shall be sufficient to complete the Project; and (b) the Project Budget is true, correct and complete in all material respects. The Developer shall promptly deliver to DCD certified copies of any Change Orders with respect to the Project Budget for approval pursuant to Section 3.04 hereof.

3.04 Change Orders. Except as provided below in this Section 3.04, all Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to changes to the Project must be submitted by the Developer to DCD concurrently with the progress reports described in Section 3.07 hereof; provided, that any Change Order relating to any of the following must be submitted by the Developer to DCD for DCD's prior written approval: (a) a reduction in the number of historic exterior doors and storefront windows being rehabilitated; (b) a delay in the completion of the Project by three (3) months or more; or (c) Change Orders resulting in an aggregate increase to the Project Budget for the Project of ten percent (10%) or more. 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 DCD's written approval (to the extent said City prior approval is required pursuant to the terms of this

Agreement). 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 City Funds which the City has pledged pursuant to this Agreement or provide any other additional assistance to the Developer. Notwithstanding anything to the contrary in this Section 3.04, Change Orders other than those set forth above do not require DCD's prior written approval as set forth in this Section 3.04, but DCD shall be notified in writing of all such Change Orders within 10 business days after the execution of such Change Order and the Developer, in connection with such notice, shall identify to DCD the source of funding therefor.

3.05 DCD Approval. Any approval granted by DCD 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 DCD pursuant to this Agreement constitute approval of the quality, structural soundness or safety of the Property or the Project.

3.06 Other Approvals. Any DCD 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 (Landmark Designation and Other Governmental Approvals) hereof. The Developer shall not commence construction of the Project until the Developer has obtained all necessary permits and approvals (including but not limited to DCD's approval of the Scope Drawings and Plans and Specifications and the Commission on Chicago Landmarks' approval with respect to the work affecting the significant historical and architectural features of the Project) 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 DCD 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 DCD's written approval pursuant to Section 3.04).

3.08 [Intentionally omitted.]

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. DCD 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, style and content 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.

SECTION 4. FINANCING

4.01 Total Project Cost and Sources of Funds. The cost of the Project is estimated to be One Million Nine Hundred and Fifty-Five Thousand Three Hundred Seventy-Six Dollars ($1,955,376), to be applied in the manner set forth in the Project Budget. Such costs shall be funded from the following sources:

Equity (subject to Sections 4.03(b) and 4.06)	$1,955,376
Lender Financing	N/A
Estimated City Funds (subject to Section 4.03)	$488,844
ESTIMATED TOTAL	$1,955,376

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.

4.03 City Funds.

(a) Uses of City Funds. City Funds may only be used to pay directly or reimburse the Developer for costs of TIF-Funded Improvements that constitute Redevelopment Project Costs. Exhibit C sets forth, by line item, the TIF-Funded Improvements for the Project, and the maximum amount of costs that may be paid by or reimbursed from City Funds for each line item therein (subject to Sections 4.03(b) and 4.05(d)), contingent upon receipt by the City of documentation satisfactory in form and substance to DCD evidencing such cost and its eligibility as a Redevelopment Project Cost. City Funds shall be disbursed to the Developer as follows: (1) a payment in connection with the issuance of the Phase I Certificate as described in Section 4.03(c) (the "Phase I Payment"), and (2) a payment in connection with the issuance of the Phase II Certificate as described in Section 4.03(d) (the "Phase II Payment"). Such payment of City Funds shall be contingent upon DCD having first received the Requisition Form.

(b) Sources of City Funds. Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03 and Section 5 hereof, the City hereby agrees to provide City funds from the sources and in the amounts described directly below (the "City Funds") to pay for or reimburse the Developer for the costs of the TIF-Funded Improvements:

Source of City Funds	Maximum Amount
Available Incremental Taxes	$488,844

provided, however, that the total amount of City Funds expended for TIF-Funded Improvements shall be an amount not to exceed the lesser of (x) Four Hundred Eighty-Eight Thousand Eight Hundred and Forty-Four Dollars ($488,844), or (y) the sum of twenty-five percent (25%) of the actual Phase I expenditures plus the sum of twenty-five percent (25%) of the actual Phase II expenditures;

and provided further, that the $488,844 to be derived from Available Incremental Taxes shall be available to pay costs related to TIF-Funded Improvements and allocated by the City for that purpose only so long as:

(i) The amount of the Available Incremental Taxes deposited into the LaSalle Central TIF Fund shall be sufficient to pay for such costs; and

(ii) The City has been reimbursed from Available Incremental Taxes for the amount previously disbursed by the City for TIF-Funded Improvements.

The Developer acknowledges and agrees that the City's obligation to pay for TIF-Funded Improvements up to a maximum of $488,844 is contingent upon the fulfillment of the conditions set forth in parts (i) and (ii) above. In the event that such conditions are not fulfilled, the amount of Equity to be contributed by the Developer pursuant to Section 4.01 hereof shall increase proportionately.

(c) Phase I Payment. Within 90 days after the issuance of the Phase I Certificate to the Developer by DCD, subject to the conditions described in this Section 4.03, the City shall make the Phase I Payment to Developer in an amount equal to 25% of Phase I expenditures; provided, however, that the Phase I Payment shall in no event exceed $247,547.

(d) Phase II Payment. Within 90 days after the issuance of the Phase II Certificate to the Developer by DCD, subject to the conditions described in this Section 4.03, the City shall make the Phase II Payment to Developer in an amount equal to 25% of Phase II expenditures; provided, however, that the Phase II Payment shall in no event exceed $241,297.

4.04 Requisition Form.

On the Closing Date and prior to each February 1 (or such other date as the parties may agree to) thereafter, beginning in 2011 and continuing throughout the earlier of (i) the Term of the Agreement or (ii) the date that the Developer has been reimbursed in full under this Agreement, the Developer shall provide DCD with a Requisition Form, along with the documentation described therein. Requisition for reimbursement of TIF-Funded Improvements shall be made not more than one time per calendar year (or as otherwise permitted by DCD). On each February 1 (or such other date as may be acceptable to the parties), beginning in 2011 and continuing throughout the Term of the Agreement, the Developer shall meet with DCD at the request of DCD to discuss the Requisition Form(s) previously delivered.

4.05 Treatment of Prior Expenditures and Subsequent Disbursements.

(a) Prior Expenditures. Only those expenditures made by the Developer with respect to the Project prior to the Closing Date, evidenced by documentation satisfactory to DCD and approved by DCD as satisfying costs covered in the Project Budget, shall be considered previously contributed Equity or Lender Financing hereunder (the "Prior Expenditures"). DCD shall have the right, in its sole discretion, to disallow any such expenditure as a Prior Expenditure. Exhibit H hereto sets forth the prior expenditures approved by DCD as of the date hereof 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) [Intentionally omitted.]

(c) City Fee. Annually, the City may allocate an amount not to exceed ten percent (10%) of the Incremental Taxes for payment of costs incurred by the City for the administration and monitoring of the Redevelopment Area, including the Project. Such fee shall be in addition to and shall not be deducted from or considered a part of the City Funds, and the City shall have the right to receive such funds prior to any payment of City Funds hereunder.

(d) 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 DCD, being prohibited; provided, however, that such transfers among line items, in an amount not to exceed $25,000 or $100,000 in the aggregate, may be made without the prior written consent of DCD.

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

4.07 Preconditions of Disbursement. Prior to each disbursement of City Funds hereunder, the Developer shall submit documentation regarding the applicable expenditures to DCD, which shall be satisfactory to DCD in its sole discretion. Delivery by the Developer to DCD of any request for disbursement of City Funds 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 disbursement request represents the actual amount paid to 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 disbursement request have been paid to the parties entitled to such payment;

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

(d) the representations and warranties contained in this Redevelopment 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 Project is In Balance. The Project shall be deemed to be in balance ("In Balance") only if the total of the available Project funds equals or exceeds the aggregate of the amount necessary to pay all unpaid Project costs incurred or to be incurred in the completion of the Project. "Available Project Funds" as used herein shall mean: (i) the undisbursed City Funds; (ii) the undisbursed Lender Financing, if any; (iii) the undisbursed Equity and (iv) any other amounts

deposited by the Developer pursuant to this Agreement. The Developer hereby agrees that, if the Project is not In Balance, the Developer shall, within 10 days after a written request by the City, deposit with the Title Company or will make available (in a manner acceptable to the City), cash in an amount that will place the Project In Balance, which deposit shall first be exhausted before any further disbursement of the City Funds shall be made.

The City shall have the right, in its discretion, to require the Developer to submit further documentation as the City may require in order to verify that the matters certified to above are true and correct, and any disbursement by the City shall be subject to the City's review and approval of such documentation and its satisfaction that such certifications are true and correct; provided, however, that nothing in this sentence shall be deemed to prevent the City from relying on such certifications by the Developer. 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 Bond Ordinance, if any, the Bonds, if any, the TIF Ordinances, and this Agreement.

4.08 Conditional Grant. The City Funds being provided hereunder are being granted on a conditional basis, subject to the Developer's compliance with the provisions of this Agreement. The City Funds are subject to being reimbursed by the Developer to the City subject to the rights and limitations and as otherwise provided in Section 15.02 and Section 15.03 hereof.

SECTION 5. CONDITIONS PRECEDENT

The following conditions have been complied with to the City's satisfaction on or prior to the Closing Date:

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

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

5.03 Landmark Designation and Other Governmental Approvals. The Developer has secured all other necessary approvals and permits required by any state, federal, or local statute, ordinance or regulation to commence construction of the Project and has submitted evidence thereof to DCD. The Project is subject to the review and approval of the Commission on Chicago Landmarks as it pertains to work on the Project's significant historical and architectural features identified in Recital D. The Project's scope must be reviewed and approved by the Department of Zoning and Land Use Planning (DZLUP) prior to the ordering and fabrication of replacement doors or door parts and storefront elements. Such review by DZLUP may require the submission of shop drawings or other information, in DZLUP's sole discretion. Any changes to the Project as approved by DZLUP shall be resubmitted for DZLUP's review and approval. The Developer agrees to make best efforts to coordinate the work with the other owner of the Civic Opera Building to ensure a consistent and historically-appropriate appearance for the ground-floor storefronts and entrances including, without limitation, finishes and replacement doors. The Developer may apply for and process all other approvals required for such permits, subject to DZLUP's final approval upon the satisfaction of the foregoing conditions.

5.04 Financing. The Developer has furnished proof reasonably acceptable to the City that the Developer has Equity in the amount set forth in Section 4.01 hereof to complete the Project and satisfy its obligations under this Agreement. Any liens against the Property in existence at the Closing Date have been subordinated to certain encumbrances of the City set forth herein pursuant to a subordination agreement, in a form 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 Title. On the Closing Date, the Developer has furnished the City with a copy of the Title Policy for the Property, certified by the Title Company, showing the Developer as the named insured. The Title Policy is dated as of the Closing Date and contains only those title exceptions listed as Permitted Liens on Exhibit F hereto and evidences the recording of this Agreement pursuant to the provisions of Section 8.18 hereof. The Title Policy also contains such endorsements as shall be required by Corporation Counsel, including, as applicable (as determined by Corporation Counsel) but not limited to an owner's comprehensive endorsement and satisfactory endorsements regarding zoning (3.1 with parking), contiguity, location, access and survey. The Developer has provided to DCD, on or prior to the Closing Date, documentation related to ownership of the Property and copies of all easements and encumbrances of record with respect to the Property not addressed, to DCD's satisfaction, by the Title Policy and any endorsements thereto.

5.06 Evidence of Clean Title. The Developer, at its own expense, has provided the City with searches under the Developer's name (and the following trade names of the Developer: none) as follows:

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

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

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

5.08 Insurance. The Developer, at its own expense, has insured the Property in accordance with Section 12 hereof, and has delivered certificates required pursuant to Section 12 hereof evidencing the required coverages to DCD.

5.09 Opinion of the Developer's Counsel. On the Closing Date, the Developer has furnished the City with an opinion of counsel, substantially in the form attached hereto as Exhibit I, with such changes as required by or acceptable to Corporation Counsel. 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 I hereto, such opinions were obtained by the Developer from its general corporate counsel.

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

5.11 Financial Statements. The Developer has provided Financial Statements to DCD for its most recent fiscal year, and audited or unaudited interim financial statements.

5.12 Documentation. The Developer has provided documentation to DCD, satisfactory in form and substance to DCD, with respect to current employment matters, including the reports described in Section 8.07.

5.13 Environmental. The Developer has provided DCD with copies of any phase I or phase II environmental reports or audits, if any, obtained by the Developer with respect to the Property, together with notices addressed to the Developer from any agency regarding environmental issues at the Property. The Developer has provided the City with a letter from the environmental engineer(s) who completed such audit(s), if any, authorizing the City to rely on such audits.

5.14 Corporate Documents; Economic Disclosure Statement. The Developer has provided a copy of its Articles or Certificate of Incorporation containing the original certification of the Secretary of State of its state of incorporation; certificates of good standing from the Secretary of State of its state of incorporation 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; by-laws of the corporation; and such other corporate documentation as the City has requested. The Developer has provided to the City an Economic Disclosure Statement, in the City's then current form, dated as of the Closing Date.

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

SECTION 6. AGREEMENTS WITH CONTRACTORS

6.01 Bid Requirement for General Contractor and Subcontractors. (a) Except as set forth in Section 6.01(b) below, prior to entering into an agreement with a General Contractor or any subcontractor for construction of the Project, the Developer shall solicit, or shall cause the General Contractor to solicit, bids from qualified contractors eligible to do business with, and having an office located in, the City of Chicago, and shall submit all bids received to DCD for its inspection and written approval. For the TIF-Funded Improvements, the Developer shall select the General Contractor (or shall cause the General Contractor to select the subcontractor) submitting the lowest responsible bid who can complete the Project in a timely manner. If the Developer selects a General Contractor (or the General Contractor selects any subcontractor) submitting other than the lowest responsible bid for the TIF-Funded Improvements, the difference between the lowest responsible bid and the bid selected may not be paid out of City Funds. For Project work other than the TIF-Funded Improvements, if the Developer selects a General Contractor (or the General Contractor selects any subcontractor) who has not submitted the lowest responsible bid, the difference between the lowest responsible bid and the higher bid selected shall be subtracted from the actual total Project costs for purposes of the calculation of the amount of City Funds to be

contributed to the Project pursuant to Section 4.03(b) hereof. The Developer shall submit copies of the Construction Contract to DCD 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 DCD 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 until the Plans and Specifications have been approved by DCD and all requisite permits have been obtained.

(b) If, prior to entering into an agreement with a General Contractor for construction of the Project, the Developer does not solicit bids pursuant to Section 6.01(a) hereof, then the fee of the General Contractor proposed to be paid out of City Funds shall not exceed ten percent (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 DCD a copy of the proposed Construction Contract with the General Contractor selected to handle the Project in accordance with Section 6.01 above, for DCD's prior written approval, which shall be granted or denied within ten (10) business days after delivery thereof. 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 DCD 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 the commencement of any portion of the Project which includes work on the public way, the Developer shall require that the General Contractor be bonded for its payment by sureties having an AA rating or better using a bond in the form attached as Exhibit L hereto. The City shall be named as obligee or co-obligee on any such bonds.

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

6.05 Other Provisions. In addition to the requirements of this Section 6, the Construction Contract and each contract with any subcontractor 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, as applicable), Section 12 (Insurance) and Section 14.01 (Books and Records) hereof. Photocopies of all contracts or subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to DCD within five (5) business days of the execution thereof.

SECTION 7. COMPLETION OF CONSTRUCTION OR REHABILITATION

7.01 Certificate of Completion of Construction or Rehabilitation. Upon satisfaction of the conditions set forth in this Section 7.01, and upon the Developer's written request, which shall include a final Project budget detailing the total actual cost of the construction of Phase I of the Project (the "Phase I Project Cost"), DCD shall issue to the Developer the Completion Certificate for Phase I of the Project (the "Phase I Certificate"). Upon the Developer's written request, which shall include a final Project budget detailing the total actual cost of the construction of Phase II of the Project ("Phase II Project Cost"), DCD shall issue to the Developer the Completion Certificate for

Phase II of the Project (the "Phase II Certificate"). Both the Phase I Certificate and the Phase II Certificate shall be in recordable form certifying that the Developer has fulfilled its obligation to complete the applicable Phase of the Project in accordance with the terms of this Agreement. No Certificate shall be issued unless DCD is satisfied that the Developer has fulfilled all of the following obligations that pertain to the Certificate being requested:

(a) General conditions applicable to Phase I Certificate

(i) The Developer has completed construction of Phase I according to the Plans and Specifications for Phase I.

(ii) The Developer has submitted to DCD adequate documentation of the Phase I Project Cost.

(iii) Receipt of a Certificate of Occupancy, if applicable, or other evidence acceptable to DCD that the Developer has complied with building permit requirements for Phase I.

(iv) The City's Monitoring and Compliance Unit has verified that, at the time the Phase I Certificate is issued, the Developer is in full compliance as determined on a Project-wide basis with City requirements set forth in Section 10 and Section 8.09 (M/WBE, City Residency and Prevailing Wage) with respect to construction of the Project, and that 100% of the Developer's MBE/WBE Commitment in Section 10.03 has been fulfilled.

(v) The Developer has incurred costs for TIF-Funded Improvements in an amount equal to or higher than the amount indicated on Exhibit C with respect to Phase I, unless the Developer agrees to a lesser amount.

(vi) There exists neither an Event of Default (after any applicable cure period) which is continuing nor a condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default.

(vii) DZLUP has verified that, at the time the Phase I Certificate is issued, the Developer has completed the Phase I work in a manner consistent with the Commission on Chicago Landmarks' approvals.

(b) Conditions applicable to the Phase II Certificate

(i) The Developer has completed construction of Phase II according to the Plans and Specifications for Phase II.

(ii) The Developer has submitted to DCD adequate documentation of the Phase II Project Cost.

(iii) Receipt of a Certificate of Occupancy, if applicable, or other evidence acceptable to DCD that the Developer has complied with building permit requirements for Phase II.

(iv) The City's Monitoring and Compliance Unit has verified that, at the time the Phase II Certificate is issued, the Developer is in full compliance as determined on a Project-wide basis with City requirements set forth in Section 10 and Section 8.09 (M/WBE, City Residency and Prevailing Wage) with respect to construction of the Project, and that 100% of the Developer's MBE/WBE Commitment in Section 10.03 has been fulfilled.

(v) The Developer has incurred costs for TIF-Funded Improvements in an amount equal to or higher than the amount indicated on Exhibit C with respect to Phase II, unless the Developer agrees to a lesser amount.

(vi) There exists neither an Event of Default (after any applicable cure period) which is continuing nor a condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default.

(vii) DZLUP has verified that, at the time the Phase II Certificate is issued, the Developer has completed the Phase II work in a manner consistent with the Commission on Chicago Landmarks' approvals.

DCD shall respond to the Developer's written request for a Certificate within forty-five (45) days by issuing either a Certificate or a written statement detailing the ways in which the Project does not conform to this Agreement or has not been satisfactorily completed, and the measures which must be taken by the Developer in order to obtain the Certificate. The Developer may resubmit a written request for a Certificate upon completion of such measures.

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

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

7.03 Failure to Complete. If the Developer fails to complete the Project in accordance with the terms of this Agreement, then the City has, but shall not be limited to, any of the following rights and remedies:

(a) the right to terminate this Agreement and any other related agreements to which the City and the Developer are or shall be parties, and cease all disbursement of City Funds not yet disbursed pursuant hereto;

(b) the right (but not the obligation) to complete those TIF-Funded Improvements that are public improvements and to pay for the costs of TIF-Funded Improvements (including interest costs) out of City Funds or other City monies. In the event that the aggregate cost of completing the TIF-Funded Improvements exceeds the amount of City Funds available pursuant to Section 4.01, the Developer shall reimburse the City for all reasonable costs and expenses incurred by the City in completing such TIF-Funded Improvements in excess of the available City Funds; and

(c) the right to seek reimbursement of the City Funds from the Developer.

7.04 Notice of Expiration of Term of Agreement. Upon the expiration of the Term of the Agreement, DCD 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.

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

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

(a) the Developer is an Illinois not-for-profit corporation duly organized, validly existing, qualified to do business in Illinois, and licensed to do business in any other state where, due to the nature of its activities or properties, such qualification or license is required;

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

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

(d) unless otherwise permitted or not prohibited pursuant to or under the terms of this Agreement, the Developer possesses and shall maintain good, indefeasible and merchantable fee simple title to the Property (and all improvements thereon) free and clear of all liens (except for the Permitted Liens, Lender Financing, if any, as disclosed in the Project Budget, and non-governmental charges that the Developer is contesting in good faith pursuant to Section 8.15 hereof)

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

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

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

(h) the Developer is not in default with respect to any indenture, loan agreement, mortgage, deed, note or any other agreement or instrument related to the borrowing of money, or with respect to any other material contract, lease agreement, instrument or commitment, 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) the Developer shall not do any of the following without the prior written consent of DCD: (1) be a party to any merger, liquidation or consolidation; (2) sell, transfer, convey, lease or otherwise dispose of all or substantially all of its assets or any portion of the Property (including but not limited to any fixtures or equipment now or hereafter attached thereto) except in the ordinary course of business; (3) enter into any transaction outside the ordinary course of the Developer's business; (4) assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity; 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 DCD, allow the existence of any liens against the Property (or improvements thereon) other than the Permitted Liens and those being contested in good faith pursuant to Section 8.15 hereof; or incur any indebtedness, secured or to be secured by the Property (or improvements thereon) or any fixtures now or hereafter attached thereto, except Lender Financing, if any, disclosed in the Project Budget;

(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; and

(m) neither the Developer nor any affiliate of the Developer is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List. For purposes of this subparagraph (m) only, the term "affiliate," when used to indicate a relationship with a specified person or entity, means a person or entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified person or entity, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

8.02 Covenant to Redevelop. Upon DCD's approval of the Project Budget, the Scope Drawings and Plans and Specifications as provided in Sections 3.02 and 3.03 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 8.02 shall run with the land and be binding upon any transferee, but shall be deemed satisfied upon issuance by the City of a Certificate with respect thereto.

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) any bonds in connection with the Redevelopment Area, the proceeds of which may be used to reimburse the City for expenditures made in connection with, or provide a source of funds for the payment for, the TIF-Funded Improvements (the "Bonds"); provided, however, that any such amendments shall not have a material adverse effect on the Developer or the Project. The Developer shall, at the Developer's expense, cooperate and provide reasonable assistance in connection with the marketing of any such Bonds, including but not limited to providing written descriptions of the Project, making representations, providing information regarding its financial condition and assisting the City in preparing an offering statement with respect thereto.

8.06 Operating Covenant.

(a) Covenant to Maintain Property as Opera House. The Developer hereby covenants and agrees to maintain its Property as an opera house throughout the Compliance Period (the "Operating Covenant"). Maintaining the Property as an opera house shall mean operating the Property in a manner substantially similar to its current use and operation. The Operating Covenant set forth in this Section 8.06 shall run with the land and be binding upon any transferee of the Property. A default under the Operating Covenant shall constitute an Event of Default without notice or opportunity to cure.

(b) Covenant Runs with the Land; Remedy. The covenants set forth in this Section 8.06 shall run with the land and be binding upon any transferee of the Property throughout the Term of this Agreement. Upon expiration of the Term of this Agreement, if requested in writing by the Developer, the City shall deliver to Developer a release of this Agreement, in recordable form. In the event of a default of the Operating Covenant in this Section 8.06, the City shall have the right to recapture the City Funds previously paid or disbursed to the Developer for the Project if such default is not cured during the applicable cure period, if any, and to exercise any remedies described or referred to in this Agreement.

8.07 Employment Opportunity; Progress Reports. The Developer covenants and agrees to abide by, and contractually obligate and use reasonable efforts to cause the General Contractor and

each subcontractor to abide by the terms set forth in Section 10 hereof. The Developer shall deliver to the City written monthly 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 every month beginning after the first full month of Phase I and Phase II and ending at the end of each respective phase. If any such reports indicate a shortfall in compliance, the Developer shall also deliver a plan to DCD which shall outline, to DCD'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 DCD, from time to time, statements of its employment profile upon DCD'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 DCD has 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 DCD'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. Without limiting the previous sentence, the Developer discloses that: (i) Chester T. Kamin and Craig C. Martin, partners of Jenner & Block LLP, the Developer's counsel, currently serve as board members of the Developer; and (ii) the Honorable Richard M. Daley is an Honorary Chairman of the Board of the Developer, which is an honorary position with no legal or other authority whatsoever.

8.12 Disclosure of Interest. The Developer's counsel has no direct or indirect financial ownership interest in the Developer, the Property or any other aspect of the Project. Without limiting the previous sentence, the Developer discloses that Chester T. Kamin and Craig C. Martin, partners of Jenner & Block LLP, the Developer's counsel, currently serve as board members of the Developer.

8.13 Financial Statements. The Developer shall obtain and provide to DCD Financial Statements for the Developer's fiscal year ended 2009 and each year thereafter for the Term of the

Agreement. In addition, the Developer shall submit audited or unaudited interim financial statements as soon as reasonably practical following the close of each fiscal year.

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

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

(b) Right to Contest. The Developer has 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 DCD's sole option, to furnish a good and sufficient bond or other security satisfactory to DCD in such form and amounts as DCD 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 DCD 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 evidence satisfactory to the City of such compliance.

8.18 Recording and Filing. The Developer shall cause this Agreement, certain exhibits (as specified by Corporation Counsel), all amendments and supplements hereto to be recorded and

filed against the Property on the date hereof in the conveyance and real property records of the county in which the Project is located. This Agreement shall be recorded prior to any mortgage made in connection with Lender Financing, if any. The Developer shall pay all fees and charges incurred in connection with any such recording. Upon recording, the Developer shall immediately transmit to the City an executed original of this Agreement showing the date and recording number of record.

8.19 Real Estate Provisions.

(a) Governmental Charges.

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

(ii) Right to Contest. The Developer has the right before any delinquency occurs to contest or object in good faith to the amount or validity of any Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted in such manner as shall stay the collection of the contested Governmental Charge and prevent the imposition of a lien or the sale or forfeiture of the Property. The Developer's right to challenge real estate taxes applicable to the Property is limited as provided for in Section 8.19(c) below; provided, that such real estate taxes must be paid in full when due and may be disputed only after such payment is made. No such contest or objection shall be deemed or construed in any way as relieving, modifying or extending the Developer's covenants to pay any such Governmental Charge at the time and in the manner provided in this Agreement unless the Developer has given prior written notice to DCD of the Developer's intent to contest or object to a Governmental Charge and, unless, at DCD's sole option,

(iii) the Developer shall demonstrate to DCD'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

(iv) the Developer shall furnish a good and sufficient bond or other security satisfactory to DCD in such form and amounts as DCD 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 when due or to obtain discharge of the same, the Developer shall advise

DCD thereof in writing, at which time DCD may, but shall not be obligated to, and without waiving or releasing any obligation or liability of the Developer under this Agreement, in DCD's sole discretion, make such payment, or any part thereof, or obtain such discharge and take any other action with respect thereto which DCD deems advisable. All sums so paid by DCD, if any, and any expenses, if any, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto, shall be promptly disbursed to DCD by the Developer. Notwithstanding anything contained herein to the contrary, this paragraph shall not be construed to obligate the City to pay any such Governmental Charge. Additionally, if the Developer fails to pay any Governmental Charge, the City, in its sole discretion, may require the Developer to submit to the City audited Financial Statements at the Developer's own expense.

(c) Real Estate Taxes. The provisions of this Section 8.19(c) shall not apply to the Developer so long as the Developer remains exempt from the payment of 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 indicated ("Minimum Assessed Value") is shown on Exhibit J attached hereto and incorporated herein by reference for the years noted on Exhibit J; (B) Exhibit J sets forth the specific improvements which will generate the fair market values, assessments, equalized assessed values and taxes shown thereon; and (C) the real estate taxes anticipated to be generated and derived from the respective portions of the Property and the Project for the years shown are fairly and accurately indicated in Exhibit J.

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

(iii) No Reduction in Real Estate Taxes. Neither the Developer nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to the Developer shall, during the Term of the 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 J for the applicable year.

(iv) No Objections. During the Term of the Agreement, 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 Property up to (but not above) the Minimum Assessed Value as shown in Exhibit J.

(v) Covenants Running with the Land. The parties agree that the restrictions contained in this Section 8.19(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 8.19(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 8.19(c).

8.20 Title Policy. On the Closing Date, the Developer shall furnish the City with a copy of the Title Policy for the Property or a binding, signed, marked-up commitment to issue such Title Policy, certified by the Title Company, showing fee simple title to the Building in the Developer. The Title Policy shall be dated as of the date of this Agreement and shall contain only those title exceptions listed as Permitted Liens on Exhibit F hereto and shall evidence the recording of this Agreement pursuant to the provisions of Section 8.18 hereof. The Title Policy also shall contain such endorsements as may 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. The Developer shall provide to DCD, prior to the Closing Date, copies of all easements and encumbrances of record with respect to the Property not addressed, to DCD's satisfaction, by the Title Policy and any endorsements thereto.

8.21 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. Not withstanding anything to the contrary in this Section 8.21, in consideration of the City Funds, the Developer shall not be entitled to the waiver of those fees for the Project as otherwise authorized pursuant to Sec. 2-120-815 of the Chicago Landmarks Ordinance governing the waiving of permit fees for properties designated as Chicago Landmarks.

8.22 [Intentionally omitted.]

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

8.24 Annual Compliance Report. Beginning with the issuance of the Certificate and continuing throughout the Term of the Agreement, the Developer shall submit to DCD the Annual Compliance Report within 30 days after the end of the calendar year to which the Annual Compliance Report relates.

8.25 Continuing Disclosure Obligation. The Developer shall comply with Section 2-154-020 of the Municipal Code.

8.26 Inspector General and Legislative Inspector General. It is the duty of the Developer, and any bidder, proposer, contractor, subcontractor, and every applicant for certification of eligibility for a City contract or program, and all officers, directors, agents, partners, and employees of the Developer, and any such bidder, proposer, contractor, subcontractor or such applicant to cooperate with the Inspector General in any investigation or hearing undertaken pursuant to Chapter 2-56 of

the Municipal Code. Developer represents that it understands and will abide by all provisions of Chapter 2-56 of the Municipal Code and that it will inform subcontractors of this provision and require their compliance.

It is the duty of the Developer, and any bidder, proposer, contractor, subcontractor, and every applicant for certification of eligibility for a City contract or program, and all officers, directors, agents, partners, and employees of the Developer, and any such bidder, proposer, contractor, subcontractor or such applicant to cooperate with the Legislative Inspector General in any investigation undertaken pursuant to Chapter 2-55 of the Municipal Code. Developer represents that it understands and will abide by all provisions of Chapter 2-55 of the Municipal Code and that it will inform subcontractors of this provision and require their compliance.

SECTION 9. COVENANTS/REPRESENTATIONS/WARRANTIES OF CITY

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

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

SECTION 10. 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. (1993), and any subsequent amendments and regulations promulgated thereto.

(d) Each Employer, in order to demonstrate compliance with the terms of this Section 10, shall cooperate with and promptly and accurately respond to inquiries by the City, which has the responsibility to observe and report compliance with equal employment opportunity regulations of federal, state and municipal agencies.

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

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

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

The Developer may request a reduction or waiver of this minimum percentage level of Chicagoans as provided for in Section 2-92-330 of the Municipal Code of Chicago in accordance with standards and procedures developed by the Chief Procurement Officer 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 DCD in triplicate, which shall identify clearly the actual

residence of every employee on each submitted certified payroll. The first time that an employee's name appears on a payroll, the date that the Employer hired the employee should be written in after the employee's name.

The Developer, the General Contractor and each subcontractor shall provide full access to their employment records to the Chief Procurement Officer, the Commissioner of DCD, 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 DCD, 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 Chief Procurement Officer) shall not suffice to replace the actual, verified achievement of the requirements of this Section 10.02 concerning the worker hours performed by actual Chicago residents.

When work at the Project is completed, in the event that the City has determined that the Developer has failed to ensure the fulfillment of the requirement of this Section 10.02 concerning the worker hours performed by actual Chicago residents or failed to report in the manner as indicated above, the City will thereby be damaged in the failure to provide the benefit of demonstrable employment to Chicagoans to the degree stipulated in this Section 10.02. 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 Chief Procurement Officer'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. 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, as applicable, (i) the Minority-Owned and Women-Owned Business Enterprise Procurement Program, Section 2-92-420 et seq., Municipal Code of Chicago (the "Procurement Program"), and (ii) the Minority- and Women-Owned Business Enterprise Construction Program, Section 2-92-650 et seq., Municipal Code of Chicago (the "Construction Program," and collectively with the Procurement Program, the "MBE/WBE Program"), 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 Project Budget shall be expended for contract participation by MBEs and by WBEs:

(1) At least 24 percent by MBEs.
(2) At least four 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" or a "construction contract" as such terms are defined in Sections 2-92-420 and 2-92-670, Municipal Code of Chicago, as applicable.

(c) Consistent with Sections 2-92-440 and 2-92-720, 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 the 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 or services 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. In accordance with Section 2-92-730, Municipal Code of Chicago, the Developer shall not substitute any MBE or WBE General Contractor or subcontractor without the prior written approval of DCD.

(d) The Developer shall deliver quarterly reports to the City's monitoring staff 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 the City's monitoring staff in determining the Developer's compliance with this MBE/WBE commitment. The Developer shall maintain records of all relevant data with respect to the utilization of MBEs and WBEs in connection with the Project for at least five years after completion of the Project, and the City's monitoring staff shall have access to all such records maintained by the Developer, on five Business Days' notice and during business hours, to allow the City to review the Developer's compliance with its

commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the Project.

(e) Upon the disqualification of any MBE or WBE General Contractor or subcontractor, if such status was misrepresented by the disqualified party, the Developer shall be obligated to discharge or cause to be discharged the disqualified General Contractor or subcontractor, and, if possible, identify and engage a qualified MBE or WBE as a replacement. For purposes of this subsection (e), the disqualification procedures are further described in Sections 2-92-540 and 2-92-730, Municipal Code of Chicago, as applicable.

(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 Sections 2-92-450 and 2-92-730, Municipal Code of Chicago, as applicable.

(g) Prior to the commencement of the Project, the Developer shall be required to meet with the City's monitoring staff with regard to the Developer's compliance with its obligations under this Section 10.03. The General Contractor and all major subcontractors shall be required to attend this pre-construction meeting. During said meeting, the Developer shall demonstrate to the City's monitoring staff its plan to achieve its obligations under this Section 10.03, the sufficiency of which shall be approved by the City's monitoring staff. During the Project, the Developer shall submit the documentation required by this Section 10.03 to the City's monitoring staff, including the following: (i) subcontractor's activity report; (ii) contractor's certification concerning labor standards and prevailing wage requirements; (iii) contractor letter of understanding; (iv) monthly utilization report; (v) authorization for payroll agent; (vi) certified payroll; (vii) evidence that MBE/WBE contractor associations have been informed of the Project via written notice and hearings; and (viii) evidence of compliance with job creation/job retention requirements. Failure to submit such documentation on a timely basis, or a determination by the City's monitoring staff, upon analysis of the documentation, that the Developer is not complying with its obligations under this Section 10.03, shall, upon the delivery of written notice to the Developer, be deemed an Event of Default. Upon the occurrence of any such Event of Default, in addition to any other remedies provided in this Agreement, the City may: (1) issue a written demand to the Developer to halt the Project, (2) withhold any further payment of any City Funds to the Developer or the General Contractor, and/or (3) seek any other remedies against the Developer available at law or in equity.

SECTION 11. ENVIRONMENTAL MATTERS

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

Without limiting any other provisions hereof, the Developer agrees to indemnify, defend and hold the City harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses or claims of any kind whatsoever including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under any Environmental Laws incurred, suffered by or asserted against the City as a direct or indirect result of any of the following, regardless of whether or not caused by, or within the control of the Developer: (i) the presence of any Hazardous Material on or under, or the escape, seepage, leakage, spillage, emission, discharge or release of any Hazardous Material from (A) all or any portion of the Property or (B) any other real

property in which the Developer, or any person directly or indirectly controlling, controlled by or under common control with the Developer, holds any estate or interest whatsoever (including, without limitation, any property owned by a land trust in which the beneficial interest is owned, in whole or in part, by the Developer), or (ii) any liens against the Property permitted or imposed by any Environmental Laws, or any actual or asserted liability or obligation of the City or the Developer or any of its Affiliates under any Environmental Laws relating to the Property.

SECTION 12. INSURANCE

The Developer must provide and maintain, at Developer's own expense, or cause to be provided and maintained during the term of this Agreement, the insurance coverage 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

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

(ii) Commercial General Liability (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 must include the following: All premises and operations, products/completed operations independent contractors, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

(iii) All Risk Property

All Risk Property Insurance at replacement value of the property to protect against loss of, damage to, or destruction of the building/facility. The City is to be named as an additional insured and loss payee/mortgagee if applicable.

(b) Construction. Prior to the construction of any portion of the Project, Developer will cause its architects, contractors, subcontractors, 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

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

(ii) Commercial General Liability (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 must include the following: All premises and operations, products/completed operations (for a minimum of two (2) years following project completion), explosion, collapse, underground, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

(iii) Automobile Liability (Primary and Umbrella)

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

(iv) Railroad Protective Liability

When any work is to be done adjacent to or on railroad or transit property, Developer must provide or cause to be provided with respect to the operations that Contractors perform, Railroad Protective Liability Insurance in the name of railroad or transit entity. The policy must 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

When Developer undertakes any construction, including improvements, betterments, and/or repairs, the Developer must provide or cause to be provided All Risk Builders Risk Insurance at replacement cost for materials, supplies, equipment, machinery and fixtures that are or will be part of the project. The City of Chicago is to be named as an additional insured and loss payee/mortgagee if applicable.

(vi) Professional Liability

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

(vii) Valuable Papers

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

(viii) Contractors Pollution Liability

When any remediation work is performed which may cause a pollution exposure, the Developer must cause the remediation contractor to provide Contractor Pollution Liability covering bodily injury, property damage and other losses caused by pollution conditions that arise from the contract scope of work with limits of not less than $1,000,000 per occurrence. Coverage must include completed operations, contractual liability, defense, excavation, environmental cleanup, remediation and disposal. When policies are renewed or replaced, the policy retroactive date must coincide with or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years. The City of Chicago is to be named as an additional insured.

(c) Post Construction:

(i) All Risk Property Insurance at replacement value of the property to protect against loss of, damage to, or destruction of the building/facility. The City is to be named as an additional insured and loss payee/mortgagee if applicable.

(d) Other Requirements:

The Developer must furnish the City of Chicago, Department of Community Development, City Hall, Room 1000, 121 North LaSalle Street 60602, original Certificates of Insurance, or such similar evidence, 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 must submit evidence of insurance on the City of Chicago Insurance Certificate Form (copy attached) or equivalent prior to closing. 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 Developer is not a waiver by the City of any requirements for the Developer to obtain and maintain the specified coverages. The Developer shall advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance does not relieve 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 stop work and/or terminate this Agreement until proper evidence of insurance is provided.

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

Any deductibles or self insured retentions on referenced insurance coverages must be borne by Developer and Contractors.

The Developer hereby waives and agrees to require their insurers to waive their rights of subrogation against the City of Chicago, its employees, elected officials, agents, or representatives.

The coverages and limits furnished by Developer in no way limit the Developer's liabilities and responsibilities specified within the Agreement or by law.

Any insurance or self insurance programs maintained by the City of Chicago do not contribute with insurance provided by the Developer under the Agreement.

The required insurance to be carried is not limited by any limitations expressed in the indemnification language in this Agreement or any limitation placed on the indemnity in this Agreement given as a matter of law.

If Developer is a joint venture or limited liability company, the insurance policies must name the joint venture or limited liability company as a named insured.

The Developer must require Contractor and subcontractors to provide the insurance required herein, or Developer may provide the coverages for Contractor and subcontractors. All Contractors and subcontractors are subject to the same insurance requirements of Developer unless otherwise specified in this Agreement.

If Developer, any Contractor or subcontractor desires additional coverages, the party desiring the additional coverages is responsible for the acquisition and cost.

The City of Chicago Risk Management Department maintains the right to modify, delete, alter or change these requirements (a) without the consent of the Developer if the limits are not increased and (b) with the consent of the Developer if the limits are increased.

SECTION 13. INDEMNIFICATION

13.01 General Indemnity. Developer agrees to indemnify, pay, defend 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 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 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 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

(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 the 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.

SECTION 14. MAINTAINING RECORDS/RIGHT TO INSPECT

14.01 Books and Records. The Developer shall keep and maintain separate, complete, accurate and detailed books and records necessary to reflect and fully disclose the total actual cost of the Project and the disposition of all funds from whatever source allocated thereto, and to monitor the Project. All such books, records and other documents, including but not limited to the Developer's loan statements, 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 upon reasonable prior notice during business hours. 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 has access to all portions of the Project and the Property during normal business hours for the Term of the Agreement.

SECTION 15. DEFAULT AND REMEDIES

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

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

(b) the failure of the Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Developer under any other agreement with any person or entity if such failure may have a material adverse effect on the Developer's business, property, assets, operations or condition, financial or otherwise;

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

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

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

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

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

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

(i) the dissolution of the Developer;

(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); or

(k) the sale or transfer of all or substantially all of the ownership interests of the Developer without the prior written consent of the City.

For purposes of Section 15.01(j) hereof, a person with a material interest in the Developer shall be one owning in excess of ten (10%) of the Developer's membership interests.

15.02 Remedies. Upon the occurrence of an Event of Default, the City may terminate this Agreement and any other agreements to which the City and the Developer are or shall be parties, suspend disbursement of City Funds, place a lien on the Project in the amount of City Funds paid, and seek reimbursement of any City Funds paid. 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 damages, injunctive relief or the specific performance of the agreements contained herein. Upon the occurrence of an Event of Default under Section 8.06, the Developer shall be obligated to repay to the City all previously disbursed City Funds.

15.03 Curative Period. In the event the Developer shall fail to perform a monetary covenant which the Developer is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the Developer has failed to perform such monetary covenant within ten (10) days of

its receipt of a written notice from the City specifying that it has failed to perform such monetary covenant. In the event the Developer shall fail to perform a non-monetary covenant which the Developer is required to perform under this Agreement, except as described in the following paragraph, an Event of Default shall not be deemed to have occurred unless the Developer has failed to cure such default within thirty (30) days of its receipt of a written notice from the City specifying the nature of the default; provided, however, with respect to those non-monetary defaults which are not capable of being cured within such thirty (30) day period, the Developer 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.

Notwithstanding any other provision of this Agreement to the contrary, there shall be no notice requirement or cure period with respect to an Event of Default arising from the Developer's failure to comply with the Operating Covenant.

SECTION 16. MORTGAGING OF THE PROJECT

All mortgages or deeds of trust in place as of the date hereof with respect to the Property or any portion thereof are listed on Exhibit F 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 New Mortgage that the Developer may hereafter elect to execute and record or permit to be recorded against the Property or any portion thereof with the prior written consent of the City is referred to herein as a "Permitted Mortgage." It is hereby agreed by and between the City and the Developer as follows:

(a) In the event that a mortgagee or any other party shall succeed to the Developer's interest in the Property or any portion thereof pursuant to the exercise of remedies under a New Mortgage (other than a Permitted Mortgage), whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of the Developer's interest hereunder in accordance with Section 18.15 hereof, the City may, but shall not be obligated to, attorn to and recognize such party as the successor in interest to the Developer for all purposes under this Agreement and, unless so recognized by the City as the successor in interest, such party shall be entitled to no rights or benefits under this Agreement, but such party shall be bound by those provisions of this Agreement that are covenants expressly running with the land.

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

party shall be entitled to no rights and benefits under this Agreement, and such party shall be bound only by those provisions of this Agreement, if any, which are covenants expressly running with the land.

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

SECTION 17. NOTICE

Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth below, by any of the following means: (a) personal service; (b) telecopy or facsimile; (c) overnight courier, or (d) registered or certified mail, return receipt requested.

If to the City:	City of Chicago Department of Community Development 121 North LaSalle Street, Room 1000 Chicago, Illinois 60602 Fax No. (312) 744-0759 Attention: Commissioner
With Copies To:	City of Chicago Department of Law 121 North LaSalle Street, Room 600 Chicago, Illinois 60602 Fax No. (312) 744-8538 Attention: Finance and Economic Development Division
If to the Developer:	Lyric Opera of Chicago 20 North Wacker Drive Chicago, Illinois 60606 Fax No. (312) 419-0061 Attention: Rich Regan
With Copies To:	Jenner & Block LLP 353 North Clark Street Chicago, Illinois 60654-3456 Fax No. (312) 923-8424 Attention: Michelle M. McAtee

Such addresses may be changed by notice to the other parties given in the same manner provided above. Any notice, demand, or request sent pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon dispatch. Any notice, demand or request sent pursuant to clause (c) shall be deemed received on the day immediately following deposit with the overnight courier and any notices, demands or requests sent pursuant to subsection (d) shall be deemed received two (2) business days following deposit in the mail.

SECTION 18. MISCELLANEOUS

18.01 Amendment. This Agreement and the Exhibits attached hereto may not be amended or modified without the prior written consent of the parties hereto; provided, however, that the City, in its sole discretion, may amend, modify or supplement Exhibit D hereto without the consent of any party hereto. It is agreed that no material amendment or change to this Agreement shall be made or be effective unless ratified or authorized by an ordinance duly adopted by the City Council. The term "material" for the purpose of this Section 18.01 shall be defined as any deviation from the terms of the Agreement which operates to cancel or otherwise reduce any developmental, construction or job-creating obligations of Developer (including those set forth in Sections 10.02 and 10.03 hereof) by more than five percent (5%) or materially changes the Project site or character of the Project or any activities undertaken by Developer affecting the Project site, the Project, or both, or increases any time agreed for performance by the Developer by more than ninety (90) days.

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

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

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

18.05 Waiver. Waiver by the City or the Developer with respect to any breach of this Agreement shall not be considered or treated as a waiver of the rights of the respective party with respect to any other default or with respect to any particular default, except to the extent specifically waived by the City or the Developer in writing. 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 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 Disclaimer. Nothing contained in this Agreement nor any act of the City shall be deemed or construed by any of the parties, or by any third person, to create or imply any relationship of third-party beneficiary, principal or agent, limited or general partnership or joint venture, or to create or imply any association or relationship involving the City.

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

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

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

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

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

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

18.14 Approval. Wherever this Agreement provides for the approval or consent of the City, DCD or the Commissioner, or any matter is to be to the City's, DCD'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, DCD 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 DCD in making all approvals, consents and determinations of satisfaction, granting the Certificate or otherwise administering this Agreement for the City.

18.15 Assignment. 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. Any successor in interest to the Developer under this Agreement shall certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, including but not limited to Sections 8.19 (Real Estate Provisions) and 8.23 (Survival of Covenants) hereof, for the Term of the Agreement. The Developer consents to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part.

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

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

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

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

18.20 Venue and Consent to Jurisdiction. If there is a lawsuit under this Agreement, each party may 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.

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

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

18.23 Failure to Maintain Eligibility to do Business with the City. Failure by the Developer or any controlling person (as defined in Section 1-23-010 of the Municipal Code) thereof to maintain eligibility to do business with the City as required by Section 1-23-030 of the Municipal Code shall be grounds for termination of this Agreement and the transactions contemplated hereby.

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

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

THE LYRIC OPERA OF CHICAGO

By:_____

Its:_____

CITY OF CHICAGO

By:_____
Chris Raguso
Acting Commissioner
Department of Community Development

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

THE LYRIC OPERA OF CHICAGO

By:_____

Its: ASST TREASURER

CITY OF CHICAGO

By:_____

Chris Raguso
Acting Commissioner
Department of Community Development

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Jonathan P. Siner, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that RICHARD DONSEK, personally known to me to be the ASST TREASURER of The Lyric Opera of Chicago, an Illinois not for profit corporation (the "Developer"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed, and delivered said instrument, pursuant to the authority given to him/her by the Board of Directors of the Developer, as his/her 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 1 day of July, 2010.

"OFFICIAL SEAL"
Jonathan P. Siner
Notary Public, State of Illinois
My Commission Exp. 09/23/2010

Notary Public

My Commission Expires 9-23-10

(SEAL)

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

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

GIVEN under my hand and official seal this 2nd day of August, 2010.

Yolanda Quesada
Notary Public

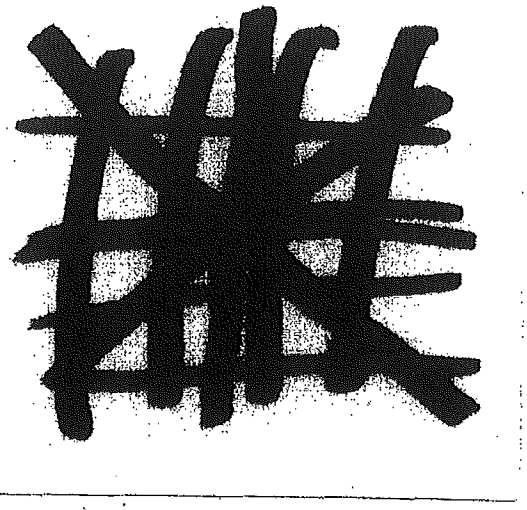
My Commission Expires 9.28.2013

OFFICIAL SEAL
YOLANDA QUESADA
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:09/28/13

EXHIBIT A

REDEVELOPMENT AREA

[See attached.]



The following is said ordinance as passed:

WHEREAS, On November 15, 2006, the City Council of the City of Chicago (the "City") adopted the following ordinances: An Ordinance Approving a Redevelopment Plan (the "Plan") for the LaSalle Central Redevelopment Project Area (the "Plan Ordinance"), published in the *Journal of the Proceedings of the City Council of the City of Chicago* (the "*Journal*") of November 15, 2006 at pages 92019 -- 92099; An Ordinance Designating the LaSalle Central Redevelopment Project Area a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act (the "Designation Ordinance), published in the *Journal* of November 15, 2006 at pages 92100 -- 92107; and An Ordinance Adopting Tax Increment Allocation Financing for the LaSalle Central Redevelopment Project Area (the "T.I.F. Ordinance), published in the *Journal* of November 15, 2006 at pages 92108 -- 92114 (collectively, such ordinances are hereinafter referred to as the "Original LaSalle Central Ordinances"); and

WHEREAS, On February 7, 2007, the City Council of the City of Chicago (the "City") adopted the following ordinance: An Ordinance Correcting Ordinances Related to Tax Allocation Financing for the LaSalle Central Redevelopment Project Area, published in the *Journal of the Proceedings of the City Council of the City of Chicago* (the "*Journal*") of February 7, 2007 at pages 97850 -- 97855 (the "Corrective Ordinance"; the Original LaSalle Central Ordinances, as amended by the Corrective Ordinance, the "Amended LaSalle Central Ordinances"); and

WHEREAS, The Amended LaSalle Central Ordinances each included exhibits showing the boundaries of the LaSalle Central Redevelopment Project Area (the "Area") by legal description and by street location, and a boundary map of the Area; and

WHEREAS, Said legal description subsequently was discovered to have contained an unintended, de minimis error in describing part of the eastern boundary of the Area; and

WHEREAS, The boundary description by street location and the boundary map correctly indicate the Area as it is intended to be described, and the Plan which

includes a list of only those parcels, identified by permanent index number, which are contained within the boundaries of the Area as described by street location and as shown in the boundary map; and

WHEREAS, When viewed together, the legal description, the boundary description by street location, the boundary map and the list of parcels in the Area fairly apprise the public and affected taxing districts of the property involved in the Plan, and the City desires to reform and correct the legal description to reflect the intended eastern boundary of the Area and not to alter the exterior boundaries of the Area; now, therefore,

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

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

SECTION 2. Amendment Of Prior Ordinances. The legal description in the following exhibits to the Amended LaSalle Central Ordinances:

(i) Exhibit C to the Plan Ordinance, published in the *Journal* of November 15, 2006 at pages 92095 -- 92098, as amended by the Corrective Ordinance published in the *Journal* of February 7, 2007 at pages 97852 -- 97855, which also constitutes (Sub)Appendix 1 to the Plan (attached as Exhibit A to the Plan Ordinance); and

(ii) Exhibit A to the Designation Ordinance, published in the *Journal* of November 15, 2006 at pages 92103 -- 92106, as amended by the Corrective Ordinance published in the *Journal* of February 7, 2007 at pages 97852 -- 97855; and

(iii) Exhibit A to the T.I.F. Ordinance, published in the *Journal* of November 15, 2006 at pages 92110 -- 92113, as amended by the Corrective Ordinance published in the *Journal* of February 7, 2007 at pages 97852 -- 97855,

is hereby reformed and corrected to reflect the intended eastern boundary of the Area by deleting the struck-through language and inserting the underscored language as set forth in Exhibit 1 to this ordinance.

SECTION 3. Invalidity Of Any Section. If any provision of this ordinance 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 ordinance.

SECTION 4. Superseder. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 5. Effective Date. This ordinance shall be in full force and effect immediately upon its passage.

Exhibit 1 referred to in this ordinance reads as follows:

Exhibit 1.

Corrected And Reformed Legal Description.

That part of the south half of Section 9, together with that part of the north half of Section 16, Township 39 North, Range 14 East of the Third Principal Meridian all taken as a tract of land bounded and described as follows:

beginning at the point of intersection of the east line of Canal Street with the south line of Lake Street in the east half of the southwest quarter of Section 9, Township 39 North, Range 14 East of the Third Principal Meridian, and running; thence east along said south line of Lake Street to the northerly extension of the east line of the 18 foot wide alley east of Canal Street; thence south along said northerly extension of the east line of the 18 foot wide alley east of Canal Street and the east line thereof to the north line of Randolph Street; thence west along said north line of Randolph Street to the east line of Canal Street; thence south along said east line of Canal Street to the easterly extension of the north line of the south 275.06 feet of Block 50 in the Original Town of Chicago in Section 9; thence west along said easterly extension of the north line of the south 275.06 feet of Block 50 in the Original Town of Chicago to the west line of Canal Street; thence south along said west line of Canal Street to the south line of Madison Street; thence east along said south line of Madison Street to the east line of Wacker Drive; thence north along said east line of Wacker Drive to the south line of Calhoun Place; thence east along said south line of Calhoun Place to the west line of Franklin Street; thence south along said west line of Franklin Street to the north line of Monroe Street; thence west along said north line of Monroe Street to the northerly extension of the west line of the easterly 18 feet of Lot 2 in Block 82 of School Section Addition to Chicago in Section 16; thence south along said northerly extension of the west line of the easterly 18 feet of Lot 2 in Block 82 and the west line hereof to the south line of said Lot 2; thence west along said south line of Lot 2 in Block 82 and the westerly extension thereof to the east line of Wacker Drive; thence north along said east line of Wacker Drive to the north line of Monroe Street; thence west along said north line of Monroe Street to the west line of the south branch of the Chicago River; thence south along said west line of the south branch of the Chicago River to the north line of Lot 4 in Railroad Companies' Resubdivision of Blocks 62 to 76 inclusive, 78,

parts of 61 and 71, and certain vacated streets and alleys in School Section Addition to Chicago in Section 16; thence west along said north line of Lot 4 to the westerly line thereof; thence southeasterly along said westerly line of Lot 4 to the southwesterly corner thereof; thence southeasterly along a straight line to the northwesterly corner of Lot 5 in said Railroad Companies' Resubdivision in Section 16; thence southeasterly along the westerly line of said Lot 5 to an angle point on said westerly line; thence southeasterly along said westerly line of Lot 5 to a point on said westerly line, said point lying 121.21 feet northwesterly of the southwesterly corner of Lot 5; thence east along a straight line parallel with and 121.21 feet north of the south line of said Lot 5 to the westerly line of the south branch of the Chicago River; thence southeasterly along said westerly line of the south branch of the Chicago River to the north line of Jackson Boulevard; thence south along a straight line to the south line of Jackson Boulevard; thence west along said south line of Jackson Boulevard to th east line of Canal Street; thence south along said east line of Canal Street to the north line of Van Buren Street; thence east along said north line of Van Buren Street to the east line of Wacker Drive; thence north along said east line of Wacker Drive to the south line of Jackson Boulevard; thence east along said south line of Jackson Boulevard to the west line of Franklin Street; thence south along said west line of Franklin Street to the north line of Van Buren Street; thence east along said north line of Van Buren Street to the northerly extension of the east line of the 12 foot wide alley east of Wells Street; thence south along said northerly extension of the east line of the 12 foot wide alley east of Wells Street to the south line of Van Buren Street; thence east along said south line of Van Buren Street to the west line of LaSalle Street; thence north along the northerly extension of the west line of LaSalle Street to the north line of Van Buren Street; thence east along said north line of Van Buren Street to the east line of Clark Street; thence north along said east line of Clark Street to the south line of Adams Street; thence east along said south line of Adams Street to the west line of Dearborn Street; thence north along said west line of Dearborn Street to the easterly extension of the north line of the 18 foot wide alley south of Monroe Street; thence east along said easterly extension of the north line of the 18 foot wide alley south of Monroe Street and the north line thereof to ~~a point on a line 130 feet west of and parallel with the west line of South State Street~~ the east line of the west half of Lot 3 in Block 141 in School Section Addition to Chicago in Section 16; thence north along said ~~parallel~~ east line of the west half of Lot 3 to the south line of Monroe Street; thence west along said south line of Monroe Street to the southerly extension of the west line of the most westerly 15 foot wide alley east of Dearborn Street; thence north along said southerly extension of the west line of the most westerly 15 foot wide alley east of Dearborn Street and the west line thereof to the south line of the 15 foot wide alley north of Monroe Street; thence west along said south line of the 15 foot wide alley north of Monroe Street and the westerly extension thereof to the west line of Dearborn Street; thence south along said west line of Dearborn Street to the north line of Monroe Street; thence west along said north line of Monroe Street to the east line of Lot 21 in Assessor's Division of Block 118 of School

Section Addition in Section 16; thence north along ~~the~~ said east line of ~~said~~ Lot 21 and the northerly extension thereof to the south line of Lot 33 in said Assessor's Division of Block 118 of School Section Addition in Section 16; thence west along said south line of Lot 33 to the west line thereof; thence north along said west line of Lot 33 to the south line of Lot 14 in Assessor's Division of Block 118 of School Section Addition in Section 16; thence west along said south line of Lot 14 to the east line of the 10 foot wide alley west of Clark Street; thence north along said east line of the 10 foot wide alley west of Clark Street and the northerly extension thereof to the north line of Madison Street; thence west along said north line of Madison Street to the east line of the 9 foot wide alley west of Clark Street; thence north along said east line of the 9 foot wide alley west of Clark Street to the south line of the 18 foot wide alley south of Washington Street; thence north along a straight line to the southeast corner of the parcel of land bearing Permanent Index Number 17-9-459-001; thence north along the east line of the parcel of land bearing Permanent Index Number 17-9-459-001 to the south line of Washington Street; thence east along said south line of Washington Street to th east line of Clark Street; thence north along said east line of Clark Street to the south line of Randolph Street; thence west along said south line of Randolph Street to the west line of Clark Street; thence north along said west line of Clark Street to the north line of Randolph Street; thence west along said north line of Randolph Street to the east line of LaSalle Street; thence south along said east line of LaSalle Street to the easterly extension of the south line of Court Place; thence west along said easterly extension of the south line of Court Place and the south line thereof to the west line of Wells Street; thence south along said west line of Wells Street to the north line of Washington Street; thence west along said north line of Washington Street to the east line of Franklin Street; thence north along said east line of Franklin Street to the centerline of vacated court place; thence east along said centerline of vacated Court Place to the southerly extension of the east line of Lot 2 in Block 41 in the Original Town of Chicago in the southeast quarter of Section 9; thence north along said southerly extension of the east line of Lot 2 in Block 41 and the east line thereof to the south line of Randolph Street; thence west along said south line of Randolph Street to the southerly extension of the west line of the easterly 20 feet of Lot 7 in Block 31 in the Original Town of Chicago in Section 9; thence north along said southerly extension of the west line of the easterly 20 feet of Lot 7 and the west line thereof to the south line of Couch Place; thence north along the northerly extension of the west line of the easterly 20 feet of Lot 7 to the north line of Couch Place; thence west along said north line of Couch Place to the east line of Wacker Drive; thence north along said east line of Wacker Drive to the south line of Lake Street; thence northeasterly along a straight line to the intersection of the north line of Lake Street with the easterly line of Wacker Drive; thence west along said north line of lake street to the westerly line of the north branch of the Chicago River; thence northwesterly along said westerly line of the north branch of the Chicago River to an angle point on said westerly line, said point being also the northeast corner of Lot 1 in Block 22 in the Original Town of Chicago in Section 9; thence west along the

north line of said Lot 1 in Block 22 to a point, said point being also a point on the westerly line of the north branch of the Chicago River; thence northwesterly along said westerly line of the north branch of the Chicago River to the north line of that tract of land vacated in Document Number 5507199, recorded October 6, 1914; thence west along said north line of that tract of land vacated in Document Number 5507199, a distance of 21.26 feet to a point on said north line; thence northwesterly along the easterly line of the parcel of land bearing Permanent Index Number 17-9-306-014 to a point of curvature on said easterly line; thence northwesterly along the arc of curve, said curve being concave to the northeast and having a radius of 600 feet, to the east line of Canal Street; thence south along said east line of Canal Street to the south line of Lake Street, being also the point of beginning the heretofore described tract of land, all in Cook County, Illinois.

EXHIBIT B

PROPERTY

LYRIC OPERA OF CHICAGO
LEGAL DESCRIPTION

PARCEL 1: (THEATER PARCEL)

LOTS 1, 1*, 1A, 1B, 1C, 1D, 1E, 1F, 1G, 1H, 1I, 1J, 1K, 1L, 1M, AND 1N, IN THE PLAT OF SUBDIVISION DATED FEBRUARY 7, 1996, PREPARED BY NATIONAL SURVEY SERVICE, INC. CAPTIONED CIVIC OPERA BUILDING SUBDIVISION, AND RECORDED APRIL 15, 1996, WITH THE COOK COUNTY RECORDER'S OFFICE AS DOCUMENT 96 280 660, BEING A SUBDIVISION OF THE FOLLOWING DESCRIBED PROPERTY:

LOTS 1 AND 2 IN COUNTY CLERK'S DIVISION OF BLOCK 52, ORIGINAL TOWN AND WHARFING PRIVILEGES ACCORDING TO THE MAP THEREOF RECORDED MAY 10, 1878 IN BOOK 13 OF PLATS, AT PAGE 90, IN THE RECORDER'S OFFICE OF COOK COUNTY, ILLINOIS, EXCEPT THAT PART LYING WEST OF THE WESTERLY LINE OF THE PROPERTY CONVEYED BY DEED RECORDED AUGUST 2, 1913, AS DOCUMENT 5237569 (SAID LINE ALSO BEING THE WESTERLY FACE OF THE DOCK OR WHARF ON THE EAST BANK OF THE CHICAGO RIVER AS SHOWN ON SURVEY MADE BY THE CITY OF CHICAGO BUREAU OF SURVEYS DATED JUNE 18, 1913) IN SECTION 9, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ALSO DESCRIBED AS ALL THAT TRACT OF LAND BOUNDED ON THE EAST BY WACKER DRIVE, ON THE SOUTH BY MADISON STREET, ON THE WEST BY THE CHICAGO RIVER AND ON THE NORTH BY WASHINGTON STREET, IN THE CITY OF CHICAGO IN COOK COUNTY, ILLINOIS; EXCEPTING THEREFROM THAT PART OF THE LAND FALLING WITHIN THE FACADE AS DEFINED IN THE EASEMENT AND OPERATING AGREEMENT RECORDED APRIL 15, 1993 AS DOCUMENT 93277677.

PARCEL 2:

EASEMENT FOR THE BENEFIT OF PARCEL 1 AS CREATED BY EASEMENT AND OPERATING AGREEMENT RECORDED APRIL 15, 1993 AS DOCUMENT 93277677 MADE BY THE TRAVELERS INSURANCE COMPANY TO LYRIC OPERA OF CHICAGO FOR INGRESS AND EGRESS, STRUCTURAL SUPPORT, USE OF FACILITIES, THEATER EASEMENT FACILITIES, ENCROACHMENTS, COMMON WALLS, CEILINGS, AND FLOORS, UTILITIES, SIGNAGE, FUTURE COMMUNICATIONS FACILITIES, MECHANICAL ROOMS, THEATER ROOF - HVAC EQUIPMENT, ELEVATOR PITS AND OVERRIDES BACK STAGE ELEVATOR SHAFT, GREEN ROOM, RESTAURANT ACCESS, OFFICE BUILDING FREIGHT ELEVATORS, SIGN ON FOURTH FLOOR, TRUCK LIFT, SUBTERRANEAN EASEMENTS, EMERGENCY STAIRWAY, LOADING DOCK, THEATER OWNED FACILITIES, LOBBY, AND JOHN AS MORE PARTICULARLY DESCRIBED IN SAID AGREEMENT, AS WELL AS SPECIFIC INGRESS AND EGRESS EASEMENTS DESCRIBED IN EXHIBIT 3.2(A) OVER PARTS OF THE FOLLOWING DESCRIBED REAL ESTATE AND AS AMENDED BY FIRST AMENDMENT TO EASEMENT AND OPERATING AGREEMENT DATED FEBRUARY 29, 1996 AND RECORDED MARCH 1, 1996 AS DOCUMENT 96161903 MADE BY AND BETWEEN LYRIC OPERA OF CHICAGO AND WINDY POINT L.L.C..

PARCEL 3:

LOTS 2 AND 2A, FIRST FLOOR LOTS, IN THE PLAT OF SUBDIVISION DATED FEBRUARY 7, 1996, PREPARED BY NATIONAL SURVEY SERVICE, INC. CAPTIONED CIVIC OPERA BUILDING SUBDIVISION, AND RECORDED APRIL 15, 1996 WITH THE COOK COUNTY RECORDER'S OFFICE AS DOCUMENT NUMBER 96280660;

SAID LOTS 2 AND 2A HAVING AS A LOWER LIMIT A HORIZONTAL PLANE OF +21.00 FEET CHICAGO CITY DATUM AND HAVING AS AN UPPER LIMIT A HORIZONTAL PLANE OF ELEVATION +38.97 FEET CHICAGO CITY DATUM;

AND THAT PART OF LOT 3, FIRST FLOOR LOTS, IN THE PLAT OF SUBDIVISION DATED FEBRUARY 7, 1996, PREPARED BY NATIONAL SURVEY SERVICE, INC. CAPTIONED CIVIC OPERA BUILDING SUBDIVISION, AND RECORDED APRIL 15, 1996 WITH THE COOK COUNTY RECORDER'S OFFICE AS DOCUMENT NUMBER 96280660, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST SOUTHERLY SOUTHEAST CORNER OF SAID LOT 3, THENCE SOUTH 88 DEGREES 36 MINUTES 57 SECONDS WEST, ALONG THE SOUTH LINE OF SAID LOT 3, A DISTANCE OF 1.66 FEET TO ITS SOUTHWEST CORNER THEREOF; THENCE NORTH 1 DEGREE 23 MINUTES 03 SECONDS WEST, ALONG THE WEST LINE OF SAID LOT 3 EAST LINE OF LOT 2 AFORESAID, A DISTANCE OF 78.21 FEET TO THE NORTHEAST CORNER OF LOT 2 AFORESAID; THENCE NORTH 88 DEGREES 36 MINUTES 57 SECONDS EAST, PERPENDICULAR TO THE LAST DESCRIBED LINE, 1.66 FEET TO THE EAST LINE OF LOT 3 AFORESAID; THENCE SOUTH 1 DEGREE 23 MINUTES 14 SECONDS EAST, ALONG THE EAST LINE OF LOT 3 AFORESAID, 78.21 FEET TO THE HEREINABOVE DESIGNATED POINT OF BEGINNING;

SAID PART OF LOT 3 HAVING AS A LOWER LIMIT A HORIZONTAL PLANE OF +21.00 FEET CHICAGO CITY DATUM AND HAVING AS AN UPPER LIMIT A HORIZONTAL PLANE OF ELEVATION +38.97 FEET CHICAGO CITY DATUM;

AND THAT PART OF LOT 3, THIRD FLOOR LOTS, IN THE PLAT OF SUBDIVISION DATED FEBRUARY 7, 1996, PREPARED BY NATIONAL SURVEY SERVICE, INC. CAPTIONED CIVIC OPERA BUILDING SUBDIVISION, AND RECORDED APRIL 15, 1996 WITH THE COOK COUNTY RECORDER'S OFFICE AS DOCUMENT NUMBER 96280660, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID LOT 3, THENCE SOUTH 88 DEGREES 34 MINUTES 46 SECONDS WEST, ALONG THE SOUTH LINE OF SAID LOT 3, A DISTANCE OF 25.35 FEET TO ITS SOUTHWEST CORNER THEREOF; THENCE ALONG THE WESTERLY AND NORTHERLY LINES OF SAID LOT 3 FOR THE FOLLOWING DESCRIBED TWENTY (20) COURSES: THENCE NORTH 1 DEGREE 23 MINUTES 03 SECONDS WEST, 10.32 FEET; THENCE SOUTH 88 DEGREES 36 MINUTES 57 SECONDS WEST, 1.74 FEET; THENCE NORTH 1 DEGREE 23 MINUTES 03 SECONDS WEST, 6.43 FEET; THENCE NORTH 88 DEGREES 36 MINUTES 57 SECONDS EAST, 6.90 FEET; THENCE NORTH 1 DEGREE 23 MINUTES 03 SECONDS WEST, 3.08 FEET; THENCE SOUTH 88 DEGREES 36 MINUTES 57 SECONDS WEST, 2.11 FEET; THENCE NORTH 1 DEGREE 23 MINUTES 03 SECONDS WEST, 9.62 FEET; THENCE NORTH 88 DEGREES 36 MINUTES 57 SECONDS EAST, 1.42 FEET; THENCE NORTH 1 DEGREE 23 MINUTES 03 SECONDS WEST, 6.61 FEET; THENCE NORTH 88 DEGREES 36

MINUTES 57 SECONDS EAST, 0.64 FEET; THENCE NORTH 1 DEGREE 23 MINUTES 03 SECONDS WEST, 22.16 FEET; THENCE NORTH 88 DEGREES 36 MINUTES 57 SECONDS EAST, 1.11 FEET; THENCE NORTH 1 DEGREE 23 MINUTES 03 SECONDS WEST, 24.07 FEET; THENCE NORTH 46 DEGREES 23 MINUTES 03 SECONDS WEST, 4.95 FEET; THENCE SOUTH 88 DEGREES 36 MINUTES 57 SECONDS WEST, 4.41 FEET; THENCE NORTH 1 DEGREE 23 MINUTES 03 SECONDS WEST, 2.25 FEET; THENCE SOUTH 88 DEGREES 36 MINUTES 57 SECONDS WEST, 5.00 FEET; THENCE SOUTH 1 DEGREE 23 MINUTES 03 SECONDS EAST, 1.15 FEET; THENCE SOUTH 88 DEGREES 36 MINUTES 57 SECONDS WEST, 6.60 FEET; THENCE NORTH 1 DEGREE 23 MINUTES 03 SECONDS WEST, 16.23 FEET TO AN ANGLE CORNER IN LOT 3 AFORESAID; THENCE NORTH 7 DEGREES 16 MINUTES 53 SECONDS WEST, ALONG A WESTERLY LINE OF LOT 3 AFORESAID, 0.79 FEET; THENCE NORTH 88 DEGREES 36 MINUTES 57 SECONDS EAST, ALONG A NORTHERLY LINE OF LOT 3 AFORESAID AND ITS WESTERLY EXTENSION, 2.26 FEET; THENCE ALONG THE WESTERLY AND NORTHERLY LINES OF LOT 3 AFORESAID FOR THE FOLLOWING DESCRIBED TEN (10) COURSES: THENCE SOUTH 1 DEGREE 23 MINUTES 03 SECONDS EAST, 0.21 FEET; THENCE NORTH 88 DEGREES 36 MINUTES 57 SECONDS EAST, 8.31 FEET; THENCE NORTH 1 DEGREE 23 MINUTES 03 SECONDS WEST, 0.72 FEET; THENCE NORTH 88 DEGREES 36 MINUTES 57 SECONDS EAST, 1.36 FEET; THENCE NORTH 1 DEGREE 23 MINUTES 03 SECONDS WEST, 15.44 FEET; THENCE SOUTH 88 DEGREES 36 MINUTES 57 SECONDS WEST, 1.18 FEET; THENCE NORTH 1 DEGREE 23 MINUTES 03 SECONDS WEST, 3.60 FEET; THENCE NORTH 88 DEGREES 36 MINUTES 57 SECONDS EAST, 1.46 FEET; THENCE NORTH 1 DEGREE 23 MINUTES 03 SECONDS WEST, 4.97 FEET; THENCE SOUTH 88 DEGREES 36 MINUTES 57 SECONDS WEST, 0.21 FEET; THENCE NORTH 1 DEGREE 23 MINUTES 03 SECONDS WEST, PERPENDICULAR TO THE LAST DESCRIBED LINE, 6.02 FEET; THENCE NORTH 88 DEGREES 36 MINUTES 57 SECONDS EAST, PERPENDICULAR TO THE LAST DESCRIBED LINE, 5.04 FEET; THENCE SOUTH 1 DEGREE 23 MINUTES 03 SECONDS EAST, PERPENDICULAR TO THE LAST DESCRIBED LINE, 5.48 FEET; THENCE NORTH 88 DEGREES 36 MINUTES 57 SECONDS EAST, PERPENDICULAR TO THE LAST DESCRIBED LINE, 21.68 FEET TO THE EAST LINE OF LOT 3 AFORESAID; THENCE SOUTH 1 DEGREE 23 MINUTES 14 SECONDS EAST, ALONG THE EAST LINE OF LOT 3 AFORESAID, 128.95 FEET TO THE HEREINABOVE DESIGNATED POINT OF BEGINNING;

SAID PART OF LOT 3 HAVING AS A LOWER LIMIT A HORIZONTAL PLANE OF +54.49 FEET CHICAGO CITY DATUM AND HAVING AS AN UPPER LIMIT A HORIZONTAL PLANE OF ELEVATION +66.54 FEET CHICAGO CITY DATUM;

EXCEPTING FROM ALL THE ABOVE THAT PART OF THE LAND FALLING WITHIN THE FACADE AS DEFINED IN THE EASEMENT AND OPERATING AGREEMENT RECORDED APRIL 15, 1993 AS DOCUMENT 93277677, AS AMENDED;

SAID CIVIC OPERA BUILDING SUBDIVISION BEING A SUBDIVISION OF THE FOLLOWING PROPERTY:

LOTS 1 AND 2 IN "COUNTY CLERK'S DIVISION OF BLOCK 52, ORIGINAL TOWN AND WHARFING PRIVILEGES" ACCORDING TO THE MAP THEREOF RECORDED MAY 10, 1878 IN BOOK 13 OF PLATS, AT PAGE 90, IN THE RECORDERS OFFICE OF COOK COUNTY, ILLINOIS, EXCEPT THAT PART LYING WEST OF THE WESTERLY LINE OF THE PROPERTY CONVEYED BY DEED RECORDED AUGUST 2, 1913 AS DOCUMENT NUMBER 5237569 (SAID LINE ALSO BEING THE WESTERLY FACE OF THE DOCK OR WHARF ON THE EAST BANK OF THE CHICAGO RIVER AS SHOWN ON SURVEY MADE BY THE CITY OF CHICAGO BUREAU

OF SURVEYS DATED JUNE 18, 1913) IN SECTION 9, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ALSO DESCRIBED AS ALL THAT TRACT OF LAND BOUNDED ON THE EAST BY WACKER DRIVE, ON THE SOUTH BY MADISON STREET, ON THE WEST BY THE CHICAGO RIVER AND ON THE NORTH BY WASHINGTON STREET, IN THE CITY OF CHICAGO, IN COOK COUNTY, ILLINOIS;

PARCEL 4:

EASEMENT RIGHTS FOR THE BENEFIT OF PARCEL 5 MORE FULLY DESCRIBED IN EASEMENT AND OPERATING AGREEMENT MADE BY AND BETWEEN LYRIC OPERA OF CHICAGO AND TRAVELERS INSURANCE COMPANY AND DATED DECEMBER 24, 1992 AND RECORDED ON APRIL 15, 1993 AS DOCUMENT NUMBER 93277677, AS AMENDED BY FIRST AMENDMENT THERETO DATED FEBRUARY 29, 1996 AND RECORDED ON MARCH 1, 1996 AS DOCUMENT NUMBER 96161903, AND BY SECOND AMENDMENT THERETO DATED AS OF SEPTEMBER 29, 1997 AND RECORDED ON OCTOBER 1, 1997 AS DOCUMENT NUMBER 97728117, EACH MADE BY AND BETWEEN LYRIC OPERA OF CHICAGO AND WINDY POINT L.L.C., AS FURTHER AMENDED BY THIRD AMENDMENT MADE BY AND BETWEEN LYRIC OPERA OF CHICAGO AND EOP OPERATING LIMITED PARTNERSHIP RECORDED APRIL 17, 2008 AS DOCUMENT 0810822039, AND FURTHER AMENDED BY FOURTH AMENDMENT MADE BY AND BETWEEN LYRIC OPERA OF CHICAGO AND CIVIC OPERA, L.P. RECORDED JUNE 13, 2008 AS DOCUMENT 0816531007; ALL OF WHICH INCLUDE, WITHOUT LIMITATION, EASEMENTS OVER, UPON, ACROSS AND WITHIN PORTIONS OF THE "OFFICE PROPERTY" AS DEFINED AND DESCRIBED THEREIN.

Address of Property: 20 North Wacker Dr.
Chicago, IL 60606

EXHIBIT C

TIF-FUNDED IMPROVEMENTS

Category	Amount
Costs of Rehabilitation	$488,844*

*TOTAL

*Notwithstanding the total of TIF-Funded Improvements or the amount of TIF-eligible costs, the assistance to be provided by the City is limited to the amount described in **Section 4.03** and shall not exceed the lesser of (x) Four Hundred Eighty-Eight Thousand Eight Hundred and Forty-Four Dollars ($488,844), or (y) the sum of twenty-five percent (25%) of the actual Phase I expenditures plus the sum of twenty-five percent (25%) of the actual Phase II expenditures.

EXHIBIT F

PERMITTED LIENS

1. Liens or encumbrances against the Property:

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

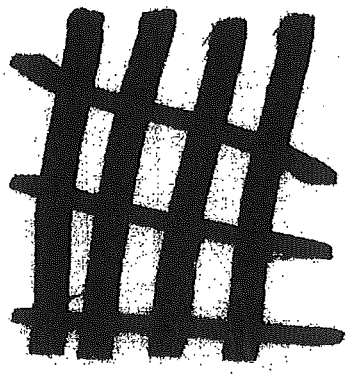
2. Liens or encumbrances against the Developer or the Project, other than liens against the Property, if any:

None.

EXHIBIT G

PROJECT BUDGET

[See attached.]



PHASE 1

BUDGET

Project Design (WJE)	$ 35,000.00
Project Management (WJE)	$ 10,000.00
Construction	
Cast Iron / Glazing / Hardware	$ 328,030.00
Stripping / Painting	$ 95,000.00
Concrete / Waterproofing / Masonry	$ 45,000.00
Scaffolding / Carpentry / Patching	$ 85,000.00
GC Contingency Allowance	$ 20,000.00
General Conditions / Insurance	$ 83,000.00
Overhead & Profit	$ 121,970.00
Alternates	$ 43,000.00
Phase 1 Contingency	$ 124,188.00
PHASE 1 TOTAL	**$ 990,188.00**

PHASE 2

BUDGET

Project Management (WJE)	$ 10,000.00
Construction	
Cast Iron / Glazing / Hardware	$ 395,290.00
Stripping / Painting	$ 70,000.00
Concrete / Waterproofing / Masonry	$ 45,000.00
Scaffolding / Carpentry / Patching	$ 63,000.00
General Conditions / Insurance	$ 85,000.00
Overhead & Profit	$ 129,710.00
Alternates	$ 43,000.00
Phase 2 Contingency	$ 124,188.00
PHASE 2 TOTAL	**$ 965,188.00**

TOTAL PROJECT BUDGET **$ 1, 955,376.00**

ATTACHMENT D

LASALLE CENTRAL REDEVELOPMENT PROJECT AREA

NAVTEQ REDEVELOPMENT AGREEMENT

BY AND BETWEEN

THE CITY OF CHICAGO

AND

NAVTEQ CORPORATION

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

TABLE OF CONTENTS

LIST OF EXHIBITS

Exhibit A	*Redevelopment Area
Exhibit B	*Property
Exhibit C	*TIF-Funded Improvements
Exhibit D	Redevelopment Plan
Exhibit E	Construction Contract
Exhibit F	intentionally omitted
Exhibit G	*Permitted Liens
Exhibit H-1	*Project Budget
Exhibit H-2	*MBE/WBE Budget
Exhibit I	Approved Prior Expenditures
Exhibit J	Opinion of Developer's Counsel
Exhibit K	intentionally omitted
Exhibit L	Requisition Form
Exhibit M	*Notice of Proposed Approved Successor
Exhibit N	*Jobs and Occupancy Certificate

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

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

NAVTEQ REDEVELOPMENT AGREEMENT

This NAVTEQ Redevelopment Agreement (this "**Agreement**") is made as of this 21st day of January 2010, by and between the City of Chicago, an Illinois municipal corporation (the "**City**"), through its Department of Community Development ("**DCD**"), and NAVTEQ Corporation, a Delaware corporation (the "**Developer**").

RECITALS

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

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

C. **City Council Authority**: To induce redevelopment pursuant to the Act, the City Council of the City (the "**City Council**") adopted the following ordinances on November 15, 2006 and amended and corrected the ordinances on February 7, 2007 and May 9, 2007: (1) "An

Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the LaSalle Central Redevelopment Project Area"; (2) "An Ordinance of the City of Chicago, Illinois Designating the LaSalle Central 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 LaSalle Central Redevelopment Project Area" (the "**TIF Adoption Ordinance**") (items(1)-(3) 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. **The Project**: The Developer previously maintained its corporate headquarters at 222 Merchandise Mart, Suite 900 in Chicago, Illinois and has relocated its national corporate headquarters to the real property located within the Redevelopment Area at and commonly known as 100 North Riverside Plaza, Chicago, Illinois 60606 and legally described on **Exhibit B** hereto (the "**Property**"). In connection with such relocation, the Developer has executed that certain Lease dated November 15, 2006 by and between Boeing 100 North Riverside LLC, as landlord, and the Developer , as tenant (as amended from time to time, the "**Lease**"), pursuant to which the Developer shall, among other matters, lease approximately 200,000 rentable square feet of space on floors 10 through 13 as well as lobby and mezzanine space (collectively, the "**NAVTEQ Space**") of the building located on the Property (the "**Building**") for an initial period of fifteen (15) years with two renewal options and have the right to lease additional space in the Building, subject to the terms and conditions contained therein. Upon such relocation, and during the Term of this Agreement (as hereinafter defined), the portion of the Building leased and occupied by the Developer, which shall consist of a minimum of 200,000 square feet throughout the term of the Lease, will be the principal office of the Developer's national and international business and the site which the Developer's principal executive officers have designated as their principal offices (the "**Headquarters**"). In connection with its occupancy of the Building, the Developer has constructed substantial tenant improvements necessary to permit the Developer to take possession in accordance with the terms of the Lease. Such relocation will create a substantial public benefit through its retention of 550 FTE jobs (as hereinafter defined) and creation of approximately 350 FTE jobs. The construction of tenant improvements in the NAVTEQ Space (including but not limited to those TIF-Funded Improvements as defined below and set forth on **Exhibit C**), the installation of signage for the Developer and lobby improvements to establish a dedicated Developer security desk, are collectively referred to herein as the "**Rehabilitation Project**". The Rehabilitation Project and the use of the NAVTEQ Space as the Developer's national and international corporate headquarters are collectively referred to herein as the "**Project.**" The completion of the Project would not reasonably be anticipated without the financing contemplated in this Agreement.

E. **Redevelopment Plan**: The Project will be carried out in accordance with this Agreement and the City of Chicago LaSalle Central Redevelopment Project Area Tax Increment Financing Program Redevelopment Plan (the "**Redevelopment Plan**") attached hereto as **Exhibit D**.

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

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

SECTION 1. RECITALS

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

SECTION 2. DEFINITIONS

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

"**Act**" shall have the meaning set forth in the Recitals hereof.

"**Actual residents of the City**" shall mean persons domiciled within the City.

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

"**Annual Compliance Report**" shall mean a signed report from the Developer to the City (a) itemizing each of the Developer's obligations under the Agreement during the preceding calendar year, (b) certifying the Developer's compliance or noncompliance with such obligations, (c) attaching evidence (whether or not previously submitted to the City) of such compliance or noncompliance and (d) certifying that the Developer is not in default with respect to any provision of the Agreement, the agreements evidencing the Lender Financing, if any, or any related agreements; provided, that the obligations to be covered by the Annual Compliance Report shall include the following: (1) compliance with the Operating Covenant (**Section 8.06**), (2) compliance with the Jobs Covenant (**Section 8.06**), (3) delivery of employment progress reports and, if applicable, employment profile (**Sections 8.07** and **8.08**), (4) delivery of Financial Statements and unaudited financial statements (**Section 8.13**), (5) delivery of updated insurance certificates, if applicable (**Section 8.14**), (6) delivery of evidence of payment of Non-Governmental Charges, if applicable (**Section 8.15**), (7) delivery of evidence that LEED Certification has been obtained (**Section 8.24**), (8) delivery of the Notice of Approved Successor and the Assumption Agreement (and deliveries required thereunder), if applicable and (9) compliance with all other executory provisions of the Agreement.

"**Approved Successor**" shall mean any Affiliate of Developer, any entity with whom Developer merges or consolidates or engages in any reorganization, or any entity succeeding to all or a majority interest in the business or assets (or both) of Developer which, as of the date of such merger, consolidation or reorganization (the "**Transaction**"), (a) leases and occupies at least 200,000 square feet of office space in the Building, (b) uses such space in the Building for the corporate headquarters and the principal office of the national and international business for the proposed Approved Successor and its Affiliates and the site which the principal executive officers of the proposed Approved Successor and its Affiliates have designated as their principal offices, and (c) has at least the number of FTE jobs at the Building as required by the

Jobs Covenant as of the date of the Transaction, in each case in accordance with the terms of this Agreement. In connection with a proposed Transaction, not less than one business day after the public announcement of the proposed Transaction and at least ten business days before closing of the Transaction, (x) Developer shall deliver to the City a Notice of Proposed Approved Successor in the form of **Exhibit M** and (y) the proposed Approved Successor shall deliver to the City the Assumption Agreement.

"**Assumption Agreement**" shall mean the Assumption Agreement in the form attached as Schedule 2 to **Exhibit M**.

"**Available Incremental Taxes**" shall mean, for each payment, an amount equal to 90% of the Incremental Taxes on deposit in the LaSalle Central Redevelopment Project Area TIF Fund as of December 31st of the calendar year prior to the year in which the Requisition Form for such payment is received by the City.

"**Bond(s)**" shall have the meaning set forth for such term in **Section 8.05** hereof.

"**Bond Ordinance**" shall mean the City ordinance authorizing the issuance of Bonds.

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

"**Change Order**" shall mean any amendment or modification to the Scope Drawings, Plans and Specifications or the Project Budget as described in **Section 3.03**, **Section 3.04** and **Section 3.05**, respectively.

"**City**"shall have the meaning set forth in the Recitals hereof.

"**City Council**" shall have the meaning set forth in the Recitals hereof.

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

"**Closing Date**" shall mean the date of execution and delivery of this Agreement by all parties hereto, which shall be deemed to be the date appearing in the first paragraph of this Agreement.

"Compliance Period" shall have the meaning set forth in **Section 8.06** hereof.

"**Construction Contract**" shall mean that certain contract, substantially in the form attached hereto as **Exhibit E**, to be entered into between the Developer and the General Contractor providing for construction of the Rehabilitation Project.

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

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

"**Environmental Laws**" shall mean any and all federal, state or local statutes, laws, regulations, ordinances, codes, rules, orders, licenses, judgments, decrees or requirements

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

"**Equity**" shall mean funds of the Developer (other than funds derived from Lender Financing) irrevocably available for the Rehabilitation Project, in the amount set forth in **Section 4.01** hereof, which amount may be increased pursuant to **Section 4.06** (Cost Overruns) and **Section 4.03(b)**.

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

"**Extension Notice**" shall have the meaning set forth in **Section 8.06** hereof.

"**Facility**" shall have the meaning set forth in the Recitals hereof.

"**Final Project Cost**" shall have the meaning set forth in **Section 7.01** hereof.

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

"**First Anniversary**" shall mean the one-year anniversary of the date the Certificate is issued.

"**Full-Time Equivalent Employee**" or "**FTE**" shall mean an employee of the Developer or an Affiliate (or, with respect to job shares or similar work arrangements, two such employees counted collectively as a single FTE) who is employed in a permanent corporate center headquarters position at least 35 hours per week at the Building during the applicable month, excluding (a) persons engaged as or employed by independent contractors, third party service providers or consultants and (b) persons employed or engaged by the Developer or by third parties in positions ancillary to the Developer's operations at the Building including, without limitation, food service workers, security guards, cleaning personnel, or similar positions; provided, however, that no more than five percent (5%) of the FTEs may consist of job shares or similar work arrangements.

"**General Contractor**" shall mean Skender Interiors Group LLC, the general contractor(s) hired by the Developer pursuant to **Section 6.01**.

"**Hazardous Materials**" shall mean any toxic substance, hazardous substance, hazardous material, hazardous chemical or hazardous, toxic or dangerous waste defined or qualifying as such in (or for the purposes of) any Environmental Law, or any pollutant or

contaminant, and shall include, but not be limited to, petroleum (including crude oil), any radioactive material or by-product material, polychlorinated biphenyls and asbestos in any form or condition.

"**Headquarters**" shall have the meaning set forth in the Recitals hereof.

"**Human Rights Ordinance**" shall have the meaning set forth in **Section 10** hereof.

"**Incremental Taxes**" shall mean such ad valorem taxes which, pursuant to the TIF Adoption Ordinance and Section 5/11-74.4-8(b) of the Act, are allocated to and when collected are paid to the Treasurer of the City of Chicago for deposit by the Treasurer into the LaSalle Central TIF Fund established to pay Redevelopment Project Costs and obligations incurred in the payment thereof.

"**Indemnitees**"shall have the meaning set forth in **Section 13.01** hereof.

"**Interior Build-out**" shall mean the completion of all rehabilitation activities associated with the line items in the Project Budget that appear under the "Hard Costs" heading, including without limitation cabling infrastructure, security equipment, audiovisual, signage and data room build-out.

"**Jobs and Occupancy Certificate**" shall mean the Jobs and Occupancy Certificate attached hereto as **Exhibit N**.

"**Jobs Covenant**" shall have the meaning set forth in **Section 8.06** hereof.

"**Landlord**" shall mean Boeing 100 North Riverside LLC.

"**LaSalle Central TIF Fund**" shall mean the special tax allocation fund created by the City in connection with the Redevelopment Area into which the Incremental Taxes will be deposited.

"**Lease**" shall have the meaning set forth in the Recitals hereof.

"**LEED Certification**" shall mean Certification of the Rehabilitation Project under the Leadership in Energy and Environmental Design (LEED) Green Building Rating System maintained by the U.S. Green Building Council and applicable to commercial interiors.

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

"**Letter of Credit**" shall mean the initial irrevocable, direct pay transferable Letter of Credit naming the City as the sole beneficiary for the Letter of Credit amount delivered to the City pursuant to **Section 4.03 (b)** hereof, and, unless the context or use indicates another or different meaning or intent, any substitute Letter of Credit delivered to the City, in form and substance satisfactory to the City in its sole and absolute discretion, and any extensions thereof.

"**Letter of Credit Amount**" shall mean an amount equal to the aggregate amount of City Funds that the City has paid to the Developer and is anticipated to pay to the Developer after giving effect to the next annual installment of City Funds calculated under Section 4.03.

"**Material Amendment**" shall mean an amendment (other than as described in the last sentence of this paragraph) of the Lease the net effect of which is to directly or indirectly do any of the following: (a) materially reduce, increase, abate or rebate base rent, other amounts deemed rent, operating expense payments, tax payments, tenant improvement allowances or credits, or other monetary amounts payable (or monetary credits) under the Lease, or otherwise confer or take away any material economic benefit, in each case taking into account all direct economic effects under the Lease of the amendment or (b) shorten the initial fifteen-year term of the Lease or grant additional early termination rights that, if exercised, would shorten the initial fifteen-year term of the Lease. Reductions or expansions of space pursuant to the express expansion or contraction rights granted in the Lease in effect as of the date hereof shall not constitute Material Amendments.

"**MBE(s)**" shall mean a business identified in the Directory of Certified Minority Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a minority-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable.

"**MBE/WBE Budget**" shall mean the budget attached hereto as **Exhibit H-2**, as described in **Section 10.03**.

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

"**NAVTEQ Space**" shall have the meaning set forth in the recitals above.

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

"**Officers**" shall mean the Developer's chief executive officer, chief financial officer, and senior officer-level employees performing the primary executive and financial functions for the Developer's corporate headquarters.

"**Operating Covenant**" shall have the meaning set forth in **Section 8.06** hereof.

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

"**Permitted Mortgage**" shall have the meaning set forth in **Section 16** hereof.

"**Planned Development**" shall mean the Business Planned Development (BPD) No. 431.

"**Plans and Specifications**" shall mean construction documents containing a site plan and working drawings and specifications for the Rehabilitation Project, as submitted to the City as the basis for obtaining building permits for the Rehabilitation Project.

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

"**Project**" shall have the meaning set forth in the Recitals hereof.

"**Project Budget**" shall mean the budget attached hereto as **Exhibit H-1**, showing the total cost of the Rehabilitation Project by line item, furnished by the Developer to DCD, in accordance with **Section 3.03** hereof.

"**Property**" shall have the meaning set forth in the Recitals hereof.

"**Redevelopment Area**" shall have the meaning set forth in the Recitals hereof.

"**Redevelopment Plan**" shall have the meaning set forth in the Recitals hereof.

"**Redevelopment Project Costs**" shall mean redevelopment project costs as defined in Section 5/11-74.4-3(q) of the Act that are included in the budget set forth in the Redevelopment Plan or otherwise referenced in the Redevelopment Plan.

"Rehabilitation Project" shall have the meaning set forth in the Recitals hereof.

"**Requisition Form**" shall mean the document, in the form attached hereto as **Exhibit L**, to be delivered by the Developer to DCD pursuant to **Section 4.04** of this Agreement.

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

"**Survey**" shall mean a Class A plat of survey in the most recently revised form of ALTA/ACSM urban survey of the Property dated within 45 days prior to the Closing Date, acceptable in form and content to the City and the Title Company, prepared by a surveyor registered in the State of Illinois, certified to the City and the Title Company, and indicating whether the Property is in a flood hazard area as identified by the United States Federal Emergency Management Agency (and updates thereof to reflect improvements to the Property in connection with the construction of the Facility and related improvements as required by the City or lender(s) providing Lender Financing).

"**Term of the Agreement**" shall mean the period of time commencing on the Closing Date and concluding at the end of the Compliance Period.

"**TIF Adoption Ordinance**" shall have the meaning set forth in the Recitals hereof.

"**TIF-Funded Improvements**" shall mean those improvements of the Rehabilitation 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 the City Funds, subject to the terms of this Agreement. **Exhibit C** lists the TIF-Funded Improvements for the Rehabilitation Project.

"**TIF Ordinances**" shall have the meaning set forth in the Recitals hereof.

"**Title Company**" shall mean Chicago Title Insurance Company.

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

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

"**WBE(s)**" shall mean a business identified in the Directory of Certified Women Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a women-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable.

SECTION 3. THE PROJECT

3.01 The Project. With respect to the Rehabilitation Project, the Developer has, pursuant to the Plans and Specifications and the Lease, completed the Rehabilitation Project and has been conducting business operations therein since at least September 30, 2007. With respect to the use of the NAVTEQ Space as the Developer's national and international corporate headquarters, the Developer shall be bound by the Operating Covenants, Job Covenants and other obligations and deadlines described in **Section 8.06** and elsewhere in this Agreement.

3.02 Scope Drawings and Plans and Specifications. The Developer has delivered the Scope Drawings and Plans and Specifications to DCD and DCD has approved same. After such initial approval, subsequent proposed changes to the Scope Drawings or Plans and Specifications shall be submitted to DCD as a Change Order pursuant to **Section 3.04** hereof. The Scope Drawings and Plans and Specifications shall at all times conform to the Redevelopment Plan, the Planned Development and all applicable federal, state and local laws, ordinances and regulations. 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 DCD, and DCD has approved, a Project Budget showing total costs for the Rehabilitation Project in an amount not less than $28,583,483. The Developer hereby certifies to the City that (a) the City Funds, together with Lender Financing and Equity described in **Section 4.02** hereof, shall be sufficient to complete the Rehabilitation Project The Developer hereby certifies to the City that (a) it has Lender Financing and Equity in an amount sufficient to pay for all Rehabilitation Project costs; and (b) the Project Budget is true, correct and complete in all material respects. The Developer shall promptly deliver to DCD certified copies of any Change Orders with respect to the Project Budget for approval pursuant to **Section 3.04** hereof.

3.04 Change Orders. Except as provided in this **Section 3.04**, all Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to changes to the Rehabilitation Project must be submitted by the Developer to DCD concurrently with the progress reports described in **Section 3.07** hereof; provided, that any Change Order relating to any of the following must be submitted by the Developer to DCD for DCD's prior written approval: (a) a reduction in the gross or net square footage of the NAVTEQ Space by five percent (5%) or more (either individually or cumulatively); (b) a change in the use of the Property to a use other than as described in **Recital D** to this Agreement; (c) a delay in the completion of the Rehabilitation Project by three (3) months or more; or (d) Change Orders resulting in an aggregate increase to the Project Budget for the Rehabilitation Project of ten percent (10%) or more. 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 DCD'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 City Funds which the City has pledged pursuant to this Agreement or provide any other additional assistance to the Developer. Notwithstanding anything to the contrary in this **Section 3.04**, Change Orders other than those set forth above, do not require DCD's prior written approval as set forth in this **Section 3.04**, but DCD shall be notified in writing of all such Change Orders prior to the implementation thereof and the Developer, in connection with such notice, shall identify to DCD the source of funding therefor.

3.05 DCD Approval. Any approval granted by DCD 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 DCD pursuant to this Agreement constitute approval of the quality, structural soundness or safety of the Property or the Rehabilitation Project.

3.06 Other Approvals. Any DCD 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 the Rehabilitation Project until the Developer has obtained all necessary permits and approvals (including but not limited to DCD'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 DCD with written quarterly progress reports detailing the status of the Rehabilitation Project, including a revised completion date, if necessary (with any change in completion date being considered a Change Order, requiring DCD's written approval pursuant to **Section 3.04**). The Developer shall provide three (3) copies of an updated Survey to DCD upon the request of DCD or any lender providing Lender Financing, reflecting improvements made to the Property.

3.08 Inspecting Agent or Architect. An independent agent or architect (other than the Developer's architect) approved by DCD shall be selected to act as the inspecting agent or architect, at the Developer's expense, for the Rehabilitation Project. The inspecting agent or

architect shall perform periodic inspections with respect to the Rehabilitation Project, providing certifications with respect thereto to DCD, prior to requests for disbursement for costs related to the Rehabilitation Project hereunder.

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. DCD 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 Rehabilitation 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.

SECTION 4. FINANCING

4.01 Total Project Cost and Sources of Funds. The cost of the Rehabilitation Project is estimated to be Twenty Eight Million Five Hundred Eighty-Three Thousand Four Hundred Eighty-Three Dollars ($28,583,483), to be applied in the manner set forth in the Project Budget. Such costs shall be funded from the following sources:

Equity (subject to **Sections 4.03(b) and 4.06**)	$28,583,483
ESTIMATED TOTAL	$28,583,483

4.02 Developer Funds. Equity may be used to pay any Project cost, including but not limited to Rehabilitation Project Costs.

4.03 City Funds.

(a) Uses of City Funds. City Funds may only be used to pay directly or reimburse the Developer for costs of TIF-Funded Improvements that constitute Redevelopment Project Costs.

Exhibit C sets forth, by line item, the TIF-Funded Improvements for the Rehabilitation Project, and the maximum amount of costs that may be paid by or reimbursed from City Funds for each line item therein (subject to **Sections 4.03(b) and 4.05(d)**), contingent upon receipt by the City of documentation satisfactory in form and substance to DCD evidencing such cost and its eligibility as a Redevelopment Project Cost. City Funds shall be disbursed to the Developer in five annual installments, subject to the approval of DCD, following the issuance of the Certificate to the Developer by DCD, as described below. Such payment of City Funds shall be contingent upon DCD having first received, along with the Requisition Form, the Letter of Credit in the applicable Letter of Credit Amount (as adjusted to reflect the anticipated payment of City Funds) and documentation satisfactory in form and substance to DCD (including Developer's filing of a Jobs Certificate) evidencing Developer's compliance with the applicable Jobs Covenants then due, as set forth in **Section 8.06** hereof.

All payments are subject to the approval of DCD as described below. All payment of City Funds shall be contingent upon DCD having first received, along with the Requisition Form, (i) the Annual Compliance Report for the prior calendar year and (ii) for all payments of City Funds, documentation satisfactory in form and substance to DCD (including Developer's filing of a Jobs and Occupancy Certificate) evidencing Developer's compliance with the then-applicable Jobs Covenant and the Operating Covenant, both as set forth in **Section 8.06** hereof.

(b) Sources of City Funds. Subject to the terms and conditions of this Agreement, including but not limited to this **Section 4.03** and **Section 5** hereof, the City hereby agrees to provide City funds from the sources and in the amounts described directly below (the "**City Funds**") to pay for or reimburse the Developer for the costs of the TIF-Funded Improvements:

Source of City Funds	Maximum Amount
Available Incremental Taxes	$5,000,000

provided, however, that (i) the total amount of City Funds expended for TIF-Eligible Improvements shall be an amount not to exceed the lesser of $5,000,000 or 17% of the actual total Project costs; (ii) the total amount of City Funds shall be reduced by $250,000 if the City determines prior to issuing the Certificate that the NAVTEQ Space is unlikely to achieve a LEED Certification and (iii) in the event that the Project Budget exceeds the Final Project Cost, the total amount of City Funds shall be reduced by $.75 for every $1.00 (or portion thereof) by which the Project Budget exceeds the Final Project Cost; and provided further, that the $5,000,000 to be derived from Incremental Taxes shall be available to pay costs related to TIF-Funded Improvements and allocated by the City for that purpose only so long as:

(1) The amount of the Available Incremental Taxes deposited into the LaSalle Central TIF Fund shall be sufficient to pay for such costs; and

(2) The Developer shall deposit with the City the Letter of Credit in the applicable Letter of Credit Amount.

The Developer acknowledges and agrees that the City's obligation to pay for TIF-Funded Improvements up to a maximum of $5,000,000 is contingent upon the fulfillment of the conditions set forth in parts (1) and (2) above. In the event that such conditions are not fulfilled,

the amount of Equity to be contributed by the Developer pursuant to **Section 4.01** hereof shall increase proportionately.

(c) Calculation of City Funds. The amount of City Funds earned each year will be calculated as follows, where "Total FTEs" is measured as of the applicable anniversary of the issuance of the Certificate:

((Total FTEs (but not to exceed 900) – 550) times $14,285.71) minus (total of all City Funds earned (whether or not paid) before the date the calculation is made)

Regardless of the amount of City Funds earned in any year, the maximum amount of City Funds the City shall pay in any year is $1,500,000. Any City Funds earned in excess of $1,500,000 in a year will be paid (a) in the following year or (b) in subsequent years to the extent needed to ensure that the City does not pay City Funds in any year exceeding $1,500,000.

For example: if there are 700 FTE positions at the First Anniversary, then the amount of City Funds earned shall be calculated as follows:

(700-550) * $14,285.71) – ($0) = $2,142,856.50

Since the amount of City Funds earned in this year would exceed $1,500,000, the Developer would be paid City Funds in that year of $1,500,000 with the remaining balance of $642,856.50 included in payments made in one or more subsequent years.

All payments of City Funds are subject to the reductions described in **Section 4.03(b)** above.

(d) Schedule of Payment of City Funds.

City Funds will be provided based on the following schedule:

Payment	Calculation Date	Maximum Amount of City Funds Paid
1st Payment:	First Anniversary	up to $1,500,000 of Available Incremental Taxes (*)
2nd Payment:	2 years after Certificate is issued	up to $1,500,000 of Available Incremental Taxes (*)
3rd Payment:	3 years after Certificate is issued	up to $1,500,000 of Available Incremental Taxes (*)
4th Payment:	4 years after Certificate is issued	up to $1,500,000 of Available Incremental Taxes (*)
5th Payment:	5 years after Certificate is issued	up to $1,500,000 of Available Incremental Taxes (*)

*The maximum amount of all City Funds shall be limited to $5,000,000

4.04 Requisition Form. On the Closing Date and when the Developer submits documentation to the City in connection with a request for the payment of the City Funds as described in Section 4.03(a), beginning on the first request for payment and continuing

throughout the earlier of (i) the Term of the Agreement or (ii) the date that the Developer has been reimbursed in full under this Agreement, the Developer shall provide DCD with a Requisition Form, along with the documentation described therein. The Developer shall meet with DCD at the request of DCD to discuss the Requisition Form(s) previously delivered.

4.05 Treatment of Prior Expenditures and Subsequent Disbursements.

(a) Prior Expenditures. Only those expenditures made by the Developer with respect to the Rehabilitation Project prior to the Closing Date, evidenced by documentation satisfactory to DCD and approved by DCD as satisfying costs covered in the Project Budget, shall be considered previously contributed Equity or Lender Financing hereunder (the "**Prior Expenditures**"). DCD shall have the right, in its sole discretion, to disallow any such expenditure as a Prior Expenditure. **Exhibit I** hereto sets forth the prior expenditures approved by DCD 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 DCD, being prohibited; provided, however, that such transfers among line items, in an amount not to exceed $25,000 or $100,000 in the aggregate, may be made without the prior written consent of DCD.

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

4.07 Preconditions of Disbursement. Prior to each disbursement of City Funds hereunder, the Developer shall submit documentation regarding the applicable expenditures to DCD, which shall be satisfactory to DCD in its sole discretion. Delivery by the Developer to DCD of any request for disbursement of City Funds 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 request for disbursement represents the actual amount payable to (or paid to) the General Contractor and/or subcontractors who have performed work on the Rehabilitation Project, and/or their payees;

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

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

(d) the representations and warranties contained in this Redevelopment 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 Rehabilitation Project has been completed and there are no unpaid Rehabilitation Project costs incurred or to be incurred in the completion of the Rehabilitation Project.

The City shall have the right, in its discretion, to require the Developer to submit further documentation as the City may require in order to verify that the matters certified to above are true and correct, and any disbursement by the City shall be subject to the City's review and approval of such documentation and its satisfaction that such certifications are true and correct; provided, however, that nothing in this sentence shall be deemed to prevent the City from relying on such certifications by the Developer. In addition, the Developer shall have satisfied all other preconditions of disbursement of City Funds for each disbursement, including but not limited to the deposit with the City of the Letter of Credit as set forth in **Section 4.03(b)** of this Agreement and the requirements set forth in the Bond Ordinance, if any, the Bonds, if any, the TIF Ordinances and this Agreement.

4.08 Conditional Grant. The City Funds being provided hereunder are being granted on a conditional basis, subject to the Developer's compliance with the provisions of this Agreement. The City Funds are subject to being reimbursed as provided in **Section 15.02** hereof.

SECTION 5. CONDITIONS PRECEDENT

The following conditions have been complied with to the City's satisfaction on or prior to the Closing Date:

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

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

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

5.04 Financing. The Developer has furnished proof reasonably 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 Rehabilitation Project and satisfy its obligations under this Agreement. If a portion of such funds consists of Lender Financing, the Developer has 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 set forth in **Section 4.01**) to complete the Project. The Developer has delivered to DCD a copy of the construction escrow agreement, if any, entered into by the Developer regarding the Lender Financing. Any liens against the Property in existence at the Closing Date have been subordinated to certain encumbrances of the City set forth herein pursuant to a subordination agreement, in a form 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 Lease and Title. On the Closing Date, the Developer has furnished the City with a copy of the Title Policy for the NAVTEQ Space, certified by the Title Company, showing the Developer as the named insured. The Title Policy is dated as of the Closing Date and contains only those title exceptions listed as Permitted Liens on **Exhibit G** hereto and evidences the recording of this Agreement pursuant to the provisions of **Section 8.18** hereof. The Title Policy also contains 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. The Developer has provided to DCD, on or prior to the Closing Date, documentation related to the lease of the NAVTEQ Space and certified copies of all easements and encumbrances of record with respect to the Property not addressed, to DCD's satisfaction, by the Title Policy and any endorsements thereto.

5.06 Evidence of Clean Title. The Developer, at its own expense, has provided the City with 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, the Developer's leasehold interest in the Property or any fixtures now or hereafter affixed thereto, except for the Permitted Liens.

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

5.08 Insurance. The Developer, at its own expense, has insured the Property in accordance with **Section 12** hereof, and has delivered certificates required pursuant to **Section 12** hereof evidencing the required coverages to DCD.

5.09 Opinion of the Developer's Counsel. On the Closing Date, the Developer has furnished the City with an opinion of counsel, substantially in the form attached hereto as Exhibit J, with such changes as required by or acceptable to Corporation Counsel. 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 J hereto, such opinions were obtained by the Developer from its general corporate counsel.

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

5.11 Financial Statements. The Developer has provided Financial Statements to DCD for its most recent fiscal year, and audited or unaudited interim financial statements.

5.12 Documentation. The Developer has provided documentation to DCD, satisfactory in form and substance to DCD, with respect to current employment matters.

5.13 Environmental. The Developer has provided DCD with all environmental reports or audits, if any, obtained by the Developer or Landlord with respect to the Property together with notices from any agency regarding environmental issues at the Property. The Developer has provided the City with a letter from the environmental engineer(s) who completed such audit(s), authorizing the City to rely on such audits.

5.14 Corporate Documents; Economic Disclosure Statement. The Developer has provided a copy of its Articles or Certificate of Incorporation containing the original certification of the Secretary of State of its state of incorporation; certificates of good standing from the Secretary of State of its state of incorporation 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; by-laws of the corporation; and such other corporate documentation as the City has requested. The Developer has provided to the City an Economic Disclosure Statement, in the City's then current form, dated as of the Closing Date.

5.15 Litigation. The Developer has provided to Corporation Counsel and DCD in writing, a description of all material pending or threatened litigation or administrative proceedings involving the Developer, including, by way of example and not in limitation, all pending or threatened litigation or administrative proceedings (a) involving the Developer's property located in the City, (b) that Developer is otherwise required to publicly disclose or that may affect the ability of Developer to perform its duties and obligations pursuant to this Agreement, or (c) involving the City or involving the payment of franchise, income, sales or other taxes by such party to the State of Illinois or the City; 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 Lease. A complete copy of the Lease, and all other written agreements setting forth the parties' understandings relating to the Developer's relocation to or occupancy of the NAVTEQ Space and any financial agreements between the parties in any way relating to the Property, the NAVTEQ Space or the Lease, jointly certified by the Developers, shall have been delivered to the City.

SECTION 6. AGREEMENTS WITH CONTRACTORS

6.01 Bid Requirement for General Contractor and Subcontractors. (a) Except as set forth in **Section 6.01(b)** below, prior to entering into an agreement with a General Contractor or any subcontractor for construction of the Rehabilitation Project, the Developer shall solicit, or shall cause the General Contractor to solicit, bids from qualified contractors eligible to do business with, and having an office located in, the City of Chicago, and shall submit all bids received to DCD for its inspection and written approval. For the TIF-Funded Improvements, the Developer shall select the General Contractor (or shall cause the General Contractor to select the subcontractor) submitting the lowest responsible bid who can complete the Rehabilitation Project in a timely manner. If the Developer selects a General Contractor (or the General Contractor selects any subcontractor) submitting other than the lowest responsible bid for the TIF-Funded Improvements, the difference between the lowest responsible bid and the bid selected may not be paid out of City Funds. The Developer shall submit copies of the Construction Contract to DCD 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 DCD 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 Rehabilitation Project until the Plans and Specifications have been approved by DCD and all requisite permits have been obtained.

(b) If, prior to entering into an agreement with a General Contractor for construction of the Rehabilitation Project, the Developer does not solicit bids pursuant to **Section 6.01(a)** hereof, then the fee of the General Contractor proposed to be paid out of City Funds shall not exceed10% 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 DCD a copy of the proposed Construction Contract with the General Contractor selected to handle the Rehabilitation Project in accordance with **Section 6.01** above, for DCD's prior written approval, which shall be granted or denied within ten (10) business days after delivery thereof. 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 DCD 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 the commencement of any portion of the Rehabilitation Project which includes work on the public way, the Developer shall require that the General Contractor be bonded for its payment by sureties having an AA rating or better using a form of bond acceptable to the City. The City shall be named as obligee or co-obligee on any such bonds.

6.04 Employment Opportunity. The Developer shall contractually obligate and cause the General Contractor and each subcontractor to agree to the provisions of **Section 10** hereof.

6.05 Other Provisions. In addition to the requirements of this **Section 6**, the Construction Contract and each contract with any subcontractor 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, as applicable), **Section 12** (Insurance) and **Section 14.01** (Books and Records) hereof. Photocopies of all contracts or subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to DCD within five (5) business days of the execution thereof.

SECTION 7. COMPLETION OF CONSTRUCTION OR REHABILITATION

7.01 Certificate of Completion of Construction or Rehabilitation. Upon completion of the Rehabilitation of the Project in accordance with the terms of this Agreement, and upon the Developer's written request, which shall include a final Project budget detailing the total actual cost of the construction of the Rehabilitation Project (the "Final Project Cost") DCD shall issue to the Developer a Certificate in recordable form certifying that the Developer has fulfilled its obligation to complete the Rehabilitation Project in accordance with the terms of this Agreement. The Certificate will not be issued until the following requirements have been met, as supported by such evidence as the City may require in its sole discretion:

(i) The Developer has completed construction of the Interior Build-out according to the Plans and Specifications;

(ii) The Final Project Cost incurred by the Developer is at least $28,583,483; provided, however, that in the event that the Project Budget exceeds the Final Project Cost, the total amount of City Funds shall be reduced by $.75 for every $1.00 (or portion thereof) by which the Project Budget exceeds the Final Project Cost, as described in **Section 4.03(b)**;

(iii) 550 FTEs have been relocated to the NAVTEQ Space;

(iv) The Officers have relocated their principal offices to the NAVTEQ Space;

(v) Receipt of a Certificate of Occupancy or other evidence acceptable to DCD that the Developer has complied with building permit requirements for the Rehabilitation Project;

(vi) The City's Monitoring and Compliance Unit has verified that the Developer is in full compliance with City requirements set forth in **Section 10** (including, without limitation, **Sections 10.02** and **10.03**), **Section 8.06** and **Section 8.09** (M/WBE, City Residency and Prevailing Wage) with respect to construction of the Rehabilitation Project, and that 100% of the Developer's MBE/WBE Commitment in **Section 10.03** has been fulfilled;

(vii) The Developer has incurred costs for TIF-Funded Improvements in an amount equal to or higher than $5,000,000;

(viii) The Developer has registered the NAVTEQ Space for, and is in the process of, receiving a LEED Certification; provided, however, that if the City determines prior to issuing the Certificate that the NAVTEQ Space is unlikely to achieve a LEED Certification, then the total

amount of City Funds shall be reduced by $250,000, as described in **Section 4.03(b)**;

(ix) The Public Benefits contribution has been made in full pursuant to **Section 8.20**; and

(x) There exists neither an Event of Default (after any applicable cure period) which is continuing nor a condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default.

DCD shall respond to the Developer's written request for a Certificate within forty-five (45) days by issuing either a Certificate or a written statement detailing the ways in which the Rehabilitation Project does not conform to this Agreement or has not been satisfactorily completed, and the measures which must be taken by the Developer in order to obtain the Certificate. The Developer may resubmit a written request for a Certificate upon completion of such measures.

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

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

7.03 Failure to Complete. If the Developer fails to complete the Project in accordance with the terms of this Agreement, then the City has, but shall not be limited to, any of the following rights and remedies:

(a) the right to terminate this Agreement and any other agreements to which the City and the Developer are or shall be parties, and cease all disbursement of City Funds not yet disbursed pursuant hereto and/or draw down the entire amount of the Letter of Credit;

(b) the right (but not the obligation) to complete those TIF-Funded Improvements that are public improvements and to pay for the costs of TIF-Funded Improvements (including interest costs) out of City Funds or other City monies. In the event that the aggregate cost of

completing the TIF-Funded Improvements exceeds the amount of City Funds available pursuant to **Section 4.01**, the Developer shall reimburse the City for all reasonable costs and expenses incurred by the City in completing such TIF-Funded Improvements in excess of the available City Funds; and

(c) the right to seek reimbursement from the Developer of the City Funds paid to the Developer.

7.04 Notice of Expiration of Term of Agreement. Upon the expiration of the Term of the Agreement, DCD 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.

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

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

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

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

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

(d) unless otherwise permitted or not prohibited pursuant to or under the terms of this Agreement, the Developer shall maintain good, indefeasible and merchantable leasehold title to the NAVTEQ Space free and clear of all liens (except for the Permitted Liens, Lender Financing as disclosed in the Project Budget and non-governmental charges that the Developer is contesting in good faith pursuant to **Section 8.15** hereof);

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

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

(g) the Developer has and shall maintain all government permits, certificates and

consents (including, without limitation, appropriate environmental approvals) necessary to conduct its business and to construct, 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) during the Term of the Agreement, except for Transactions with Approved Successors, the Developer shall not do any of the following without the prior written consent of DCD: (1) be a party to any merger, liquidation or consolidation except with an Approved Successor; (2) sell, transfer, convey, lease or otherwise dispose of all or substantially all of its assets or any portion of the Property in which it has an interest (including but not limited to any fixtures or equipment now or hereafter attached thereto) except in the ordinary course of business or except to an Approved Successor; (3) enter into any transaction outside the ordinary course of the Developer's business; (4) assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity to the extent that such action would have an adverse effect on Developer's ability to perform its obligation 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 DCD, allow the existence of any liens against the NAVTEQ Space (or improvements thereon) other than the Permitted Liens; or incur any indebtedness, secured or to be secured by the Property (or improvements thereon) or any fixtures now or hereafter attached thereto, except Lender Financing disclosed in the Project Budget;

(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; and

(m) neither the Developer nor any affiliate of the Developer is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List. For purposes of this subparagraph (m) only, the term "affiliate,"when used to indicate a relationship with a specified person or entity, means a person or entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified person or entity, and a person or entity shall be deemed to be controlled by

another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

8.02 Covenant to Redevelop. Upon DCD's approval of the Project Budget, the Scope Drawings and Plans and Specifications as provided in **Sections 3.02** and **3.03** 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 Bond Ordinance, 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, but shall be deemed satisfied upon issuance by the City of a Certificate with respect thereto.

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 and the Planned Development.

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) any bonds in connection with the Redevelopment Area, the proceeds of which may be used to reimburse the City for expenditures made in connection with, or provide a source of funds for the payment for, the TIF-Funded Improvements (the "Bonds"); provided, however, that any such amendments shall not have a material adverse effect on the Developer or the Project. The Developer shall, at the Developer's expense, cooperate and provide reasonable assistance in connection with the marketing of any such Bonds, including but not limited to providing written descriptions of the Project, making representations, providing information regarding its financial condition and assisting the City in preparing an offering statement with respect thereto.

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

(a) Operating Covenant. The Developer hereby covenants and agrees to maintain its Headquarters at the Building and to lease and occupy a minimum of 200,000 square feet at the Building throughout the term of the Lease (collectively, the "**Operating Covenant**") throughout the Compliance Period defined below. The "**Compliance Period**" shall mean the longer of (1) if the Developer does not deliver an Extension Notice (defined below), a period beginning on the date the Certificate is issued and ending on the10th anniversary of the date the Certificate is issued, and (2) if the Developer delivers an Extension Notice and cures the applicable Event of Default during the one-year period in which the Extension notice was delivered, a period beginning on the date the Certificate is issued and ending on the 11th anniversary of the date the Certificate is issued. A default under the Operating Covenant shall constitute an Event of Default without notice or opportunity to cure.

In the event and as part of the terms of any merger, consolidation or reorganization of the Developer during the Compliance Period, the Approved Successor shall be bound by and shall agree to assume and comply with the terms, conditions, covenants, representations and warranties set forth in the Agreements (as defined in the Assumption Agreement) which, by their terms, are binding upon Developer including the Operating Covenant with respect to the Approved Successor and its Affiliates and the Jobs Covenant. The Approved Successor shall be required to deliver a substitute Letter of Credit in form and substance satisfactory to the City in its sole and absolute discretion.

Throughout the Compliance Period, the Developer shall submit to DCD annual certified Jobs and Occupancy Certificates disclosing compliance with the then-applicable Jobs Covenant and the Operating Covenant to DCD. These Jobs and Occupancy Certificates shall be submitted to DCD by February 1st for the prior calendar year. The Developer agrees that it shall act in good faith and, among other things, shall not hire temporary workers or relocate workers for short periods of time for the primary purpose of avoiding a breach of the Jobs Covenant. The Jobs and Occupancy Certificate shall include the names and titles of FTEs employed at the Corporate Headquarters as of the end of the prior calendar year.

(b) Jobs Covenant. The Developer, directly or through one or more Affiliates, shall adhere to the following job relocation, creation and retention standards throughout the Compliance Period (collectively the "**Jobs Covenant**"):

(i) Prior to the date the Developer requests the City to issue the Certificate under Section 7.01, at least 550 FTE jobs shall be relocated to the Headquarters;

(ii) On or before the fifth anniversary of the date the Certificate is issued, at least 350 FTE jobs shall have been created at the Headquarters; and

(iii) From the date there are at least 900 FTEs at the Headquarters through the end of the Compliance Period, at least 810 FTE jobs shall be maintained at the Headquarters; provided, however, that failure to maintain at least 810 FTE jobs at the Headquarters shall not be a default under this Section 8.06(b) unless such failure is continuing on, or occurs after, the fifth anniversary of the date the Certificate is issued.

Throughout the Compliance Period, the Developer shall submit certified employment reports disclosing compliance with the Jobs Covenant to DCD within one month after the anniversary date of issuance of the Certificate.

(c) Jobs Covenant Default and Cure Period. If the Developer defaults under the Jobs Covenant described in **Section 8.06(b)** above, an Event of Default shall not be declared with respect to such default if the Developer, upon irrevocable written notice (the "**Extension Notice**") accompanying the Jobs and Occupancy Certificate, elects to extend the Compliance Period by one year to the eleventh (11th) anniversary of the date the Certificate is issued. The one-year period during which the Extension Notice is given shall be the only cure period allowed for a default by Developer of the Jobs Covenant as described in this paragraph; no other notice or cure periods shall apply thereto and if such default is not cured within such one-year period then the Compliance Period shall not be extended and an Event of Default shall exist without notice or opportunity to cure. If the Developer has not delivered a permitted Extension Notice

then any default by the Developer of the Jobs Covenant shall constitute an Event of Default without notice or opportunity to cure. The Developer shall be entitled to deliver one Extension Notice. If the Developer has delivered an Extension Notice, then any subsequent default by the Developer of the Jobs Covenant shall constitute an Event of Default without notice or opportunity to cure.

(d) Covenants Run with the Land; Remedy. The covenants set forth in this Section 8.06 shall run with the land and be binding upon any transferee. In the event of a default for any of the covenants in this Section 8.06, the City shall have the right to recapture the full amount of all City Funds previously paid or disbursed to the Developer for the Rehabilitation Project by drawing down the entire amount of the Letter of Credit if such default(s) is/are not cured during the applicable cure period, if any, and to exercise any other remedies described or referred to in this Agreement.

(e) A default by the Landlord under the Lease shall not (i) relieve Developer from its obligations under this Agreement or (ii) constitute any defense, excuse of performance, release, discharge or similar form of equitable or other relief that would prevent or limit the City's enforcement of its remedies under this Agreement.

8.07 Employment Opportunity; Progress Reports. The Developer covenants and agrees to abide by, and contractually obligate and use reasonable efforts to cause the General Contractor and each subcontractor to abide by the terms set forth in Section 10 hereof. The Developer shall deliver 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 when the Rehabilitation Project is 25%, 50%, 70% and 100% completed (based on the amount of expenditures incurred in relation to the Project Budget). Notwithstanding the foregoing, if the Rehabilitation Project is begun before the Closing occurs, then at Closing the Developer shall deliver to the City a written progress report detailing compliance with the requirements of Sections 8.09, 10.02 and 10.03 of this Agreement based on the portion of the Rehabilitation Project completed prior to Closing. If any such reports indicate a shortfall in compliance, the Developer shall also deliver a plan to DCD which shall outline, to DCD'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 DCD, from time to time, statements of its employment profile upon DCD'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 Rehabilitation 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 DCD has 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 DCD'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 aspect of the Project.

8.13 Financial Statements. The Developer shall obtain and provide to DCD Financial Statements for the Developer's fiscal year ended 2006 and each 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 DCD may request.

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

8.15 Non-Governmental Charges. (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, may create, or appears to create a lien upon all or any portion of the Property or Project; provided however, that if such Non-Governmental Charge may be paid in installments, the Developer may pay the same together with any accrued interest thereon in installments as they become due and before any fine, penalty, interest, or cost may be added thereto for nonpayment. The Developer shall furnish to DCD, within thirty (30) days of DCD's request, official receipts from the appropriate entity, or other proof satisfactory to DCD, evidencing payment of the Non-Governmental Charge in question.

(b) Right to Contest. The Developer has 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 DCD's sole option, to furnish a good and sufficient bond or other security satisfactory to DCD in such form and amounts as DCD 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 DCD 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 evidence satisfactory to the City of such compliance.

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

8.19 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 Navteq Space or the Project, or become due and payable, and which create, may create, or appear to create a lien upon the Developer or all or any portion of the Navteq Space 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 (except for those assessed by foreign nations, states other than the State of Illinois, counties of the State other than Cook County, and municipalities other than the City) relating to the Developer, the Navteq Space or the Project including but not limited to real estate taxes.

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

(i) the Developer shall demonstrate to DCD'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 Navteq Space to satisfy such Governmental Charge prior to final determination of such proceedings; and/or

(ii) the Developer shall furnish a good and sufficient bond or other security satisfactory to DCD in such form and amounts as DCD 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 Navteq Space during the pendency of such contest, adequate to pay fully any such contested Governmental Charge and all interest and penalties upon the adverse determination of such contest.

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

(c) Real Estate Taxes.

(i) Real Estate Tax Exemption. With respect to the Navteq Space 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 the Agreement, seek, or authorize any exemption (as such term is used and defined in the Illinois Constitution, Article IX, Section 6 (1970)) for any year that the Redevelopment Plan is in effect.

(ii) 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 the Agreement, directly or indirectly, initiate, seek or apply for proceedings in order to lower the assessed value of all or any portion of the Navteq Space or the Project.

(iii) 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.

(iv) Covenants Running with the Land. The parties agree that the restrictions contained in this **Section 8.19(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, Navteq Space or Redevelopment Area from and after the date hereof shall be made explicitly subject to such covenants and restrictions. Notwithstanding anything contained in this **Section 8.19(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 8.19(c)**.

8.20 Public Benefits Program. The Developer agrees to contribute the sum of $50,000 to the following entities or programs, due and payable on or before the Closing Date:

Entity or Program	Amount
After-School Matters, Inc.	$10,000
Friends of the Chicago River	$15,000
Home and Aid Society of Illinois	$25,000
Total:	$50,000

8.21 Leasehold Title Policy. On the date the Lease or a memorandum thereof is recorded, the Developer shall furnish the City with a copy of the Leasehold Title Policy for the NAVTEQ Space, certified by the Title Company, showing fee simple title to the Property in the Landlord under the Lease, subject to the leasehold interest of the Developer under the Lease, with the Developer as the insured with respect to the leasehold interest in the NAVTEQ Space. The Leasehold Title Policy shall be dated as of the date the Lease or a memorandum thereof is recorded and shall contain only those title exceptions listed as Permitted Liens on Exhibit G hereto and shall evidence the recording of this Agreement pursuant to the provisions of Section 8.18 hereof. The Leasehold Title Policy also shall contain such endorsements as may 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. The Developer shall provide to DCD, on or prior to the date the Lease or a memorandum thereof is recorded, a copy of the executed Lease and certified copies of all easements and encumbrances of record with respect to the Property not addressed, to DCD's satisfaction, by the Leasehold Title Policy and any endorsements thereto.

8.22 Letter of Credit. Prior to and as a condition to each payment of City Funds under this Agreement, the Developer shall deposit with the City the Letter of Credit in the applicable Letter of Credit Amount. The Developer shall maintain a valid Letter of Credit in the applicable Letter of Credit Amount throughout the Compliance Period.

8.23 Lease. Throughout the Compliance Period the Developer shall not execute or consent to a Material Amendment or sell, assign or otherwise transfer its interest in the Lease without the prior written consent of DCD, which consent shall be in DCD's sole discretion.

8.24 LEED Certification. Within two years after the Certificate is issued, the Developer shall provide evidence acceptable to the City that LEED Certification has been obtained.

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

8.26 Annual Compliance Report. Beginning with the calendar year in which the Certificate is issued and continuing throughout the Term of the Agreement, the Developer shall submit to DCD the Annual Compliance Report by February 1st of the year following the end of the calendar year to which the Annual Compliance Report relates. For example, if the Certificate is issued in 2009, then the first Annual Compliance Report will be due no later than February 1, 2010.

SECTION 9. COVENANTS/REPRESENTATIONS/WARRANTIES OF CITY

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

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

SECTION 10. 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 the Agreement with respect to Developer and during the period of any other party's provision of services in connection with the construction of the Rehabilitation 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 Rehabilitation Project be awarded to business concerns that are located in, or owned in substantial part by persons residing in, the City and preferably in the Redevelopment Area.

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

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

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

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

10.02 City Resident Construction Worker Employment Requirement. The Developer agrees for itself and its successors and assigns, and shall contractually obligate its General Contractor and shall cause the General Contractor to contractually obligate its subcontractors, as applicable, to agree, that during the construction of the Rehabilitation 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 Rehabilitation 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 Chief Procurement Officer 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 Rehabilitation 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 DCD in triplicate, which shall identify clearly the actual residence of every employee on each submitted certified payroll. The first time that an employee's name appears on a payroll, the date that the Employer hired the employee should be written in after the employee's name.

The Developer, the General Contractor and each subcontractor shall provide full access to their employment records to the Chief Procurement Officer, the Commissioner of DCD, 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 Rehabilitation Project.

At the direction of DCD, 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 Chief Procurement Officer) shall not suffice to replace the actual, verified achievement of the requirements of this Section concerning the worker hours performed by actual Chicago residents.

When work at the Rehabilitation Project is completed, in the event that the City has determined that the Developer has failed to ensure the fulfillment of the requirement of this Section concerning the worker hours performed by actual Chicago residents or failed to report in the manner as indicated above, the City will thereby be damaged in the failure to provide the benefit of demonstrable employment to Chicagoans to the degree stipulated in this Section. Therefore, in such a case of non-compliance, it is agreed that 1/20 of 1 percent (0.0005) of the aggregate hard construction costs set forth in the Project budget (the product of .0005 x such aggregate hard construction costs) (as the same shall be evidenced by approved contract value for the actual contracts) shall be surrendered by the Developer to the City in payment for each percentage of shortfall toward the stipulated residency requirement. 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. The City may obtain payment of the liquidated damages hereunder, in the amount the appropriate City or official determines are due, by drawing the amount of said liquidated damages from the Letter of Credit. **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 Chief Procurement Officer'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 Rehabilitation Project.

10.03. 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 Rehabilitation Project:

(a) Consistent with the findings which support, as applicable, (i) the Minority-Owned and Women-Owned Business Enterprise Procurement Program, Section 2-92-420 et seq., Municipal Code of Chicago (the "**Procurement Program**"), and (ii) the Minority- and Women-Owned Business Enterprise Construction Program, Section 2-92-650 et seq., Municipal Code of Chicago (the "Construction Program," and collectively with the Procurement Program, the "**MBE/WBE Program**"), 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 Rehabilitation Project, at least the following percentages of the MBE/WBE Budget (as set forth in **Exhibit H-2** hereto) shall be expended for contract participation by MBEs and by WBEs:

(1) At least 24 percent by MBEs.
(2) At least four 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 Rehabilitation Project) shall be deemed a "**contractor**" and this Agreement (and any contract let by the Developer in connection with the Rehabilitation Project) shall be deemed a "**contract**" or a "**construction contract**" as such terms are defined in Sections 2-92-420 and 2-92-670, Municipal Code of Chicago, as applicable.

(c) Consistent with Sections 2-92-440 and 2-92-720, 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 Rehabilitation 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 Rehabilitation Project by the MBE or WBE), by the Developer utilizing a MBE or a WBE as the General Contractor (but only to the extent of any actual work performed on the Rehabilitation Project by the General Contractor), by subcontracting or causing the General Contractor to subcontract a portion of the Rehabilitation Project to one or more MBEs or WBEs, or by the purchase of materials or services used in the Rehabilitation 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. In accordance with Section 2-92-730, Municipal Code of Chicago, the Developer shall not substitute any MBE or WBE General Contractor or subcontractor without the prior written approval of DCD.

(d) The Developer shall deliver quarterly reports to the City's monitoring staff during the Rehabilitation 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 Rehabilitation Project, and the responses received from such solicitation, the name and business address of each MBE or WBE actually involved in the Rehabilitation 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 the City's monitoring staff in determining the Developer's compliance with this MBE/WBE commitment. The Developer shall maintain records of all relevant data with respect to the utilization of MBEs and WBEs in connection with the Rehabilitation Project for at least five years after completion of the Project, and the City's monitoring staff shall have access to all such records maintained by the Developer, on five 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 Rehabilitation Project.

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

and 2-92-730, Municipal Code of Chicago, as applicable.

(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 Sections 2-92-450 and 2-92-730, Municipal Code of Chicago, as applicable.

(g) Prior to the commencement of the Rehabilitation Project, the Developer shall be required to meet with the City's monitoring staff with regard to the Developer's compliance with its obligations under this Section 10.03. The General Contractor and all major subcontractors shall be required to attend this pre-construction meeting. During said meeting, the Developer shall demonstrate to the City's monitoring staff its plan to achieve its obligations under this Section 10.03, the sufficiency of which shall be approved by the City's monitoring staff. During the Rehabilitation Project, the Developer shall submit the documentation required by this Section 10.03 to the City's monitoring staff, including the following: (i) subcontractor's activity report; (ii) contractor's certification concerning labor standards and prevailing wage requirements; (iii) contractor letter of understanding; (iv) monthly utilization report; (v) authorization for payroll agent; (vi) certified payroll; (vii) evidence that MBE/WBE contractor associations have been informed of the Rehabilitation Project via written notice and hearings; and (viii) evidence of compliance with job creation/job retention requirements. Failure to submit such documentation on a timely basis, or a determination by the City's monitoring staff, upon analysis of the documentation, that the Developer is not complying with its obligations under this Section 10.03, shall, upon the delivery of written notice to the Developer, be deemed an Event of Default. Upon the occurrence of any such Event of Default, in addition to any other remedies provided in this Agreement, the City may: (1) issue a written demand to the Developer to halt the Rehabilitation Project, (2) withhold any further payment of any City Funds to the Developer or the General Contractor, or (3) seek any other remedies against the Developer available at law or in equity and/or (4) draw down the Letter of Credit.

SECTION 11. ENVIRONMENTAL MATTERS

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

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

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

SECTION 12. INSURANCE

The Developer must provide and maintain at Developer's own expense, or cause to be provided and maintained during the Term of the Agreement, the insurance coverage 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 or disease.

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

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

(iii) All Risk Property. All Risk Property Insurance at replacement value of the property to protect against loss of, damage to, or destruction of the building/facility. The City is to be named as an additional insured and loss payee/mortgagee if applicable.

(b) Construction. Prior to the construction of any portion of the Rehabilitation Project, Developer will cause its architects, contractors, subcontractors, project managers and other parties constructing the Rehabilitation 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 of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

(iii) Automobile Liability Insurance (Primary and Umbrella)

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

(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 has limits of not less than $2,000,000 per occurrence and $6,000,000 in the aggregate for losses arising out of injuries to or death of all persons, and for damage to or destruction of property, including the loss of use thereof.

(v) Builders Risk Insurance

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

(vi) Professional Liability

When any architects, engineers, construction managers or other professional consultants perform work in connection with this Agreement, Professional Liability Insurance covering acts, errors, or omissions shall

be maintained with limits of not less than $1,000,000. Coverage shall include contractual liability. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

(vii) Valuable Papers Insurance

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

(viii) Contractors Pollution Liability

When any remediation work is performed which may cause a pollution exposure, the Developer must cause remediation contractor to provide Contractor Pollution Liability covering bodily injury, property damage and other losses caused by pollution conditions that arise from the contract scope of work with limits of not less than $1,000,000 per occurrence. Coverage must include completed operations, contractual liability, defense, excavation, environmental cleanup, remediation and disposal. When policies are renewed or replaced, the policy retroactive date must coincide with or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years. The City of Chicago is to be named as an additional insured.

(c) Post Construction:

(i) All Risk Property Insurance at replacement value of the property to protect against loss of, damage to, or destruction of the building/facility. The City is to be named as an additional insured and loss payee/mortgagee if applicable.

(d) Other Requirements

The Developer must furnish the City of Chicago, Department of Planning Services, City Hall, Room 1000, 121 North LaSalle Street 60602, original Certificates of Insurance, or such similar evidence, 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 the Agreement. The Developer must submit evidence of insurance on the City of Chicago Insurance Certificate Form (copy attached) or equivalent prior to closing. 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 Developer is not a waiver by the City of any requirements for the Developer to obtain and maintain the specified coverages. The

Developer shall advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance does not relieve 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 stop work and/or terminate agreement until proper evidence of insurance is provided.

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

Any deductibles or self insured retentions on referenced insurance coverages must be borne by Developer and Contractors.

The Developer hereby waives and agrees to require their insurers to waive their rights of subrogation against the City of Chicago, its employees, elected officials, agents, or representatives.

The coverages and limits furnished by Developer in no way limit the Developer's liabilities and responsibilities specified within the Agreement or by law.

Any insurance or self insurance programs maintained by the City of Chicago do not contribute with insurance provided by the Developer under the Agreement.

The required insurance to be carried is not limited by any limitations expressed in the indemnification language in this Agreement or any limitation placed on the indemnity in this Agreement given as a matter of law.

If Developer is a joint venture or limited liability company, the insurance policies must name the joint venture or limited liability company as a named insured.

The Developer must require Contractor and subcontractors to provide the insurance required herein, or Developer may provide the coverages for Contractor and subcontractors. All Contractors and subcontractors are subject to the same insurance requirements of Developer unless otherwise specified in this Agreement.

If Developer, any Contractor or subcontractor desires additional coverages, the party desiring the additional coverages is responsible for the acquisition and cost.

The City of Chicago Risk Management Department maintains the right to modify, delete, alter or change these requirements.

SECTION 13. INDEMNIFICATION

13.01 General Indemnity. Developer agrees to indemnify, pay, defend 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 Indemnities shall be designated a party thereto), that may be imposed on, suffered, incurred by or asserted against the Indemnitees in any manner relating 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 Rehabilitation Project improvement; or

(iii) the existence of any material misrepresentation or omission in this Agreement, 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 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

(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 the 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.

SECTION 14. MAINTAINING RECORDS/RIGHT TO INSPECT

14.01 Books and Records. The Developer shall keep and maintain separate, complete, accurate and detailed books and records necessary to reflect and fully disclose the total actual cost of the Project and the disposition of all funds from whatever source allocated thereto, and to monitor the Project. All such books, records and other documents, including but not limited to the Developer's loan statements, 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 has access to all portions of the Rehabilitation Project and the Property during normal business hours for the Term of the Agreement.

SECTION 15. DEFAULT AND REMEDIES

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

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

(b) the failure of the Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Developer under any other agreement with any person or entity if such failure may have a material adverse effect on the Developer's business, property, assets, operations or condition, financial or otherwise;

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

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

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

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

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

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

(i) the dissolution of the Developer;

(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)

(k) the sale or transfer of any of the ownership interests of the Developer without the prior written consent of the City;

(l) the assignment or other direct or indirect transfer of the Lease without the prior written approval of the City (which shall be in the City's sole discretion);

(m) during the period that the Developer is required to maintain the Letter of Credit, the Letter of Credit will expire within thirty (30) calendar days and the Developer has not delivered a substitute Letter of Credit, in form and substance satisfactory to the City in its sole and absolute discretion, within twenty (20) calendar days before the expiration date of the Letter of Credit;

(n) a Default (as defined in the Lease) by the Developer under the Lease that is not cured within the cure period, if any, granted under the Lease, or the Developer's execution of a Material Amendment without the prior written approval of the City under Section 8.23; or

(o) the Developer has not delivered evidence satisfactory to the City of LEED Certification within the time period specified in Section 8.24.

For purposes of **15.01(j)** hereof, a person with a material interest in the Developer shall be one owning in excess of 7.5% of the Developer's issued and outstanding shares of stock.

15.02 Remedies. Upon the occurrence of an Event of Default, the City may terminate this Agreement and any other agreements to which the City and the Developer are or shall be parties, suspend disbursement of City Funds, place a lien on the NAVTEQ Space in the amount of City Funds paid, seek reimbursement of any City Funds paid including by drawing down the entire balance of the Letter of Credit as set forth in this **Section 15.02** below. 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 damages, injunctive relief or the specific performance of the agreements contained herein. Upon the occurrence of an Event of Default under **Section 8.06**, the Developer shall be obligated to repay to the City all previously disbursed City Funds. In addition to other instances set forth in this Agreement, the City may draw on the Letter of Credit if Developer defaults under the Jobs Covenant and/or Operating Covenants as set forth in **Section 8.06**.

Upon the occurrence of an Event of Default because of failure to comply with **Section 8.24**, LEED Certification, the City shall have the right to seek reimbursement of $250,000 of City Funds through drawing down the Letter of Credit, unless the City Funds paid upon Certificate issuance were reduced by $250,000 due to anticipated failure to achieve LEEDs Certification as described in **Section 4.03(b)**. If the City reduces the City Funds paid as described in the preceding sentence, the City shall have no other remedy for the Developer's

failure to achieve LEED Certification.

15.03 Curative Period. In the event the Developer shall fail to perform a monetary covenant which the Developer is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the Developer has failed to perform such monetary covenant within ten (10) days of its receipt of a written notice from the City specifying that it has failed to perform such monetary covenant. In the event the Developer shall fail to perform a non-monetary covenant which the Developer is required to perform under this Agreement, except as described in the following paragraph, an Event of Default shall not be deemed to have occurred unless the Developer has failed to cure such default within thirty (30) days of its receipt of a written notice from the City specifying the nature of the default; provided, however, with respect to those non-monetary defaults which are not capable of being cured within such thirty (30) day period, the Developer 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.

Notwithstanding any other provision of this Agreement to the contrary:

(a) the only cure periods, if any, applicable to the Developer's failure to comply with the Jobs Covenant are those set forth in Section 8.06;

(b) there shall be no notice requirement or cure period with respect to Events of Default described in Section 15.01 (m) (with respect to the Letter of Credit) or Section 15.01(o) (with respect to LEED Certification); and

(c) there shall be no notice requirement or cure period with respect to an Event of Default arising from the Developer's failure to comply with the Operations Covenant.

SECTION 16. MORTGAGING OF THE PROJECT

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

(a) In the event that a mortgagee or any other party shall succeed to the Developer's interest in the Property or any portion thereof pursuant to the exercise of remedies under a New Mortgage (other than a Permitted Mortgage), whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of the Developer's interest hereunder in accordance with **Section 18.15** hereof, the City may, but shall not be obligated to,

attorn to and recognize such party as the successor in interest to the Developer for all purposes under this Agreement and, unless so recognized by the City as the successor in interest, such party shall be entitled to no rights or benefits under this Agreement, but such party shall be bound by those provisions of this Agreement that are covenants expressly running with the land.

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

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

SECTION 17. NOTICE

Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth below, by any of the following means: (a) personal service; (b) telecopy or facsimile; (c) overnight courier, or (d) registered or certified mail, return receipt requested.

If to the City:	City of Chicago Department of Community Development 121 North LaSalle Street, Room 1000 Chicago, IL 60602 Fax No. (312) 744-0759 Attention: Commissioner
With Copies To:	City of Chicago Department of Law Finance and Economic Development Division 121 North LaSalle Street, Room 600 Chicago, IL 60602 Fax No. (312) 744-8538

With Copies To:	City of Chicago Department of Law Finance and Economic Development Division 121 North LaSalle Street, Room 600 Chicago, IL 60602 Fax No. (312) 744-8538
If to the Developer:	NAVTEQ Corporation 425 West Randolph Street Chicago, Illinois 60606 Fax No. (312) 894-7050
With Copies To:	Law Offices of Rolando R. Acosta, LLC 6336 North Cicero Avenue, Suite 202 Chicago, Illinois 60646 Fax No. (773) 685-7844

Such addresses may be changed by notice to the other parties given in the same manner provided above. Any notice, demand, or request sent pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon dispatch. Any notice, demand or request sent pursuant to clause (c) shall be deemed received on the day immediately following deposit with the overnight courier and any notices, demands or requests sent pursuant to subsection (d) shall be deemed received two (2) business days following deposit in the mail.

SECTION 18. MISCELLANEOUS

18.01 Amendment. This Agreement and the Exhibits attached hereto may not be amended or modified without the prior written consent of the parties hereto; provided, however, that the City, in its sole discretion, may amend, modify or supplement **Exhibit D** hereto without the consent of any party hereto. It is agreed that no material amendment or change to this Agreement shall be made or be effective unless ratified or authorized by an ordinance duly adopted by the City Council. The term "material" for the purpose of this **Section 18.01** shall be defined as any deviation from the terms of the Agreement which operates to cancel or otherwise reduce any developmental, construction or job-creating obligations of Developer (including those set forth in **Sections 10.02** and **10.03** hereof) by more than five percent (5%) or materially changes the Project site or character of the Project or any activities undertaken by Developer affecting the Project site, the Project, or both, or increases any time agreed for performance by the Developer by more than ninety (90) days.

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

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

18.05 Waiver. Waiver by the City or the Developer with respect to any breach of this Agreement shall not be considered or treated as a waiver of the rights of the respective party with respect to any other default or with respect to any particular default, except to the extent specifically waived by the City or the Developer in writing. 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 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 Disclaimer. Nothing contained in this Agreement nor any act of the City shall be deemed or construed by any of the parties, or by any third person, to create or imply any relationship of third-party beneficiary, principal or agent, limited or general partnership or joint venture, or to create or imply any association or relationship involving the City.

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

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

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

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

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

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

18.14 Approval. Wherever this Agreement provides for the approval or consent of the City, DCD or the Commissioner, or any matter is to be to the City's, DCD'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, DCD 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 DCD in making all approvals, consents and determinations of

satisfaction, granting the Certificate or otherwise administering this Agreement for the City.

18.15 Assignment. Except as otherwise explicitly permitted hereunder, 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. Any successor in interest to the Developer under this Agreement shall certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, including but not limited to **Sections 8.19** (Real Estate Provisions) and **9.02** (Survival of Covenants) hereof, for the Term of the Agreement. The Developer consents to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part.

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

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

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

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

18.20 Venue and Consent to Jurisdiction. If there is a lawsuit under this Agreement, each party may 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.

18.21 Costs and Expenses. In addition to and not in limitation of the other provisions of this Agreement, Developer agrees to pay upon demand the City's out-of-pocket expenses,

including attorney's fees, incurred in connection with the enforcement of the provisions of this Agreement. This includes, subject to any limits under applicable law, attorney's fees and legal expenses, whether or not there is a lawsuit, including attorney's fees for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals and any anticipated post-judgement collection services. Developer also will pay any court costs, in addition to all other sums provided by law.

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

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

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

NAVTEQ CORPORATION

By: Lawrence M. Kaplan
Its: President and Chief Executive Officer

CITY OF CHICAGO

By: Chris Raguso
Its: Acting Commissioner, Department of Community Development

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

NAVTEQ CORPORATION

_____

By: Lawrence M. Kaplan
Its: President and Chief Executive Officer

CITY OF CHICAGO

By: Chris Raguso
Its: Acting Commissioner, Department of Community Development

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Cortney Warren, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Lawrence M. Kaplan, personally known to me to be the President and Chief Executive Officer of NAVTEQ, a Delaware corporation (the "Developer"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed, and delivered said instrument, pursuant to the authority given to him by the Board of Directors of the Developer, as his 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 21 day of January, 2010.

CORTNEY WARREN
OFFICIAL SEAL
Notary Public, State of Illinois
My Commission Expires
June 11, 2011

Notary Public

My Commission Expires June 11, 2011

(SEAL)

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Yolanda Quesada, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Chris Raguso, personally known to me to be the Acting Commissioner of the Department of Community 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 21st day of January, 2010

Yolanda Quesada
Notary Public

My Commission Expires 9.28.2013

OFFICIAL SEAL
YOLANDA QUESADA
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:09/28/13

EXHIBIT A

REDEVELOPMENT AREA

(Attached)

Kinzie Industrial Conservation:	not to exceed $1,500,000
Midwest:	not to exceed $750,000
Jefferson Park:	not to exceed $750,000

AUTHORIZATION FOR AMENDMENT OF ORDINANCE TO CORRECT LEGAL DESCRIPTION OF LA SALLE CENTRAL TAX INCREMENT FINANCING REDEVELOPMENT PROJECT AREA.

The Committee on Finance submitted the following report:

CHICAGO, May 9, 2007.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance authorizing an amendment to the LaSalle Central Tax Increment Financing Redevelopment Plan and Project, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

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

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

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

Yeas -- Aldermen Flores, Haithcock, Tillman, Preckwinkle, Hairston, Lyle, Beavers, Beale, Pope, Balcer, Cárdenas, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Lane, Rugai, Brookins, Muñoz, Zalewski, Solis, Ocasio, Burnett, E. Smith, Reboyras, Suarez, Matlak, Mell, Austin, Colón, Banks, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Tunney, Levar, Shiller, M. Smith, Moore, Stone -- 44.

Nays -- None.

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

The following is said ordinance as passed:

WHEREAS, On November 15, 2006, the City Council of the City of Chicago (the "City") adopted the following ordinances: An Ordinance Approving a Redevelopment Plan (the "Plan") for the LaSalle Central Redevelopment Project Area (the "Plan Ordinance"), published in the *Journal of the Proceedings of the City Council of the City of Chicago* (the "*Journal*") of November 15, 2006 at pages 92019 -- 92099; An Ordinance Designating the LaSalle Central Redevelopment Project Area a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act (the "Designation Ordinance), published in the *Journal* of November 15, 2006 at pages 92100 -- 92107; and An Ordinance Adopting Tax Increment Allocation Financing for the LaSalle Central Redevelopment Project Area (the "T.I.F. Ordinance), published in the *Journal* of November 15, 2006 at pages 92108 -- 92114 (collectively, such ordinances are hereinafter referred to as the "Original LaSalle Central Ordinances"); and

WHEREAS, On February 7, 2007, the City Council of the City of Chicago (the "City") adopted the following ordinance: An Ordinance Correcting Ordinances Related to Tax Allocation Financing for the LaSalle Central Redevelopment Project Area, published in the *Journal of the Proceedings of the City Council of the City of Chicago* (the "*Journal*") of February 7, 2007 at pages 97850 -- 97855 (the "Corrective Ordinance"; the Original LaSalle Central Ordinances, as amended by the Corrective Ordinance, the "Amended LaSalle Central Ordinances"); and

WHEREAS, The Amended LaSalle Central Ordinances each included exhibits showing the boundaries of the LaSalle Central Redevelopment Project Area (the "Area") by legal description and by street location, and a boundary map of the Area; and

WHEREAS, Said legal description subsequently was discovered to have contained an unintended, de minimis error in describing part of the eastern boundary of the Area; and

WHEREAS, The boundary description by street location and the boundary map correctly indicate the Area as it is intended to be described, and the Plan which

includes a list of only those parcels, identified by permanent index number, which are contained within the boundaries of the Area as described by street location and as shown in the boundary map; and

WHEREAS, When viewed together, the legal description, the boundary description by street location, the boundary map and the list of parcels in the Area fairly apprise the public and affected taxing districts of the property involved in the Plan, and the City desires to reform and correct the legal description to reflect the intended eastern boundary of the Area and not to alter the exterior boundaries of the Area; now, therefore,

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

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

SECTION 2. Amendment Of Prior Ordinances. The legal description in the following exhibits to the Amended LaSalle Central Ordinances:

(i) Exhibit C to the Plan Ordinance, published in the *Journal* of November 15, 2006 at pages 92095 -- 92098, as amended by the Corrective Ordinance published in the *Journal* of February 7, 2007 at pages 97852 -- 97855, which also constitutes (Sub)Appendix 1 to the Plan (attached as Exhibit A to the Plan Ordinance); and

(ii) Exhibit A to the Designation Ordinance, published in the *Journal* of November 15, 2006 at pages 92103 -- 92106, as amended by the Corrective Ordinance published in the *Journal* of February 7, 2007 at pages 97852 -- 97855; and

(iii) Exhibit A to the T.I.F. Ordinance, published in the *Journal* of November 15, 2006 at pages 92110 -- 92113, as amended by the Corrective Ordinance published in the *Journal* of February 7, 2007 at pages 97852 -- 97855,

is hereby reformed and corrected to reflect the intended eastern boundary of the Area by deleting the struck-through language and inserting the underscored language as set forth in Exhibit 1 to this ordinance.

SECTION 3. Invalidity Of Any Section. If any provision of this ordinance 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 ordinance.

SECTION 4. Superseder. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 5. Effective Date. This ordinance shall be in full force and effect immediately upon its passage.

Exhibit 1 referred to in this ordinance reads as follows:

Exhibit 1.

Corrected And Reformed Legal Description.

That part of the south half of Section 9, together with that part of the north half of Section 16, Township 39 North, Range 14 East of the Third Principal Meridian all taken as a tract of land bounded and described as follows:

beginning at the point of intersection of the east line of Canal Street with the south line of Lake Street in the east half of the southwest quarter of Section 9, Township 39 North, Range 14 East of the Third Principal Meridian, and running; thence east along said south line of Lake Street to the northerly extension of the east line of the 18 foot wide alley east of Canal Street; thence south along said northerly extension of the east line of the 18 foot wide alley east of Canal Street and the east line thereof to the north line of Randolph Street; thence west along said north line of Randolph Street to the east line of Canal Street; thence south along said east line of Canal Street to the easterly extension of the north line of the south 275.06 feet of Block 50 in the Original Town of Chicago in Section 9; thence west along said easterly extension of the north line of the south 275.06 feet of Block 50 in the Original Town of Chicago to the west line of Canal Street; thence south along said west line of Canal Street to the south line of Madison Street; thence east along said south line of Madison Street to the east line of Wacker Drive; thence north along said east line of Wacker Drive to the south line of Calhoun Place; thence east along said south line of Calhoun Place to the west line of Franklin Street; thence south along said west line of Franklin Street to the north line of Monroe Street; thence west along said north line of Monroe Street to the northerly extension of the west line of the easterly 18 feet of Lot 2 in Block 82 of School Section Addition to Chicago in Section 16; thence south along said northerly extension of the west line of the easterly 18 feet of Lot 2 in Block 82 and the west line hereof to the south line of said Lot 2; thence west along said south line of Lot 2 in Block 82 and the westerly extension thereof to the east line of Wacker Drive; thence north along said east line of Wacker Drive to the north line of Monroe Street; thence west along said north line of Monroe Street to the west line of the south branch of the Chicago River; thence south along said west line of the south branch of the Chicago River to the north line of Lot 4 in Railroad Companies' Resubdivision of Blocks 62 to 76 inclusive, 78,

parts of 61 and 71, and certain vacated streets and alleys in School Section Addition to Chicago in Section 16; thence west along said north line of Lot 4 to the westerly line thereof; thence southeasterly along said westerly line of Lot 4 to the southwesterly corner thereof; thence southeasterly along a straight line to the northwesterly corner of Lot 5 in said Railroad Companies' Resubdivision in Section 16; thence southeasterly along the westerly line of said Lot 5 to an angle point on said westerly line; thence southeasterly along said westerly line of Lot 5 to a point on said westerly line, said point lying 121.21 feet northwesterly of the southwesterly corner of Lot 5; thence east along a straight line parallel with and 121.21 feet north of the south line of said Lot 5 to the westerly line of the south branch of the Chicago River; thence southeasterly along said westerly line of the south branch of the Chicago River to the north line of Jackson Boulevard; thence south along a straight line to the south line of Jackson Boulevard; thence west along said south line of Jackson Boulevard to th east line of Canal Street; thence south along said east line of Canal Street to the north line of Van Buren Street; thence east along said north line of Van Buren Street to the east line of Wacker Drive; thence north along said east line of Wacker Drive to the south line of Jackson Boulevard; thence east along said south line of Jackson Boulevard to the west line of Franklin Street; thence south along said west line of Franklin Street to the north line of Van Buren Street; thence east along said north line of Van Buren Street to the northerly extension of the east line of the 12 foot wide alley east of Wells Street; thence south along said northerly extension of the east line of the 12 foot wide alley east of Wells Street to the south line of Van Buren Street; thence east along said south line of Van Buren Street to the west line of LaSalle Street; thence north along the northerly extension of the west line of LaSalle Street to the north line of Van Buren Street; thence east along said north line of Van Buren Street to the east line of Clark Street; thence north along said east line of Clark Street to the south line of Adams Street; thence east along said south line of Adams Street to the west line of Dearborn Street; thence north along said west line of Dearborn Street to the easterly extension of the north line of the 18 foot wide alley south of Monroe Street; thence east along said easterly extension of the north line of the 18 foot wide alley south of Monroe Street and the north line thereof to ~~a point on a line 130 feet west of and parallel with the west line of South State Street~~ the east line of the west half of Lot 3 in Block 141 in School Section Addition to Chicago in Section 16; thence north along said ~~parallel~~ east line of the west half of Lot 3 to the south line of Monroe Street; thence west along said south line of Monroe Street to the southerly extension of the west line of the most westerly 15 foot wide alley east of Dearborn Street; thence north along said southerly extension of the west line of the most westerly 15 foot wide alley east of Dearborn Street and the west line thereof to the south line of the 15 foot wide alley north of Monroe Street; thence west along said south line of the 15 foot wide alley north of Monroe Street and the westerly extension thereof to the west line of Dearborn Street; thence south along said west line of Dearborn Street to the north line of Monroe Street; thence west along said north line of Monroe Street to the east line of Lot 21 in Assessor's Division of Block 118 of School

Section Addition in Section 16; thence north along ~~the~~ said east line of ~~said~~ Lot 21 and the northerly extension thereof to the south line of Lot 33 in said Assessor's Division of Block 118 of School Section Addition in Section 16; thence west along said south line of Lot 33 to the west line thereof; thence north along said west line of Lot 33 to the south line of Lot 14 in Assessor's Division of Block 118 of School Section Addition in Section 16; thence west along said south line of Lot 14 to the east line of the 10 foot wide alley west of Clark Street; thence north along said east line of the 10 foot wide alley west of Clark Street and the northerly extension thereof to the north line of Madison Street; thence west along said north line of Madison Street to the east line of the 9 foot wide alley west of Clark Street; thence north along said east line of the 9 foot wide alley west of Clark Street to the south line of the 18 foot wide alley south of Washington Street; thence north along a straight line to the southeast corner of the parcel of land bearing Permanent Index Number 17-9-459-001; thence north along the east line of the parcel of land bearing Permanent Index Number 17-9-459-001 to the south line of Washington Street; thence east along said south line of Washington Street to th east line of Clark Street; thence north along said east line of Clark Street to the south line of Randolph Street; thence west along said south line of Randolph Street to the west line of Clark Street; thence north along said west line of Clark Street to the north line of Randolph Street; thence west along said north line of Randolph Street to the east line of LaSalle Street; thence south along said east line of LaSalle Street to the easterly extension of the south line of Court Place; thence west along said easterly extension of the south line of Court Place and the south line thereof to the west line of Wells Street; thence south along said west line of Wells Street to the north line of Washington Street; thence west along said north line of Washington Street to the east line of Franklin Street; thence north along said east line of Franklin Street to the centerline of vacated court place; thence east along said centerline of vacated Court Place to the southerly extension of the east line of Lot 2 in Block 41 in the Original Town of Chicago in the southeast quarter of Section 9; thence north along said southerly extension of the east line of Lot 2 in Block 41 and the east line thereof to the south line of Randolph Street; thence west along said south line of Randolph Street to the southerly extension of the west line of the easterly 20 feet of Lot 7 in Block 31 in the Original Town of Chicago in Section 9; thence north along said southerly extension of the west line of the easterly 20 feet of Lot 7 and the west line thereof to the south line of Couch Place; thence north along the northerly extension of the west line of the easterly 20 feet of Lot 7 to the north line of Couch Place; thence west along said north line of Couch Place to the east line of Wacker Drive; thence north along said east line of Wacker Drive to the south line of Lake Street; thence northeasterly along a straight line to the intersection of the north line of Lake Street with the easterly line of Wacker Drive; thence west along said north line of lake street to the westerly line of the north branch of the Chicago River; thence northwesterly along said westerly line of the north branch of the Chicago River to an angle point on said westerly line, said point being also the northeast corner of Lot 1 in Block 22 in the Original Town of Chicago in Section 9; thence west along the

north line of said Lot 1 in Block 22 to a point, said point being also a point on the westerly line of the north branch of the Chicago River; thence northwesterly along said westerly line of the north branch of the Chicago River to the north line of that tract of land vacated in Document Number 5507199, recorded October 6, 1914; thence west along said north line of that tract of land vacated in Document Number 5507199, a distance of 21.26 feet to a point on said north line; thence northwesterly along the easterly line of the parcel of land bearing Permanent Index Number 17-9-306-014 to a point of curvature on said easterly line; thence northwesterly along the arc of curve, said curve being concave to the northeast and having a radius of 600 feet, to the east line of Canal Street; thence south along said east line of Canal Street to the south line of Lake Street, being also the point of beginning the heretofore described tract of land, all in Cook County, Illinois.

DESIGNATION OF CENTERPOINT PROPERTIES TRUST AS PROJECT DEVELOPER, AUTHORIZATION FOR EXECUTION OF REDEVELOPMENT AGREEMENT AND PAYMENT OF CERTAIN INCREMENTAL TAXES FOR REDEVELOPMENT OF PROPERTY AT 4201 WEST VICTORIA STREET.

The Committee on Finance submitted the following report:

CHICAGO, May 9, 2007.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance authorizing entering into and executing a redevelopment agreement with CenterPoint Properties Trust, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

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

EXHIBIT B

PROPERTY

THE ESTATE OR INTEREST IN THE LAND DESCRIBED BELOW AND COVERED HEREIN IS: THE LEASEHOLD ESTATE (SAID LEASEHOLD ESTATE BEING DEFINED IN PARAGRAPH 1.c. OF THE ALTA LEASEHOLD ENDORSEMENT(S) ATTACHED HERETO), CREATED BY THE INSTRUMENT HEREIN REFERRED TO AS THE LEASE, EXECUTED BY: BOEING 100 N. RIVERSIDE LLC, AS LESSOR, AND NAVTEQ CORPORATION, AS LESSEE, DATED SEPTEMBER 1, 2009, A MEMORANDUM OF WHICH LEASE WAS RECORDED NOVEMBER 24, 2009 AS DOCUMENT 0932822044, WHICH LEASE DEMISES A PORTION OF THE FOLLOWING DESCRIBED LAND FOR A TERM OF YEARS ENDING SEPTEMBER 30, 2022.

PARCEL 1:

ALL OF WEST WATER STREET (NOW VACATED) LYING SOUTH OF THE SOUTH LINE OF RANDOLPH STREET, LYING NORTH OF THE NORTH LINE OF WASHINGTON STREET, LYING WEST OF AND ADJOINING WHARFING LOTS 1 TO 5, BOTH INCLUSIVE, IN BLOCK "O" IN ORIGINAL TOWN OF CHICAGO IN THE SOUTH PART OF SECTION 9, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, AND LYING EAST OF A DIRECT LINE DRAWN FROM A POINT ON THE SOUTH LINE OF LOT 9 IN BLOCK 44 IN ORIGINAL TOWN OF CHICAGO, 41.87 FEET EAST OF THE SOUTHWEST CORNER OF SAID LOT 9, TO A POINT ON THE NORTH LINE OF LOT 1 IN SAID BLOCK 44, 85.70 FEET EAST OF THE NORTHWEST CORNER OF SAID LOT 1, AS SHOWN AND LOCATED ON THE PLAT RECORDED AUGUST 18, 1855, AS DOCUMENT NUMBER 62008 IN COOK COUNTY, ILLINOIS.

PARCEL 2:

THE LEASEHOLD ESTATE CREATED BY THE INSTRUMENT HEREIN REFERRED TO AS THE LEASE, EXECUTED BY CHICAGO UNION STATION COMPANY, AS LESSOR, AND CHICAGO TITLE AND TRUST COMPANY, AS TRUSTEE UNDER TRUST AGREEMENT DATED APRIL 16, 1985 AND KNOWN AS TRUST NUMBER 1086781, AS LESSEE, DATED APRIL 8, 1986, A MEMORANDUM OF WHICH WAS RECORDED APRIL 10, 1986 AS DOCUMENT 86138455, AND A MEMORANDUM OF AMENDED AND RESTATED LEASE RECORDED JUNE 15, 1988 AS DOCUMENT 88259656, WHICH LEASE DEMISES PARCEL 2 OF THE LAND FOR A TERM OF 99 YEARS BEGINNING ON OCTOBER 1, 1985. ASSIGNMENT AND ASSUMPTION OF GROUND LEASE MADE BY THE CHICAGO TRUST COMPANY AS TRUSTEE UNDER TRUST AGREEMENT DATED APRIL 16, 1985 KNOWN AS TRUST NUMBER 1086781 TO 100 NORTH RIVERSIDE, INC. A DELAWARE CORPORATION, RECORDED DECEMBER 1, 1997 AS DOCUMENT 97896262

THAT PART OF LOTS 1, 4, 5, 8 AND 9 LYING WEST OF A DIRECT LINE DRAWN FROM THE POINT OF INTERSECTION OF THE WEST LINE OF WEST WATER STREET (NOW VACATED) AND THE SOUTH LINE OF SAID LOT 9, BEING A POINT ON THE SOUTH LINE OF LOT 9 APPROXIMATELY 41.87 FEET EAST OF THE SOUTHWEST CORNER OF LOT 9, TO THE POINT OF INTERSECTION OF THE WEST LINE OF WEST WATER STREET (NOW VACATED) AND THE NORTH LINE OF LOT 1, BEING APPROXIMATELY 85.70 FEET EAST OF THE NORTHWEST CORNER OF LOT 1 IN BLOCK 44 IN ORIGINAL TOWN OF CHICAGO IN SECTION 9, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE MAP OF THE TOWN OF CHICAGO BY JAMES THOMPSON DATED AUGUST 4, 1830 AND FILED FOR RECORD MAY 29, 1837 AND RECORDED JULY 6, 1837 IN BOOK H OF MAPS, PAGE 298 AS DOCUMENT 5060 IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: 100 N. RIVERSIDE PLAZA, CHICAGO, ILLINOIS 60606

PIN NOS: 17-09-334-004-6001, 17-09-334-004-6002 AND 17-09-334-005-0000

EXHIBIT C

TIF-FUNDED IMPROVEMENTS

Line Item	Cost
Costs of Rehabilitation	$21,313,128
TOTAL	

Note: Notwithstanding the total dollar amount of TIF-Funded Improvements listed above, the financial assistance to be provided by the City under this Agreement is limited to $5,000,000, subject to adjustment as provided in Section 4.03.

EXHIBIT D

REDEVELOPMENT PLAN

(Attached)

APPROVAL OF TAX INCREMENT FINANCING REDEVELOPMENT PLAN FOR LA SALLE CENTRAL REDEVELOPMENT PROJECT AREA.

The Committee on Finance submitted the following report:

CHICAGO, November 15, 2006.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance authorizing approval of a redevelopment plan for the LaSalle Central Tax Increment Financing Redevelopment Project Area, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

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

Respectfully submitted,

(Signed) EDWARD M. BURKE,
Chairman.

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

Yeas -- Aldermen Flores, Haithcock, Tillman, Hairston, Lyle, Beavers, Stroger, Beale, Pope, Balcer, Cárdenas, Olivo, Burke, T. Thomas, Coleman, L. Thomas, Murphy, Rugai, Troutman, Brookins, Zalewski, Solis, Ocasio, Burnett, E. Smith, Carothers, Reboyras, Suarez, Matlak, Mell, Austin, Banks, Mitts, Allen, Laurino, O'Connor, Doherty, Natarus, Daley, Tunney, Levar, Shiller, Schulter, M. Smith -- 44.

Nays -- Aldermen Preckwinkle, Muñoz, Moore -- 3.

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

The following is said ordinance as passed:

WHEREAS, It is desirable and in the best interest of the citizens of the City of Chicago, Illinois (the "City") for the City to implement tax increment allocation financing ("Tax Increment Allocation financing") pursuant to the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, et seq., as amended (the "Act"), for a proposed redevelopment project area to be known as the LaSalle Central Redevelopment Project Area (the "Area") described in Section 2 of this ordinance, to be redeveloped pursuant to a proposed redevelopment plan and project attached hereto as Exhibit A (the "Plan"); and

WHEREAS, By authority of the Mayor and the City Council of the City (the "City Council", referred to herein collectively with the Mayor as the "Corporate Authorities") and pursuant to Section 5/11-74.4-5(a) of the Act, the City's Department of Planning and Development established an interested parties registry and, on March 29, 2006 published in a newspaper of general circulation within the City a notice that interested persons may register in order to receive information on the proposed designation of the Area or the approval of the Plan; and

WHEREAS, The Plan (including the related eligibility report attached thereto as an exhibit and, if applicable, the feasibility study and the housing impact study) was made available for public inspection and review pursuant to Section 5/1 1-74.4-5(a) of the Act since June 29, 2006, being a date not less than ten (10) days before the meeting of the Community Development Commission of the City ("Commission") at which the Commission adopted Resolution 06-CDC-60 on July 11, 2006 fixing the time and place for a public hearing ("Hearing"), at the offices of the City Clerk and the City's Department of Planning and Development, and

WHEREAS, Pursuant to Section 5/11-74.4-5(a) of the Act, notice of the availability of the Plan (including the related eligibility report attached thereto as an exhibit and, if applicable, the feasibility study and the housing impact study) was sent by mail on July 21, 2006 which is within a reasonable time after the adoption by the Commission of Resolution 06-CDC-60 to: (a) all residential addresses that, after a good faith effort, were determined to be (i) located within the Area and (ii) located within seven hundred fifty (750) feet of the boundaries of the Area (or, if applicable, were determined to be the seven hundred fifty (750) feet residential addresses that were closest to the boundaries of the Area); and (b) organizations and residents that were registered interested parties for such Area; and

WHEREAS, Due notice of the Hearing was given pursuant to Section 5/11-74.4-6 of the Act, said notice being given to all taxing districts having property within the Area and to the Department of Commerce and Community Affairs of the State of Illinois by certified mail on July 19, 2006, by publication in the *Chicago Sun-Times* or *Chicago Tribune* on August 18, 2006 and August 25, 2006, by certified mail to taxpayers within the Area on August 15, 2006; and

WHEREAS, A meeting of the joint review board established pursuant to Section 5/11-74.4-5(b) of the Act (the "Board") was convened upon the provision of due

notice on August 4, 2006 at 10:00 A.M., to review the matters properly coming before the Board and to allow it to provide its advisory recommendation regarding the approval of the Plan, designation of the Area as a redevelopment project area pursuant to the Act and adoption of "Tax Increment Allocation Financing within the Area, and other matters, if any, properly before it; and

WHEREAS, Pursuant to Sections 5/11-74.4-4 and 5/11-74.4-5 of the Act, the Commission held the Hearing concerning approval of the Plan, designation of the Area as a redevelopment project area pursuant to the Act and adoption of Tax Increment Allocation Financing within the Area pursuant to the Act on September 12, 2006; and

WHEREAS, The Commission has forwarded to the City Council a copy of its Resolution 06-CDC-72 attached hereto as Exhibit B, adopted on September 12, 2006, recommending to the City Council approval of the flan, among other related matters; and

WHEREAS, The Corporate Authorities have reviewed the Plan (including the related eligibility report attached thereto as an exhibit and, if applicable, the feasibility study and the housing impact study), testimony from the Public Meeting and the Hearing, if any, the recommendation of the Board, if any, the recommendation of the Commission and such other matters or studies as the Corporate Authorities have deemed necessary or appropriate to make the findings set forth herein, and are generally informed of the conditions existing in the Area; now, therefore,

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

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

SECTION 2. The Area. The Area is legally described in Exhibit C attached hereto and incorporated herein. The street location (as near as practicable) for the Area is described in Exhibit D attached hereto and incorporated herein. The map of the Area is depicted on Exhibit E attached hereto and incorporated herein.

SECTION 3. Findings. The Corporate Authorities hereby make the following findings as required pursuant to Section 5/11-74.4-3(n) of the Act:

a. the Area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be expected to be developed without the adoption of the Plan;

b. the Plan:

(i) conforms to the comprehensive plan for the development of the City as a whole; or

(ii) either (A) conforms to the strategic economic development or redevelopment plan issued by the Chicago Plan Commission or (B) includes land uses that have been approved by the Chicago Plan Commission;

c. the Plan meets all of the requirements of a redevelopment plan as defined in the Act and, as set forth in the Plan, the estimated date of completion of the projects described therein and retirement of all obligations issued to finance redevelopment project costs is not later than December 31 of the year in which the payment to the municipal treasurer as provided in subsection (b) of Section 11-74.4-8 of the Act is to be made with respect to ad valorem taxes levied in the twenty-third (23rd) calendar year after the year in which the ordinance approving the redevelopment project area is adopted, and, as required pursuant to Section 5/11-74.4-7 of the Act, no such obligation shall have a maturity date greater than twenty (20) years;

d. the Plan will not result in displacement of residents from inhabited units.

SECTION 4. Approval Of The Plan. The City hereby approves the Plan pursuant to Section 5/11-74.4-4 of the Act.

SECTION 5. Powers Of Eminent Domain. In compliance with Section 5/11-74.4-4(c) of the Act and with the Plan, the Corporation Counsel is authorized to negotiate for the acquisition by the City of parcels contained within the Area. In the event the Corporation Counsel is unable to acquire any of said parcels through negotiation, the Corporation Counsel is authorized to institute eminent domain proceedings to acquire such parcels. Nothing herein shall be in derogation of any proper authority.

SECTION 6. Invalidity Of Any Section. If any provision of this ordinance 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 ordinance.

SECTION 7. Superseder. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 8. Effective Date. This ordinance shall be in full force and effect immediately upon its passage.

[Exhibit "E" referred to in this ordinance printed on page 92099 of this *Journal*.]

Exhibits "A", "B", "C" and "D" referred to in this ordinance read as follows:

Exhibit "A".
(To Ordinance)

LaSalle Central Redevelopment Project Area Tax Increment Finance District Eligibility Study, Redevelopment Plan And Project.

June 29, 2006
Revised July 6, 2006
Revised November 6, 2006.

1.

Executive Summary.

In October 2005, S.B. Friedman & Company was engaged to conduct a Tax Increment Financing Eligibility Study (the "Eligibility Study") for the proposed LaSalle Central Redevelopment Project Area. This report details the eligibility factors found within the proposed LaSalle Central Redevelopment Project Area in support of its designation as a "conservation area" within the definitions set forth in the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, et seq., as amended (the "Act"), and thus in support of its designation as the LaSalle Central Redevelopment Project Area (the "LaSalle Central R.P.A." or "R.P.A."). In addition, since the Eligibility Study has determined that the R.P.A. qualities as a conservation area, this report also contains the Redevelopment Plan and Project (the "Redevelopment Plan" or "Redevelopment Plan and Project") for the LaSalle Central R.P.A.

The LaSalle Central R.P.A. is located within the Loop and Near West Side community areas ("Community Area") of the City of Chicago, and is generally bounded by Dearborn Street on the east, Van Buren Street on the south, the Chicago River and Canal Street on the west, and portions of the Chicago River, Lake, Randolph and Washington streets on the north.

Determination Of Eligibility.

This Eligibility Study concludes that the LaSalle Central R.P.A. is eligible for Tax Increment Financing ("T.I.F.") designation as a "conservation area" because fifty percent (50%) or more of the structures in the area are thirty-five (35) years in age or older, and because the following six (6) eligibility factors have been found to be present to a meaningful extent and reasonably distributed throughout the R.P.A.:

1. lack of growth in equalized assessed value ("E.A.V.");

2. inadequate utilities;

3. excessive vacancies;

4 presence of structures below minimum code standards;

5. deterioration; and

6. obsolescence.

Redevelopment Plan, Goal, Objective, And Strategies.

Goal. The overall goal of the Redevelopment Plan is to reduce or eliminate the conditions that qualify the LaSalle Central R.P.A. as a conservation area, and to provide the mechanisms necessary to support public and private development and improvements in the R.P.A.. This goal is to be achieved through an integrated and comprehensive strategy that leverages public resources to stimulate private investment in rehabilitation of existing structures and new development. Eliminating these conditions and facilitating development within the R.P.A. will insure that the Loop remains a vital business and employment center.

Objectives. Thirteen (13) broad objectives support the overall goal of area-wide revitalization of the LaSalle Central R.P.A.. These include:

1. provide resources for the rehabilitation and modernization of existing structures, particularly historically and architecturally significant buildings;

2. encourage high-quality commercial and retail development which enhances the architectural character of the area, promotes a lively pedestrian environment, and attracts unique retailers to the area;

3. promote the R.P.A. as a center of employment and commercial activity, through the attraction and retention of major employers and corporate headquarters, and by providing assistance to small and/or growing businesses;

4. improve the quality of existing open space and provide additional public open space through streetscaping and provision of new plazas, parks and public gathering spaces;

5. provide resources for improvements to the Chicago River wall and riverwalk, and promote the recreational use of the River;

6. promote a pedestrian-friendly environment, particularly along streets designated as pedestrian and mobility streets in the Chicago Zoning Ordinance, and improve connections in the underground pedway system;

7. improve vehicular circulation throughout the R.P.A. through improvements to streets, alleys and loading areas;

8. improve transit and transit stations within the R.P.A., and advance the development of the Monroe Street Transitway;

9. replace or repair public infrastructure where needed, including streets, sidewalks, curbs, gutters, underground water and sanitary systems, alleys, bridges and viaducts;

10. encourage environmentally-sensitive development, including development that incorporates green roofs and that achieves L.E.E.D. certifications;

11. provide opportunities for women-owned, minority-owned and locally-owned businesses to share in job opportunities associated with the redevelopment of the LaSalle Central R.P.A., particularly in the design and construction industries;

12. support job training and welfare to work programs and increase employment opportunities for City residents; and

13. provide daycare assistance to support employees of downtown businesses.

Strategies. These objectives will be implemented through five (5) specific and integrated strategies. These include:

1. Implement Public Improvements. A series of public improvements throughout the LaSalle Central R.P.A. may be designed and implemented to build upon and improve the character of the area, and to create a more conducive environment for private development. Public improvements that are implemented with T.I.F. assistance are intended to complement and not replace existing funding sources for public improvements in the R.P.A.

   These improvements may include improvement of new streets, streetscaping, street and sidewalk lighting, alleyways, underground water and sewer infrastructure, parks or open space, and other public improvements consistent with the Redevelopment Plan and Project. These public improvements may be completed pursuant to redevelopment agreements with private entities or intergovernmental agreements with

other public entities, and may include the construction, rehabilitation, renovation, or restoration of public improvements on one or more parcels.

2. Encourage Private Sector Activities and Support Rehabilitation of Existing Buildings. Through the creation and support of public-private partnerships, or through written agreements, the City may provide financial and other assistance to encourage the private sector, including local property owners, to undertake rehabilitation and redevelopment projects and other improvements, in addition to programming such as job training and retraining, that are consistent with the goals of this Redevelopment Plan and Project.

   The City may enter into redevelopment agreements or intergovernmental agreements with private or public entities to construct, rehabilitate, renovate, or restore private or public improvements on one or several parcels (collectively referred to as "Redevelopment Projects").

   The City requires that developers who receive T.I.F. assistance for market-rate housing set aside twenty percent (20%) of the units to meet affordability criteria established by the City's Department of Housing or any successor agency. Generally, this means that affordable for-sale housing units should be priced at a level that is affordable to persons earning no more than one hundred percent (100%) of the area median income, and affordable rental units should be affordable to persons earning no more than sixty percent (60%) of the area median income. T.I.F. funds can also be used to pay for up to fifty percent (50%) of the cost of construction or up to seventy-five percent (75%) of interest costs for new housing units to be occupied by low-income and very low-income households as defined in Section 3 of the Illinois Affordable Housing Act.

3. Assist Employers Seeking to Relocate or Expand Facilities. The City may provide assistance to businesses and institutions that are major employers and which seek to relocate to or expand within the LaSalle Central R.P.A.. This assistance may be provided through support of redevelopment and rehabilitation projects in existing buildings, assistance with land acquisition and site preparation for new facilities, or assistance with financing costs.

4. Develop Vacant And Underutilized Sites. The redevelopment of vacant and underutilized properties within the LaSalle Central R.P.A. is expected to stimulate private investment and increase the overall taxable value of properties within the R.P.A.. Development of vacant and/or underutilized sites is anticipated to have a positive impact on other properties beyond the individual project sites.

5. Facilitate Property Assembly, Demolition And Site Preparation. Financial assistance may be provided to private developers seeking to acquire land, and to assemble and prepare sites in order to undertake projects in support of this Redevelopment Plan and Project.

   To meet the goals of this Redevelopment Plan and Project, the City may acquire and assemble property throughout the R.P.A.. Land assemblage by the City may be by purchase, exchange, donation, lease, eminent domain through the Tax Reactivation Program or other programs and may be for the purpose of (a) sale, lease or conveyance to private developers, or (b) sale, lease, conveyance or dedication for the construction of public improvements or facilities. Site preparation may include such preparatory work as demolition of existing improvements and environmental remediation, where appropriate. Furthermore, the City may require written redevelopment agreements with developers before acquiring any properties. As appropriate, the City may devote acquired property to temporary uses until such property is scheduled for disposition and development.

Required Findings.

The conditions required under the Act for the adoption of the Eligibility Study and Redevelopment Plan and Project are found to be present within the LaSalle Central R.P.A.

1. The R.P.A. has not been subject to growth and development through investment by private enterprise or not-for-profit sources. The E.A.V. of the LaSalle Central R.P.A. has not kept pace with the City of Chicago as a whole. In addition, construction activity within the R.P.A. has largely been limited to a small number of buildings, and the total value of these construction projects has been small relative to the market value of the area.

2. Without the support of public resources, the redevelopment objectives of the LaSalle Central R.P.A. will most likely not be realized. T.I.F. assistance may be used to fund rehabilitation, infrastructure improvements, and expansions to public facilities. Without the creation of the LaSalle Central R.P.A., these types of projects are not likely to occur.

3. The LaSalle Central R.P.A. includes only the contiguous real property that is expected to substantially benefit from the proposed Redevelopment Plan and Project improvements.

4. The proposed land uses described in this Redevelopment Plan and Project will be approved by the Chicago Plan Commission prior to its adoption by the City Council.

2.

Introduction.

The Study Area.

This document serves as the Eligibility Study and Redevelopment Plan and Project for the LaSalle Central Redevelopment Project Area. The LaSalle Central R.P.A. is located within the Loop and Near West Side community areas of the City of Chicago (the "City"), in Cook County (the "County"). In October 2005, S.B. Friedman & Company was engaged to conduct a study of certain properties in these neighborhoods to determine whether the area containing these properties would qualify for status as a "blighted area" and/or "conservation area" under the Act.

The Eligibility Study and Plan summarizes the analyses and findings of S.B. Friedman & Company's work, which, unless otherwise noted, is the responsibility of S.B. Friedman & Company. The City is entitled to rely on the findings and conclusions of this Eligibility Study and Plan in designating the LaSalle Central Redevelopment Project Area as a redevelopment project area under the Act. S. B. Friedman & Company has prepared this Eligibility Study and Plan with the understanding that the City would rely: 1) on the findings and conclusions of the Eligibility Study and Plan in proceeding with the designation of the LaSalle Central Redevelopment Project Area and the adoption and implementation of the Plan, and 2) on the fact that S.B. Friedman & Company has obtained the necessary information to conclude that the LaSalle Central Redevelopment Project Area can be designated as a redevelopment project area under the Act and that the Eligibility Study and Plan will comply with the Act.

The community context of the LaSalle Central R.P.A. is detailed on Map 1. The R.P.A. encompasses portions of the Central Loop, West Loop and LaSalle Street submarkets of the Central Business District ("C.B.D."). It is generally bounded by Dearborn Street on the east, Van Buren Street on the south, the Chicago River and Canal Street on the west, and portions of the Chicago River, Lake, Randolph and Washington Streets on the north. The R.P.A. consists of two hundred seventy-three (273) tax parcels on forty-nine (49) blocks, and is located wholly within the City of Chicago.

Map 2 details the boundary of the LaSalle Central R.P.A., which includes only the contiguous real property that is expected to substantially benefit from the Redevelopment Plan and Project improvements discussed herein.

Appendix 1 contains a legal description of the LaSalle Central R.P.A.

The Eligibility Study covers events and conditions that exist and that were determined to support the designation of the LaSalle Central R.P.A. as a "conservation area" under the Act at the completion of our research on June 26, 2006 and not thereafter. Events or conditions, such as governmental actions and additional developments occurring after that date are excluded from the analysis. The improved parcels suffer from excessive vacancy, inadequate utilities presence of structures below minimum code standards, and lack of growth and investment. In addition, many buildings are served by deteriorated infrastructure or demonstrate obsolescence. Without a comprehensive approach to address these issues, the R.P.A. is not likely to see substantial private investment. The Redevelopment Plan and Project address these issues by providing the means to facilitate private development and rehabilitation, and the construction of public infrastructure. These improvements will benefit all of the property within the R.P.A. by alleviating conditions qualifying the R.P.A. as a conservation area.

History Of Community Area.[1]

The LaSalle Central R.P.A. is located principally within Chicago's Loop Community Area, which is bounded roughly by the Chicago River on the north and west, Congress Parkway on the south and Lake Michigan on the east. The northwest portion of the R.P.A., which lies just west of the Chicago River, is in the near west side community area. The development and history of this portion of the near west side has been closely tied to that of the Loop.

The Loop has historically served as the commercial center of the City of Chicago and of the wider Chicago metropolitan area. Development in the area dates back to the earliest days of the City. Jean Baptiste Point DuSable, the first non-Native American settler of the region, established a trading post on the north bank of the Chicago River in the late eighteenth century, and Fort Dearborn was established on the south bank of the river in 1803 -- 1804. By the late 1820s, a small community of traders had established a village at the confluence of the north and south branches of the Chicago River, and the City was incorporated in 1837.

The population of the area grew rapidly during the mid-nineteenth century, fueled by a series of infrastructure projects and the economic opportunities those projects created. In 1848, the Illinois and Michigan Canal was completed, linking the Great

(1) Information on the history of the Loop and Near West Side community areas was derived from the Local Community Fact Book of Chicago Metropolitan Area 1990, edited by the Chicago Fact Book Consortium (copyright 1995, Board of Trustees of the University of Illinois), and the *Encyclopedia of Chicago.*

Lakes with the Mississippi River. The same year the Galena and Chicago Railroad was also completed. These transportation improvements opened up new markets to Chicago's businesses, provided access to raw materials, and established Chicago as a center of the transportation industry. In addition, the Chicago Board of Trade was established that same year, cementing the City's position as the financial center of the Midwest.

During the latter half of the nineteenth century the character of the various sub-districts of the Loop solidified. Potter Palmer engineered the shift of the City's retail district from Lake Street to State Street during the 1860s. The Chicago Board of Trade's move to LaSalle Street in 1865 established that street as the financial center of the City. The City's first major railroad station, Central Depot, was constructed by the Illinois Central Railroad in 1856, and in subsequent decades major railroad depots were constructed on the fringes of the Loop, along Canal Street and south of Congress Parkway.

The Fire of 1871 had a profound impact of the character of the Loop, destroying most of the business district, as well as much of its residential housing. Before 1871, twenty-eight thousand (28,000) people lived in the Loop; after the Fire, few homes were rebuilt in the area, further solidifying its commercial character. In subsequent years, technological advances such as the passenger elevator, spread footings, steel frame construction and fireproofing allowed construction of the world's first commercial skyscrapers, beginning with William LeBaron Jenney's Home Insurance Building at the corner of LaSalle and Adams Streets in 1885. By 1904, twenty-one (21) high-rise buildings had been constructed in the Loop. A newly created mass transportation system, which linked the Loop to outlying areas, also helped to maintain the primacy of the Loop as the City's employment center. Cable cars appeared in the Loop in 1882, and the first segment of the City's elevated train system was completed in 1902. In 1907 the various elevated train lines were united by a stretch of tracks above Wells, Lake, Wabash and Van Buren Streets, giving the area its eponymous feature.

The 1920s saw a second boom in skyscraper construction in the Loop, centered primarily along LaSalle Street and the newly completed, two-level Wacker Drive. The construction of this thoroughfare, as well as the need for parking lots to accommodate the newly available automobile, drove the wholesale industry from the Loop during this time period. The Great Depression and World War I1 brought an end to construction activity in the Loop for more than twenty years, from1933 to 1955. After 1955, development in the Loop exploded once again, catalyzed by such government projects as the Federal Center and the Daley Center. Over thirty million (30) square feet of office space was constructed in the Loop between 1957 and 1977.

Despite this construction boom, competition from suburban office markets and the declining fortune of heavy manufacturing sectors took its toll on the Loop during the 1970s. Rail yards on the fringes of the Central Business District had

become disused, and State Street, facing competition from suburban shopping malls, had steadily declined to become a district of discount clothing stores and transient hotels. The North Loop, a popular entertainment district in the 1950s and 1960s, had become run-down as well, with many once popular movie houses shutting their doors. Efforts to rehabilitate these areas during the 1980s and 1990s proved successful. Residential developments such as Printers Row, Dearborn Park and Central Station replaced former industrial uses on the fringes of the Loop. South State Street became home to several colleges and education users, while the North Loop became an important theater and entertainment destination. The completion of Millennium Park in 2004 catalyzed residential development in the East Loop, and State Street has seen a resurgence of retail activity.

Nevertheless, the LaSalle Central R.P.A. faces several challenges today. Consolidation within the banking industry has diminished the importance of LaSalle Street as a center of the financial services sector. Office buildings near the commuter rail stations of the West Loop have drawn tenants away from the area's traditional commercial core, and vacancy rates in many of the Loop's older office buildings have climbed to economically unsustainable levels. Wacker Drive, the principal arterial roadway for the R.P.A., has become seriously deteriorated. Finally, increased competition among communities for corporate headquarters and the use of special tax incentives by nearby municipalities and other cities threatens to diminish the LaSalle Central R.P.A.'s position as the area's employment center. Designation of the area as a tax increment financing district will provide resources to help address these issues.

Existing Land-Use.

The existing land-use of the proposed LaSalle Central R.P.A. is characteristic of its role as the Central Business District for the Chicago metropolitan area. The majority of properties are developed as commercial office buildings with retail uses on the ground floors and service uses scattered throughout. In addition, there are several small surface parking lots, as well as eight (8) multi-story commercial parking structures, which are concentrated along Wells Street. Vacant land is limited to the northwestern portions of the R.P.A., particularly along Franklin Street and along the west bank of the south branch of the Chicago River. A small number of parcels are occupied by railroad tracks, also along the Chicago River. The R.P.A. does not include any residential uses and there is one (1) hotel along Adams Street. Existing land-use is shown on Map 3, which shows the predominant land-use by block.

Historically Significant Structures.

The portion of the Loop and the Near West Side covered by the proposed LaSalle Central R.P.A. contains many buildings listed on the National Register of Historic

Places, a federal landmark designation program. As a group, the historic buildings located within the proposed T.I.F. district are an important concentration of buildings significant to the City's architectural, financial, business, cultural, and governmental history.

To identify architecturally and/or historically significant buildings located within the LaSalle Central R.P.A., S.B. Friedman & Company obtained data from the Chicago Historic Resources Survey (the "C.H.R.S."). The C.H.R.S. identifies over seventeen thousand (17,000) Chicago properties and contains information on buildings that may possess architectural and/or historical significance. Structures are classified according to a color-based coding system. Designation as "red" indicates that a structure is architecturally or historically significant in the context of the City of Chicago, State of Illinois, or the United States of America; designation as "orange" indicates that a structure is potentially significant in the context of the community in which it is located. Approximately three hundred (300) structures were designated as red by C.H.R.S. and nine thousand six hundred (9,600) were designated as orange.

S.B. Friedman & Company found eight (8) buildings within the R.P.A. which were designated as red by C.H.R.S.. These buildings, described using their addresses and historic names, are:

-- Field Building, 135 South LaSalle Street

-- Rookery Building, 209 South LaSalle Street

-- Chicago Board of Trade, 141 West Jackson Boulevard

-- Brooks Building, 223 West Jackson Boulevard

-- City/County Building, 119 West Randolph Street

-- Washington Block, 40 North Wells Street

-- Civic Opera Building, 20 North Wacker Drive

-- Marquette Building, 140 South Dearborn Street

In addition, S.B. Friedman & Company found thirty-two (32) buildings and structures in the R.P.A. which were designated orange by C.H.R.S.. These include:

-- Midland Club, 170 West Adams Street

-- One North LaSalle, 1 North LaSalle Street

-- Foreman National Bank, 30 North LaSalle Street

-- Lumber Exchange, 11 South LaSalle Street

-- Central YMCA Headquarters, 19 South LaSalle Street

-- New York Life Building, 39 South LaSalle Street

-- Northern Trust, 50 South LaSalle Street

-- State Bank Building, 120 South LaSalle Street

-- City National Bank and Trust, 208 South LaSalle Street

-- Continental Bank and Trust of Illinois, 231 South LaSalle Street

-- Federal Reserve Bank of Chicago, 230 South LaSalle Street

-- Insurance Exchange Building, 175 West Jackson Boulevard

-- McKintock Building, 201 West Jackson Boulevard

-- Clark-Adams Building, 111 West Adams Street

-- Commonwealth Edison Building, 125 South Clark Street

-- Chicago & Northwestern Railroad Building, 226 West Jackson Boulevard

-- Madison Square, 123 West Madison Street

-- Williams Building, 201 West Monroe Street

-- 300 West Adams Street

-- Equitable Building, 180 West Washington Street

-- Chicago Federation of Musicians, 175 West Washington Street

-- Elks Club, 176 West Washington Street

-- Telephone Exchange, 301 West Washington Street

-- Franklin Exchange Building, 311 West Washington Street

-- Butler Building, 101 North Canal Street

-- Chicago Daily News Building, 2 North Riverside Plaza

-- Quincy/Wells El Station, 220 South Wells Street

-- LaSalle/Van Buren El Station, 130 West Van Buren Street

-- Lyric Opera Bridge, 10 South Wacker Drive

-- Adams Street Bridge, 337 West Adams Street

-- Monroe Street Bridge, 380 West Monroe Street

-- Jackson Boulevard Bridge, 375 West Jackson Boulevard

S. B. Friedman & Company , also identified buildings within the LaSalle Central R.P.A. which have been designated Chicago Landmarks by the Commission on Chicago Landmarks. A total of two hundred seventeen (217) buildings in the City of Chicago have been individually designated as Chicago Landmarks. The following ten (10) buildings within the LaSalle Central R.P.A. have been individually designated as Chicago Landmarks:

-- Field Building, 135 South LaSalle Street

-- Rookery Building, 209 South LaSalle Street

-- Chicago Board of Trade, 141 West Jackson Boulevard

-- Brooks Building, 223 West Jackson Boulevard

-- City Hall/County Building, 119 West Randolph Street

-- Washington Block, 40 North Wells Street

-- Civic Opera Building, 20 North Wacker Drive

-- One North LaSalle, 1 North LaSalle Street

-- Inland Steel Building, 30 West Monroe Street

-- Marquette Building, 140 South Dearborn Street

3.

Eligibility Analysis.

Provisions Of The Illinois Tax Increment Allocation Redevelopment Act.

Based upon the conditions found within the LaSalle Central R.P.A. at the completion of S. B. Friedman & Company's research, it has been determined that the LaSalle Central R.P.A. meets the eligibility requirements of the Act as a conservation area. The following text outlines the provisions of the Act to establish eligibility.

Under the Act, two (2) primary avenues exist to establish eligibility for an area to permit the use of tax increment financing for area redevelopment: declaring an area as a "blighted area" and/or a "conservation area".

"Blighted areas" are those improved or vacant areas with blighting influences that are impacting the public safety, health, morals or welfare of the community, and are substantially impairing the growth of the tax base in the area. "Conservation areas" are those improved areas which are deteriorating and declining and may become blighted if the deterioration is not abated.

The statutory provisions of the Act specify how a district can be designated as a "conservation" and/or "blighted area" district based upon an evidentiary finding of certain eligibility factors listed in the Act. The eligibility factors for each designation are identical for improved property. A separate set of factors exists for the designation of vacant land as a "blighted area". There is no provision for designating vacant land as a conservation area.

Factors For Improved Property.

For improved property to constitute a "blighted area", a combination of five (5) or more of the following thirteen (13) eligibility factors listed at 65 1LCS 5/11-74,4-3 (a) and (b) must meaningfully exist and be reasonably distributed throughout the R.P.A.. "Conservation areas" must have a minimum of fifty percent (50%) of the total structures within the area aged thirty-five (35) years or older, plus a combination of three (3) or more of the thirteen (13) eligibility factors which are detrimental to the public safety, health, morals or welfare and which could result in such an area becoming a blighted area.

Dilapidation. An advanced state of disrepair or neglect of necessary repairs to the primary structural components of buildings or improvements in such a combination that a documented building condition analysis determines that major repair is

required or the defects are so serious and so extensive that the buildings must be removed.

Obsolescence. The condition or process of falling into disuse. Structures have become ill-suited for the original use.

Deterioration. With respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts, and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking and surface storage areas evidence deterioration including but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces.

Presence Of Structures Below Minimum Code Standards. All structures that do not meet the standards of zoning, subdivision, building, tire and other governmental codes applicable to property, but not including housing and property maintenance codes.

Illegal Use Of Individual Structures. The use of structures in violation of the applicable Federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards.

Excessive Vacancies. The presence of buildings that are unoccupied or under-utilized and that represent an adverse influence on the area because of the frequency, extent or duration of the vacancies.

Lack of Ventilation, Light Or Sanitary Facilities. The absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke or other noxious airborne materials. Inadequate natural light and ventilation means the absence of skylights or windows for interior spaces or rooms and improper window sizes and amounts by room area to window area ratios. Inadequate sanitary facilities refers to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens, and structural inadequacies preventing ingress and egress to and from all rooms and units within a building.

Inadequate Utilities. Underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers, water lines, and gas, telephone and electrical services that are shown to be inadequate. Inadequate utilities are those that are: (i) of insufficient capacity to serve the uses in the redevelopment project area, (ii) deteriorated, antiquated, obsolete or in disrepair, or (iii) lacking within the redevelopment project area.

Excessive Land Coverage And Overcrowding Of Structures And Community Facilities. The over-intensive use of property and the crowding of buildings and

accessory facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: (i) the presence of buildings either improperly situated on parcels or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety and (ii) the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one (1) or more of the following conditions: insufficient provision for light and air within or around buildings, increased threat of spread of fire due to the close proximity of buildings, lack of adequate or proper access to a public right-of-way, lack of reasonably required off-street parking or inadequate provision for loading and service.

Deleterious Land-Use Or Layout. The existence of incompatible land-use relationships, buildings occupied by inappropriate mixed uses, or uses considered to be noxious, offensive or unsuitable for the surrounding area.

Environmental Contamination. The proposed redevelopment project area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or Federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

Lack Of Community Planning. The proposed redevelopment project area was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the municipality of a comprehensive or other community plan or that the plan was not followed at the time of the area's development. This factor must be documented by evidence of adverse or incompatible land use relationships, inadequate street layout, improper subdivision, parcels of inadequate shape and size to meet contemporary development standards, or other evidence demonstrating an absence of effective community planning.

Lack Of Growth In Equalized Assessed Value. The total equalized assessed value of the proposed redevelopment project area has declined for three (3) of the last five (5) calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for three (3) of the last five (5) calendar years for which information is available or is increasing at an annual rate that is less than the *Consumer Price Index for All Urban Consumers* published by the United States Department of Labor or successor agency for three (3) of the last five (5) calendar years prior to the year in which the redevelopment project area is designated.

Factors For Vacant Land.

Under the provisions of the "blighted area" section of the Act, for vacant land to constitute a "blighted area", a combination of two (2) or more of the following six (6) factors must be identified as being present to a meaningful extent and reasonably distributed which act in combination to impact the sound growth in tax base for the proposed district.

Obsolete Platting Of Vacant Land. Parcels of limited or narrow size or configurations of parcels of irregular size or shape that would be difficult to develop on a planned basis and in a manner compatible with contemporary standards and requirements, or platting that failed to create rights-of-way for streets or alleys or that created inadequate right-of-way widths for streets, alleys, or other public rights-of-way or that omitted easements for public utilities.

Diversity Of Ownership. Diversity of ownership is when adjacent properties are owned by multiple parties. When diversity of ownership of parcels of vacant land is sufficient in number to retard or impede the ability to assemble the land for development, this factor applies.

Tax And Special Assessment Delinquencies. Tax and special assessment delinquencies exist or the property has been the subject of tax sales under the Property Tax Code within the last five (5) years.

Deterioration Of Structures Or Site Improvements In Neighboring Areas Adjacent To The Vacant Land. Evidence of structural deterioration and area disinvestment in blocks adjacent to the vacant land may substantiate why new development had not previously occurred on the vacant parcels.

Environmental Contamination. The area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances or underground storage tanks required by State or Federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

Lack Of Growth In Equalized Assessed Value. The total equalized assessed value of the proposed redevelopment project area has declined for three (3) of the last five (5) calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for three (3) of the last five (5) calendar years for which information is available or is increasing at an annual rate that is less than the *Consumer Price Index for All Urban Consumers* published by the United States Department of Labor or successor agency for three (30) of the last five (5) calendar years prior to the year in which the redevelopment project area is designated.

Additionally, under the "blighted area" section of the Act, eligibility may be established for those vacant areas that would have qualified as a blighted area immediately prior to becoming vacant. Under this test for establishing eligibility, building records may be reviewed to determine that a combination of five (5) or more of the thirteen (13) "blighted area" eligibility factors for improved property listed above were present immediately prior to demolition of the area's structures.

The vacant "blighted area" section includes six (6) other tests for establishing eligibility but none of these are relevant to the conditions within the LaSalle Central R.P.A.

Methodology Overview And Determination Of Eligibility.

Analysis of eligibility factors was done through research involving an extensive field survey of all property within the LaSalle Central R.P.A., and a review of building and property records and real estate industry data. Building and property records include building code violation citations, building permit data, assessor information, and information on the age and condition of sewer and water lines within the study area. Our survey of the area established that there are one hundred one (101) primary structures and two hundred seventy three (273) tax parcels within the LaSalle Central R.P.A.. Ancillary structures are excluded from this total. Ancillary structures include cashier's buildings for surface parking lots, as well as a maintenance facility for the Chicago and Northwestern Railroad, located in the northwest portion of the R.P.A.

The LaSalle Central R.P.A. was examined for qualification factors consistent with either the "blighted area" or "conservation area" requirements of the Act. Based upon these criteria, the property within the LaSalle Central R.P.A. qualifies for designation as a "conservation area" as defined by the Act.

To arrive at this designation, S. B. Friedman & Company calculated the number of eligibility factors present, and analyzed the distribution of the eligibility factors on a building-by-building and/or parcel-by-parcel basis and analyzed the distribution of the eligibility factors on a block-by-block basis. When appropriate, we calculated the presence of eligibility factors on infrastructure and ancillary properties associated with the structures. The eligibility factors were correlated to buildings and/or parcels using structure-base maps, property files created from field observations, record searches and field surveys. This information was then graphically plotted on a parcel map of the LaSalle Central R.P.A. by block to establish the distribution of eligibility factors,and to determine which factors were present to a major extent.

Major factors are used to establish eligibility. These factors are present to a meaningful extent and reasonably distributed throughout the R.P.A.. Minor factors are supporting factors present to a meaningful extent on some of the parcels or on a scattered basis. Their presence suggests that the area is at risk of experiencing more extensive deterioration and disinvestment.

To reasonably arrive at this designation, S. B. Friedman & Company documented the existence of qualifying eligibility factors and confirmed that a sufficient number of factors were present within the LaSalle Central R.P.A. and reasonably distributed.

Although it may be concluded under the Act that the mere presence of the minimum number of the stated factors may be sufficient to make a finding of the R.P.A. as a conservation area, this evaluation was made on the basis that the conservation area factors must be present to an extent that indicates that public intervention is appropriate or necessary.

Conservation Area Findings.

As required by the Act, within a conservation area, at least fifty percent (50%) of the buildings must be thirty-five (35) years of age or older, and at least three (3) of the thirteen (13) eligibility factors must be found present to a major extent within the LaSalle Central R.P.A.

Establishing that at least fifty percent (50%) of the LaSalle Central R.P.A. buildings are thirty-five (35) years of age or older is a condition precedent to establishing the area as a conservation area under the Act. Based on information provided by the Cook County Assessor's office, we have established that of the one hundred one (101) buildings located within the LaSalle Central R.P.A., sixty-four (64) (sixty-three percent (63%)) are thirty-five (35) years of age or older.

In addition to establishing that LaSalle Central R.P.A. meets the age requirement, our research has revealed that the following six (6) factors are present to a major extent:

1. lack of growth in Equalized Assessed Value ("E.A.V.");
2. inadequate utilities;
3. excessive vacancies;
4. presence of structures below minimum code standards;
5. deterioration; and
6. obsolescence.

Based on the presence of these factors, the R.P.A. exceeds the minimum requirements of a "conservation area" under the Act.

Overall, the growth in equalized assessed value of the R.P.A. has fallen behind that of the balance of the City for four (4) out of the last five (5) years. More than half of

the parcels within the R.P.A. are serviced by inadequate utilities, particularly sewer lines which are overdue for repair/replacement. Half of the parcels within the R.P.A. either contain deteriorated buildings, or are served by deteriorated infrastructure, including cracked or crumbling sidewalks, deteriorated alleys and deteriorated roadways; in addition, the entire R.P.A. is at risk due to the deterioration of Wacker Drive, the area's primary arterial road. Furthermore, thirty-three (33) buildings suffer from excessive vacancies; this constitutes thirty-eight (38) percent of all buildings containing for-lease space. Forty-eight (48) buildings are considered obsolescent, and forty-five (45) buildings are below minimum code standards; this constitutes fifty-two percent (52%) and forty-eight percent (48%), respectively, of all buildings excluding parking garages. The high cost of upgrading these obsolete and noncompliant structures, coupled with the excessive vacancy rate of buildings within the area, increases the likelihood that buildings within the R.P.A. will fall into disrepair or disuse.

Maps 4A through 4F illustrate the presence and distribution of these eligibility factors on a block-by-block basis within the R.P.A.. The following sections summarize our field research as it pertains to each of the identified eligibility factors found within the LaSalle Central R.P.A.

1. Lack Of Growth In Equalized Assessed Value.

Total Equalized Assessed Value (E.A.V.) is a measure of the value of property within the LaSalle Central R.P.A. During four (4) of the previous five (5) years, the total growth in E.A.V. of the LaSalle Central R.P.A. has not kept pace with that of the balance of the City of Chicago. This lack of growth in E.A.V. is an indication that the R.P.A. suffers from a lack of private investment as compared to the balance of the City of Chicago.

Table 1.

Percent Change In Annual Equalized Assessed Value (E.A.V.)

	Percent Change in E.A.V. 2000/2001	Percent Chang in E.A.V. 2001/2002	Percent Change in E.A.V. 2002/2003	Percent Change E.A.V. 2003/2004	Percent Change in E.A.V. 2004/2005
LaSalle Central R.P.A.	3.24%	5.76%	12.19%	4.61%	2.75%
City of Chicago (Balance of)	3.75%	8.16%	17.71%	3.91%	7.65%

2. Inadequate Utilities.

A review of the City's water and sewer atlases found that inadequate underground utilities affect one hundred forty (140) (or fifty-one percent (51%) percent) of the two hundred seventy-three (273) tax parcels in the LaSalle Central R.P.A.. This is due primarily to the number of antiquated sewer lines in the R.P.A., many of which were installed before the Chicago Fire of 1871. These lines have surpassed their one hundred (100) year service lives and are in need of replacement.[2]

Due to the age and condition of the sewer and water lines, inadequate utilities were found to be present to a meaningful extent on twenty-six (26) blocks (fifty-three percent (53%)) of the forty-nine (49) blocks within the LaSalle Central R.P.A.

3. Excessive Vacancies.

To evaluate vacancy levels within the LaSalle Central R.P.A., S. B. Friedman & Company utilized several sources of data. Data on vacancy rates was obtained primarily through CoStar, a real estate industry database which tracks rents and vacancy rates for individual buildings in the Chicago C.B.D. CoStar obtains its data through monthly interviews with the owners, managers and leasing agents of office buildings, and is a widely respected source of information among real estate professionals. In addition, data on historic vacancy rates in the C.B.D. was culled from reports published by Frain Camins & Swartchild, as well as *Black's Guide*, a quarterly publication which tracks available space in various office markets. Finally, data from these publications was supplemented with field observations, which captured small office and retail buildings not covered by CoStar.

During the first quarter of 2006, the Chicago C.B.D. exhibited an overall office vacancy rate of sixteen and eighty-five hundredths percent (16.85%).[3] This is slightly above the average vacancy rate of fifteen and seventy-three hundredths percent (15.73%) for the Chicago C.B.D. office market during the twenty (20) year period from 1985 to 2005. The LaSalle Central R.P.A., however, exhibited a vacancy rate of nineteen and sixty-five hundredths percent (19.65%) during the first quarter of 2006. This is nearly three (3%) percentage points above the average for the C.B.D. During the past twenty (20) years, the C.B.D. has exhibited an overall office market vacancy rate in excess of nineteen percent (19%) during only three (3) years: 1991, 1992 and 1993.

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(2) The City of Chicago Department of Water Management defines the projected service life as one hundred years.

(3) CoStar, March 2006.

For the purposes of this study, any building which exhibits a vacancy rate of nineteen percent (19%) or more is considered to be excessively vacant. Of the one hundred one (101) buildings in the LaSalle Central R.P.A., eight (8) are commercial parking structures, and six (6) are occupied by institutional single users, such as the City of Chicago, Cook County and the City Colleges of Chicago. Of the remaining eighty-seven (87) buildings containing for-lease space, thirty-three (33) buildings (or thirty-eight percent (38%)) exhibit excessive vacancies. Moreover, the LaSalle Central R.P.A. contains numerous buildings which are either extremely vacant or have experienced persistent vacancies. The LaSalle Central R.P.A. contains less than one third (1/3) of the total office space in the C.B.D., but contains sixty-eight percent (68%) of the C.B.D.'s extremely vacant large office buildings.[4] In addition, fourteen (14) buildings in the R.P.A. have experienced persistently excessive vacancies (i.e. vacancy rates in excess of twenty percent (20%) for five (5) of the previous ten (10) years).

These excessive vacancy rates appear to be linked to the migration of many firms to new office buildings on the periphery of the C.B.D.. Nine (9) of the thirty-three (33) excessively vacant buildings in the R.P.A. are located along a four (4) block stretch of South LaSalle Street, producing a concentrated and deleterious impact on the traditional financial district of the City of Chicago. Nine (9) are historically or architecturally significant buildings. Such vacancy levels put these buildings at risk for falling into disrepair. Finally, three (3) of the excessively vacant buildings in the R.P.A. have recently lost major tenants to newer office buildings in the West Loop. This trend is likely to continue, as tenants seek out buildings with more modern amenities and easier access to commuter rail stations.

Overall, of the forty-two (42) blocks in the LaSalle Central R.P.A. that contain buildings (excluding blocks with no buildings and blocks containing only parking structures), fourteen (14) blocks (or thirty-three percent (33%)) were determined to exhibit excessive vacancies to a meaningful extent.

4. Presence Of Structures Below Minimum Code Standards.

Structures below minimum code standards are those that do not meet applicable standards of zoning, subdivision, building, fire and other governmental codes. The principal purpose of such codes is to protect the health and safety of the public. As such, structures below minimum code standards may jeopardize the health and safety of building occupants, pedestrians or occupants of neighboring structures. These buildings may not be in violation of a particular code; nevertheless those below current development standards may present a health or safety hazard.

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(4) Extreme vacant large office buildings are those containing at least one hundred thousand (100,000) rentable square feet and which are more than thirty percent (30%) vacant.

With the assistance of the Bureau of Fire Prevention and the Department of Buildings, S. B. Friedman & Company reviewed Life Safety Data Sheets and Life Safety Evaluations submitted by owners and managers of properties within the LaSalle Central R.P.A. to determine whether these buildings meet contemporary standards for fire safety, including the provision of sprinklers, smoke detectors, fire-rated partitions and proper means of egress. Of the ninety-three (93) buildings within the LaSalle Central R.P.A. (excluding parking garages), it was determined that forty-one (41) buildings (or forty-four percent (44%)) did not meet contemporary standards for fire safety.

In addition, S. B. Friedman & Company analyzed data provided by the City's Department of Buildings and determined that building code violation citations have been issued for fourteen (14) buildings within the LaSalle Central R.P.A. during the previous five (5) years. This constitutes fifteen percent (15%) of buildings within the R.P.A.. Thirteen (13) of these buildings are more than thirty-five (35) years of age, and ten (10) are more than seventy (70) years old. This underscores the potential for many older buildings within the R.P.A. to fall into disrepair and disuse.

Overall, forty-five (45) buildings within the R.P.A. (forty-eight percent (48%)) were found to be below minimum code standards. Structures below minimum code standards were found to be present to a meaningful extent on twenty (20) of the forty-two (42) blocks in the R.P.A. which contain occupied buildings (i.e., excluding blocks without buildings and blocks with only parking structures). This constitutes forty-eight percent (48%) of all blocks which contain occupied buildings.

5. Deterioration.

Deterioration of public improvements is evident throughout the LaSalle Central R.P.A.. Of particular concern is the deterioration of Wacker Drive. Wacker Drive is a two (2) level, two (2)-way road which runs along the south and main branches of the Chicago River. It is the principal thoroughfare within the LaSalle Central R.P.A., carrying twenty-nine thousand five hundred (29,500) vehicles per day on its upper level and twenty-nine thousand (29,000) vehicles per day on its lower level in 1996. It is classified as an Urban Arterial TS-1 by Federal Highway Administration standards. This is defined as a road having "the principal purpose of expediting the movement of traffic by providing mobility for long distances at relatively high speeds". All other streets in the R.P.A. are classified as collector streets or local streets by F.H.A. standards. As such, Wacker Drive is the principal arterial serving the R.P.A. and its condition impacts the entire area. The thoroughfare serves as the primary connection between the C.B.D. and points south and west, as it provides direct access to Interstates 90, 94 and 290. Moreover, the majority of buildings along Wacker Drive use the lower level of the street for loading and docking, further increasing the importance of the thoroughfare for the commercial viability of the Central Business District.

In 1999, C.D.O.T. completed an assessment of conditions on Wacker Drive that found the presence of severe deterioration, including:

-- large areas of map cracking;

-- open cracks with efflorescence;

-- significant delamination of previous shotcrete repairs;

-- spalled and delaminated concrete;

-- exposed and corroded reinforcing steel;

-- extensive chloride infiltration; and

-- loss of structural capacity.

Since 1999, the east/west portion of Wacker Drive has been completely reconstructed to remedy these conditions. However, the north/south section, which serves the LaSalle Central R.P.A., has not been upgraded to ameliorate the deterioration of the roadway, and this deterioration is visible throughout its upper and lower levels. Such conditions threaten the continued viability of Wacker Drive and could lead to the eventual closing of portions of the roadway.

In addition, many of the sidewalks and alleys along Wells Street exhibit deterioration due to vibrations caused by the Chicago Transit Authority's elevated trains, as well as the frequent ingress and egress of automobiles from the street's many public parking facilities. The sidewalks surrounding Union Station also exhibit deterioration, including surface cracking, crumbling and depressions, as do elements of the structure built over the train tracks south of Jackson Boulevard. Finally, this factor was given to those buildings where interior and/or exterior deterioration could be documented through surveys or interview.

Overall, one hundred thirty-eight (138) parcels within the R.P.A. (fifty-one percent (51%)) are either directly served by deteriorated infrastructure (such as alleys, streets and sidewalks), or contain buildings which exhibit deterioration. The factor is present to a meaningful extent on twenty-five (25) blocks (fifty-one percent (51%)) within the study area. In addition, because Wacker Drive is a principal arterial serving the Chicago C.B.D., the entire district is considered to suffer the impacts of deteriorated infrastructure.

6. Obsolescence.

Obsolescence is defined as the condition or process of falling into disuse. Buildings become obsolescent when some feature, such as the building's location, causes the property to be rejected by the market. This market rejection results in

increased vacancies, reduced rents and/or diminished building values. Such a weakened market position can inhibit the ability of property owners and managers to invest in their properties, exacerbating the disadvantages of the property and resulting in further disuse. As such, persistently excessive vacancy levels and/or extremely low rents are an indication that a building is obsolescent. For the purposes of this study, any building which exhibits a vacancy rate of twenty percent (20%) or more and which has exhibited vacancy levels of this severity for five (5) of the last ten (10) years is considered to exhibit obsolescence. In addition, any building which commands net rents of less than Five Dollars ($5) per square foot is considered obsolescent; such low rent levels indicate that the building can no longer attract tenants at rents sufficient to finance maintenance and improvements.

Vacancy and rent levels reflect the ability of a property to compete in the marketplace. Often this is linked to the design and configuration of the property. Functional obsolescence exists when the design and/or configuration of a building limits its competitiveness in the marketplace. In the context of the Chicago C.B.D., functional obsolescence is generally attributable to the changing demands of office users. Many office buildings in the LaSalle Central R.P.A., for example, were designed before the widespread availability of fluorescent lighting and H.V.A.C. systems; as such, they were designed with small floorplates in order to maximize natural light and ventilation. Similarly, many office buildings contain interior load-bearing walls and columns which limit the possible configurations of space by tenants. Mechanical systems in many older buildings, such as elevators or loading facilities, may be insufficient for modern users. In addition, many older buildings in the R.P.A. do not contain modern fire protection systems, which creates a potential hazard and may be a concern for tenants looking to sign or renew leases. Accordingly, any building which does not contain modern fire protection systems, including sprinklers, is considered obsolescent for the purposes of this study. Obsolescence was also given to buildings where evidence of obsolete building systems could be documented through surveys or interviews.

Of the ninety-three (93) buildings in the LaSalle Central R.P.A. (excluding parking garages), forty-eight (48) buildings (fifty-two percent (52%)) display obsolescence. Overall, of the forty-two (42) blocks in the LaSalle Central R.P.A. that contain buildings (excluding blocks with no buildings and blocks containing only parking structures), twenty-two (22) blocks (fifty-two percent (52%)) were determined to exhibit obsolescence to a meaningful extent.

4.

Redevelopment Plan And Project.

Redevelopment Needs Of The LaSalle Central R.P.A.

The existing land-use pattern and conditions in the LaSalle Central R.P.A. suggest three (3) redevelopment needs for the area:

1. maintaining the competitiveness and viability of older office buildings, and preserving architecturally and historically significant buildings;

2. expanding open space and improving the public realm; and

3. attracting and retaining businesses and major employers, particularly corporate headquarters.

The Redevelopment Plan and Project identifies tools the City will use to guide redevelopment in the LaSalle Central R.P.A. to create, promote and sustain a vibrant mixed-use community.

The goals, objectives and strategies discussed below have been developed to address these needs and to facilitate the sustainable redevelopment of the LaSalle Central R.P.A.. The proposed public improvements outlined in the Redevelopment Plan and Project will help to create an environment conducive to private investment and redevelopment within the LaSalle Central R.P.A.. To support specific projects and encourage future investment in the R.P.A., public resources, including tax increment financing, may be used to rehabilitate older buildings, improve or repair R.P.A. public facilities and/or infrastructure, and provide streetscape improvements. In addition, tax increment financing may be used to subsidize developer interest costs related to redevelopment projects.

Goals, Objectives And Strategies.

Goals, objectives and strategies are designed to address the need for redevelopment within the overall framework of the Redevelopment Plan and Project for the use of anticipated tax increment funds generated within the LaSalle Central R.P.A.

Goal.

The overall goal of the Redevelopment Plan is to reduce or eliminate the conditions that qualify the LaSalle Central R.P.A. as a conservation area, and thus to secure the Loop's fixture as the business and employment center of the Chicago metropolitan region. This goal is to be achieved through an integrated and comprehensive strategy that leverages public resources to stimulate private investment in rehabilitation of existing structures and new development.

Objectives.

Thirteen (13) broad objectives support the overall goal of area-wide revitalization of the LaSalle Central R.P.A.. These include:

1. provide resources for the rehabilitation and modernization of existing structures, particularly historically and architecturally significant buildings;

2. encourage high-quality commercial and retail development which enhances the architectural character of the area, promotes a lively pedestrian environment and attracts unique retailers to the area;

3. promote the R.P.A. as a center of employment and commercial activity through the attraction and retention of major employers and corporate headquarters, and by providing assistance to small and/or growing businesses;

4. improve the quality of existing open space and provide additional public open space through streetscaping and provision of new plazas, parks and public gathering spaces;

5. provide resources for improvements to the Chicago River wall and riverwalk, and promote the recreational use of the River;

6. promote a pedestrian-friendly environment, particularly along streets designated as Pedestrian and Mobility Streets in the Chicago Zoning Ordinance, and improve connections in the underground pedway system;

7. improve vehicular circulation throughout the R.P.A. through improvements to streets, alleys and loading areas;

8. improve transit and transit stations within the R.P.A. and advance the development of the Monroe Avenue Transitway;

9. replace or repair public infrastructure where needed, including streets, sidewalks, curbs, gutters, underground water and sanitary systems, alleys, bridges and viaducts;

10. encourage environmentally-sensitive development, including development that incorporates green roofs and that achieves L.E.E.D. certifications;

11. provide opportunities for women-owned, minority-owned and locally-owned businesses to share in job opportunities associated with the redevelopment of the LaSalle Central R.P.A., particularly in the design and construction industries;

12. support job training and welfare-to-work programs and increase employment opportunities for City residents; and

13. provide day care assistance to support employees of downtown businesses.

Strategies.

These objectives will be implemented through five (5) specific and integrated strategies. These include:

1. Implement Public Improvements. A series of public improvements throughout the LaSalle Central R.P.A. may be designed and implemented to build upon and improve the character of the area, and to create a more conducive environment for private development.

   Public improvements that are implemented with T.I.F. assistance are intended to complement and not replace existing holding sources for public improvements in the R.P.A.

   These improvements may include improvement of new streets, streetscaping, street and sidewalk lighting, alleyways, underground water and sewer infrastructure, parks or open space, and other public improvements consistent with the Redevelopment Plan and Project. These public improvements may be completed pursuant to redevelopment agreements with private entities or intergovernmental agreements with other public entities, and may include the construction, rehabilitation, renovation or restoration of public improvements on one or more parcels.

2. Encourage Private Sector Activities And Support Rehabilitation Of Existing Buildings. Through the creation and support of public-private partnerships, or through written agreements, the City may provide financial and other assistance to encourage the private sector, including local property owners, to undertake rehabilitation and redevelopment projects and other improvements, in addition to programming such as job training and retraining, that are consistent with the goals of this Redevelopment Plan and Project.

   The City may enter into redevelopment agreements or intergovernmental agreements with private or public entities to construct, rehabilitate, renovate or restore private or public improvements on one or several parcels (collectively referred to as "Redevelopment Projects").

   The City requires that developers who receive T.I.F. assistance for market-rate housing set aside twenty percent (20%) of the units to meet affordability criteria established by the City's Department of Housing or any successor agency. Generally, this means that affordable for-sale housing units should be priced at a level that is affordable to persons earning no more than one hundred percent (100%) of the area median income and affordable rental units should be affordable to persons earning no more than sixty percent (60%) of the area median income. T.I.F. funds can also be used to pay for up to fifty percent (50%) of the cost of construction, or up to seventy-five percent (75%) of interest costs for new

housing units to be occupied by low-income and very low-income households as defined in Section 3 of the Illinois Affordable Housing Act.

3. Assist Employers Seeking To Relocate Or Expand Facilities. The City may provide assistance to businesses and institutions that are major employers and which seek to relocate to or expand within the LaSalle Central R.P.A.. This assistance may be provided through support of redevelopment and rehabilitation projects in existing buildings, assistance with land acquisition and site preparation for new facilities, or assistance with financing costs.

4. Develop Vacant And Underutilized Sites. The redevelopment of vacant and underutilized properties within the LaSalle Central R.P.A. is expected to stimulate private investment and increase the overall taxable value of properties within the R.P.A.. Development of vacant and/or underutilized sites is anticipated to have a positive impact on other properties beyond the individual project sites.

5. Facilitate Property Assembly, Demolition And Site Preparation. Financial assistance may be provided to private developers seeking to acquire land, and to assemble and prepare sites in order to undertake projects in support of this Redevelopment Plan and Project.

   To meet the goals of this Redevelopment Plan and Project, the City may acquire and assemble property throughout the R.P.A.. Land assemblage by the City may be by purchase, exchange, donation, lease, eminent domain, through the Tax Reactivation Program or other programs, and may be for the purpose of (a) sale, lease or conveyance to private developers, or (b) sale, lease, conveyance, or dedication for the construction of public improvements or facilities. Site preparation may include such preparatory work as demolition of existing improvements and environmental remediation, where appropriate. Furthermore, the City may require written redevelopment agreements with developers before acquiring any properties. As appropriate, the City may devote acquired property to temporary uses until such property is scheduled for disposition and development.

These activities are representative of the types of projects contemplated to be undertaken during the life of the LaSalle Central R.P.A.. Market forces are critical to the completion of these projects. Phasing of projects will depend on the interests and resources of both public and private sector parties. Not all projects will necessarily be undertaken. Furthermore, additional projects may be identified throughout the life of the LaSalle Central R.P.A.. To the extent that these projects meet the goals, objectives and strategies of this Redevelopment Plan and Project and the requirements of the Act and budget outlined in the next section, these projects may be considered for tax increment funding.

Proposed Future Land-Use.

The proposed future land-use of the LaSalle Central R.P.A. reflects the objectives of the Redevelopment Plan and Project, which are to maintain the competitiveness of older office buildings, preserve architecturally and historically significant buildings, expand open space, improve the public realm, attract and retain businesses and major employers, and maintain and improve traffic circulation, public transit and pedestrian connectivity.

The proposed future land-use for the study area is as a Downtown Core Mixed-Use District, as shown on Map 5. This proposed future land-use is consistent with the current zoning of the R.P.A., which is as a Downtown Core ("D.C.") District. The proposed future land-use within the R.P.A. includes all of the uses that are allowed under D.C. zoning, including office, commercial, public/institutional, recreational, entertainment and residential, as well as open space. The proposed future land uses shown on Map 5 are the predominant uses by block and are not exclusive of any other uses.

Assessment Of Housing Impact.

As set forth in the Act, if the redevelopment plan for the redevelopment project area would result in the displacement of residents from ten (10) or more inhabited residential units, or if the redevelopment project area contains seventy-five (75) or more inhabited residential units and a municipality is unable to certify that no displacement will occur, the municipality must prepare a housing impact study and incorporate the study in the redevelopment plan.

As of June 28, 2006, the R.P.A. contains no occupied residential units. Therefore, a housing impact study is not required and has not been prepared.

5.

Financial Plan.

Eligible Costs.

The various redevelopment expenditures that are eligible for payment or reimbursement under the Act are reviewed below. Following this review is a list of estimated redevelopment project costs that are deemed to be necessary to implement this Redevelopment Plan and Project (the "Redevelopment Project Costs").

Redevelopment Project Costs include the sum total of all reasonable or necessary costs incurred, estimated to be incurred or incidental to this Plan pursuant to the Act. Such costs may include, without limitation, the following:

1. costs of studies, surveys, development of plans and specifications, implementation and administration of the Redevelopment Plan and Project including but not limited to staff and professional service costs for architectural, engineering, legal, financial, planning or other services (excluding lobbying expenses), provided that no charges for professional services are based on a percentage of the tax increment collected;

2. the costs of marketing sites within the R.P.A. to prospective businesses, developers and investors;

3. property assembly costs, including but not limited to, acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, site preparation, site improvements that serve as an engineered barrier addressing ground level or below ground environmental contamination, including, but not limited to parking lots and other concrete or asphalt barriers, and the clearing and grading of land;

4. costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings, fixtures and leasehold improvements; and the costs of replacing an existing public building if pursuant to the implementation of a redevelopment project the existing public building is to be demolished to use the site for private investment or devoted to a different use requiring private investment;

5. costs of the construction of public works or improvements subject to the limitations in Section 11-74.4-3(q)(4) of the Act;

6. costs of job training and retraining projects including the costs of "welfare-to-work" programs implemented by businesses located within the R.P.A. and such proposals feature a community-based training program which ensures maximum reasonable opportunities for residents of the Loop and Near West Community Areas with particular attention to the needs of those residents who have previously experienced inadequate employment opportunities and development of job-related skills including residents of public and other subsidized housing and people with disabilities;

7. financing costs, including but not limited to, all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued thereunder including interest accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for a

period not exceeding thirty-six (36) months following completion and including reasonable reserves related thereto;

8. to the extent the City by written agreement accepts and approves the same, all or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the Redevelopment Plan and Project;

9. relocation costs to the extent that the City determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or state law, or by Section 74.4-3(n)(7) of the Act;

10. payment in lieu of taxes as defined in the Act;

11. costs of job training, retraining, advanced vocational education or career education, including but not limited to, courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one (1) or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in the R.P.A.; and (ii) when incurred by a taxing district or taxing districts other than the City, are set forth in a written agreement by or among the City and the taxing district or taxing districts, which agreement describes the program to be undertaken including but not limited to, the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 3-37, 3-38, 3-40, and 3-40.1 of the Public Community College Act, 110 ILCS 805/3-37, 805/3-38, 805/3-40 and 805/3-40.1, and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of the School Code, 105 ILCS 5/10-22.20a and 5/10-23.3a;

12. interest costs incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that:

    a. such costs are to be paid directly from the special tax allocation fund established pursuant to the Act;

    b. such payments in any one (1) year may not exceed thirty percent (30%) of the annual interest costs incurred by the redeveloper with regard to the development project during that year;

    c. if there are not sufficient funds available in the special tax

allocation fund to make the payment pursuant to this provision, then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund;

d. the total of such interest payments paid pursuant to the Act may not exceed thirty percent (30%) of the total of (i) cost paid or incurred by the redeveloper for the redevelopment project; (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by the City pursuant to the Act;

e. for the financing of rehabilitated or new housing for low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act, the percentage of seventy-five percent (75%) shall be substituted for thirty percent (30%) in subparagraphs 12b and 12d above.

13. unless explicitly provided in the Act, the cost of construction of new privately-owned buildings shall not be an eligible redevelopment project cost;

14. an elementary, secondary or unit school district's increased costs attributable to assisted housing units will be reimbursed as provided in the Act;

15. instead of the eligible costs provided for in 12b, 12d and 12e above, the City may pay up to fifty percent (50%) of the cost of construction, renovation and/or rehabilitation of all low- and very low-income housing units (for ownership or rental) as defined in Section 3 of the Illinois Affordable Housing Act. If the units are part of a residential redevelopment project that includes units not affordable to low- and very low-income households, only the low- and very low-income units shall be eligible for benefits under the Act; and

16. the costs of daycare services for children of employees from low-income families working for businesses located within the R.P.A. and all or a portion of the cost of operation of day care centers established by R.P.A. businesses to serve employees from low-income families working in businesses located in the R.P.A.. For the purposes of this paragraph, "low-income families" means families whose annual income does not exceed eighty percent (80%) of the City, county or regional median income as determined from time to time by the United States Department of Housing and Urban Development.

If a special service area has been established pursuant to the Special Service Area Tax Act,35 ILCS 235/0.01, et seq., then any tax increment revenues derived from

the tax imposed pursuant to the Special Service Area Tax Act may be used within the redevelopment project area for the purposes permitted by the Special Service Area Tax Act as well as the purposes permitted by the Act.

Estimated Redevelopment Project Costs.

The estimated eligible costs that are deemed to be necessary to implement this Redevelopment Plan and Project are shown in Table 2. The total eligible cost provides an upper limit on expenditures that are to be funded using tax increment revenues, exclusive of capitalized interest, issuance costs, interest, and other financing costs. Within this limit, adjustments may be made in line items without amendment to this Plan, to the extent permitted by the Act. Additional funding in the form of State, Federal, County, or local grants, private developer contributions and other outside sources may be pursued by the City as a means of financing improvements and facilities which are of benefit to the general community.

Table 2.

Estimated Redevelopment Project Costs.

Eligible Expenses	Estimated Project Costs
Professional Services (including analysis, administration, studies surveys, legal, marketing, et cetera)	$ 10,000,000
Property Assembly (including acquisition, site preparation, demolition and environmental remediation)	50,000,000
Rehabilitation of Existing Buildings, Fixtures and Leasehold Improvements	200,000,000
Eligible Construction Costs (Affordable Housing Construction Costs)	30,000,000
Relocation Costs	30,000,000

Eligible Expenses	Estimated Project Costs
Public Works or Improvements including streets and utilities, parks and open space, public facilities (schools and other public facilities) [1]	$200,000,000
Job Training, Retraining, Welfare-to-Work	10,000,000
Interest Subsidy	20,000,000
Day Care Services	5,000,000
TOTAL REDEVELOPMENT COSTS [2] [3] [4]	$550,000,000

(1) This category also may include paying for or reimbursing (i) an elementary, secondary or unit school district's increased costs attributed to assisted housing units, and (ii) capital costs of taxing districts impacted by the redevelopment of the R.P.A.. As permitted by the Act, to the extent the City by written agreement accepts and approves the same, the City may pay, or reimburse all, or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the Plan.

(2) Total Redevelopment Project Costs exclude any additional financing costs, including any interest expense, capitalized interest, costs of issuance and costs associated with optional redemptions. These costs are subject to prevailing market conditions and are in addition to Total Redevelopment Project Costs.

(3) The amount of the total Redevelopment Project Costs that can be incurred in the R.P.A. will be reduced by the amount of redevelopment project costs incurred in contiguous R.P.A.s, or those separated from the R.P.A. only by a public right-of-way, that are permitted under the Act to be paid, and are paid, from incremental property taxes generated in the R.P.A., but will not be reduced by the amount of redevelopment project costs incurred in the R.P.A. which are paid from incremental property taxes generated in contiguous R.P.A.s or those separated from the R.P.A. only by a public right-of-way.

(4) All costs are in 2006 dollars and may be increased by five percent (5%) after adjusting for annual inflation reflected in the Consumer Price Index (C.P.I.) for All Urban Consumers for All Items for the Chicago-Gary-Kenosha, IL-IN-WI CMSA, published by the United States Department of Labor. In addition to the above stated costs, each issue of obligations issued to finance a phase of the Redevelopment Plan and Project may include an amount of proceeds sufficient to pay customary and reasonable charges associated with the issuance of such obligations, including interest costs.

Adjustments to the estimated line item costs in Table 2 are anticipated, and may be made by the City without amendment to the Redevelopment Plan and Project to the extent permitted by the Act. Each individual project cost will be re-evaluated in light of projected private development and resulting incremental tax revenues as it is considered for public financing under the provisions of the Act. The totals of line items set forth above are not intended to place a limit on the described expenditures. Adjustments may be made in line items within the total, either increasing or decreasing line item costs as a result of changed redevelopment costs and needs.

In the event the Act is amended after the date of the approval of this Redevelopment Plan and Project by the City Council of Chicago to (a) include new eligible redevelopment project costs, or (b) expand the scope or increase the amount of existing eligible redevelopment project costs (such as, for example, by increasing the amount of incurred interest costs that may be paid under 65 ILCS 5/11-74.4-30(11)), this Redevelopment Plan and Project shall be deemed to incorporate such additional, expanded or increased eligible costs as eligible costs under the Redevelopment Plan and Project, to the extent permitted by the Act. In the event of such amendment(s), the City may add any new eligible redevelopment project costs as a line item in Table 2, or otherwise adjust the line items in Table 2 without amendment to this Redevelopment Plan and Project, to the extent permitted by the Act. In no instance, however, shall such additions or adjustments result in any increase in the total redevelopment project costs without a further amendment to this Redevelopment Plan and Project.

Phasing And Scheduling Of The Redevelopment.

Each private project within the LaSalle Central R.P.A. shall be governed by the terms of a written redevelopment agreement entered into by a designated developer and the City and approved by the City Council. Where tax increment funds are used to pay eligible redevelopment project costs, to the extent funds are available for such purposes, expenditures by the City shall be coordinated to coincide on a reasonable basis with the actual redevelopment expenditures of the developer(s). The Redevelopment Plan and Project shall be completed, and all obligations issued to finance redevelopment costs shall be retired, no later than December 31st of the year in which the payment to the City Treasurer as provided in the Act is to be made with respect to ad valorem taxes levied in the twenty-third (23rd) calendar year following the year in which the ordinance approving this Redevelopment Plan and Project is adopted (by December 31, 2030, if the ordinances establishing the R.P.A. are adopted during 2006).

Sources Of Funds To Pay Costs.

Funds necessary to pay for Redevelopment Project Costs and secure municipal obligations issued for such costs are to be derived primarily from Incremental

Property Taxes. Other sources of funds which may be used to pay for Redevelopment Project Costs or secure municipal obligations are land disposition proceeds, state and federal grants, investment income, private financing and other legally permissible funds the City may deem appropriate. The City may incur redevelopment project costs which are paid for from funds of the City other than incremental taxes, and the City may then be reimbursed for such costs from incremental taxes. Also, the City may permit the utilization of guarantees, deposits and other forms of security made available by private sector developers. Additionally, the City may utilize revenues, other than State sales tax increment revenues, received under the Act from one redevelopment project area for eligible costs in another redevelopment project area that is either contiguous to, or is separated only by a public right-of-way from, the redevelopment project area from which the revenues are received.

The LaSalle Central R.P.A. is contiguous to or separated by only a public right-of-way from the Central Loop R.P.A., the River West R.P.A., the River South R.P.A., and the Canal/Congress R.P.A., and may in the future, be contiguous to, or be separated only by a public right-of-way from other redevelopment areas created under the Act. The City may utilize net incremental property taxes received from the LaSalle Central R.P.A. to pay eligible redevelopment project costs, or obligations issued to pay such costs, in other contiguous redevelopment project areas or project areas separated only by a public right-of-way, and vice versa. The amount of revenue from the R.P.A., made available to support such contiguous redevelopment project areas, or those separated only by a public right-of-way, when added to all amounts used to pay eligible Redevelopment Project Costs within the R.P.A., shall not at any time exceed the total Redevelopment Project Costs described in this Plan.

The LaSalle Central R.P.A. may become contiguous to, or be separated only by a public right-of-way from, redevelopment project areas created under the Industrial Jobs Recovery Law (65 ILCS 5/11-74.6-1, et seq.). If the City finds that the goals, objectives and financial success of such contiguous redevelopment project areas or those separated only by a public right-of-way are interdependent with those of the R.P.A., the City may determine that it is in the best interests of the City and the furtherance of the purposes of the Plan that net revenues from the R.P.A. be made available to support any such redevelopment project areas, and vice versa. The City therefore proposes to utilize net incremental revenues received from the R.P.A. to pay eligible redevelopment project costs (which are eligible under the Industrial Jobs Recovery Law referred to above) in any such areas and vice versa. Such revenues may be transferred or loaned between the R.P.A. and such areas. The amount of revenue from the R.P.A. so made available, when added to all amounts used to pay eligible Redevelopment Project Costs within the R.P.A. or other areas as described in the preceding paragraph, shall not at any time exceed the total Redevelopment Project Costs described in Table 2 of this Plan.

If necessary, the redevelopment plans for other- contiguous redevelopment project areas that may be or already have been created under the Act may be drafted or

amended as applicable to add appropriate and parallel language to allow for sharing of revenues between such districts.

Issuance Of Obligations.

To finance project costs, the City may issue bonds or obligations secured by Incremental Property Taxes generated within the LaSalle Central R.P.A. pursuant to Section 11-74.4-7 of the Act. To enhance the security of a municipal obligation, the City may pledge its full faith and credit through the issuance of general obligations bonds. In addition, the City may provide other legally permissible credit enhancements to any obligations issued pursuant to the Act.

All obligations issued by the City pursuant to this Eligibility Study and Redevelopment Plan and the Act shall be retired within the time frame described under "Phasing and Scheduling of the Redevelopment" above. Also, the final maturity date of any such obligations which are issued may not be later than twenty (20) years from their respective dates of issue. One or more of a series of obligations may be sold at one or more times in order to implement this Eligibility Study and Redevelopment Plan. Obligations may be issued on a parity or subordinated basis.

In addition to paying Redevelopment Project Costs, Incremental Property Taxes may be used for the scheduled retirement of obligations, mandatory or optional redemptions, establishment of debt service reserves and bond sinking funds. To the extent that Incremental Property Taxes are not needed for these purposes, and are not otherwise required, pledged, earmarked or otherwise designated for the payment of Redevelopment Project Costs, any excess Incremental Property Taxes shall then become available for distribution annually to taxing districts having jurisdiction over the R.P.A. in the manner provided by the Act.

Most Recent Equalized Assessed Valuation of Properties in the Redevelopment Project Area.

The purpose of identifying the most recent equalized assessed valuation ("E.A.V.") of the LaSalle Central R.P.A. is to provide an estimate of the initial E.A.V. which the Cook County Clerk will certify for the purpose of annually calculating the incremental E.A.V. and incremental property taxes of the LaSalle Central R.P.A.. The two hundred seventy-three (273) tax parcels comprising the R.P.A. have a total estimated E.A.V. of Four Billion One Hundred Seventy-three Million Seven Hundred Fifty-nine Thousand Dollars ($4,173,759,000) in the 2005 tax year. The 2005 total E.A.V. amount by permanent index number is summarized in Appendix 2. The E.A.V. is subject to verification by the Cook County Clerk. After verification, the final figure shall be certified by the Cook County Clerk, and shall become the Certified Initial E.A.V. from which all incremental property taxes in the Redevelopment Project Area will be calculated by Cook County.

Anticipated Equalized Assessed Valuation.

By 2029, the E.A.V. for the LaSalle Central R.P.A. will be approximately Seven Billion Five Hundred Million Dollars ($7,500,000,000). This estimate is based on several key assumptions, including: 1) an inflation factor of two and one-half percent (2.5%) per year on the E.A.V. of all properties within the LaSalle Central R.P.A., with its cumulative impact occurring in each triennial reassessment year; and 2) an equalization factor of 2.7320 throughout the life of the R.P.A.

6.

Required Findings And Tests.

Lack Of Growth And Private Investment.

In order to assess the rate of private investment in the LaSalle Central R.P.A., S. B. Friedman & Company obtained and analyzed data for all building permits issued within the R.P.A. between 2000 and 2005. This data was provided by the Department of Buildings. In addition, tax assessment data provided by the Cook County Assessor was analyzed for both the R.P.A. and the City of Chicago.

As discussed in the Eligibility Study above, the Equalized Assessed Value (E.A.V.) of the LaSalle Central R.P.A. has not kept pace with that of the balance of the City of Chicago for four (4) of the previous five (5) years. During this time period, the E.A.V. of the R.P.A. grew at a compound annual growth rate of six and ninety-five (5) hundredths percent (6.95%); this rate of growth is twenty-four percent (24%) lower than the compound annual growth rate for the balance of the City, which was nine and seventeen hundredths percent (9.17%). This indicates that private investment in the R.P.A. has been low relative to the rest of the City of Chicago.

Private investment within the R.P.A. has also lagged behind the rest of the Chicago C.B.D.. The LaSalle Central R.P.A. has not seen construction of any new office buildings since 1992, and a review of building permit data indicates that no new buildings are currently planned for the area. The remainder of the C.B.D., on the other hand, has seen substantial private investment in office buildings since 2000. Fourteen (14) major office buildings have been completed in downtown Chicago since 2000, and more than sixteen million (16,000,000) square feet of office space has been added to the Chicago C.B.D. during this time period. In addition, four (4) major office buildings are currently under construction in the C.B.D.; none of these developments are located within the LaSalle Central R.P.A.

The total value of building permits issued for the LaSalle Central R.P.A. during this time period was Three Hundred Sixty-six million Dollars ($366,000,000)[5]. These permits were primarily for build out of tenant spaces. This figure constitutes approximately one and eighty-two hundredths percent (1.82%) of the total assessor's market value for the R.P.A. per year [6]. This rate of investment is very low when compared to the overall value of properties within the R.P.A.. To put this level of investment in perspective, the annual depreciation rate for office properties established by the Internal Revenue Service is approximately two and fifty-six hundredths percent (2.56%). This suggests that investment in the LaSalle Central R.P.A. is insufficient to keep pace with normal depreciation of property values. Moreover, approximately thirty-eight percent (38%) of the value of building activity in the R.P.A. was concentrated in thirteen (13) buildings. Private investment in the remaining eighty-eight (88) buildings in the R.P.A. is therefore even further below levels required to maintain property value.

Given the extensive infrastructure needs of the LaSalle Central R.P.A., as well as the high cost of rehabilitating structures that have become obsolescent or have fallen below current standards for new development, it is it is unlikely that the LaSalle Central R.P.A. will see substantial private investment without public intervention like that envisioned in this Redevelopment Plan and Project.

Finding: The Redevelopment Project Area (LaSalle Central R.P.A.) on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of the Redevelopment Plan and Project.

Conformance To The Plans Of The City.

The LaSalle Central Redevelopment Plan and Project must conform to the comprehensive plan for the City, conform to the strategic economic development plans, or include land uses that have been approved by the Chicago Plan Commission.

The proposed land uses described in this Redevelopment Plan and Project will be approved by the Chicago Plan Commission prior to its adoption by the City Council.

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(5) This figure excludes permits issued for demolition and for repairs performed by order of the Department of Buildings.

(6) The assessor's market value for 2005 was approximately Four Billion Dollars ($4,000,000,000). This is based on a total assessed value for R.P.A. of One Billion Fifty-three Million Dollars ($1,053,000,000). In addition, an assessment-to-value ratio for commercial properties of thirty-eight percent (38%) is assumed.

Dates Of Completion.

The dates of completion of the project and retirement of obligations are described under "Phasing and Scheduling of the Redevelopment" in Section 5, above.

Financial Impact Of The Redevelopment Project.

As explained above, without the adoption of this Redevelopment Plan and Project and tax increment financing, the LaSalle Central R.P.A. is not expected to see substantial investment from private enterprise. As a result, there is a genuine threat that property values in the area will stagnate or decline. This would lead to a reduction of real estate tax revenue to all taxing districts.

This document describes the comprehensive redevelopment program proposed to be undertaken by the City to create an environment in which private investment can reasonably occur. If a redevelopment project is successful, various new projects may be undertaken that will assist in alleviating blighting conditions, creating new jobs, and promoting both public and private development in the LaSalle Central R.P.A.

This Redevelopment Plan and Project is expected to have short- and long-term financial impacts on the affected taxing districts. During the period when tax increment financing is utilized, real estate tax increment revenues from the increases in E.A.V. over and above the certified initial E.A.V. (established at the time of adoption of this document by the City) may be used to pay eligible redevelopment project costs for the LaSalle Central R.P.A.. At the time when the LaSalle Central R.P.A. is no longer in place under the Act, the real estate tax revenues resulting from the redevelopment of the LaSalle Central R.P.A. will be distributed to all taxing districts levying taxes against property located in the LaSalle Central R.P.A.. These revenues will then be available for use by the affected taxing districts.

Demand On Taxing District Services And Program To Address Financial And Service Impact.

In 1994, the Act was amended to require an assessment of any financial impact of a redevelopment project area on, or any increased demand for service from, any taxing district affected by the redevelopment plan, and a description of any program to address such financial impacts or increased demand.

The City intends to monitor development in the LaSalle Central R.P.A. and with the cooperation of the other affected taxing districts will attempt to ensure that any increased needs are addressed in connection with any particular development. The following major taxing districts presently levy taxes on properties located within the

LaSalle Central R.P.A. and maintain the listed facilities within the boundaries of the R.P.A., or within close proximity (three (3) to five (5) blocks) to the R.P.A. boundaries:

1. City Of Chicago.

   -- City Hall (121 North LaSalle Street)

2. Chicago Board Of Education.

   -- Jones College Preparatory (606 South State Street)

   -- Whitney Young High School (211 South Laflin Street)

   -- Phillips High School (244 East Pershing Road)

   -- Crane High School (2245 West Jackson Boulevard)

   -- South Loop Elementary (1212 South Plymouth Court)

   -- William B. Ogden Elementary (24 West Walton Street)

   -- Brown Elementary (54 North Hermitage Avenue)

   -- Carpenter Elementary (1250 West Erie Street)

   -- Skinner Elementary School (111 South Throop Street)

3. Chicago School Finance Authority.

4. Chicago Park District.

   -- Millennium Park

   -- Grant Park

   -- Park Number 537

   -- Dearborn Park

   -- Pritzker Park

5. City Of Chicago Library Fund.

   -- Harold Washington Library Center (400 South State Street)

6. Chicago Community College District 508.

   -- City Colleges of Chicago Administrative Building (226 West Jackson Boulevard)

   -- Harold Washington College (30 East Lake Street)

7. Metropolitan Water Reclamation District Of Greater Chicago.

8. County Of Cook.

   -- County Building (120 North Clark Street)

9. Cook County Forest Preserve District.

Map 6 illustrates the locations of community facilities operated by the above listed taxing districts within or in close proximity to the LaSalle Central R.P.A.. Redevelopment activity may cause increased demand for services from one or more of the above listed taxing districts. The anticipated nature of the increased demand for services on these taxing districts, and the proposed activities to address increased demand, are described below.

City Of Chicago. The City is responsible for a wide range of municipal services including: police and fire protection; capital improvements and maintenance; water supply and distribution; sanitation service; and building, housing, and zoning codes. Replacement of vacant and under-utilized sites with active and more intensive uses may result in additional demands on services and facilities provided by the districts. While there are no public service facilities operated by the City within the LaSalle Central R.P.A., there are several within close proximity to the area. Additional costs to the City for police, fire, and recycling and sanitation services arising from residential development may occur. However, it is expected that any increase in demand for the City services and programs associated with the LaSalle Central R.P.A. can be handled adequately by City police, fire protection, sanitary collection and recycling services, and programs currently maintained and operated by the City. The redevelopment of the LaSalle Central R.P.A. will not require expansion of services in this area.

City Of Chicago Library Fund. The Library Fund, supported primarily by property taxes, provides for the operation and maintenance of City of Chicago public libraries. Additional costs to the City for library services arising from residential development may occur. However, it is expected that any increase in demand for City library services and programs associated with the LaSalle Central R.P.A. can be handled adequately by existing City library services. The redevelopment of the LaSalle Central R.P.A. will not require expansion of services in this area.

Chicago Board Of Education And Associated Agencies. General responsibilities of the Board of Education include the provision, maintenance and operation of educational facilities and the provision of education services for kindergarten through twelfth (12^{th}) grade.

Currently there are no residential housing units in the LaSalle Central R.P.A.. While unlikely, it is possible that, in the future, residential development may occur within the R.P.A., and new families may choose to enroll their children in public schools. Any increased costs to the local schools resulting from children residing in T.I.F.-assisted housing units will trigger those provisions within the Act that provide for reimbursement to the affected school district(s) where eligible. The City intends to monitor development in the LaSalle Central R.P.A. and, with the cooperation of the Board of Education, will attempt to ensure that any increased demands for services and capital improvements provided by the Board of Education are addressed in connection with each new residential project.

Chicago Park District. The Chicago Park District is responsible for the provision, maintenance and operation of park and recreational facilities throughout the City, and for the provision of recreation programs.

It is expected that the households that may be added to the LaSalle Central R.P.A. may generate additional demand for recreational services and programs and may create the need for additional open spaces and recreational facilities operated by the Chicago Park District. The City intends to monitor development in the LaSalle Central R.P.A. and, with the cooperation of the Chicago Park District, will attempt to ensure that any increased demands for the services and capital improvements that may be provided by the Chicago Park District are addressed in connection with any particular residential development.

Community College District 508. This district is a unit of the State of Illinois' system of public community colleges, whose objective is to meet the educational needs of residents of the City and other students seeking higher education programs and services.

It is expected that any increase in demand for services from Community College District 508 indirectly or directly caused by development within the LaSalle Central R.P.A. can be handled adequately by the district's existing service capacity, programs, and facilities. Therefore, at this time, no special programs are proposed

for this taxing district. Should demand increase, the City will work with the affected district to determine what, if any, program is necessary to provide adequate services.

Metropolitan Water Reclamation District. This district provides the main trunk lines for the collection of wastewater from Cities, Villages and Towns, and for the treatment and disposal thereof.

It is expected that any increase in demand for treatment of sanitary and storm sewage associated with the LaSalle Central R.P.A. can be handled adequately by existing treatment facilities maintained and operated by the Metropolitan Water Reclamation District of Greater Chicago. Therefore, no special program is proposed for the Metropolitan Water Reclamation District of Greater Chicago.

County Of Cook. The County has principal responsibility for the protection of persons and property, the provision of public health services, and the maintenance of County highways.

It is expected that any increase in demand for Cook County services can be handled adequately by existing services and programs maintained and operated by the County. Therefore, at this time, no special programs are proposed for these taxing districts. Should demand increase, the City will work with the affected taxing districts to determine what, if any, program is necessary to provide adequate services.

Cook County Forest Preserve District. The Forest Preserve District is responsible for acquisition, restoration and management of lands for the purpose of protecting and preserving open space in the City and County for the education, pleasure and recreation of the public. It is expected that any increase in demand for Forest Preserve services can be handled adequately by existing facilities and programs maintained and operated by the District. No special programs are proposed for the Forest Preserve.

Given the nature of the Redevelopment Plan and Project, specific fiscal impacts on the taxing districts and increases in demand for services provided by those districts cannot be wholly predicted within the scope of this plan.

7.

Provisions For Amending Redevelopment Plan And Project.

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

8.

Commitment To Fair Employment Practices And Affirmative Action Plan.

The City is committed to and will require developers to follow and affirmatively implement the following principles with respect to this Redevelopment Plan and Project. However, the City may implement programs aimed at assisting small businesses, residential property owners and developers which may not be subject to these requirements.

A. The assurance of equal opportunity in all personnel and employment actions with respect to this Redevelopment Plan and Project, including, but not limited to, hiring, training, transfer, promotion, discipline, fringe benefits, salary, employment working conditions, terminations, et cetera, without regard to race, color, religion, sex, age, disability, national origin, sexual orientation, ancestry, marital status, parental status, military discharge status, source of income or housing status.

B. Meeting the City's standards for participation of twenty-four percent (24%) Minority Business Enterprises and four percent (4%) Women Business Enterprises and the City Resident Construction Worker Employment Requirement as required in redevelopment agreements.

C. The commitment to affirmative action and nondiscrimination will ensure that all members of the protected groups are sought out to compete for all job openings and promotional opportunities.

D. Meeting City standards for the hiring of City residents to work on redevelopment project construction projects.

E. Meeting City standards for any applicable prevailing wage rate as ascertained by the Illinois Department of Labor to all project employees.

[Appendix 1 referred to in this LaSalle Central Redevelopment Project Area Tax Increment Finance District Eligibility Study, Redevelopment Plan And Project constitutes Exhibit "C" to ordinance and printed on pages 92095 through 92098 of this *Journal.*]

[Map 2 referred to in this LaSalle Central Redevelopment Project Area Tax Increment Finance District Eligibility Study, Redevelopment Plan and Project constitutes Exhibit "E" to ordinance and printed on page 92099 of this *Journal.*]

[Maps 1, 3, 4A -- 4F, 5 and 6 referred to in this LaSalle Central Redevelopment Project Area Tax Increment Finance District Eligibility Study, Redevelopment Plan and Project printed on pages 92080 through 92089 of this *Journal*.]

Appendix 2 referred to in this LaSalle Central Redevelopment Project Area Tax Increment Finance District Eligibility Study, Redevelopment Plan and Project reads as follows:

Appendix 2.
(To Tax Increment Finance District Eligibility Study, Redevelopment Plan And Project For LaSalle Central Redevelopment Project Area)

Summary Of 2005 Equalized Assessed Value By Permanent Index Number (P.I.N.).

Number	Permanent Index Number	2005 Assessed Value	2005 Equalized Assessed Value
1	17-09-306-012-0000	$ 95,471	$ 260,827
2	17-09-306-014-0000	EX	EX
3	17-09-306-015-0000	25,888	70,726
4	17-09-306-016-0000	EX	EX
5	17-09-306-017-0000	181,441	495,697
6	17-09-306-018-0000	1	3
7	17-09-306-020-0000	495,001	1,352,343
8	17-09-325-002-0000	EX	EX
9	17-09-325-003-0000	EX	EX
10	17-09-326-001-0000	698,284	1,907,712
11	17-09-326-002-0000	EX	EX

Number	Permanent Index Number	2005 Assessed Value	2005 Equalized Assessed Value
12	17-09-334-001-0000	$14,231,127	$38,879,439
13	17-09-334-004-6001	EX	EX
14	17-09-334-004-6002	21,951,195	59,970,665
15	17-09-334-005-0000	24,263,721	66,288,486
16	17-09-335-002-0000	EX	EX
17	17-09-343-002-0000	EX	EX
18	17-09-343-003-0000	EX	EX
19	17-09-343-005-0000	EX	EX
20	17-09-343-007-0000	9,799,998	26,773,595
21	17-09-427-001-0000	2,164,063	5,912,220
22	17-09-427-002-0000	EX	EX
23	17-09-427-003-0000	3,334,648	9,110,258
24	17-09-427-004-0000	4,979,264	13,603,349
25	17-09-429-001-0000	2,301,725	6,288,313
26	17-09-429-002-0000	670,303	1,831,268
27	17-09-429-003-0000	669,709	1,829,645
28	17-09-429-004-0000	315,219	861,178
29	17-09-429-006-0000	1,402,070	3,830,455
30	17-09-429-015-0000	288,222	787,423
31	17-09-429-016-0000	79,821	218,071
32	17-09-440-001-0000	5,358,000	14,638,056
33	17-09-441-001-0000	25,249,999	68,982,997
34	17-09-441-002-0000	829,111	2,265,131
35	17-09-441-003-0000	829,259	2,265,536
36	17-09-441-005-0000	611,998	1,671,979

Number	Permanent Index Number	2005 Assessed Value	2005 Equalized Assessed Value
37	17-09-441-006-0000	$ 488,189	$ 1,333,732
38	17-09-442-001-0000	24,491,199	66,909,956
39	17-09-442-007-0000	480,926	1,313,890
40	17-09-442-008-0000	795,960	2,174,563
41	17-09-443-001-0000	5,716,852	15,618,440
42	17-09-443-002-0000	3,680,044	10,053,880
43	17-09-443-003-0000	4,823,414	13,177,567
44	17-09-443-004-0000	4,823,414	13,177,567
45	17-09-443-005-0000	9,106,273	24,878,338
46	17-09-446-001-0000	914,001	2,497,051
47	17-09-446-006-0000	445,835	1,218,021
48	17-09-446-007-0000	939,478	2,566,654
49	17-09-446-008-0000	EX	EX
50	17-09-446-009-0000	493,776	1,348,996
51	17-09-446-011-0000	2,480,000	6,775,360
52	17-09-446-015-1001	25,207	68,866
53	17-09-446-015-1002	40,326	110,171
54	17-09-446-015-1003	39,974	109,209
55	17-09-446-015-1004	74,339	203,094
56	17-09-446-015-1005	92,729	253,336
57	17-09-446-015-1006	92,979	254,019
58	17-09-446-015-1007	93,231	254,707
59	17-09-446-015-1008	93,481	255,390
60	17-09-446-015-1009	93,733	256,079

Number	Permanent Index Number	2005 Assessed Value	2005 Equalized Assessed Value
61	17-09-446-016-0000	$16,992,975	$46,424,808
62	17-09-447-003-8001	EX	EX
63	17-09-447-003-8002	1,368	3,737
64	17-09-447-003-8003	1,986	5,426
65	17-09-447-003-8005	3,287	8,980
66	17-09-447-003-8007	8,754	23,916
67	17-09-447-003-8008	3,351	9,155
68	17-09-447-003-8011	1,368	3,737
69	17-09-447-003-8012	1,368	3,737
70	17-09-447-003-8013	3,351	9,155
71	17-09-447-003-8015	4,104	11,212
72	17-09-447-003-8018	1,368	3,737
73	17-09-447-003-8019	1,368	3,737
74	17-09-447-003-8021	1,368	3,737
75	17-09-447-003-8022	1,368	3,737
76	17-09-447-003-8023	3,351	9,155
77	17-09-447-003-8024	1,368	3,737
78	17-09-447-003-8025	1,368	3,737
79	17-09-447-003-8026	1,986	5,426
80	17-09-447-003-8028	1,368	3,737
81	17-09-447-003-8029	1,368	3,737
82	17-09-447-003-8030	1,368	3,737
83	17-09-447-003-8039	9,690	26,473
84	17-09-452-002-0000	EX	EX

Number	Permanent Index Number	2005 Assessed Value	2005 Equalized Assessed Value
85	17-09-452-003-0000	$19,000,000	$51,908,000
86	17-09-453-007-0000	1,261,213	3,445,634
87	17-09-453-008-0000	1,222,732	3,340,504
88	17-09-453-009-0000	611,366	1,670,252
89	17-09-453-010-0000	1,222,732	3,340,504
90	17-09-453-011-0000	1,328,358	3,629,074
91	17-09-453-012-0000	615,330	1,681,082
92	17-09-453-013-0000	4,132,104	11,288,908
93	17-09-455-009-0000	7,616,901	20,809,374
94	17-09-455-013-0000	385,775	1,053,937
95	17-09-455-014-0000	535,800	1,463,806
96	17-09-455-015-0000	399,917	1,092,573
97	17-09-455-016-0000	1,125,972	3,076,156
98	17-09-455-017-0000	15,470,619	42,265,731
99	17-09-456-001-0000	18,275,844	49,929,606
100	17-09-456-002-0000	8,626,809	23,568,442
101	17-09-456-003-0000	6,485,665	17,718,837
102	17-09-456-019-0000	25,914,333	70,797,958
103	17-09-457-005-0000	1,309,555	3,577,704
104	17-09-457-006-0000	529,206	1,445,791
105	17-09-457-007-0000	3,808,758	10,405,527
106	17-09-457-008-0000	10,195,074	27,852,942
107	17-09-457-009-0000	21,347,751	58,322,056
108	17-09-457-010-0000	2,842,366	7,765,344

Number	Permanent Index Number	2005 Assessed Value	2005 Equalized Assessed Value
109	17-09-457-011-0000	$ 6,660	$ 18,195
110	17-09-458-015-0000	24,700,000	67,480,400
111	17-09-458-016-0000	3,614,350	9,874,404
112	17-09-458-017-0000	4,393,730	12,003,670
113	17-09-459-001-0000	12,601,256	34,426,631
114	17-09-460-001-0000	6,251,147	17,078,134
115	17-16-104-008-6001	EX	EX
116	17-16-104-008-6002	881,222	2,407,499
117	17-16-115-004-6004	44,766	122,301
118	17-16-121-002-0000	EX	EX
119	17-16-121-003-6001	EX	EX
120	17-16-121-003-6002	38,910,171	106,302,587
121	17-16-202-001-0000	EX	EX
122	17-16-202-002-0000	EX	EX
123	17-16-202-003-0000	1,952,822	5,335,110
124	17-16-202-004-0000	1,952,822	5,335,110
125	17-16-202-005-0000	1,952,822	5,335,110
126	17-16-202-006-0000	476,872	1,302,814
127	17-16-202-007-0000	476,870	1,302,809
128	17-16-202-008-0000	806,240	2,202,648
129	17-16-202-009-0000	97,824	267,255
130	17-16-202-010-0000	446,564	1,220,013
131	17-16-202-011-0000	446,564	1,220,013
132	17-16-202-012-0000	1,180,595	3,225,386

Number	Permanent Index Number	2005 Assessed Value	2005 Equalized Assessed Value
133	17-16-202-013-0000	$ 6,989,914	$19,096,445
134	17-16-202-014-0000	5,909,764	16,145,475
135	17-16-202-020-0000	6,589,430	18,002,323
136	17-16-202-021-0000	6,651,332	18,171,439
137	17-16-203-001-0000	8,349,280	22,810,233
138	17-16-203-002-0000	4,748,427	12,972,703
139	17-16-203-003-0000	10,735,936	29,330,577
140	17-16-203-004-0000	18,465,017	50,446,426
141	17-16-203-005-0000	8,954,563	24,463,866
142	17-16-203-006-0000	8,333,320	22,766,630
143	17-16-203-007-0000	4,268,927	11,662,709
144	17-16-203-008-0000	7,671,444	20,958,415
145	17-16-203-009-0000	11,108,828	30,349,318
146	17-16-203-010-0000	7,473,855	20,418,572
147	17-16-203-011-0000	7,580,255	20,709,257
148	17-16-203-024-0000	11,118,169	30,374,838
149	17-16-203-025-0000	5,984,413	16,349,416
150	17-16-204-001-0000	5,482,193	14,977,351
151	17-16-204-003-0000	2,163,786	5,911,463
152	17-16-204-005-0000	3,509,999	9,589,317
153	17-16-204-024-0000	3,950,000	10,791,400
154	17-16-204-030-0000	1,560,772	6,996,029
155	17-16-204-031-0000	883,500	2,413,722
156	17-16-206-017-0000	9,256,000	25,287,392

Number	Permanent Index Number	2005 Assessed Value	2005 Equalized Assessed Value
157	17-16-207-003-0000	EX	EX
158	17-16-207-004-0000	$17,954,235	$49,050,970
159	17-16-207-005-0000	16,545,765	45,203,030
160	17-16-208-006-0000	2,944,193	8,043,535
161	17-16-208-007-0000	2,944,193	8,043,535
162	17-16-208-008-0000	3,169,913	8,660,202
163	17-16-208-009-0000	1,223,661	3,343,042
164	17-16-208-010-0000	943,395	2,577,355
165	17-16-208-011-0000	2,115,756	5,780,245
166	17-16-208-012-0000	5,684,843	15,530,991
167	17-16-208-013-0000	4,228,918	11,553,404
168	17-16-208-014-0000	2,888,000	7,890,016
169	17-16-208-015-0000	3,861,431	10,549,429
170	17-16-208-017-0000	1,312,453	3,585,622
171	17-16-209-005-0000	616,310	1,683,759
172	17-16-209-006-0000	259,190	708,107
173	17-16-209-007-0000	234,694	641,184
174	17-16-209-008-0000	56,160,002	153,429,125
175	17-16-209-009-0000	8,336,357	22,774,927
176	17-16-209-010-0000	2,233,069	6,100,745
177	17-16-209-011-0000	13,972,880	38,173,908
178	17-16-209-012-0000	98,286,449	268,518,579
179	17-16-209-013-0000	228,553	624,407
180	17-16-210-007-0000	19,586,584	53,510,547

Number	Permanent Index Number	2005 Assessed Value	2005 Equalized Assessed Value
181	17-16-210-008-0000	$ 320,408	$ 875,355
182	17-16-210-009-0000	184,668	504,513
183	17-16-210-012-0000	223,075	609,441
184	17-16-210-013-0000	503,424	1,375,354
185	17-16-210-014-0000	9,598,420	26,222,883
186	17-16-210-015-0000	12,685,384	34,656,469
187	17-16-210-016-0000	5,496,419	15,016,217
188	17-16-210-017-0000	9,880,934	26,994,712
189	17-16-210-019-0000	EX	EX
190	17-16-210-020-0000	696,848	1,903,789
191	17-16-210-021-0000	3,179,129	8,685,380
192	17-16-211-001-0000	4,324,041	11,813,280
193	17-16-211-002-0000	4,092,094	11,179,601
194	17-16-211-003-0000	13,033,013	35,606,192
195	17-16-211-004-0000	7,227,474	19,745,459
196	17-16-211-007-0000	2,217,168	6,057,303
197	17-16-211-008-0000	2,217,168	6,057,303
198	17-16-211-009-0000	37,507,202	102,464,676
199	17-16-211-010-0000	5,739,034	15,679,041
200	17-16-212-001-0000	916,605	2,504,165
201	17-16-212-002-0000	527,126	1,440,108
202	17-16-212-003-0000	527,126	1,440,108
203	17-16-212-004-0000	527,126	1,440,108
204	17-16-212-005-0000	527,126	1,440,108

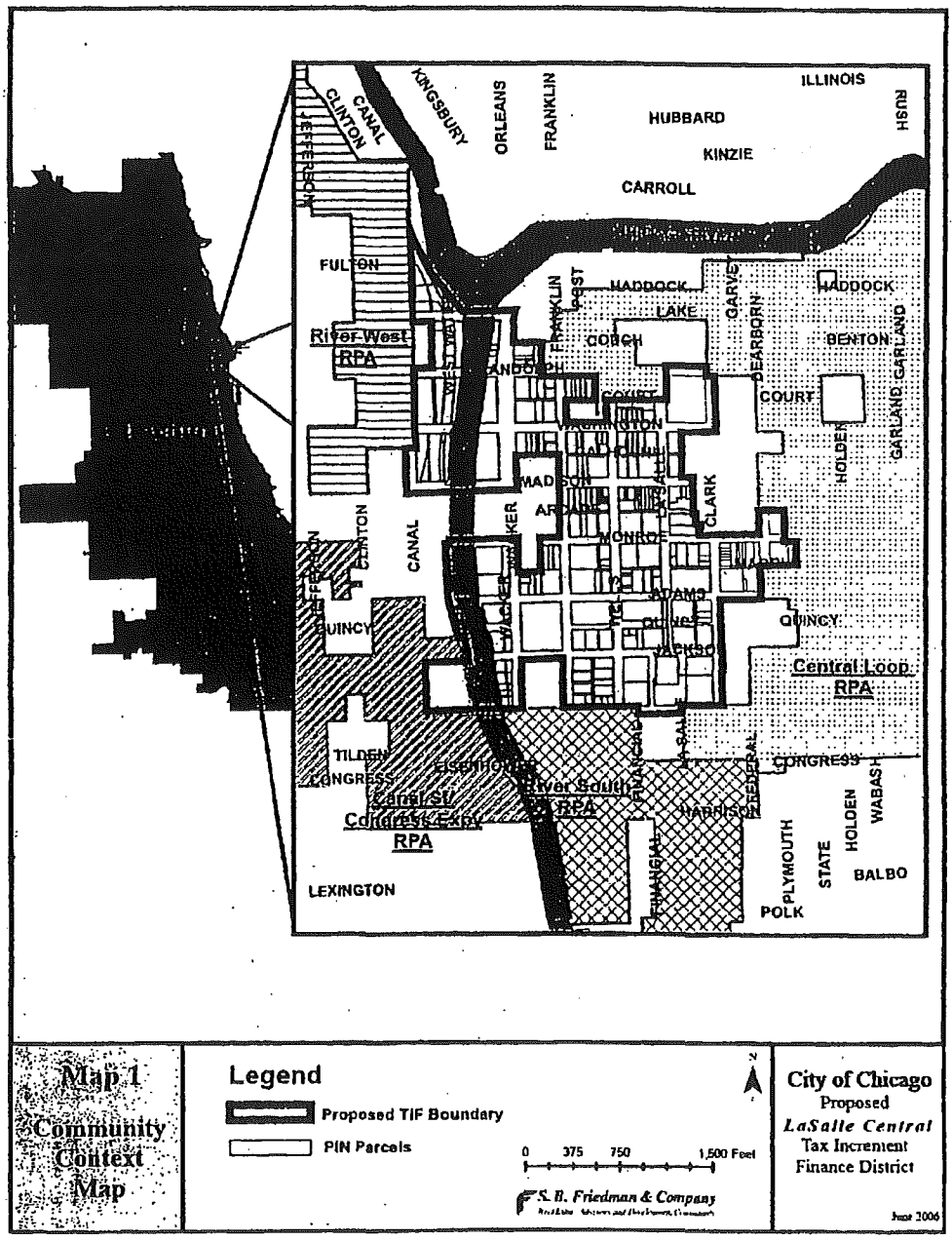
Number	Permanent Index Number	2005 Assessed Value	2005 Equalized Assessed Value
205	17-16-212-006-0000	$ 1,074,887	$ 2,936,591
206	17-16-212-007-0000	1,141,887	3,118,991
207	17-16-212-008-0000	505,832	1,381,933
208	17-16-212-009-0000	3,692,862	10,088,899
209	17-16-212-010-0000	3,715,320	10,150,254
210	17-16-212-011-0000	13,198,380	36,057,974
211	17-16-212-012-0000	4,193,436	11,456,467
212	17-16-212-014-0000	499,647	1,365,036
213	17-16-212-015-0000	4,560,156	12,458,346
214	17-16-212-016-0000	EX	EX
215	17-16-212-017-0000	EX	EX
216	17-16-212-018-0000	1,220,000	3,333,040
217	17-16-213-017-8001	EX	EX
218	17-16-213-017-8002	7,130,403	19,480,261
219	17-16-213-021-0000	6,215,652	16,981,161
220	17-16-214-002-0000	33,105,164	90,443,308
221	17-16-214-003-0000	EX	EX
222	17-16-215-002-0000	5,038,321	13,764,693
223	17-16-215-003-0000	EX	EX
224	17-16-216-009-0000	189,999,995	519,079,986
225	17-16-218-001-0000	9,674,999	26,432,097
226	17-16-219-001-0000	EX	EX
227	17-16-219-007-0000	15,655,488	42,770,793
228	17-16-219-008-0000	3,101,271	8,472,672

Number	Permanent Index Number	2005 Assessed Value	2005 Equalized Assessed Value
229	17-16-220-001-0000	$16,720,000	$45,679,040
230	17-16-220-002-0000	EX	EX
231	17-16-221-001-0000	778,080	2,125,715
232	17-16-221-002-0000	808,410	2,208,576
233	17-16-221-003-0000	3,586,104	9,797,236
234	17-16-221-004-0000	2,375,556	6,490,019
235	17-16-221-005-0000	8,271,300	22,597,192
236	17-16-221-006-0000	EX	EX
237	17-16-222-003-0000	3,785,875	10,343,011
238	17-16-222-004-0000	1,914,440	5,230,141
239	17-16-222-005-0000	1,299,725	3,550,849
240	17-16-222-006-0000	10,571,243	28,880,636
241	17-16-222-009-0000	7,017,836	19,172,728
242	17-16-222-010-0000	16,184,395	44,215,767
243	17-16-226-005-0000	5,715,091	15,613,629
244	17-16-226-006-0000	EX	EX
245	17-16-226-008-0000	EX	EX
246	17-16-226-009-0000	EX	EX
247	17-16-226-011-0000	EX	EX
248	17-16-226-012-0000	7,686,218	20,998,748
249	17-16-226-013-0000	662,811	1,810,800
250	17-16-228-001-0000	3,253,269	8,887,931
251	17-16-228-002-0000	EX	EX
252	17-16-228-003-0000	907,924	2,480,448

Number	Permanent Index Number	2005 Assessed Value	2005 Equalized Assessed Value
253	17-16-228-004-0000	$ 2,845,214	$ 7,773,125
254	17-16-228-005-0000	159,413	435,516
255	17-16-228-010-0000	3,000,000	8,196,000
256	17-16-228-011-0000	1,087,120	2,970,012
257	17-16-228-012-0000	1,790,067	4,890,463
258	17-16-228-013-0000	791,039	2,161,119
259	17-16-228-014-0000	601,998	1,644,659
260	17-16-228-015-0000	588,002	1,606,421
261	17-16-228-016-0000	1,849,774	5,053,583
262	17-16-228-017-0000	1,692,922	4,625,063
263	17-16-229-001-0000	29,549,461	80,729,127
264	17-16-229-002-0000	27,927,165	76,297,015
265	17-16-230-003-0000	9,838,961	26,880,041
266	17-16-230-004-0000	14,134,740	38,616,110
267	17-16-231-010-0000	11,197,889	30,592,633
268	17-16-231-011-0000	11,257,500	30,755,490
269	17-16-500-017-0000	1,412,898	3,860,037
270	17-16-500-022-0000	2,465,877	6,736,776
271	17-16-500-023-0000	EX	EX
272	17-16-500-025-0000	EX	EX
273	17-16-500-031-0000	EX	EX
	TOTAL:	$1,527,730,358	$4,173,759,338

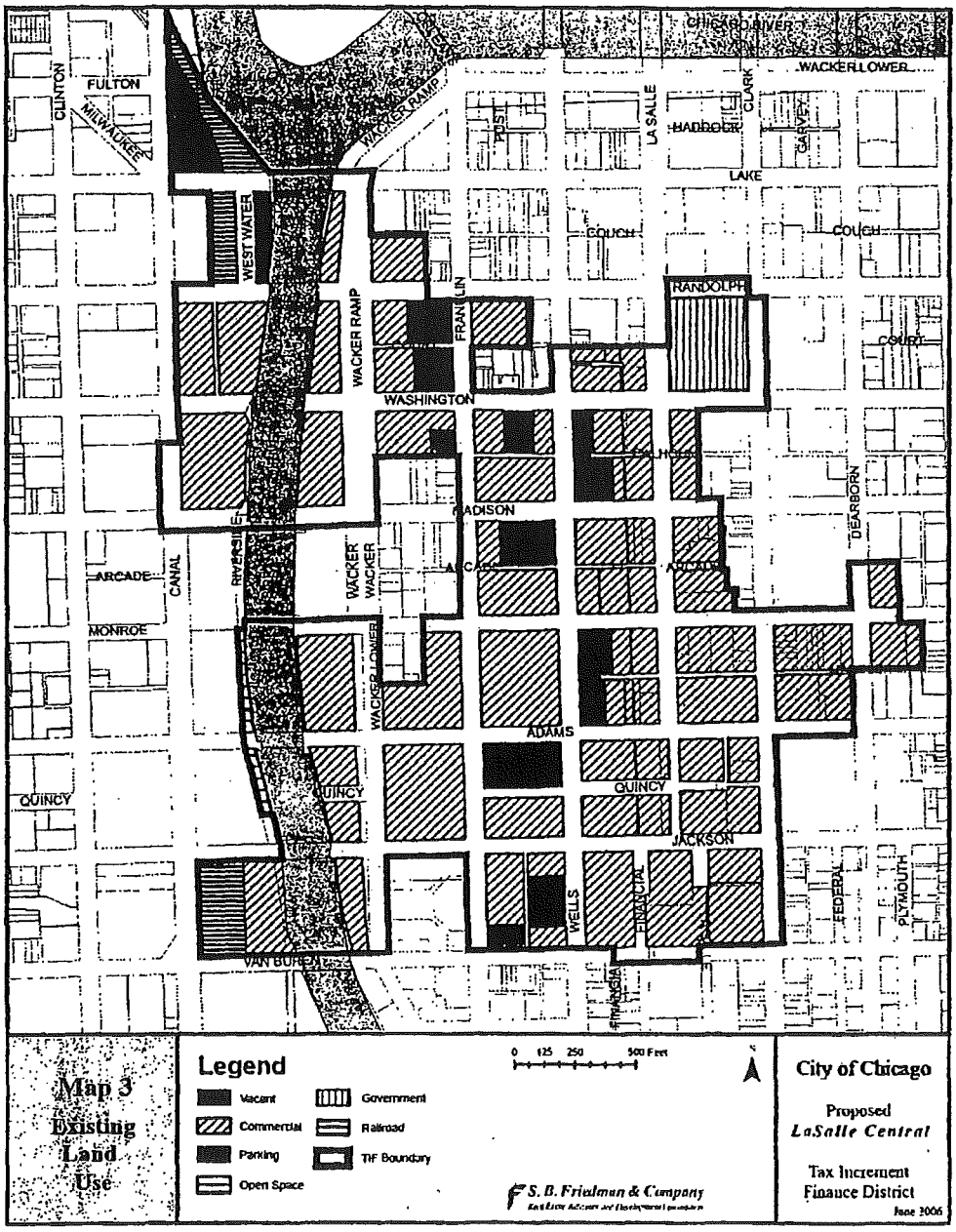
Map 1.
(To Tax Increment Finance District Eligibility Study, Redevelopment Plan And Project For LaSalle Central Redevelopment Project Area)

Community Context.



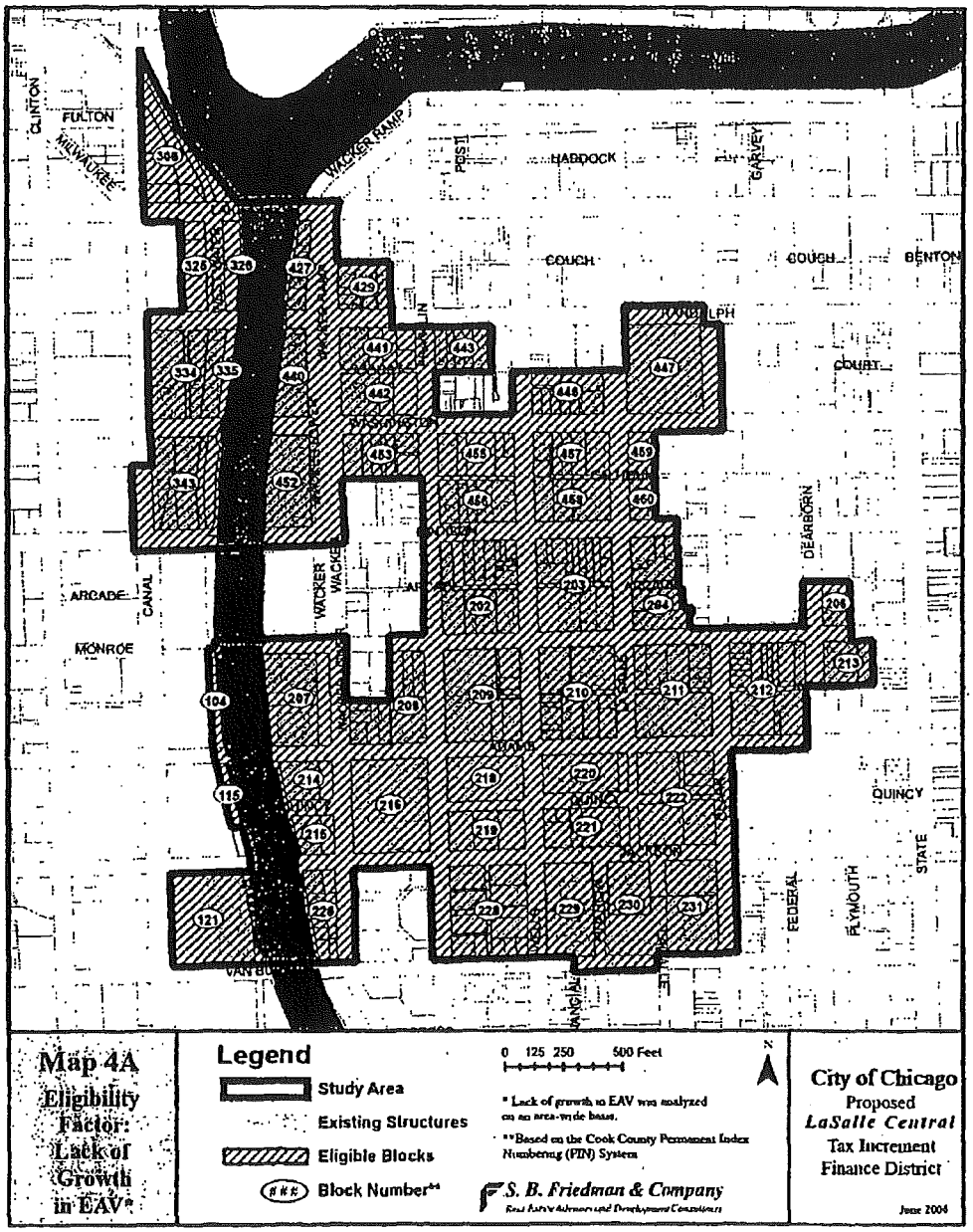
Map 3.
(To Tax Increment Finance District Eligibility Study, Redevelopment Plan And Project For LaSalle Central Redevelopment Project Area)

Existing Land-Use.



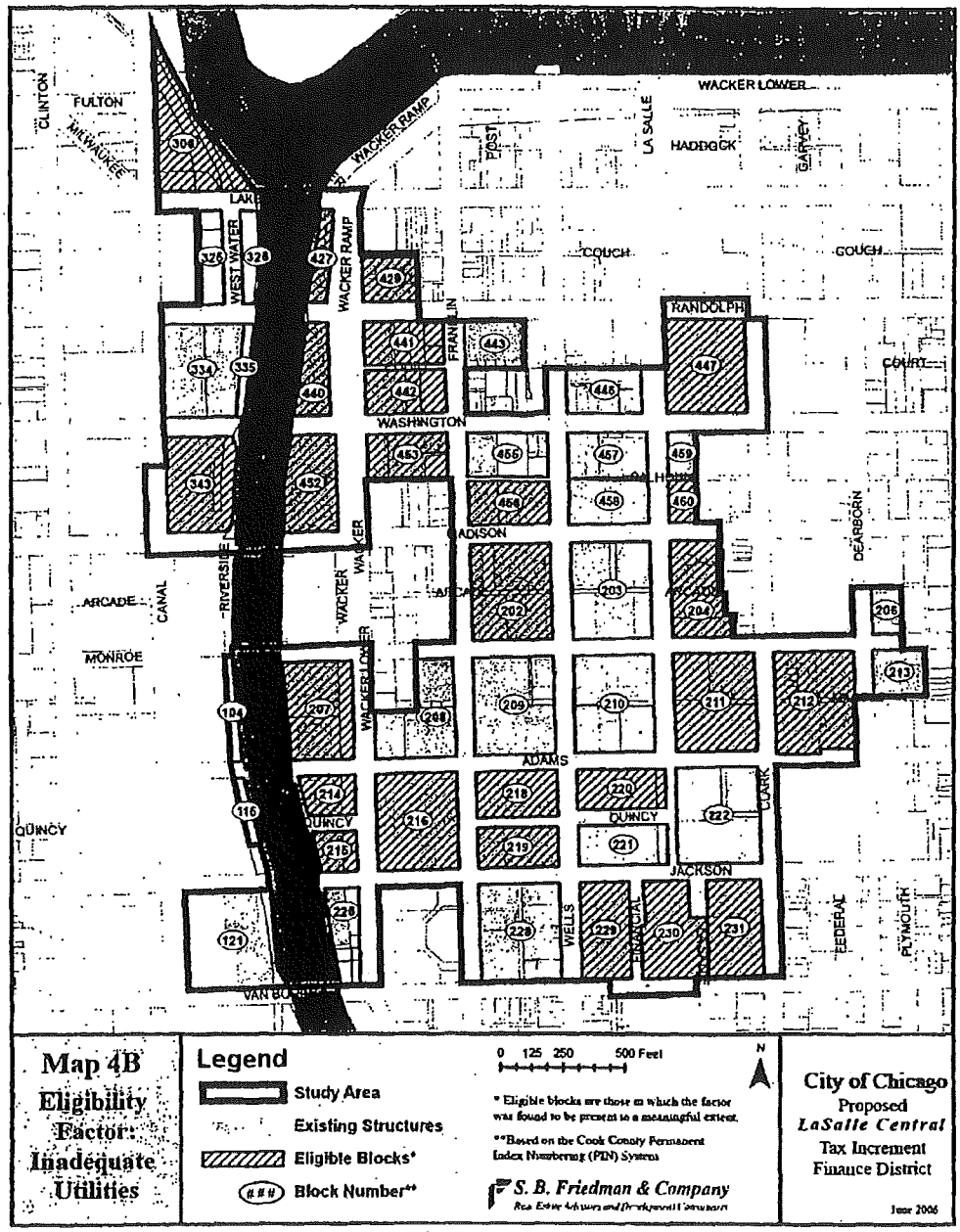
Map 4A.
(To Tax Increment Finance District Eligibility Study, Redevelopment Plan And Project For LaSalle Central Redevelopment Project Area)

Eligibility Factor -- Lack Of Growth In E.A.V.



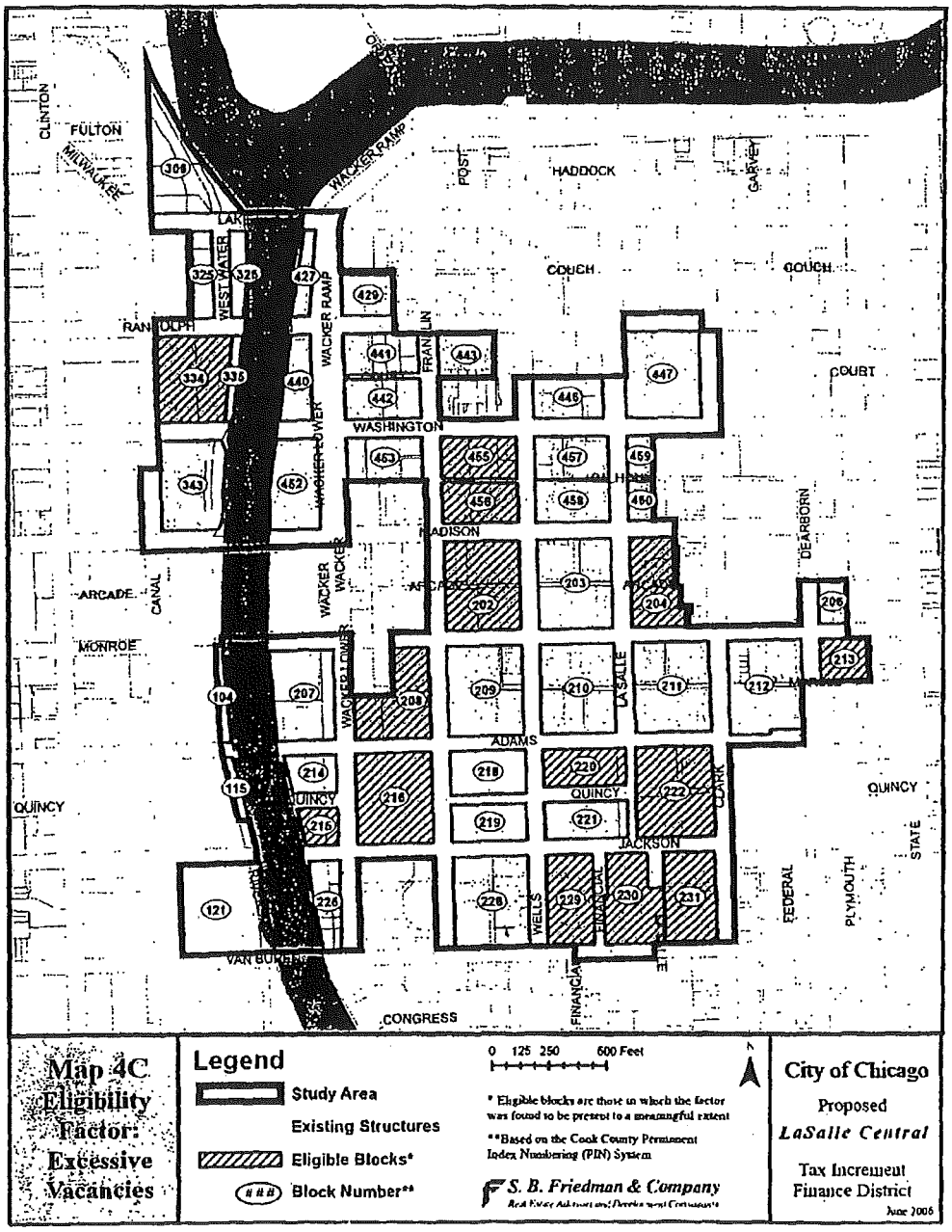
Map 4B.
(To Tax Increment Finance District Eligibility Study, Redevelopment Plan And Project For LaSalle Central Redevelopment Project Area)

Eligibility Factor – Inadequate Utilities.



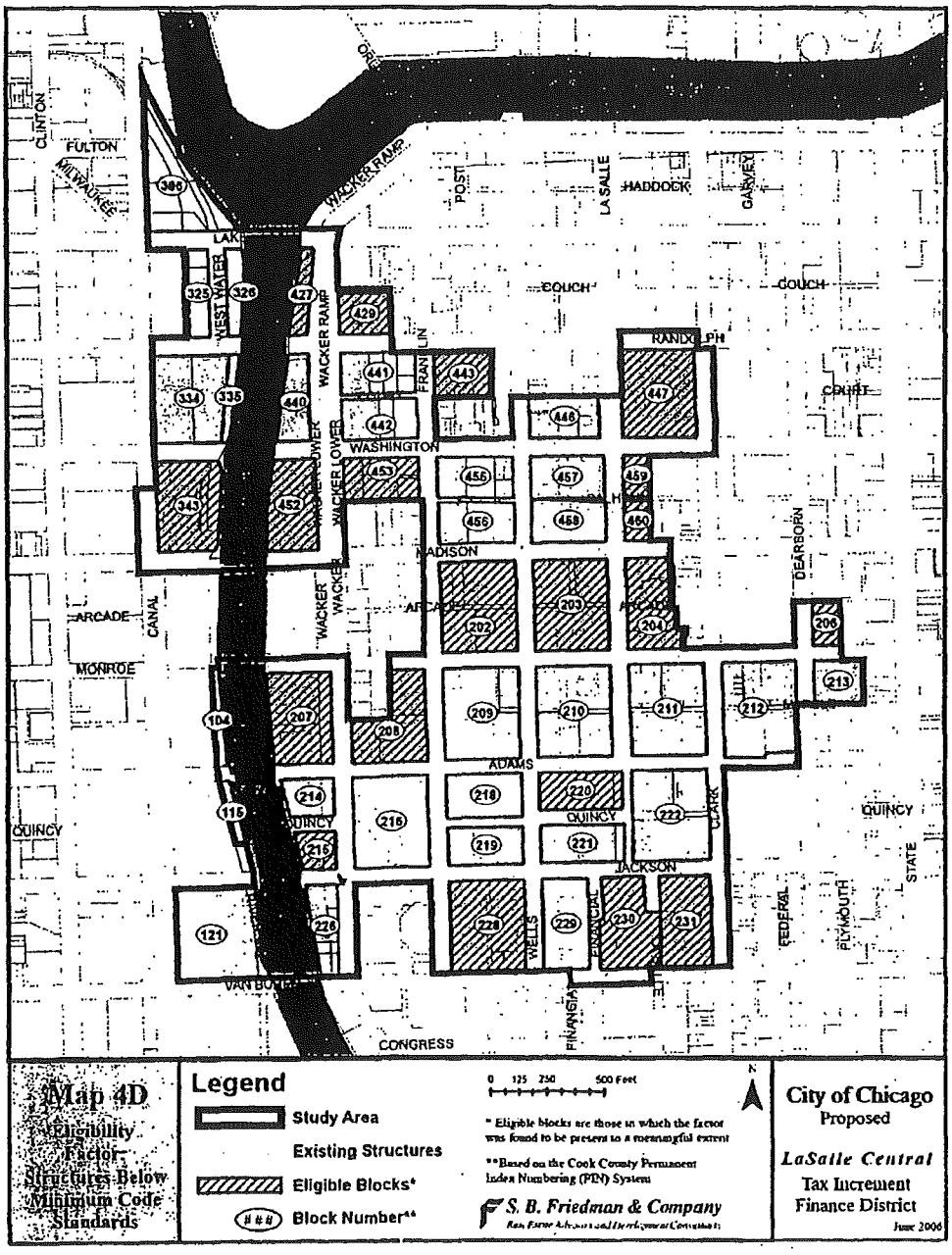
Map 4C.
(To Tax Increment Finance District Eligibility Study, Redevelopment Plan And Project For LaSalle Central Redevelopment Project Area)

Eligibility Factor -- Excessive Vacancies.



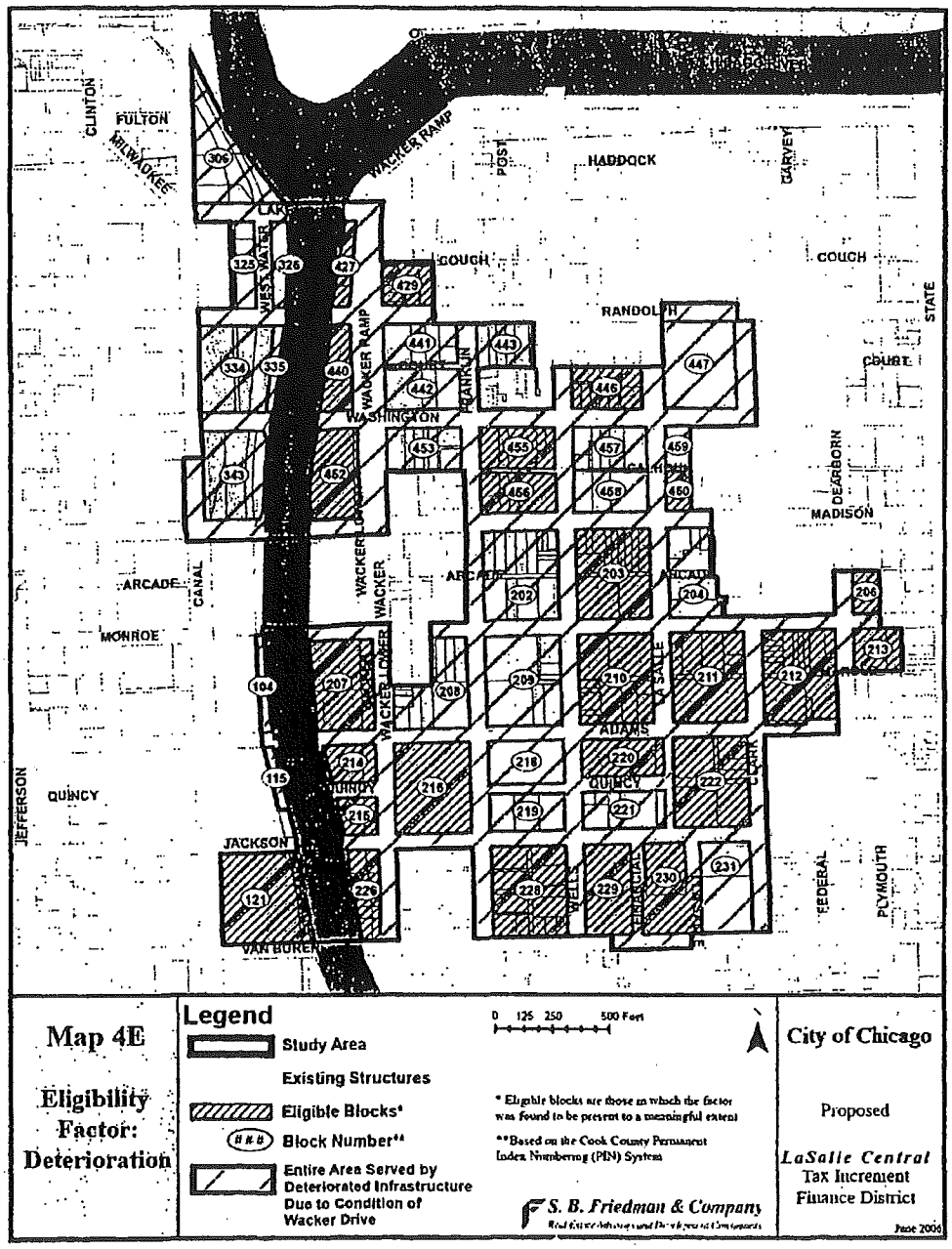
Map 4D.
(To Tax Increment Finance District Eligibility Study, Redevelopment Plan And Project For LaSalle Central Redevelopment Project Area)

Eligibility Factor – Structures Below Minimum Code Standards.



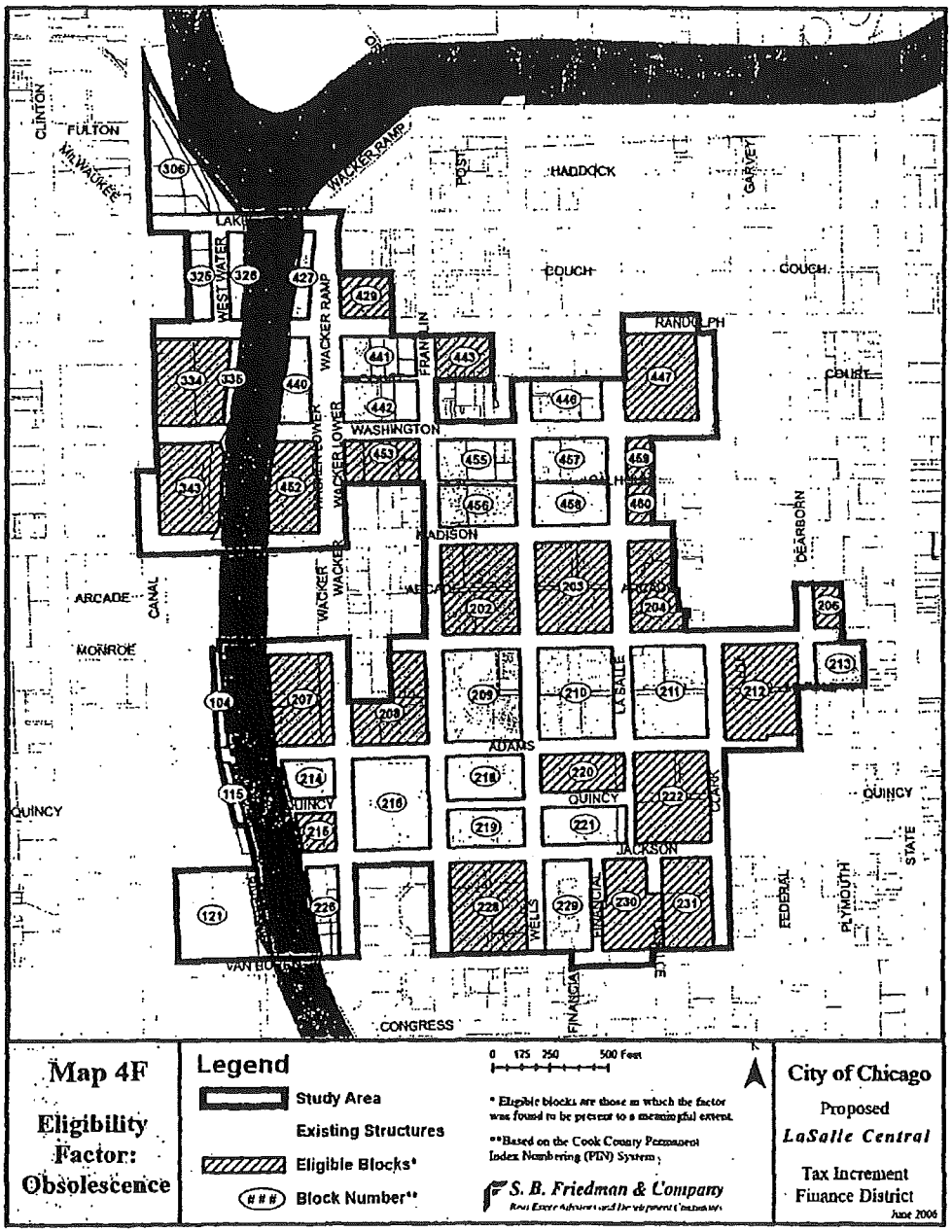
Map 4E.
(To Tax Increment Finance District Eligibility Study, Redevelopment Plan And Project For LaSalle Central Redevelopment Project Area)

Eligibility Factor -- Deterioration.



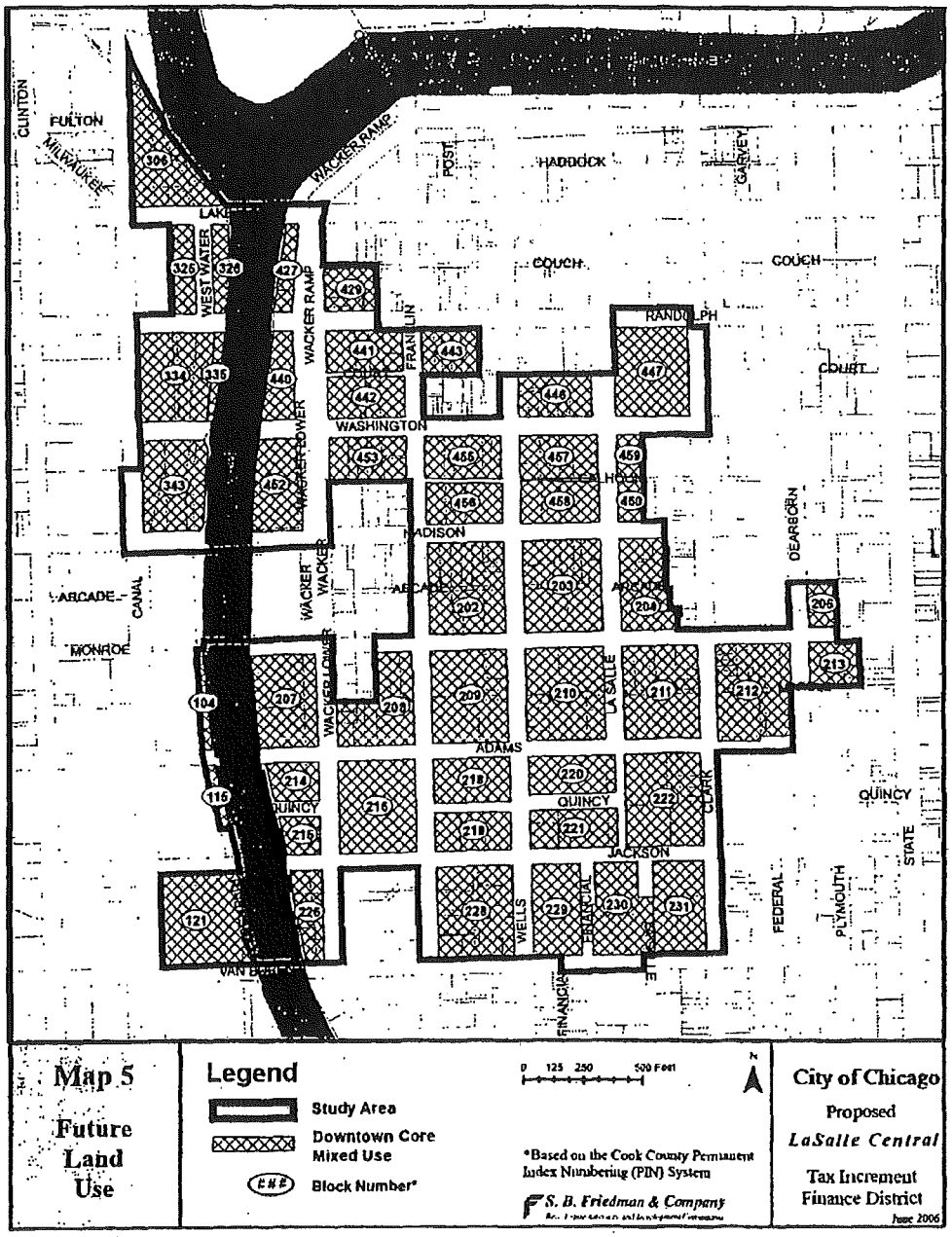
Map 4F.
(To Tax Increment Finance District Eligibility Study, Redevelopment Plan And Project For LaSalle Central Redevelopment Project Area)

Eligibility Factor – Obsolescence.



Map 5.
(To Tax Increment Finance District Eligibility Study, Redevelopment Plan And Project For LaSalle Central Redevelopment Project Area)

Future Land-Use.



Map 6.
(To Tax Increment Finance District Eligibility Study, Redevelopment Plan And Project For LaSalle Central Redevelopment Project Area)

Community Facilities.

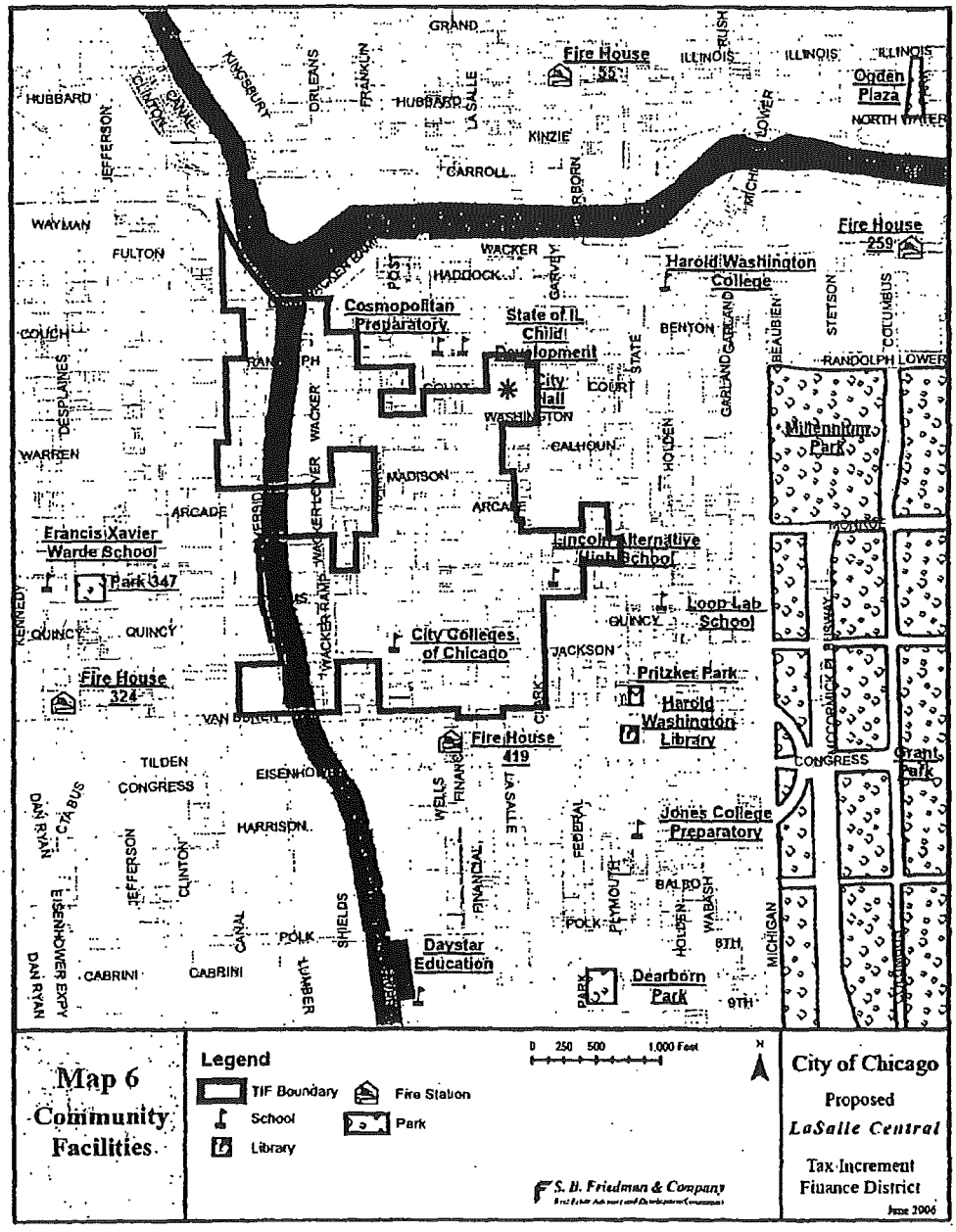


Exhibit "B".
(To Ordinance)

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 twelfth (12th) day of September, 2006, 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 twelfth (12th) day of September, 2006.

(Signed) Jennifer Rampke
Executive Secretary

Resolution 06-CDC-72 referred to in this Certificate reads as follows:

Community Development Commission
Of The
City Of Chicago

Resolution 06-CDC-72

Recommending To
The City Council Of The City Of Chicago

For The Proposed
LaSalle Central Redevelopment Project Area:

Approval Of A Redevelopment Plan,

Designation As A Redevelopment Project Area

And

Adoption Of Tax Increment Allocation Financing.

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 ("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) pursuant to 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.) (the "Act"); and

Whereas, The Commission is empowered by the Corporate Authorities to exercise certain powers set forth in Section 5/11-74.4-4(k) of the Act, including the holding of certain public hearings required by the Act; and

Whereas, Staff of the City's Department of Planning and Development has conducted or caused to be conducted certain investigations, studies and surveys of the LaSalle Central area, the street boundaries of which are described on (Sub)Exhibit A hereto (the "Area"), to determine the eligibility of the Area as a redevelopment project area as defined in the Act (a "Redevelopment Project Area") and for tax increment allocation financing pursuant to the Act ("Tax Increment Allocation Financing"), and previously has presented the following documents to the Commission for its review:

LaSalle Central Redevelopment Project Area Tax Increment Finance District Eligibility Study, Redevelopment Plan and Project (the "Report") and (the "Plan"); and

Whereas, Prior to the adoption by the Corporate Authorities of ordinances approving a redevelopment plan, designating an area as a redevelopment project area or adopting tax increment allocation financing for an area, it is necessary that the Commission hold a public hearing (the "Hearing") pursuant to Section 5/11-74.4-5(a) of the Act, convene a meeting of a joint review board (the "Board") pursuant to Section 5/11-74.4-5(b) of the Act, set the dates of such Hearing and Board meeting and give notice thereof pursuant to Section 5/11-74.4-6 of the Act; and

Whereas, The Report and Plan were made available for public inspection and review since June 30, 2006, being a date not less than ten (10) days before the

Commission meeting at which the Commission adopted Resolution 60-CDC-06 on July 11, 2006 fixing the time and place for the Hearing, at City Hall, 121 North LaSalle Street, Chicago, Illinois, in the following offices: City Clerk, Room 107 and Department of Planning and Development, Room 1000; and

Whereas, Notice of the availability of the Report and Plan, including how to obtain this information, were sent by mail on July 21, 2006, which is within a reasonable time after the adoption by the Commission of Resolution 60-CDC-06 to: (a) all residential addresses that, after a good faith effort, were determined to be (i) located within the Area and (ii) located outside the proposed Area and within seven hundred fifty (750) feet of the boundaries of the Area (or, if applicable, were determined to be the seven hundred fifty (750) residential addresses that were outside the proposed Area and closest to the boundaries of the Area); and (b) organizations and residents that were registered interested parties for such Area; and

Whereas, Notice of the Hearing by publication was given at least twice, the first publication being on August 18, 2006 a date which is not more than thirty (30) nor less than ten (10) days prior to the Hearing, and the second publication being on August 25, 2006, both in the *Chicago Sun-Times* or the *Chicago Tribune,* being newspapers of general circulation within the taxing districts having property in the Area; and

Whereas, Notice of the Hearing was given by mail to taxpayers by depositing such notice in the United States mail by certified mail addressed to the persons in whose names the general taxes for the last preceding year were paid on each lot, block, tract or parcel of land lying within the Area, on August 15, 2006, being a date not less than ten (10) days prior to the date set for the Hearing; and where taxes for the last preceding year were not paid, notice was also mailed to the persons last listed on the tax rolls as the owners of such property within the preceding three (3) years; and

Whereas, Notice of the Hearing was given by mail to the Illinois Department of Commerce and Economic Opportunity ("D.C.E.O.") and members of the Board (including notice of the convening of the Board), by depositing such notice in the United States mail by certified mail addressed to D.C.E.O. and all Board members, on July 19, 2006, being a date not less than forty-five (45) days prior to the date set for the Hearing; and

Whereas, Notice of the Hearing and copies of the Report and Plan were sent by mail to taxing districts having taxable property in the Area, by depositing such notice and documents in the United States mail by certified mail addressed to all taxing districts having taxable property within the Area, on July 19, 2006, being a date not less than forty-five (45) days prior to the date set for the Hearing; and

Whereas, The Hearing was held on September 12, 2006 at 1:00 P.M. at City Hall, Council Chambers, 121 North Lasalle Street, Chicago, Illinois, as the official public

hearing, and testimony was heard from all interested persons or representatives of any affected taxing district present at the Hearing and wishing to testify, concerning the Commission's recommendation to City Council regarding approval of the Plan, designations of the Area as a Redevelopment Project Area and adoption of Tax Increment Allocation Financing within the Area; and

Whereas, The Board meeting was convened on August 4, 2006 at 10:00 A.M. (being a date at least fourteen (14) days but not more than twenty-eight (28) days after the date of the mailing of the notice to the taxing districts on July 19, 2006) in Room 1003A, City Hall, 121 North LaSalle Street, Chicago, Illinois, to review the matters properly coming before the Board to allow it to provide its advisory recommendation regarding the approval of the Plan, designation of the Area as a Redevelopment Project Area, adoption of Tax Increment Allocation Financing within the Area and other matters, if any, properly before it, all in accordance with Section 5/11-74.4-5(b) of the Act; and

Whereas, The Commission has reviewed the Report and Plan, considered testimony from the Hearing, if any, the recommendation of the Board, if any, and such other matters or studies as the Commission deemed necessary or appropriate in making the findings set forth herein and formulating its decision whether to recommend to City Council approval of the Plan, designation of the Area as a Redevelopment Project Area and adoption of Tax Increment Allocation Financing within the Area; 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 makes the following findings pursuant to Section 5/11-74.4-3(n) of the Act or such other section as if referenced herein:

a. the Area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be expected to be developed without the adoption of the Plan;

b. the Plan:

(i) conforms to the comprehensive plan for the development of the City as a whole; or

(ii) the Plan either (A) conforms to the strategic economic development or redevelopment plan issued by the Chicago Plan Commission or (B) includes land uses that have been approved by the Chicago Plan Commission;

c. the Plan meets all of the requirements of a redevelopment plan as defined in the Act and, as set forth in the Plan, the estimated date of completion of the projects described therein and retirement of all obligations issued to finance redevelopment project costs is not later than December 31 of the year in which the payment to the municipal treasurer as provided in subsection (b) of Section 5/11-74.4-8 of the Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year following the year of the adoption of the ordinance approving the designation of the Area as a redevelopment project area and, as required pursuant to Section 5/11-74.4-7 of the Act, no such obligation shall have a maturity date greater than twenty (20) years;

d. to the extent required by Section 5/11-74.4-3(n)(6) of the Act, the Plan incorporates the housing impact study, if such study is required by Section 5/11-74.4-3(n)(5) of the Act;

e. the Plan will not result in displacement of residents from inhabited units;

f. the Area includes only those contiguous parcels of real property and improvements thereon that are to be substantially benefitted by proposed Plan improvements, as required pursuant to Section 5/11-74.4-4(a) of the Act;

g. as required pursuant to Section 5/11-74.4-3(p) of the Act:

(i) the Area is not less, in the aggregate, than one and one-half (1½) acres in size; and

(ii) conditions exist in the Area that cause the Area to qualify for designation as a redevelopment project area as defined in the Act;

h. if the Area is qualified as a "blighted area", whether improved or vacant, each of the factors necessary to qualify the Area as a Redevelopment Project Area on that basis is (i) present, with that presence documented to a meaningful extent so that it may be reasonably found that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the improved part or vacant part, as applicable, of the Area as required pursuant to Section 5/11-74.4-3(a) of the Act;

i. if the Area is qualified as a "conservation area", the combination of the factors necessary to qualify the Area as a redevelopment project area on that basis is detrimental to the public health, safety, morals or welfare, and the Area may become a blighted area; [and]

Section 3. The Commission recommends that the City Council approve the Plan pursuant to Section 5/11-74.4-4 of the Act.

Section 4. The Commission recommends that the City Council designate the Area as a Redevelopment Project Area pursuant to Section 5/11-74.4-4 of the Act.

Section 5. The Commission recommends that the City Council adopt Tax Increment Allocation Financing within the Area.

Section 6. 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 7. All resolutions, motions or orders in conflict with this resolution are hereby repealed to the extent of such conflict.

Section 8. This resolution shall be effective as of the date of its adoption.

Section 9. A certified copy of this resolution shall be transmitted to the City Council.

Adopted: September 12, 2006.

[(Sub)Exhibit "A" referred to in this Resolution 06-CDC-72 unavailable at time of printing.]

Exhibit "C".
(To Ordinance)

LaSalle Central Tax Increment Financing (T.I.F.) District.

That part of the south half of Section 9, together with that part of the north half of Section 16, Township 39 North, Range 14 East of the Third Principal Meridian all taken as a tract of land bounded and described as follows:

beginning at the point of intersection of the east line of Canal Street with the south line of Lake Street in the east half of the southwest quarter of Section 9, Township 39 North, Range 14 East of the Third Principal Meridian, and running; thence east along said south line of Lake Street to the northerly extension of the east line of the 18 foot wide alley east of Canal Street; thence south along said northerly extension of the east line of the 18 foot wide alley east of Canal Street and the east line thereof to the north line of Randolph Street; thence west along

said north line of Randolph Street to the east line of Canal Street; thence south along said east line of Canal Street to the easterly extension of the north line of the south 275.06 feet of Block 50 in the Original Town of Chicago in Section 9; thence west along said easterly extension of the north line of the south 275.06 feet of Block 50 in the Original Town of Chicago to the west line of Canal Street; thence south along said west line of Canal Street to the south line of Madison Street; thence east along said south line of Madison Street to the east line of Wacker Drive; thence north along said east line of Wacker Drive to the south line of Calhoun Place; thence east along said south line of Calhoun Place to the west line of Franklin Street; thence south along said west line of Franklin Street to the north line of Monroe Street; thence west along said north line of Monroe Street to the northerly extension of the west line of the easterly 18 feet of Lot 2 in Block 82 of School Section Addition to Chicago in Section 16; thence south along said northerly extension of the west line of the easterly 18 feet of Lot 2 in Block 82 and the west line thereof to the south line of said Lot 2; thence west along said south line of Lot 2 in Block 82 and the westerly extension thereof to the east line of Wacker Drive; thence north along said east line of Wacker Drive to the north line of Monroe Street; thence west along said north line of Monroe Street to the west line of the south branch of the Chicago River; thence south along said west line of the south branch of the Chicago River to the north line of Lot 4 in Railroad Companies' Resubdivision of Blocks 62 to 76, inclusive, 78, parts of 61 and 71, and certain vacated streets and alleys in School Section Addition to Chicago in Section 16; thence west along said north line of Lot 4 to the westerly line thereof; thence southeasterly along said westerly line of Lot 4 to the southwesterly corner thereof; thence southeasterly along a straight line to the northwesterly corner of Lot 5 in said Railroad Companies' Resubdivision in Section 16; thence southeasterly along the westerly line of said Lot 5 to an angle point on said westerly line; thence southeasterly along said westerly line of Lot 5 to a point on said westerly line, said point lying 121.21 feet northwesterly of the southwesterly corner of Lot 5; thence east along a straight line parallel with and 121.21 north of the south line of said Lot 5 to the westerly line of the south branch of the Chicago River; thence southeasterly along said westerly line of the south branch of the Chicago River to the north line of Jackson Boulevard; thence south along a straight line to the south line of Jackson Boulevard; thence west along said south line of Jackson Boulevard to the east line of Canal Street; thence south along said east line of Canal Street to the north line of Van Buren Street; thence east along said north line of Van Buren Street to the east line of Wacker Drive; thence north along said east line of Wacker Drive to the south line of Jackson Boulevard; thence east along said south line of Jackson Boulevard to the west line of Franklin Street; thence south along said west line of Franklin Street to the north line of Van Buren Street; thence east along said north line of Van Buren Street to the northerly extension of the east line of the 12 foot wide alley east of Wells Street; thence south along said northerly extension of the east line of the 12 foot wide alley east of Wells Street to the south line of Van Buren Street; thence east along said south line of Van Buren Street to the west line of Lasalle Street; thence north along the

northerly extension of the west line of Lasalle Street to the north line of Van Buren Street; thence east along said north line of Van Buren Street to the east line of Clark Street; thence north along said east line of Clark Street to the easterly extension of the south line of Lot 7 in the subdivision of Block 116 of School Section Addition to Chicago in Section 16; thence west along said easterly extension of the south line of Lot 7 and the south line thereof to the east line of the 20 foot wide alley west of Clark Street; thence north along said east line of the 20 foot wide alley west of Clark Street to the south line of Adams Street; thence east along said south line of Adams Street to the east line of Clark Street; thence north along said east line of Clark Street to the north line of Marble Place; thence west along said north line of Marble Place to the east line of Lot 2 in Block 117 in School Section Addition to Chicago in Section 16; thence north along said east line of Lot 2 in Block 117 to the south line of Monroe Street; thence east along said south line of Monroe Street to the southerly extension of the east line of Lot 21 in Assessor's Division of Block 118 of School Section Addition in Section 16; thence north along said southerly extension of the east line of Lot 21 to the north line of Monroe Street; thence north along the east line of said Lot 21 and the northerly extension thereof to the south line of Lot 33 in said Assessor's Division of Block 118 of School Section Addition in Section 16; thence west along said south line of Lot 33 to the west line thereof; thence north along said west line of Lot 33 to the south line of Lot 14 in Assessor's Division of Block 118 of School Section Addition in Section 16; thence west along said south line of Lot 14 to the east line of the 10 foot wide alley west of Clark Street; thence north along said east line of the 10 foot wide alley west of Clark Street and the northerly extension thereof to the north line of Madison Street; thence west along said north line of Madison Street to the east line of the 9 foot wide alley west of Clark Street; thence north along said east line of the 9 foot wide alley west of Clark Street to the south line of the 18 foot wide alley south of Washington Street; thence north along a straight line to the southeast corner of the parcel of land bearing Permanent Index Number 17-9-459-001; thence north along the east line of the parcel of land bearing Permanent Index Number 17-9-459-001 to the south line of Washington Street; thence east along said south line of Washington Street to the east line of Clark Street; thence north along said east line of Clark Street to the south line of Randolph Street; thence west along said south line of Randolph Street to the west line of Clark Street; thence north along said west line of Clark Street to the north line of Randolph Street; thence west along said north line of Randolph Street to the east line of LaSalle Street; thence south along said east line of LaSalle Street to the easterly extension of the south line of Court Place; thence west along said easterly extension of the south line of Court Place and the south line thereof to the west line of Wells Street; thence south along said west line of Wells Street to the north line of Washington Street; thence west along said north line of Washington Street to the east line of Franklin Street; thence north along said east line of Franklin Street to the centerline of vacated Court Place; thence east along said centerline of vacated Court Place to the southerly extension of the east line of Lot 2 in Block 41 in the Original Town of Chicago in the

southeast quarter of Section 9; thence north along said southerly extension of the east line of Lot 2 in Block 41 and the east line thereof to the south line of Randolph Street; thence west along said south line of Randolph Street to the southerly extension of the west line of the easterly 20 feet of Lot 7 in Block 31 in the Original Town of Chicago in Section 9; thence north along said southerly extension of the west line of the easterly 20 feet of Lot 7 and the west line thereof to the south line of Couch Place; thence north along the northerly extension of the west line of the easterly 20 feet of Lot 7 to the north line of Couch Place; thence west along said north line of Couch Place to the east line of Wacker Drive; thence north along said east line of Wacker Drive to the south line of Lake Street; thence northeasterly along a straight line to the intersection of the north line of Lake Street with the easterly line of Wacker Drive; thence west along said north line of Lake Street to the westerly line of the north branch of the Chicago River; thence northwesterly along said westerly line of the north branch of the Chicago River to an angle point on said westerly line, said point being also the northeast corner of Lot 1 in Block 22 in the Original Town of Chicago in Section 9; thence west along the north line of said Lot 1 in Block 22 to a point, said point being also a point on the westerly line of the north branch of the Chicago River; thence northwesterly along said westerly line of the north branch of the Chicago River to the north line of that tract of land vacated in Document Number 5507199, recorded October 6,1914; thence west along said north line of that tract of land vacated in Document Number 5507199, a distance of21.26 feet to a point on said north line; thence northwesterly along the easterly line of the parcel of land bearing Permanent Index Number 17-9-306-014 to a point of curvature on said easterly line; thence northwesterly along the arc of curve, said curve being concave to the northeast and having a radius of 600 feet, to the east line of Canal Street; thence south along said east line of Canal Street to the south line of Lake Street, being also the point of beginning of the heretofore described tract of land, all in Cook County, Illinois.

Exhibit "D".
(To Ordinance)

Street Location Of The Area.

The LaSalle Central Redevelopment Project Area is located within the Loop and Near West Side community areas of the City of Chicago and is generally bounded by Dearborn Street on the east, Van Buren Street on the south, the Chicago River and Canal Street on the west, and portions of the Chicago River, Lake, Randolph and Washington Streets on the north.

Exhibit "E".
(To Ordinance)

Map Of The Area.

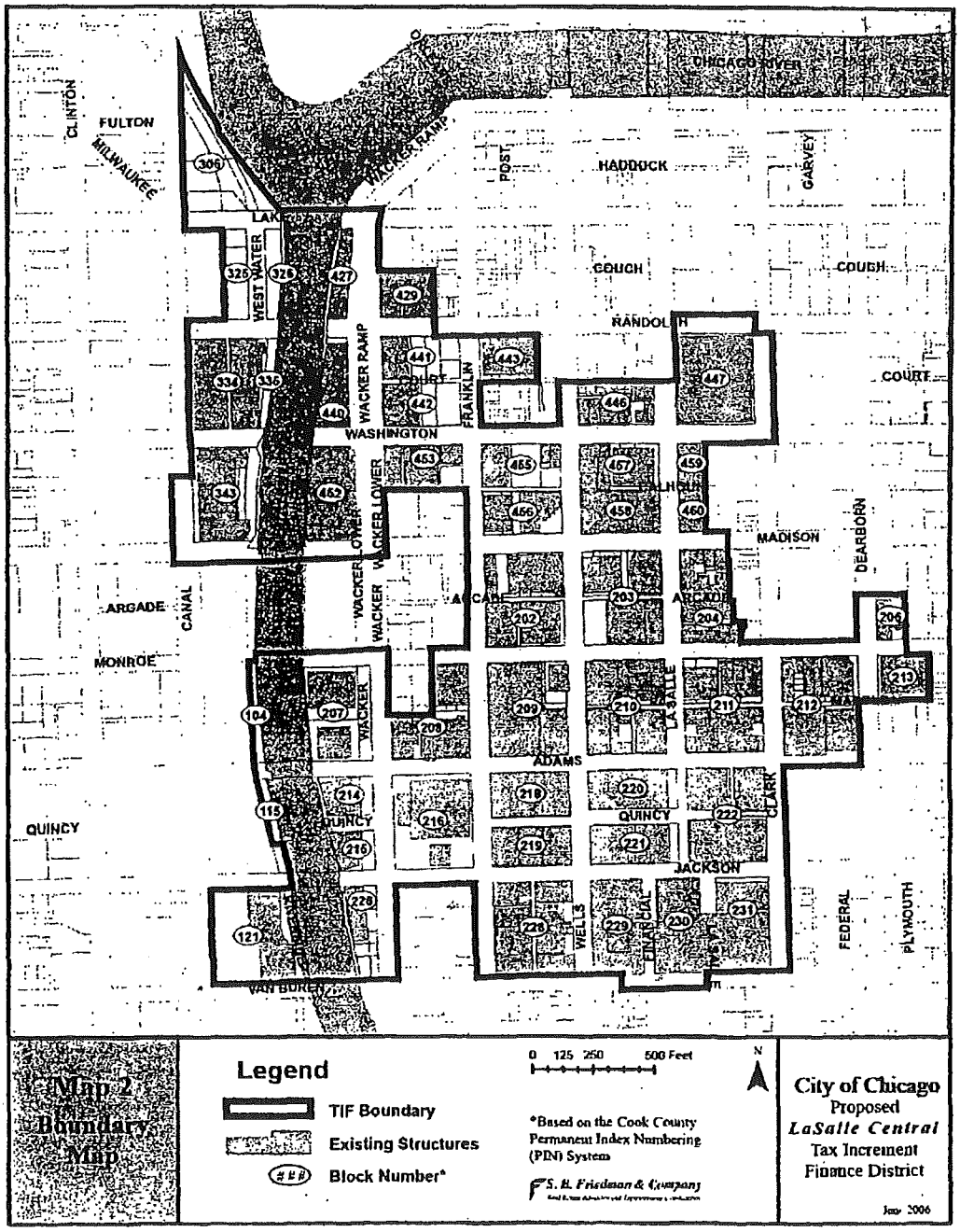


EXHIBIT E

CONSTRUCTION CONTRACT

(Attached)

AIA® Document A111™ – 1997

Standard Form of Agreement Between Owner and Contractor
where the basis for payment is the COST OF THE WORK PLUS A FEE with a negotiated Guaranteed Maximum Price

AGREEMENT made as of the 3rd day of March in the year Two Thousand and Seven
(In words, indicate day, month and year)

BETWEEN the Owner:
(Name, address and other information)

NAVTEQ
222 Merchandise Mart
Suite 900
Chicago, IL 60654

and the Contractor:
(Name, address and other information)

Skender Interiors Group
205 W. Wacker
Suite 1040
Chicago, IL 60606

The Project is:
(Name and location)

NAVTEQ
100 N. Riverside Plaza
Chicago, IL 60606

The Architect is:
(Name, address and other information)

Gensler
30 West Monroe Street, Suite 400
Chicago, IL 60603

The Owner and Contractor agree as follows.

ADDITIONS AND DELETIONS:
The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

This document is not intended for use in competitive bidding.

AIA Document A201-1997, General Conditions of the Contract for Construction, is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

This document has been approved and endorsed by the Associated General Contractors of America.

ARTICLE 1 THE CONTRACT DOCUMENTS

The Contract Documents consist of this Agreement, Conditions of the Contract (General, Supplementary and other Conditions), Drawings, Specifications, Addenda issued prior to execution of this Agreement, other documents listed in this Agreement and Modifications issued after execution of this Agreement and all Exhibits to any Contract Documents; these form the Contract, and are as fully a part of the Contract as if attached to this Agreement or repeated herein. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations or agreements, either written or oral. An enumeration of the Contract Documents, other than Modifications, appears in Article 15. If in the event of inconsistencies between the Exhibits and any of the Contract Documents, such Exhibits shall control. Except as provided in the preceding sentence, if anything in the other Contract Documents is inconsistent with this Agreement, this Agreement shall govern.

ARTICLE 2 THE WORK OF THIS CONTRACT

The Contractor shall fully execute the Work described in the Contract Documents or as reasonably inferable by the Contractor to produce the results intended by the Contract Documents, except to the extent specifically indicated in the Contract Documents to be the responsibility of others.

ARTICLE 3 RELATIONSHIP OF THE PARTIES

The Contractor accepts the relationship of trust and confidence established by this Agreement and covenants with the Owner to fully cooperate with the Owner and the Architect and utilize the Contractor's best skill, efforts and judgment in furthering the interests of the Owner; to furnish efficient business administration and supervision; to furnish at all times an adequate supply of workers and materials necessary to fully complete the Work on a timely basis in accordance with the Project's schedule; and to perform the Work in an expeditious and economical manner consistent with the Owner's interests. The Owner agrees to furnish and approve, in a timely manner, information required by the Contractor and to make payments to the Contractor in accordance with the requirements of the Contract Documents.

ARTICLE 4 DATE OF COMMENCEMENT AND SUBSTANTIAL COMPLETION

§ 4.1 The date of commencement

(Paragraphs deleted)

is the date from which the Contract Time of Subsection 4.2 is measured. The date of commencement shall be a date fixed in a Notice to Proceed issued by the Owner and reasonably acceptable to the Contractor.

§ 4.2 The Contractor shall diligently prosecute the Work and achieve Substantial Completion of the Work and Completion of the Work by the time specified in Exhibit D, subject to adjustments of the Contract Time as provided in the Contract Documents. The Contractor will cooperate in completing and submitting the application for the Building Permit and other permits as required.

The Contractor agrees to be bound by the Substantial Completion Date set forth on Exhibit D. If, in Owner's reasonable judgment, it appears that the Contractor will not meet the date for Substantial Completion of the Work or final completion of the Work by the date required under the Contract Documents, the Owner shall have the right to demand, in writing, that the Contractor prepare within ten (10) days after such demand, for the Owner's approval, a written action plan for meeting the date for Substantial Completion, including such overtime at the Contractor's expense as may be reasonably required. The Contractor shall submit a detailed revised schedule that incorporates their revised action plan with such ten (10) day period. If the Owner and the Contractor fail to agree to a mutually acceptable plan within fifteen (15) days of the Owner's written demand for such plan, or if such plan, once approved, is not promptly implemented to completion, such event shall constitute a default by the Contractor hereunder, subject to the right of the Contractor to dispute in accordance with the Contract Documents.

The Work will be considered Substantially Complete upon the issuance of a Certificate of Occupancy for the Work only, and a Certification by the Architect that the Work is Substantially Complete.

The time for the Contractor's required Substantial Completion of the Work or final completion of the Work shall be as provided on Exhibit D or by Change Order and shall not be changed by the Owner's acquiescence to Monthly Status Report or Monthly Construction Schedules or any other report or schedule hereunder, but shall only be changed by Change Order.

§ 4.3 LIQUIDATED DAMAGES FOR CONTRACTOR DELAY. The parties agree, by initialing here where indicated (Owner: _____, Contractor: _____) that it would be extremely difficult and impractical under the presently known and anticipated facts and circumstances to ascertain and fix the actual damages the Owner would incur should the Contractor delay in achieving Substantial Completion of the Work (as adjusted by Change Order or any adjustment resulting from any claim for a time extension under Section 4.3.7 of the Conditions to the extent resolved in the Contractor's favor). The Liquidated Damages for failure to Substantial Complete the Work by ninety (90) days after the scheduled Substantial Completion Date, as may be adjusted by Change Order, shall be $10,000.00 per day. Contractor shall not be responsible for delays caused by Owner, Owner's vendors or by incomplete or late information from Owner or consultants.

The Owner may deduct such Liquidated Damages from any unpaid amounts then or thereafter due the Contractor under this Agreement. To the extent the amounts payable to the Contractor within sixty (60) days after a claim for Liquidated Damages arises are not in dispute and non-payment thereof is not in the Owner's reasonable opinion likely to result in a mechanics' lien claim from any Subcontractor, the Owner shall offset Liquidated Damages from amounts payable to the Contractor. Any Liquidated Damages not so deducted from any unpaid amounts due the Contractor shall be payable to the Owner within ten (10) calendar days after written demand of the Owner, together with interest from ten (10) calendar days after written demand at the rate set forth in Section 14.2 of this Agreement. The Owner's remedy under Section 4.3 shall not act as a limitation on any non-monetary remedies available to the Owner at law or under the Contract Documents, such as injunctive relief or termination of the Contract.

§ 4.4 SCHEDULING. Additional manpower or overtime labor shall not be authorized or directed by the Contractor if such authorization or direction would result in the violation of any laws, ordinances or regulations applicable to such manpower or overtime labor or otherwise to the Project.

(Table deleted)

*(Paragraphs deleted)*The Contractor shall promptly notify the Owner and the Architect in writing if the Contractor becomes aware of any fact or circumstance which could reasonably be expected to cause the progress of the Work to fail to conform with the Schedule set forth on Exhibit D, as may be revised. The Contractor shall submit written progress reports at the times, and in the manner as may reasonably be required by the Owner and/or the Architect, including information on Subcontractor's Work and percentages of completion. Such report shall be given not less frequently than monthly, and more frequently as job conditions may require. The Contractor shall maintain and keep available at the construction site a daily log indicating manpower performing Work (by trade), daily weather conditions and Work completed. Copies of such log shall be submitted to the Owner monthly. The Contractor shall also maintain cost accounting records in such form as is customary in the industry or as otherwise reasonably directed by the Owner.

Without limitation of the Contractor's obligation to furnish scheduling information, the Contractor shall, within fifteen (15) business days after being awarded the Contractor, prepare and submit to the Owner the detailed project construction schedule and an estimated cash flow schedule, both to be updated monthly and submitted with each request for payment (to be updated and delivered not less often than monthly). The initial cash flow schedule shall be estimated by trade components. If cash flow differs materially from the cash flow schedule initially presented, the Contractor shall revise the cash flow schedule as necessary.

The Contractor shall use commercially reasonable efforts to achieve final completion of the Work within sixty (60) calendar days following the date of Substantial Completion of the Work, as may be adjusted by Change Order. For purposes of this Agreement, the Work shall be deemed finally completed upon satisfaction of the requirements set forth in the Contract Documents.

ARTICLE 5 BASIS FOR PAYMENT

§ 5.1 CONTRACT SUM

§ 5.1.1 The Owner shall pay the Contractor the Contract Sum in current funds for the Contractor's performance of the Contract. The Contract Sum is the Cost of the Work as defined in Article 7 plus the Contractor's Fee.

§ 5.1.2 The Contractor's Fee

(Paragraphs deleted)

is 1.75% of the Cost of the Work. In addition, the Contractor shall be paid an insurance fee (for general liability insurance) equal to 1.20% of the Cost of the Work.

Contractor shall receive the following mark ups on Work covered by Change Orders:

- Fee: 1.75%
- Insurance: 1.20%
- General Conditions, Time & Material: Not to exceed 5%

§ 5.2 GUARANTEED MAXIMUM PRICE

§ 5.2.1 The sum of the Cost of the Work, the Contractor's Fee and the Insurance Fee are guaranteed by the Contractor not to exceed Twenty Three Million Six Hundred Fifty Nine Thousand Eight Hundred Thirty Five and No/100ths Dollars ($23,659,835.00) in the aggregate, subject to additions and deductions by written Change Order executed by the Owner, the Architect and the Contractor in advance of any Change Order Work as provided in the Contract Documents. This amount includes a $498,640.00 cap for all General Conditions Costs. Such maximum sum is referred to in the Contract Documents as the Guaranteed Maximum Price. The Guaranteed Maximum Price is based on Owner accepted Alternatives set forth on Exhibit C. Costs which would cause the Guaranteed Maximum Price to be exceeded shall be paid by the Contractor without reimbursement by the Owner.
(Insert specific provisions if the Contractor is to participate in any savings.)

"Owner's Savings" consist of reductions in the Cost of the Work developed as a result of (i) value engineering of the Project, (ii) reductions in the scope of the Project, and (iii) substitutions approved by the Owner which are lower in quality or quantity than the specified items and which cost less. The Guaranteed Maximum Price shall be reduced by fifty percent (50%) of the amount of the Owner's Savings (by Change Order). The Owner's Savings shall be accounted for and adjusted by Change Order.

If the Guaranteed Maximum Price exceeds the Cost of the Work plus the Contractor's fees, the Contractor shall be paid twenty-five percent (25%) of such excess; provided, however, the Contractor shall not be paid any portion of such excess derived from items listed on the Owner's Savings.

§ 5.2.2 The
(Paragraphs deleted)
Contractor has included all of the Allowances in the Guaranteed Maximum Price and an "Allowance" is a set amount representing the Contractor's good faith estimate, based on written information furnished to date by the Owner and the Architect, of a cost of a particular item and the Contractor's expense for unloading and installing an allowance item. Items covered by these Allowances (Exhibit B) shall be supplied for such amounts and by such persons as the Owner may direct, but the Contractor will not be required to employ persons against whom the Contractor makes a reasonable objection. Whenever the cost to the Contractor from third parties is more or less than the Allowance, the Guaranteed Maximum Price shall be adjusted accordingly by Change Order. The amount provided in such Change Order for the Allowance items selected shall constitute Cost of the Work.

§ 5.2.3 Unit prices, if any, are as follows:

Description	Units	Price ($ 0.00)
N/A	N/A	N/A

§ 5.2.4
(Paragraphs deleted)
The Drawings and Specifications are incomplete as of the date of this Contract. The Contractor acknowledges that they are sufficient for the establishment of a Guaranteed Maximum Price so long as the final Drawings and Specifications are consistent with the Drawings and Specifications listed on Exhibit A. When Drawings and Specifications are complete, at the Owner's request, the Contractor shall certify in writing the amount of Guaranteed Maximum Price. The Contractor acknowledges that there may be items of the Work which the Contractor is responsible to provide hereunder which may not be drawn or specified in the Drawings and Specifications, but which are necessary for the proper execution and completion of the Work and are consistent with and reasonably inferable by the Contractor from the items of the Work which are drawn or specified in the Drawings and

Specifications listed on Exhibit A. Such items of the Work shall be performed by the Contractor as part of the Work without delay in the progress of the Work and without any increase in the Guaranteed Maximum Price.
(Table deleted)
§ 5.2.5 Assumptions, qualifications and clarifications upon which the Guaranteed Maximum Price is based are
(Paragraphs deleted)
shown on Exhibit B.

§ 5.2.6 To the extent that the Drawings and Specifications are anticipated to require further development by the Architect, the Contractor has provided in the Guaranteed Maximum Price for such further development consistent with the Contract Documents and reasonably inferable therefrom. Such further development does not include such things as changes in scope, systems, kinds and quality of materials, finishes or equipment, all of which, if required, shall be incorporated by Change Order.

§ 5.3 The Guaranteed Maximum Price includes a line item for contingency (the "Contingency Cost Account") for the Work in the amount of Four Hundred Thousand and No/100ths Dollars ($400,000.00) to be used by the Contractor to pay for (1) unforeseen construction conditions, (2) extra coordination of various trade work, (3) additional General Conditions Costs attributable to delays defined in Section 8.3.1 of the General Conditions ("Force Majeure Delays"), (4) Costs incurred by the Contractor as a result of an actual Subcontract lump sum amount being greater than the line item estimate set forth on the Guaranteed Maximum Price breakdown set forth on Exhibit E and as adjusted by actual value engineering and Subcontractor buy outs, and (5) unanticipated constructions Costs arising out of and required for the completion of the Work, including, but not limited to, Costs incurred in connection with acceleration of the Work to meet the construction progress schedule. The Contingency Cost Account is to be used only for items of Cost of the Work set forth in Article 7 hereof. The Contractor shall keep a separate accounting with respect to the Contingency Cost Account and shall give the Owner advance notice, in writing, as to the proposed allocations of portions of the Contingency Cost Account, and, upon the Owner's written approval, which shall not be unreasonably withheld, of said allocation, shall thereafter submit a certificate as to the application of such portions of the Contingency Cost Account as a part of the next ensuing monthly Application for Payment.

ARTICLE 6 CHANGES IN THE WORK

§ 6.1 Adjustments to the Guaranteed Maximum Price on account of changes in the Work authorized in writing may be determined by any of the methods listed in Section 7.3.3 of the General Conditions or as otherwise agreed in writing by the Owner and the Contractor.

§ 6.2 In calculating adjustments to subcontracts (except as otherwise provided in the Contract Documents and except those awarded with the Owner's prior consent on the basis of cost plus a fee), the terms "cost" and "fee" as used in Section 7.3.3.3 of the General Conditions and the terms "costs" and "a reasonable allowance for overhead and profit" as used in Section 7.3.6 of the General Conditions shall have the meanings assigned to them in the General Conditions and shall not be modified by Articles 5, 7 and 8 of this Agreement. Adjustments to subcontracts awarded with the Owner's prior consent on the basis of cost plus a fee shall be calculated in accordance with the terms of those subcontracts.

§ 6.3 In calculating adjustments to the Guaranteed Maximum Price, the terms "cost" and "costs" as used in the above-referenced provisions of AIA Document A201-1997 shall mean the Cost of the Work as defined in Article 7 of this Agreement and the terms "fee" and "a reasonable allowance for overhead and profit" shall mean the Contractor's Fee as defined in Section 5.1.2 of this Agreement.

§ 6.4 Change Orders submitted to the Owner for approval shall be accompanied by sufficient detailed supporting information to satisfy the Owner for review purposes that substantiate cost amounts.

ARTICLE 7 COSTS TO BE REIMBURSED

§ 7.1 COST OF THE WORK

The term Cost of the Work shall mean costs necessarily incurred by the Contractor in the proper performance of the Work. Such costs shall be at rates not higher than the standard paid at the place of the Project. Except with prior written consent of the Owner, the Cost of the Work shall include only the items set forth in this Article 7.

§ 7.2 LABOR COSTS

§ 7.2.1 Wages of construction workers directly employed by the Contractor to perform the construction of the Work at the site or, with the Owner's approval, at off-site workshops.

§ 7.2.2 Wages or salaries of the Contractor's supervisory and administrative personnel when actually stationed at the site, provided the portion of the salary of the Project Manager shall be reasonably allocated to the Project for only periods when he is at the site, or when his time is devoted solely to the Project but he is not at the site.

§ 7.2.3 Wages and salaries of the Contractor's supervisory or administrative personnel engaged, at factories, workshops or on the road, in expediting the production or transportation of materials or equipment required for the Work, but only for that portion of their time required for the Work.

§ 7.2.4 Costs paid or actually incurred by the Contractor for taxes, insurance, contributions, assessments and benefits required by law or collective bargaining agreements and, for personnel not covered by such agreements, customary benefits such as sick leave, medical and health benefits, holidays, vacations and pensions, provided such costs are based on wages and salaries included in the Cost of the Work under Sections 7.2.1 through 7.2.3.

§ 7.3 SUBCONTRACT COSTS

§ 7.3.1 Payments made by the Contractor to Subcontractors in accordance with the requirements of the subcontracts.

§ 7.4 COSTS OF MATERIALS AND EQUIPMENT INCORPORATED IN THE COMPLETED CONSTRUCTION

§ 7.4.1 Costs, including reasonable transportation and storage, of materials and equipment incorporated or to be incorporated in the completed construction.

§ 7.4.2 Costs of materials described in the preceding Section 7.4.1 in excess of those actually installed to allow for reasonable waste and spoilage. Unused excess materials, including any Attic Stock (*i.e.*, inventories of materials for future repairs or replacements), if any, shall become the Owner's property at the completion of the Work or, at the Owner's option, shall be sold by the Contractor. Any amounts realized from such sales shall be credited to the Owner as a deduction from the Cost of the Work.

§ 7.5 COSTS OF OTHER MATERIALS AND EQUIPMENT, TEMPORARY FACILITIES AND RELATED ITEMS

§ 7.5.1 Costs, including reasonable transportation, installation, maintenance, dismantling and removal of materials, supplies, temporary facilities, machinery, equipment, and hand tools not customarily owned by construction workers, that are provided by the Contractor at the site and fully consumed in the performance of the Work; and cost (less salvage value) of such items if not fully consumed, whether sold to others or retained by the Contractor. Cost for items previously used by the Contractor shall mean fair market value.

§ 7.5.2 Rental charges for temporary facilities, machinery, equipment, and hand tools not customarily owned by construction workers that are provided by the Contractor at the site, whether rented from the Contractor or others, and reasonable costs of transportation, installation, minor repairs and replacements, dismantling and removal thereof. Rates and quantities of equipment rented shall be subject to the Owner's prior approval.

§ 7.5.3 Costs of removal of debris from the site.

§ 7.5.4 Costs of document reproductions, facsimile transmissions and long-distance telephone calls, postage and parcel delivery charges, telephone service at the site and reasonable petty cash expenses of the site office.

§ 7.5.5 That portion of the reasonable out-of-town and subsistence expenses of the Contractor's personnel incurred with the Owner's written consent while traveling in discharge of duties connected with the Work. The cost of transportation, including tolls and fuel, by employees from the site and returning to the site on the same day necessary for the Work and no other purpose may be included in the Cost of the Work.

(Paragraphs deleted)

§ 7.6 MISCELLANEOUS COSTS

§ 7.6.1 That portion of insurance and bond premiums that can be directly attributed to this Contract:

§ 7.6.2 Sales, use or similar taxes imposed by a governmental authority that are related to the Work and for which the Contractor is liable.

§ 7.6.3 The Contractor shall pay the fees and assessments for building permits and for other permits, licenses and inspections to the extent of the allowance, included in the Guaranteed Maximum Price. The Owner shall pay any balance pursuant to a Change Order.

§ 7.6.4 Fees of testing laboratories for tests required by the Contract Documents, to the extent of the Allowance included in the Guaranteed Maximum Price, except those related to defective or nonconforming Work for which reimbursement is excluded by Section 13.5.3 of the General Conditions or other provisions of the Contract Documents, and which do not fall within the scope of Section 7.7.3 below. The Owner shall pay any balance pursuant to a Change Order.

§ 7.6.5 Royalties and license fees paid for the use of a particular design, process or product required by the Contract Documents; the cost of defending suits or claims for infringement of patent rights arising from such requirement of the Contract Documents; and payments made in accordance with legal judgments against the Contractor resulting from such suits or claims and payments of settlements made with the Owner's consent. However, such costs of legal defenses, judgments and settlements shall not be included in the calculation of the Contractor's Fee or subject to the Guaranteed Maximum Price. If such royalties, fees and costs are excluded by the last sentence of Section 3.17.1 of the General Conditions or other provisions of the Contract Documents, then they shall not be included in the Cost of the Work.

§ 7.6.6 Data processing costs related to the Work.

§ 7.6.7 Deposits lost for causes other than the Contractor's negligence or failure of the Contractor or any Subcontractor to fulfill a specific responsibility to the Owner as set forth in the Contract Documents.

§ 7.6.8 Legal, mediation and arbitration costs, including attorneys' fees, other than those arising from disputes between the Owner and Contractor, reasonably incurred by the Contractor in the performance of the Work and with the Owner's prior written approval; which approval shall not be unreasonably withheld.

(Paragraphs deleted)

§ 7.7 OTHER COSTS AND EMERGENCIES

§ 7.7.1 Other costs incurred in the performance of the Work if and to the extent approved in advance in writing by the Owner.

§ 7.7.2 Costs described in Section 7.1 are incurred by the Contractor in taking action to prevent threatened damage, injury or loss in case of an emergency affecting the safety of persons and property, as provided in Section 10.6 of the General Conditions.

§ 7.7.3 Costs of repairing or correcting damaged or nonconforming Work executed by the Contractor, Subcontractors or suppliers, provided that such damaged or nonconforming Work was not caused by negligence or failure to fulfill a specific responsibility of the Contractor and only to the extent that the cost of repair or correction is not recoverable by the Contractor from insurance, sureties, Subcontractors or suppliers. The Contractor shall use commercially reasonable efforts to cause third parties to correct such Work and/or recover the cost thereof from others before charging such items as Cost of the Work.

ARTICLE 8 COSTS NOT TO BE REIMBURSED

§ 8.1 The Cost of the Work shall not include:

§ 8.1.1 Salaries and other compensation of the Contractor's personnel stationed at the Contractor's principal office or offices other than the site office, except as specifically provided in Sections 7.2.2 and 7.2.3 or as may be provided in Article 14.

§ 8.1.2 Expenses of the Contractor's principal office and offices other than the site office.

§ 8.1.3 Overhead and general expenses, except as may be expressly included in Article 7.

§ 8.1.4 The Contractor's capital expenses, including interest on the Contractor's capital employed for the Work.

§ 8.1.5 Rental costs of machinery and equipment, except as specifically provided in Section 7.5.2.

§ 8.1.6 Except as provided in Section 7.7.3 of this Agreement, costs due to the negligence or failure to fulfill a specific responsibility of the Contractor, Subcontractors and suppliers or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable, including, but not limited to, costs for the correction of damaged, defective or non-conforming Work, disposal and replacement of materials and equipment incorrectly ordered or supplied, and making good damage to property not forming part of the Work.

§ 8.1.7 Any cost not specifically and expressly described in Article 7.

§ 8.1.8 Costs, other than costs included in Change Orders approved by the Owner, that would cause the Guaranteed Maximum Price to be exceeded.

ARTICLE 9 DISCOUNTS, REBATES AND REFUNDS

§ 9.1 Cash discounts obtained on payments made by the Contractor shall accrue to the Owner if (1) before making the payment, the Contractor included them in an Application for Payment and received payment therefor from the Owner, or (2) the Owner has deposited funds with the Contractor with which to make payments; otherwise, cash discounts shall accrue to the Contractor. Trade discounts, rebates, refunds and amounts received from sales of surplus materials and equipment shall accrue to the Owner, and the Contractor shall make provisions so that they can be secured.

§ 9.2 Amounts that accrue to the Owner in accordance with the provisions of Section 9.1 shall be credited to the Owner as a deduction from the Cost of the Work.

ARTICLE 10 SUBCONTRACTS AND OTHER AGREEMENTS

§ 10.1 The Contractor shall submit and review with the Owner a proposed list of bidders for each subcontract. Each list shall include a minimum of three (3) bidders qualified to perform that portion of their Work except to the extent less than three (3) bidders for such portion of the Work are permitted by the Owner. Each bidder shall be subject to the Owner's approval, which shall not be unreasonably withheld. The Contractor shall screen preapproved bidders and shall solicit an adequate number of bids to obtain three (3), except to the extent less than three (3) bids for such portion of the Work is permitted by the Owner. If the Contractor receives fewer than three (3) bona fide bids, except to the extent permitted by the Owner for any Subcontractor, the Owner, at its option, may required the Contractor to rebid such subcontract. The Contract Time shall not be extended for purposes of rebidding. The Contractor shall analyze all proposals and analyze and tabulate the bids and shall review them with the Owner. The Owner and the Owner's designated representatives shall be entitled to review all proposals and bids at the time they are delivered to the Contractor. After Owner's review, the Contractor shall schedule, coordinate and conduct scope review meeting with each bidder. The Contractor will inform the Owner and the Architect of the meeting schedule at least three (3) days in advance. The Contractor will submit to the Owner a formal outline of the scope review meeting format, for the Owner's review and approval. The format shall be modified as directed by the Owner. The meetings will occur at the Contractor's office or if the Owner directs, at the Owner's or the Architect's offices. If meetings occur at the Owner's or the Architect's office, the Contractor will bring all plans, specifications and other materials required for the meetings. The Owner may, at its option, attend and participate in any of the meetings. At the end of each meeting, the Contractor will provide legible minutes of the meeting to the prospective Subcontractor and the Owner. When all scope review meetings have been completed, the Contractor will revise the bid tabulation forms based on any new information obtained in the meetings. The Contractor will analyze the results and recommend individual Subcontractors for contract negotiation and award. After review of this information and the revised bid tabulation forms, the Owner may accept the Contractor's recommendation or may make its own selection of Subcontractors against whom the Contractor makes no reasonable objection. If the Owner selects a Subcontractor other than recommended by the Contractor, and if the Owner's selected Subcontractor's final contract amount is higher than the final amount proposed by the Contractor's recommended Subcontractor, the Guaranteed Maximum Price will be adjusted to reflect any difference, unless the Contractor proposed a Subcontractor not approved by the Owner, which approval will not be unreasonably withheld or unless the proposed Subcontractor is not qualified or has failed to submit a bid in accordance with the Contract Documents without reservations or exceptions.

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§ 10.2 The Contractor shall make no substitution for any Subcontractor, person or entity previously selected if the Owner or the Architect makes reasonable objection to such substitution. After the Owner has approved the Contractor's list of Subcontractors for any particular subcontract, and before any such subcontract is awarded, the Owner may add to the list or delete any proposed Subcontractor previously approved. If any proposed Subcontractor added to the list by the Owner is selected, and such Subcontractor's final subcontract amount is different than the final payment amount proposed by the Contractor's recommended Subcontractor (unless the Contractor recommends a Subcontractor not approved by the Owner or unless the proposed Subcontractor is not qualified or has failed to submit a bid in accordance with the Contract Documents without reservations or exceptions), the Guaranteed Maximum Price will be adjusted to reflect the difference. If any proposed Subcontractor deleted from the list by the Owner (over the Contractor's written objection) is the Contractor's recommended Subcontractor, and the selected Subcontractor's final subcontract amount is different than the final amount proposed by the Contractor's recommended Subcontractor, the Guaranteed Maximum Price will be adjusted to reflect the difference.

§ 10.3 The Contractor will provide the labor reasonably required to perform General Conditions Work. Any portion of the Work (other than General Conditions Work) performed by employees of the Contractor shall be performed under written subcontract or work order, or purchase order, as the Owner shall direct.

§ 10.4 The Contractor shall be solely responsible for any inconsistency between the Contract Documents and any subcontracts, condition of subcontract, purchaser orders or other similar documents. The Contractor shall name the Owner as an intended third party beneficiary under such subcontracts; provided, however, the Owner shall have no obligations in connection with such subcontracts unless and until such time as the Owner exercises its option with respect to such subcontract described in Section 5.4.1 of the General Conditions.

§ 10.5 Subcontracts or other agreements shall conform to the applicable payment provisions of this Agreement, and shall not be awarded on the basis of cost plus a fee without the prior consent of the Owner.

§ 10.6 From time to time, upon the Owner's request, the Contractor shall provide the Owner with a written list of all current subcontractors, including the name, address, telephone number and principal person to contact for each Subcontractor, and shall amend such list from time to time as additional Subcontractors are signed.

ARTICLE 11 ACCOUNTING RECORDS

The Contractor shall keep full and detailed accounts and exercise such controls as may be necessary for proper financial management under this Contract, and the accounting and control systems shall be satisfactory to the Owner. The Owner, the Owner's designated bookkeeper, the Owner's designated representatives, and the Owner's accountants shall be afforded access to, and shall be permitted to audit and copy, the Contractor's records, books, correspondence, instructions, drawings, receipts, subcontracts, purchase orders, vouchers, memoranda and other data relating to this Contract, and the Contractor shall preserve these for a period of three years after final payment, or for such longer period as may be required by law.

ARTICLE 12 PAYMENTS

§ 12.1 PROGRESS PAYMENTS

§ 12.1.1 Based upon Applications for Payment, including all required supporting documentation submitted to the Architect by the Contractor and Certificates for Payment issued by the Architect, the Owner shall make progress payments on account of the Contract Sum to the Contractor as provided below and elsewhere in the Contract Documents.

§ 12.1.2 The period covered by each Application for Payment shall be not less than one calendar month ending on the last day of the

(Paragraphs deleted)

month.

§ 12.1.3 Provided that an Application for Payment and all required supporting documentation is received by the Architect not later than the first business day of a month for the amount specified in the Architect's Certificate for Payment, the Owner shall make payment to the Contractor not later than the last day of the same month. If an Application for Payment, including all required supporting documentation, is received by the Architect after the

application date fixed above, payment shall be made by the Owner for the amount specified in the Architect's Certificate for Payment not later than thirty (30) days after the Architect receives the Application for Payment.

§ 12.1.4 With each Application for Payment, the Contractor shall submit (a) payrolls, petty cash accounts, receipted invoices or invoices with check vouchers attached, and any other evidence required by the Owner or Architect to demonstrate that cash disbursements already made by the Contractor on account of the Cost of the Work equal or exceed (1) progress payments already received by the Contractor; less (2) that portion of those payments attributable to the Contractor's Fee; plus (3) payrolls for the period covered by the present Application for Payment, and (b) appropriate waivers of lien from the Contractor and each Subcontractor and each sub-subcontractor, and such Subcontractor's or sub-subcontractor's affidavit as are required to meet applicable legal requirements and to satisfy any requirements of the Owner's Landlord and of the Owner's title insurer, to provide title insurance over mechanics' liens to the extent of such payment and all previous payments and a certificate in the form of Exhibit L. The Contractor shall cooperate with any reasonable additional requirements of the title insurer or the Owner's Landlord. Disbursements, at the option of the Owner, may be made through an escrow with the title insurer. Provided the title insurer is willing to insure the current disbursement as provided above, the Owner will permit such payment to the Contractor based upon delivery of waivers from the Subcontractors and materialmen within thirty (30) days after such payment, but in any case prior to the next payment.

§ 12.1.5 Each Application for Payment shall be based on the most recent schedule of values submitted by the Contractor in accordance with the Contract Documents. The schedule of values shall allocate the entire Guaranteed Maximum Price among the various portions of the Work, except that the Contractor's Fee and General Conditions shall each be shown as a single separate item. The schedule of values shall be prepared in such form and supported by such data to substantiate its accuracy as the Owner and the Architect may require. This schedule, unless objected to by the Architect, shall be used as a basis for reviewing the Contractor's Applications for Payment.

§ 12.1.6 Applications for Payment shall show the percentage of completion of each portion of the Work as of the end of the period covered by the Application for Payment. The percentage of completion shall be the lesser of (1) the percentage of that portion of the Work which has actually been completed; or (2) the percentage obtained by dividing (a) the expense that has actually been incurred by the Contractor on account of that portion of the Work for which the Contractor has made or intends to make actual payment prior to the next Application for Payment by (b) the share of the Guaranteed Maximum Price allocated to that portion of the Work in the schedule of values.

§ 12.1.7 Subject to other provisions of the Contract Documents, the amount of each progress payment shall be computed as follows:

.1 take that portion of the Guaranteed Maximum Price properly allocable to completed Work projected to be in place through the end of such month as determined by multiplying the percentage of completion of each portion of the Work so projected to be in place by the share of the Guaranteed Maximum Price allocated to that portion of the Work in the schedule of values. Pending final determination of cost to the Owner of changes in the Work, amounts not in dispute shall be included as provided in Section 7.3.8 of the General Conditions;

.2 add that portion of the Guaranteed Maximum Price properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation in the Work, or if approved in advance by the Owner, suitably stored off the site at a location agreed upon in writing;

.3 add the Contractor's Fee, less retainage of ten (10%). The Contractor's Fee shall be computed upon the Cost of the Work described in the two preceding Clauses at the rate stated in Section 5.1.2 or, if the Contractor's Fee is stated as a fixed sum in that Subparagraph, shall be an amount that bears the same ratio to that fixed-sum fee as the Cost of the Work in the two preceding Clauses bears to a reasonable estimate of the probable Cost of the Work upon its completion;

.4 subtract the aggregate of previous payments made by the Owner;

.5 subtract the shortfall, if any, indicated by the Contractor in the documentation required by Section 12.1.4 to substantiate prior Applications for Payment, or resulting from errors subsequently discovered by the Owner's accountants in such documentation; and

.6 subtract amounts, if any, for which the Architect has withheld or nullified a Certificate for Payment as provided in Section 9.5 of the General Conditions.

.7 Subtract all Subcontractor's retainage.

§ 12.1.8 The Contractor shall use all progress payments solely for the purpose of performance of the Work and the construction and equipping of the Project in accordance with the Contract Documents. The Contractor shall promptly pay all bills for labor and materials performed and furnished by other in connection with the construction and equipping of the Project and the performance of the Work, and obtain receipts, affidavits, and other evidence of payment thereof and obtain and furnish to the Owner such additional releases and satisfactory proof as to the disposition of all progress payments; however, no provision herein shall be construed to require the Owner to see to the proper disposition or application of the monies so paid. All sums received by the Contractor from the Owner for any part or parts of the Work performed or furnished by a Subcontractor and not paid to such Subcontractor, pursuant to the Contractor's submitted sworn statement and application for payment, shall, while held by the Contractor, constitute trust funds held for the use and benefit of the Owner and shall be returnable to the Owner within ten (10) days after the Owner's request, except to the extent that the Contractor in good faith has disbursed them to any Subcontractor in accordance with the submitted Contractor's Sworn Statement and Application for Payment.

§ 12.1.9 Except with the Owner's prior approval, payments to Subcontractors included in the Contractor's Applications for Payment shall not exceed an amount for each Subcontractor calculated as follows:

.1 Take that portion of the Subcontractor Sum properly allocable to completed Work as determined by multiplying the percentage completion of each portion of Subcontractor's Work to the total Subcontract Sum allocated to that portion in the Subcontractor's schedule of values, less retainage of ten percent (10%). Pending final determination of amounts to be paid to the Subcontractor for changes in the Work, amounts not in dispute may be included as provided in Subsection 7.3.7 of the General Conditions, even though the Subcontract Sum has not yet been adjusted by Change Order.

.2 Add that portion of the Subcontract Sum properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation in the Work, or, if approved in advance by the Owner, suitably stored off the site at a located agreed upon in writing, less retainage of ten percent (10%).

.3 Subtract the aggregate of previous payments made by the Contractor to the Subcontractor.

.4 Subtract amounts, if any, for which the Architect has withheld or nullified a Certificate for Payment by the Owner to the Contractor for reasons which are the fault of the Subcontractor.

.5 The Subcontract Sum is the total amount stipulated in the Subcontract to be paid by the Contractor to the Subcontractor for the Subcontractor's performance of the Subcontract.

§ 12.1.10 Except with the Owner's prior written approval, which approval shall not be unreasonably withheld, the Contractor shall not make advance payments to suppliers for material or equipment which have not been delivered and stored at the site.

(Paragraph deleted)

§ 12.2.1 Final payment, constituting the entire unpaid balance of the Contract Sum, shall be made by the Owner to the Contractor, as provided in Section 12.2.2, provided:

.1 the Contract has been fully performed by the Contractor except for the Contractor's responsibility to correct defective or non-conforming Work as provided in Section 12.2.2 of the General Conditions, and to satisfy other requirements, if any, which extend beyond final payment; and

.2 a final Application for Payment and a final accounting for the Cost of the Work have been submitted by the Contractor and reviewed by the Owner's accountants; and

.3 a final Certificate for Payment has been issued by the Architect.

§ 12.2.2 The Owner's final payment to the Contractor shall be made no later than 30 days after the issuance of the Architect's final Certificate for Payment, and calculated as follows:

.1 take the sum of the Cost of the Work substantiated by the Contractor's final accounting and the Contractor's Fee; but not more than the Guaranteed Maximum Price, if any;

.2 subtract amounts, if any, for which the Architect withholds, in whole or in part, a final Certificate for Payment as provided in Subsection 9.5.1 of the General Conditions or other provisions of the Contract Documents;

.3 subtract the aggregate of previous payments made by the Owner; and

.4 if the aggregate of previous payments made by the Owner exceeds the amount due the Contractor, the Contractor shall reimburse the difference to the Owner, or if the aggregate of previous payments made by the Owner is less than the amount due the Contractor, the Owner shall pay the difference to the Contractor.

§ 12.2.3 The Owner's accountants will review and report in writing on the Contractor's final accounting within 30 days after delivery of the final accounting to the Architect by the Contractor. Based upon such Cost of the Work as the Owner's accountants report to be substantiated by the Contractor's final accounting, and provided the other conditions of Section 12.2.1 have been met, the Architect will, within seven days after receipt of the written report of the Owner's accountants, either issue to the Owner a final Certificate for Payment with a copy to the Contractor, or notify the Contractor and Owner in writing of the Architect's reasons for withholding a certificate as provided in Section 9.5.1 of the General Conditions. The time periods stated in this Section 12.2.3 supersede those stated in Section 9.4.1 of the General Conditions.

§ 12.2.4 If the Owner's accountants report the Cost of the Work as substantiated by the Contractor's final accounting to be less than claimed by the Contractor, the Contractor shall be entitled to payment of the amount certified in the Architect's final Certificate for Payment pending final resolution of the Contractor's demand for additional payment.

§ 12.2.5 If, subsequent to final payment and at the Owner's request, the Contractor incurs costs described in Article 7 and not excluded by Article 8 to correct defective or nonconforming Work, the Owner shall reimburse the Contractor such costs and the Contractor's Fee applicable thereto on the same basis as if such costs had been incurred prior to final payment, but not in excess of the Guaranteed Maximum Price. If the Contractor has participated in savings as provided in Section 5.2, the amount of such savings shall be recalculated and appropriate credit given to the Owner in determining the net amount to be paid by the Owner to the Contractor.

§ 12.2.6 Promptly after the Contractor notified the Architect of Substantial Completion, the Contractor shall coordinate the preparation of punch lists, together with the Architect and the Owner, indicating the items of the Work remaining to be accomplished, and Contractor shall complete these items in accordance with the Contract Documents. The Owner, the Architect and the Contractor shall make a walk-through inspection of the Work within ten (10) business days after the issuance of the Architect's Certificate of Substantial Completion, at which time the Owner, the Architect and the Contractor shall compile its punch list of items to be completed, corrected or repaired or which are not in connection with the Drawings and Specifications, which shall include, at a minimum, any items which the Architect's Certificate of Substantial Completion identifies as incomplete, corrected or damaged.

The failure to include items on the punch list shall not relieve the Contractor of its obligations to complete the Project in accordance with the Contract Documents or relieve the Contractor of its obligation to repair or complete items discovered during the occupancy process of the Project.

The Owner shall have the right to withhold or "hold back" from the final payment called for in the Contract Documents a sum equal to 150% of such aggregate reasonable costs of completion or repair of items on any such

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punch list. Any sum so withheld shall be released to the Contractor upon completion of all items listed on such punch list. The Guaranteed Maximum Price includes the cost of one inspection by the Architect, if required when the Contractor notifies the Owner the punch list is completed. Costs for additional inspections of punch list items found to be not complete at the inspection described in the preceding sentence by the Owner's staff or consultants shall be at the Contractor's expense.

The Contractor shall pay for any fees charged by the Architect for the preparation of punch lists or inspection fees for completion of punch list items more than three months after Substantial Completion. The Guaranteed Maximum Price includes one inspection by the Architect, if required, for all items scheduled to be completed after Substantial Completion as a result of seasonal conditions, such as landscaping, paving, and balancing of air conditioning or heating.

§ 12.2.7 No payment made under the Contract Documents shall be an acceptance (or any evidence of acceptance) of incomplete, defective or non-conforming Work or materials. No Application for Payment issued by the Contractor, nor any payment hereunder to the Contractor by or on behalf of the Owner, nor any partial or entire use or occupancy of the Work by the Owner, shall constitute an acceptance of the Work or of any work or materials not in conformity with the Contract Documents, nor shall any such Certificate of Payment, payment or acceptance or any consent or approval hereunder by or on behalf of the Owner impair or prejudice any right or remedy which the Owner may have against the Contractor for the Contractor's non-performance or breach of its obligations hereunder or relieve the Contractor from any of its duties or obligations under the Contract Documents or otherwise.

§ 12.2.8 At the time of Substantial Completion, the obligations of the Contractor to satisfy the requirements of the Contract Documents that require continuing performance beyond the date of final payment shall survive. At the time of final payment, the Contractor shall also deliver or cause to be delivered to the Owner the following:

.1 All maintenance and operating manuals;

.2 Marked sets of Drawings and Specifications reflecting "as-built" conditions;

.3 Reproducible sepia drawings (to be supplied by the Architect) upon which the Contractor shall have transferred all changes in the location of any concealed utilities, mechanical or electrical systems and components;

.4 All special guaranties and warranties required by the Contract Documents;

.5 An assignment of all guaranties and warranties from the Subcontractors, vendors, suppliers and manufacturers which may be exercised by the Owner or any other contractor who installs a warranted item supplied by or through the Contractor who may proceed against any such Subcontractors, vendors, suppliers and manufacturers; provided, however, that any such assignment or the Owner's exercise thereof shall not release the Contractor from any guaranties or warranties made under the Contract Documents, including, but not limited to, the general warranty set forth in Section 14.3.3 of this Agreement. Such assignment shall also permit the Contractor to enforce such guaranties and warranties; and

.6 A list of the names, addresses and phone numbers of all Subcontractors and other persons providing guaranties or warranties.

ARTICLE 13 TERMINATION OR SUSPENSION

The Contract may be terminated by the Contractor, or by the Owner for convenience, as provided in Article 14 of the General Conditions. However, the amount to be paid to the Contractor under Section 14.1.3 of the General Conditions shall not exceed the amount the Contractor would be entitled to receive under Section 13.2 below, except that the Contractor's Fee shall be calculated as if the Work had been fully completed by the Contractor, including a reasonable estimate of the Cost of the Work for Work not actually completed.

(Paragraphs deleted)

§ 13.2 The Contract may be terminated by the Owner for cause as provided in Article 14 of the General Conditions. The amount, if any, to be paid to the Contractor under Section 14.2.4 of the General Conditions shall not cause the Guaranteed Maximum Price to be exceeded, nor shall it exceed an amount calculated as follows:

§ 13.2.1 Take the Cost of the Work incurred by the Contractor to the date of termination;

§ 13.2.2 Add the Contractor's Fee computed upon the Cost of the Work to the date of termination at the rate stated in Section 5.1.2 or, if the Contractor's Fee is stated as a fixed sum in that Section, an amount that bears the same ratio to that fixed-sum Fee as the Cost of the Work at the time of termination bears to a reasonable estimate of the probable Cost of the Work upon its completion; and

§ 13.2.3 Subtract the aggregate of previous payments made by the Owner.

§ 13.3 The Owner shall also pay the Contractor fair compensation, either by purchase or rental at the election of the Owner, for any equipment owned by the Contractor that the Owner elects to retain and that is not otherwise included in the Cost of the Work under Section 13.2.1. To the extent that the Owner elects to take legal assignment of subcontracts and purchase orders (including rental agreements), the Contractor shall, as a condition of receiving the payments referred to in this Article 13, execute and deliver all such papers and take all such steps, including the legal assignment of such subcontracts and other contractual rights of the Contractor, as the Owner may require for the purpose of fully vesting in the Owner the rights and benefits of the Contractor under such subcontracts or purchase orders.

§ 13.4 The Work may be suspended by the Owner as provided in Article 14 of the General Conditions; in such case, the Guaranteed Maximum Price and Contract Time shall be increased as provided in Section 14.3.2 of the General Conditions except that the term "profit" shall be understood to mean the Contractor's Fee as described in Section 5.1.2 of this Agreement.

ARTICLE 14 MISCELLANEOUS PROVISIONS

§ 14.1 Where reference is made in this Agreement to a provision the General Conditions or another Contract Document, the reference refers to that provision as amended or supplemented by other provisions of the Contract Documents.

§ 14.2 Payments due and unpaid under the Contract shall bear interest from the date payment is due at the *(Paragraphs deleted)*
announced Prime Rate of J.P. Morgan Chase Bank N.A. in effect from time to time plus two percent (2%) per annum.

§ 14.3 Other Provisions:

§ 14.3.1 The Contractor represents that it (and each of its supervisory personnel who will staff the Project) is experienced in projects similar to the Project and has sufficient skill and expertise, and is otherwise qualified, to cause all Work to be performed in compliance with the terms provided in the Contract Documents. The Contractor shall perform all of its duties and obligations under the Contract Documents to the highest standard of competence, judgment and diligence of other general contractors who possess and provide the knowledge, skill and experience necessary for timely, quality construction of projects of similar size and complexity as the Project. The members of the Contractor's staff will not be changed or removed without the Owner's prior written approval; provided however, the Owner's approval shall not be required if such change or removal is by reason of such staff member's permanent disability or termination of employment with the Contractor. As necessary to maintain the Project within budget and schedule requirements, the Contractor shall maintain at the site a part-time, qualified Project Manager approved by the Owner and a full-time qualified Project Superintendent approved by the Owner. Each Project Manager and Project Superintendent shall be subject to the Owner's approval and shall not be replaced without the Owner's written approval, which shall not be unreasonably withheld. No other members of the Contractor's staff will be changed or removed except with the prior written notice to the Owner designating an equivalent replacement for such employee. If at any time members of the Contractor's staff become unsatisfactory to the Owner, in the Owner's reasonable judgment, such staff members shall be removed from the Project and be replaced with individuals reasonably acceptable to the Owner. Members of the Contractor's staff will review and be conversant with the terms of the Contract and all exhibits including the General Conditions, including, without limitation, the

Contractor's obligation to attend meetings with the Owner at such reasonable times and places as shall be requested by the Owner and required by the Contract Documents.

§ 14.3.2 The Contractor covenants with the Owner to furnish its best skills and judgment and to cooperate with the Architect in protecting and furthering the interests of the Owner. The Contractor agrees to furnish efficient business administration and superintendence and to furnish at all times an adequate supply of workers and materials, and to perform the Work in an expeditious and economical manner consistent with the interests of the Owner.

§ 14.3.3 Notwithstanding anything to the contrary contained herein or in the Contract Documents, the Contractor hereby warrants and guarantees to the Owner that the Work, which includes all equipment and material furnished and labor performed by the Contractor and its agents, employees, and all Subcontractors, shall be new and remain in good condition and repair and free from all faults and defects, ordinary wear and tear excepted, for a period of one (1) year following Substantial Completion of the Work (or such longer warranty as may be required by the Contract Documents). In the event any warranty or guaranty work is required by the Owner, the Contractor agrees to perform such work promptly and at no expense to the Owner. The Contractor agrees to assign in writing to the Owner any and all manufacturer's guarantees and warranties related to any equipment, appliances, machinery, devices, materials, supplies, products or components which the Contractor obtains in performing the Work. In addition to the foregoing guaranty, the Contractor shall procure from all of its Subcontractors similar warranties and guarantees with respect to the equipment and materials supplied and Work performed by them, and shall deliver and assign to the Owner such warranties and guarantees which may be exercised by the Owner who may proceed against any such Subcontractor; provided, however, that any such assignment or the Owner's exercises thereof shall not release the Contractor from any guaranties or warranties made under this Section 14.3.3 or elsewhere in the Contract Documents.

§ 14.3.4 The Contractor represents that it is authorized to do business and has all requisite licenses for completion of the Project in the City of Chicago and State of Illinois. The Contractor warrants to the Owner that all Work shall be performed in accordance with the Contract Documents (unless specifically agreed otherwise by the Owner in writing in advance) and that all Work shall be performed in accordance with all applicable laws, codes, rules and regulations of all authorities having jurisdiction over the performance of the Work. If the Contractor performs any portion of the Work in accordance with the Contract Documents and such Work requires changes to comply with changes to applicable building codes, rules and regulations enacted after the date hereof, then the cost of such changes shall be deemed Cost of the Work under Section 7.7.1 and give rise to an increase in the Guaranteed Maximum Price by issuance of a Change Order. If the Contractor knowingly fails to comply with applicable building codes, rules and regulations at the time the Work is done, the Contractor shall pay the cost of compliance therewith.

§ 14.3.5 The Contract Documents are complementary, and what is required by one shall be as binding as if required by all. In the event of any inconsistency between the Contract Documents, the Contractor shall (a) provide the better quality or greater quantity of Work or (b) comply with the more stringent requirement; provided, however, that if the difference is between the requirements of the Drawings and Specifications or differences within the Drawings and Specifications themselves, then they shall be submitted to the Architect, who shall recommend to the Owner which of the conflicting requirements shall govern. If the Architect's recommendation is approved by the Owner, it shall be communicated to the Contractor, and the Contractor, or its Subcontractor doing such work, shall perform the Work in accordance with such decision without any changes in the Contract Sum.

§ 14.3.6 The Contractor represents and warrants the following to the Owner (in addition to any other representations and warranties contained in the Contract Documents), as an inducement to the Owner to execute this Agreement, which representations and warranties shall survive the execution and delivery of this Agreement, any termination of this Agreement and the final completion of the Work:

.1 that the Contractor has evaluated and satisfied itself as to the conditions and limitations under which the Work is to be performed, including, without limitation, (a) the location, condition, layout and nature of the site and surrounding areas, (b) generally prevailing climatic conditions, (c) anticipated labor supply and costs, (d) availability and cost of materials, tools and equipment, and (e) other similar conditions and limitations. The Contractor represents and warrants that the Contract Documents are sufficiently complete and detailed for the Contractor to (i) perform the Work required to produce the results intended by the Contract Documents, and (ii) comply with all of the requirements of the Contract Documents. The Owner shall not be required to make any adjustment in

either the Guaranteed Maximum Price or Contract Time in connection with any failure by the Contractor or any Subcontractor to comply with these requirements. Notwithstanding the foregoing, a reasonable adjustment to the Guaranteed Maximum Price and Contract Time shall be made for unsuitable soil conditions. If the Contractor encounters any other unsuitable soils, Section 4.3.4 of the General Conditions shall apply, if applicable;

.2 that each of the Contractor and its Subcontractors are financially solvent, able to pay all debts as they mature and possessed of sufficient capital to complete the Work and perform its obligations hereunder;

.3 that the Contractor is able to furnish the plant, tools, materials, supplies, equipment and labor required to complete the Work and perform its obligations hereunder;

.4 that the Contractor's duly authorized representative has visited the site, familiarized himself with the local and special conditions under which the Work is to be performed and correlated his observations with the requirements of the Contract Documents; and

.5 that Contractor's execution of this Agreement and its performance thereof is within its duly authorized power.

§ 14.3.7 The Contractor's performance of the Work shall be in accordance with all applicable laws, ordinances, statutes and regulations.

§ 14.4 The Owner's representative is:
(Name, address and other information.)

Terry Prisk
NAVTEQ
222 Merchandise Mart
Suite 900
Chicago, IL 60654

§ 14.5 The Contractor's representative is:
(Name, address and other information.)

Justin Brown
Skender Interiors Group
205 W. Wacker
#1040
Chicago, IL 60606

§ 14.6
(Paragraphs deleted)
Neither the Owner's nor the Contractor's representative shall be changed without ten days' written notice to the other party.

ARTICLE 15 ENUMERATION OF CONTRACT DOCUMENTS

§ 15.1 The Contract Documents, except for Modifications issued after execution of this Agreement, are enumerated as follows:

§ 15.1.1 The Agreement is this executed 1997 edition of the Standard Form of Agreement Between Owner and Contractor, AIA Document A111-1997.

§ 15.1.2 The General Conditions are the 1997 edition of the General Conditions of the Contract for Construction, AIA Document A201-1997.

§ 15.1.3 The Supplementary and other Conditions of the Contract are those contained in the Project Manual dated _____, and are as follows:

Document	Title	Pages
See Exhibit "A" Contract Document Listing	See Exhibit "A" Contract Document Listing	See Exhibit "A" Contract Document Listing

§ 15.1.4 The Specifications are those contained in the Project Manual dated as in Section 15.1.3, and are as follows:
(Either list the Specifications here or refer to an exhibit attached to this Agreement.)
(Table deleted)
Title of Specifications exhibit: See Exhibit "A" Contract Document Listing

§ 15.1.5 The Drawings are as follows, and are dated unless a different date is shown below:
(Either list the Drawings here or refer to an exhibit attached to this Agreement.)
(Table deleted)
Title of Drawings exhibit: See Exhibit "A" Contract Document Listing

§ 15.1.6 The Addenda, if any, are as follows:

Number	Date	Pages
See Exhibit "A" Contract Document Listing	See Exhibit "A" Contract Document Listing	See Exhibit "A" Contract Document Listing

Portions of Addenda relating to bidding requirements are not part of the Contract Documents unless the bidding requirements are also enumerated in this Article 15.

§ 15.1.7 Other Documents, if any, forming part of the Contract Documents are as follows:
(List here any additional documents, such as a list of alternates that are intended to form part of the Contract Documents. AIA Document A201-1997 provides that bidding requirements such as advertisement or invitation to bid, Instructions to Bidders, sample forms and the Contractor's bid are not part of the Contract Documents unless enumerated in this Agreement. They should be listed here only if intended to be part of the Contract Documents.)

See Exhibit "G" Building Rules & Regulations

ARTICLE 16 INSURANCE AND BONDS

(List required limits of liability for insurance and bonds. AIA Document A201-1997 gives other specific requirements for insurance and bonds.)

Type of Insurance	Limit of liability ($ 0.00)
See Exhibit "H" Certificate of Insurance	

ARTICLE 17 OTHER PROVISIONS

§ 17.1 The Contractor shall obtain competitive unit pricing for each trade to be included in each Subcontract. Prior to awarding a Subcontract or purchase order, the Contractor shall present a summary bid comparison for each trade, with unit costs for the Owner to review and comment upon.

§ 17.2 During the course of construction, the Contractor will make an analysis of the materials and equipment that will be required on the job and maintain and update on a weekly basis a scheduling system to expedite materials and equipment deliveries through the course of construction.

§ 17.3 The Contractor shall prepare a detailed Monthly Status Report and a Detailed Construction Schedule (in the form of a critical path). Such schedule shall be updated (at least) monthly and be submitted to the Owner and the Architect.

§ 17.3.1 Such updated Monthly Construction Schedule shall include the information required by and shall be in the form of Exhibit M, and in addition, make special reviews as reasonably requested by the Owner.

§ 17.3.2 Such monthly status report shall:

.1 Provide general overview and construction progress of each area to date, and projected completion date for each work stage or area. Include major open ownership issues and key information required from the Architect or the Owner and the date such information is required;

.2 Identify any current project modifications since previous submittal, major changes in scope, and other identifiable changes;

.3 Define problem areas, anticipated delays, and any impact to Schedule. Report corrective action taken, or proposed, and the effect of such corrective action;

.4 Include current payment application, approved Change Order log and potential Change Order log;

.5 Present budget status, buy out status, anticipated cost projection, allowance status, and contingency status; and

.6 Include progress photos.

§ 17.4 The Contractor shall provide all necessary labor, materials, equipment, utilities, including, without limitation, all utility hook-ups, tools and other facilities and services of every kind necessary for the construction and completion of the Work.

§ 17.5 The Contractor shall furnish, install and maintain temporary utilities required for construction and remove the same upon completion of the Work. Materials must be new and adequate in capacity for the required usage, must not create unsafe conditions, and must not violate requirements of applicable codes and standards.

§ 17.6 All warranties described in Subsections 3.5.1 and 3.5.2 of the Conditions of the Contract shall be freely assignable to any Purchaser of the Project or any assignee of the Owner.

§ 17.7 The Contractor shall:

.1 Protect materials and finishes from damage due to temperature or humidity.

.2 Provide adequate forced ventilation of enclosed areas for curing of installed materials, to disperse humidity, and to prevent hazardous accumulations of dust, fumes, vapors or gases.

.3 Service, clean and maintain facilities and enclosures.

.4 Maintain and operate systems to assure continuous service.

.5 Completely remove temporary materials and equipment when their use is not longer required.

.6 Clean and repair damage caused by temporary installations or use of temporary facilities.

The Contractor shall maintain at the site a full set of Drawings and Specifications and Working Drawings for the Project, and such Drawings, Specifications and other documents shall be made available to the Owner, lenders and prospective lenders for the Project.

§ 17.8 The Contractor agrees from time to time, as the Owner shall request, to execute and deliver to the Owner within seven (7) days of the Owner's request, a statement that this Contract is unmodified and in full force and effect (or, if there have been modifications, that the same is in full force and effect as modified, and stating the modifications). Such statement shall also include whether or not, to the best knowledge of the Contractor, either

party is in default in the performance of any of its obligations under this Contract, and if so, specifying each such default. The Contractor agrees to require in each subcontract that Subcontractor, when requested by the Owner, execute and deliver to the Owner a statement that the Subcontractor's contract is unmodified and in full force and effect with the Contractor. Such statement shall include the same terms and conditions as the statement between the Owner and the Contractor.

§ 17.9 Monthly or on such other intervals as may be agreed, the Contractor shall arrange coordination meetings among the Contractor, the Architect, the Owner and such Subcontractors or separate contractors reasonably selected by the Owner. Such meetings shall be at the site or at such other location agreed by the Owner and the Contractor. Such meetings shall be for the purpose of reviewing the status of the Project, the Construction Schedule and resolving current issues. Within three (3) business days thereafter, the Contractor shall supply the Owner, the Architect and other attendees with written minutes of the meetings.

§ 17.10 The Owner and the Contractor do hereby recognize and agree that Section 365 of the Bankruptcy Reform Act of 1978, Title II, United States Code (the "Code") provides time limits within which a trustee, the debtor or debtor in possession may assume or reject an executory contract. Moreover, the parties do hereby recognize and agree that in a case under Chapter 11 of the Code, the court, on request of any party to an executory contract, may order the trustee, the debtor or debtor in possession, to determine within a specified period of time whether to assume or reject such an executory contractor. Notwithstanding the foregoing, however, the Contractor does hereby expressly covenant, bargain and agree that if the Contractor is named as a debtor in a petition for relief under the Code, whether said petition is voluntary or involuntary, the Contractor shall, within fifteen (15) days of filing of said petition for relief, or within fifteen (15) days of an order for relief, whichever is sooner, either assume or reject this Contract. Said assumption or rejection shall be made effective by presenting to the court wherein the petition for relief was filed an agreed order signed by the Owner and the Contractor either assuming or rejecting this Contract. The Contractor does hereby expressly agree that this Contract shall be deemed rejected on a sixteenth (16th) day following the filing of a petition for relief under the Code, or following the order of relief, unless this Contract is assumed pursuant to an agreed order. The Contractor does hereby expressly agree that due to the size of this Project, the number of people employed on this Project, the extensive obligations and covenants assumed by the Contractor pursuant to this Contract, and the crucial factor that time is of the essence in this Agreement, it is only fair and equitable to the Owner, the Contractor and other parties affected by this Contract that the Contractor covenant to assume or reject this Contract within fifteen (15) days of the filing of a petition for relief under the Code, or within fifteen (15) days of the order for relief. Moreover, the Contractor does hereby recognize and agree that were this clause not inserted in this Contract, the Contractor probably would be allowed more than fifteen (15) days to elect whether to assume, provide the adequate assurance of performance was given as outlined below in this Section 17.10, or reject the Contract, but because time is of the essence in the Contract and this Project, and notwithstanding the foregoing, the Contractor does hereby bargain, covenant and agree that it will be bound, in any subsequent bankruptcy case commenced under the Code, by this clause. The Owner and the Contractor do hereby recognize and agree that in the event the Contractor files a voluntary petition for relief under Chapter 7, 11 or 13 of the Code, or in the event an order for relief is entered after an involuntary petition is filed under the Code naming the Contractor as a debtor, the Code provides that a trustee, the debtor or debtor in possession, in certain instances, subject to court approval, may assume or assume and assign executory contracts. Among other obligations, a trustee, debtor or debtor in possession must, before assuming the executory contract, provide adequate assurance of future performance. Based on the above, and based upon the fact that time is of the essence of the Contract, the Owner and the Contractor do hereby bargain, covenant and agree that the following and each of them, specifically and without limiting the Contractor's obligations to continue to perform all of the terms of the Contract Documents and conditions and covenants the fulfillment of which the Contractor will provide the Owner with adequate assurance of future performance:

§ 17.10.1 The Contractor, as debtor in possession, trustee or assignee, will continue to provide and pay for, on a timely basis, all labor, equipment, materials and tools required to complete the Work in accordance with the Contract;

§ 17.10.2 The Contractor will continue to provide an adequate force of skilled workmen on the job to complete the Work in accordance with all requirements of the Contract;

§ 17.10.3 The Contractor will continue to establish progress schedules, and will continue to perform all Work within the time limits set forth in said progress schedules and the Construction Schedule.

§ 17.10.4 The Contractor will keep current in payments of all sales, consumer and use taxes; in payments required by all union contracts; in obtaining and paying for all necessary permits, fees, licenses and inspections; in payments for all necessary insurance policies to protect workmen, laborers, employees and third parties;

§ 17.10.5 The Contractor will be solely responsible for construction means, methods, techniques, sequences and procedures and safety programs.

§ 17.10.6 The Owner will furnish and pay for all temporary electrical, heating, cooling, water and building charges;

§ 17.10.7 The Contractor will organize the procurement of materials and equipment and will supply competent and knowledgeable staff, assistance and superintendent;

§ 17.10.8 The Contractor shall determine the average weekly expenses for labor, materials and equipment prior to the filing of a petition for relief, voluntary or involuntary, under the Code. Said average shall be based upon expenses incurred in the ten (10) weeks preceding the filing of such petition. The Contractor shall then deposit with the Owner, who will place said deposit in an escrow account to be established by the Owner, the equivalent of eight (8) weeks average weekly expenses for labor, materials and equipment, and said deposit shall be retained by the Owner, in escrow, pending the completion of this Contract, at which time, said escrow deposit shall be returned to the Contractor; and

§ 17.10.9 The Contractor shall provide the Owner with weekly reports documenting that all required payments are current.

§ 17.10.10 It is expressly agreed to by the parties hereto that if the Contract is rejected, the provisions of the Contract with respect to termination by the Owner shall be applicable to the fullest extent permitted by law, and without limiting the generality of the foregoing, the Owner shall have the same rights as in the event of the Contractor's termination as set forth in Article 13. To the fullest extent permitted by law, it is expressly agreed to by the parties hereto that, in the event a court finds any of the provisions of this Section 17.10 or any part thereof void by operation of law, it is the intent of the parties hereto to provide the Owner with the right to terminate this Agreement in accordance with the remaining provisions of this Section 17.10, or such additional termination rights as are provided in this Agreement.

This Agreement is entered into as of the day and year first written above and is executed in at least three original copies, of which one is to be delivered to the Contractor, one to the Architect for use in the administration of the Contract, and the remainder to the Owner.

OWNER *(Signature)*	CONTRACTOR *(Signature)*
Terry L. Prisk,- Senior Director Corporate Facilities	Justin Brown – Executive Vice President
(Printed name and title)	*(Printed name and title)*

Init.

EXHIBIT E

CITY OF CHICAGO OBLIGATIONS

Contractor acknowledges that Owner is in the process of negotiating a Redevelopment Agreement with the City of Chicago in connection with the Project. The Redevelopment Agreement will have obligations with respect to employment issues, which will likely include the following described obligations (the "Requirements"). Contractor agrees to comply with the Requirements, as they may be amended from time to time. Contractor shall indemnify and hold Owner harmless from and against all damages, costs, claims and liabilities arising from or in connection with Contractor's failure to comply with the Requirements, including any proceedings commenced against Owner as a result thereof, and any penalties imposed on Owner in connection therewith. The obligations of Contractor with respect to employment issues described in paragraphs B and C(i) below shall only apply to Contractor's contractors and subcontractors, and not to any Owner provided consultants, fees, materials or equipment.

DEVELOPER'S EMPLOYMENT OBLIGATIONS

A. Employment Opportunity. The Developer agrees, and shall contractually obligate its various contractors, subcontractors and any affiliate of the Developer operating on the Property (collectively, the "Employers" and individually, an "Employer") to agree that with respect to the provision of services in connection with the construction of the Project on the Property, but not including construction on the Developer Property, or occupation of the Property during the construction period:

(i) Neither the Developer nor any 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, Section 2-160-010 et seq. of the Municipal Code of Chicago, as amended from time to time (the "Human Rights Ordinance"). The Developer and 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. The Developer and 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 Developer and each Employer, 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.

(ii) To the greatest extent feasible, the Developer and each Employer shall present opportunities for training and employment of low and moderate income residents of the City, and provide that contracts for work in connection with the construction of the Project be awarded to business concerns which are located in, or owned in substantial part by persons residing in, the City.

(iii) The Developer and each Employer shall comply with all federal, state and local equal employment and affirmative action statutes, rules and regulations, including, without limitation, the Human Rights Ordinance, and the Illinois Human Rights Act, 775 ILCS 5/1-101 et seq. (1993), and any subsequent amendments and regulations promulgated thereto.

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

(v) The Developer and each Employer shall include the foregoing provisions of subparagraphs (i) through (iv) in every contract entered into in connection with the construction of 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.

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

B. City Resident Employment Requirement. The Developer agrees, and shall contractually obligate each Employer to agree, that during the construction of the Project, it and they shall comply with the minimum percentage of total worker hours performed by actual residents of the City of Chicago as specified in Section 3-92-330 of the Municipal Code of Chicago (at least fifty percent of the total worker hours worked by persons on the construction of the Project shall be performed by actual residents of the City of Chicago); provided, however, that in addition to complying with this percentage, the Developer and each Employer shall be required to make good faith efforts to utilize qualified residents of the City of Chicago in both unskilled and skilled labor positions.

The Developer and the Employer 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 of Chicago.

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

The Developer and the Employers shall provide for the maintenance of adequate employee residency records to ensure that actual Chicago residents are employed on the construction of the Project. The Developer and the Employers 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 the City of Chicago Department of Housing ("DOH") in triplicate, which shall identify clearly the actual residence of every employee on each submitted certified payroll. The first time that an employee's name appears on a payroll, the date that the company hired the employee should be written in after the employee's name.

The Developer and the Employers shall provide full access to their employment records to the Chief Procurement Officer, the Commissioner of DOH, the Superintendent of the Chicago Police Department, the Inspector General, or any duly authorized representative thereof. The Developer and the Employers shall maintain all relevant personnel data and records for a period of at least three (3) years from and after the issuance of the Certificate of Completion.

At the direction of DOH, the Developer and the Employers shall provide affidavits and other supporting documentation 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 and the Employers to provide work for actual Chicago residents (but not sufficient for the granting of a waiver request as provided for in the standards and procedures developed by the Chief Procurement Officer) shall not suffice to replace the actual, verified achievement of the requirements of this Section concerning the worker hours performed by actual Chicago residents.

If the City determines that the Developer or an Employer failed to ensure the fulfillment of the requirements of this Section concerning the worker hours performed by actual Chicago residents or failed to report in the manner as indicated above, the City will thereby be damaged in the failure to provide the benefit of demonstrable employment to Chicagoans to the degree stipulated in this Section. If such non-compliance is not remedied in accordance with the breach and cure provisions of Section 19.C., the parties agree that 1/20 of 1 percent (.05%) of the aggregate hard construction costs set forth in the Budget shall be surrendered by the Developer and for the Employers 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 and/or the other Employers or employees to prosecution.

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

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

C. 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 construction of the Project:

(i) Consistent with the findings which support, as applicable, (a) the Minority-Owned and Women-Owned Business Enterprise Procurement Program, Section 2-92-420 et seq., Municipal Code of Chicago (the "Procurement Program"), and (b) the Minority- and Women-Owned Business Enterprise Construction Program, Section 2-92-650 et seq., Municipal Code of Chicago (the "Construction Program," and collectively with the Procurement Program, the "MBE/WBE Program"), 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 23.C., during the course of the Project, the following percentages of the MBE/WBE Budget (as set forth in Exhibit G hereto shall be expended for contract participation by minority-owned businesses ("MBEs") and by women-owned businesses ("WBEs"): (1) At least 24% by MBEs; and (2) At least 4% by WBEs.

(ii) For purposes of this Subsection C only:

(a) 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" or a "construction contract" as such terms are defined in Sections 2-92-420 and 2-92-670, Municipal Code of Chicago, as applicable.

(b) The term "minority-owned business" or "MBE" shall mean a business identified in the Directory of Certified Minority Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a minority-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable.

(c) The term "women-owned business" or "WBE" shall mean a business identified in the Directory of Certified Women Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a women-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable.

(iii) Consistent with Sections 2-92-440 and 2-92-720, 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 (a) the MBE or WBE participation in such joint venture, or (b) 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 the 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 construction of the Project to one or more MBEs or WBEs; by the purchase of materials or services used in the construction of 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 23.C. In accordance with Section 2-92-730, Municipal Code of Chicago, the Developer shall not substitute any MBE or WBE general contractor or subcontractor without the prior written approval of DPD.

(iv) The Developer shall deliver quarterly reports to the City's monitoring staff 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 the City's monitoring staff in determining the Developer's compliance with this MBE/WBE commitment. The Developer shall maintain records of all relevant data with respect to the utilization of MBEs and WBEs in connection with the Project for at least five years after completion of the Project, and the City's monitoring staff shall have access to all such records maintained by the Developer, on five 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.

(v) 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 (v), the disqualification procedures are further described in Sections 2-92-540 and 2-92-730, Municipal Code of Chicago, as applicable.

(vi) Any reduction or waiver of the Developer's MBE/WBE commitment as described in this Section 23.C. shall be undertaken in accordance with Sections 2-92-450 and 2-92-730, Municipal Code of Chicago, as applicable.

(vii) Prior to the commencement of the Project; the Developer shall meet with the City's monitoring staff with regard to the Developer's compliance with its obligations under this Subsection C. The general contractor and all major

subcontractors shall be required to attend this pre-construction meeting. During said meeting, the Developer shall demonstrate to the City's monitoring staff its plan to achieve its obligations under this Subsection C, the sufficiency of which shall be approved by the City's monitoring staff. During the Project, the Developer shall submit the documentation required by this Subsection C to the City's monitoring staff, including the following: (a) MBE/WBE utilization plan and record; (b) subcontractor's activity report; (c) contractor's certification concerning labor standards and prevailing wage requirements; (d) contractor letter of understanding; (e) monthly utilization report; (f) authorization for payroll agent; (g) certified payroll; (h) evidence that MBE/WBE contractor associations have been informed of the Project via written notice and hearings; and (i) evidence of compliance with job creation requirements. Failure to submit such documentation on a timely basis, or a determination by the City's monitoring staff, upon analysis of the documentation, that the Developer is not complying with its obligations under this Subsection C, shall, upon the delivery of written notice to the Developer, be deemed an Event of Default. Upon the occurrence of any such Event of Default, in addition to any other remedies provided in this Agreement, the City may: (1) issue a written demand to the Developer to halt the Project, (2) withhold any further payment of any city funds to the Developer or the general contractor, or (3) seek any other remedies against the Developer available at law or in equity.

EXHIBIT F

LEASE OBLIGATIONS

For purposes of this Exhibit, the term "Contractor" shall include Skender Interior Group, and its employees, agents and representatives. The Work is being performed in space that the Owner leases from Boeing 100 North Riverside LLC (which, together with its successors and assigns is referred to herein as the "Landlord") pursuant to an Office Lease dated as of November 15, 2006 (the "Lease"). Notwithstanding anything to the contrary contained in the Agreement, Contractor agrees to be bound by the following requirements set forth in the Lease:

1. In the event that the Landlord fails to deliver the Premises (as defined n the Lease) to Owner on time and such late delivery in any way impacts Contractor's ability to perform Work, Contractor agrees to use reasonable efforts to mitigate and minimize the impact of the delay and to strive to complete Contractor's Work by the original deadline.

2. Contractor shall not use or permit the use of the Premises for any purpose or in any manner which (i) is unlawful or in violation of any applicable legal or governmental requirement, ordinance or rule; (ii) may be dangerous to persons or property; (iii) may invalidate or increase the amount of premiums for any policy of insurance affecting the Premises or building in which the Premises is located (the "Building"); or (iv) may create a nuisance, disturb any other tenant of the Building or injure the reputation of the Building.

3. Contractor agrees to cooperate fully, at all times, with the Landlord in abiding by all reasonable regulations and requirements which Landlord may prescribe for the proper functioning and protection of all utilities and services reasonably necessary for the operation of the Premises and the Building. Contractor agrees that it shall not at any time tamper with, adjust or otherwise in any manner affect Landlord's mechanical installations.

4. Contractor agrees to comply with the Landlord's rules and regulations as applicable to Owner, a copy of which are set forth in Exhibit G (Exhibit F to the Lease) attached hereto and made a part hereof and, following reasonable notice to Contractor, such other rules and regulations as may be reasonably adopted by the Landlord for the protection and welfare of the property and its tenants and occupants. Contractor acknowledges and agrees that it shall be and remain liable for all damages, loss, costs and expense resulting from any violation by Contractor of any of said rules and regulations

5. Contractor acknowledges and agrees that with respect to its Work in the Premises and Building, the Landlord may impose reasonable requirements, including, without limitation, requirements as to the manner and time for the performance of any such Work and the type and amount of insurance and bonds Contractor must acquire and maintain in connection therewith. In addition, Contractor acknowledge and agrees that the Landlord shall have the right review the Contractor's Work and to monitor and coordinate such Work undertaken within the Building.

6. Before Work is commenced, Contractor shall cooperate with Owner to secure a completion and lien indemnity bond, satisfactory to the Landlord, for Contractor's Work, and during the progress of the Work, Contractor, upon Owner's request, shall furnish Owner with sworn contractor's statements and lien waivers covering all Work theretofore performed.

7. Contractor does hereby indemnify and save harmless Owner and the Landlord against all third-party claims and liabilities for bodily injury to or death of any person or loss of or damage to any property arising out of Contractor's use of the Premises or of any area outside of the Premises which Contractor is entitled to use in connection with the Work or due to any act or omission of the Contractor. The indemnity shall include the obligation to pay reasonable expenses incurred by the indemnified party, including, without limitation, reasonable, actually incurred attorneys' fees.

8. Contractor shall comply, at its sole expense, with all laws, ordinances, rules or regulations of any governmental authority relating to the protection of public health, safety and welfare or regarding the use, control, regulation or prohibition of any Hazardous Substances (as hereinafter defined) (collectively, "Environmental Laws") in the use of the Premises. Contractor agrees that no Hazardous Substances shall be used, located, stored or processed on the Premises or be brought into the Building by Contractor, except for minor quantities of cleaning materials and other items not inconsistent with office use and, in any event, in compliance with all applicable laws. Contractor further agrees that it will not release or discharge Hazardous Substances from the Premises (including, but not limited to, ground water contamination) in violation of any Environmental Law. The term "Hazardous Substances" shall mean and include all hazardous and toxic substances, waste or materials, any pollutant or contaminant, including, without limitation PCB's, asbestos and raw materials that include hazardous constituents or any other similar substances or materials that are now or hereafter included under or regulated by any Environmental Laws or that would pose a health, safety or environmental hazard. In the event that Contractor is notified of any investigation or violation of any Environmental Law arising from Contractor's activities at the Premises, Contractor shall immediately deliver to Owner a copy of such notice. In such event or in the event the Landlord reasonably believes that a violation of Environmental Law exists arising based upon Contractor's activities, the Landlord may, upon notice to Owner, conduct such tests and studies relating to compliance by Contractor with Environmental Laws or the alleged presence of Hazardous Substances upon the Premises as the Landlord reasonably deems necessary or desirable, and to the extent any such tests and studies indicate non-compliance by Contractor with Environmental Laws or the presence of Hazardous Substances upon the Premises based upon Contractor's activities, then such tests and studies shall be completed at Contractor's expense. Contractor shall indemnify, defend, protect and hold harmless Owner and the Landlord, and their respective constituent members, and their respective officers, directors, members, partners, agents, employees, successors and assigns, from and against any and all loss, claim, expense, liability and costs (including attorneys' fees) arising out of or in any way related to the presence of any Hazardous Substance introduced to the Premises or Building by Contractor.

9. This section shall be applicable to any portion of the Work that involves the erection and construction of telecommunications equipment, including satellite dishes, antennas, appurtenant cables and conduit, and other telecommunications, transmission or receiver equipment and infrastructure (collectively, the "Antenna"). Landlord shall have the right to approve the size and all aspects of such installations. Landlord shall reasonably determine the location of such Antenna. Contractor shall be responsible for obtaining all governmental permits and licenses needed for such installations. The Work with respect to the Antenna is subject to the following additional requirements: (i) the installation of the Antenna shall be done by Contractor in good and workmanlike manner in compliance with all building codes and regulations, free from any liens or claims of liens and in accordance with plans and specifications therefor approved in writing by Owner and Landlord, (ii) Contractor shall be responsible for any leakage or other damage to the Building or any system currently serving the Building related directly or indirectly to the installation, repair or testing of the Antenna, and (iii) the Antenna shall be installed and constructed in a manner so that the use of the Antenna shall not interfere with any transmission or reception equipment presently located in the Building.

10. This section shall be applicable to any portion of the Work that involves the installation of back-up power generators, including any fuel storage tank, transfer switch and ancillary pumping equipment for such generators and conduits to connect such generators to the Premises (collectively, the "Generator"). The Generator shall be located in the Parking Facility at the Building in the number of parking spaces required for such purpose and reasonably identified by Landlord (it being contemplated that it will be installed in an area of approximately six (6) parking spaces), except, however, that the storage tank, transfer switch and ancillary pumping equipment shall be located in an area of approximately 64 square feet in the southwest corner of the southern dock area of the Building at a location to be mutually agreed upon by Landlord and Tenant. All plans for installation of the Generator and related conduits shall be subject to Owner's and Landlord's approval. Landlord may require that reasonable sound muffling, vibration isolation and fencing be installed in connection with such equipment which shall be included in the Work. Any testing of the Generator shall be conducted to the extent possible at times other than normal business hours, and will otherwise be performed in a manner reasonably calculated to minimize any inconvenience to other tenants and occupants of the Building and their respective employees and invitees. The Work with respect to the Generator is subject to the following additional requirements: (i) the installation of the Generator shall be done by Contractor in good and workmanlike manner, free from any liens or claims of liens; (ii) Contractor shall be responsible for repairing any leakage or other damage to the Building or any system currently serving the Building related directly or indirectly to the installation, repair or testing of the Generator; and (iii) the Generator shall be installed and constructed in a manner so that the use of the Generator shall not interfere with any equipment presently located in the Property.

11. This Section shall be applicable to any portion of the Work that involves the erection and maintenance of condenser units and related equipment and infrastructure (collectively, the "Condenser Units"). Landlord and Owner shall have the right to approve the size and all aspects of such installations. Contractor shall be responsible for obtaining all

governmental permits and licenses needed for such installations. The Work with respect to the Condenser Units is subject to the following additional requirements: (i) the installation of the Condenser Units shall be done by Contractor in good and workmanlike manner in compliance with all building codes and regulations, free from any liens or claims of liens and in accordance with plans and specifications therefor approved in writing by Landlord and Owner, which plans shall show the proposed installation therefor and the method of connecting the same to the facilities within the Premises; (ii) the installation of the Condenser Units shall be done in a manner that does not void or adversely affect any warranty granted to Landlord with respect to the roof or adversely affect the watertightness of the roof membrane; (iii) Contractor shall be responsible for any leakage or other damage to the Building or any system currently serving the Building related directly or indirectly to the installation, repair or testing of the Condenser Units, (iv) Contractor shall cause the Condenser Units to be screened from view to the extent that such screening will not interfere with normal operation of the Condenser Units and shall take such reasonable steps as shall be necessary in order to minimize sound from the Condenser Units, such as by sound muffling and vibration isolation, all in such manner as shall be acceptable to Landlord and Owner, and (v) the Condenser Units shall be installed and constructed in a manner so that the use of the Condenser Units shall not interfere with any transmission or reception equipment presently located in the Building.

12. All Work shall be done to a Class A Building Standard (as defined in the Lease). The Work shall not affect the structure or systems of the Building except as may be expressly permitted by the Landlord.

13. The Work shall be performed in accordance with the Landlord's "General Building Information and Rules and Regulations" (the "Building Information Guide"), which will be made available to Contractor upon request and which contains construction rules and regulations and the Building Standards, except as otherwise set forth herein.

14. Contractor acknowledges and agrees that the Agreement is subject to the prior written approval of the Landlord, and that Owner shall have the right to provide a copy of the fully executed Agreement to the Landlord.

15. Contractor shall revise the Contract Documents within the time frames as may be requested by Landlord pursuant to the Lease, and shall provide Landlord and Owner with copies of any of the Contract Documents required by the terms of the Lease. All drawings shall be of uniform size not excluding 30" x 42" and to a minimum scale of one-eighth inch equals one foot.

16. Contractor shall not undertake or commence any Work in the Premises until:

    (a) Contractor's plans have been submitted to and approved by the Landlord;

    (b) all governmental approvals and permits required for the commencement of the Work have been obtained by Contractor, and evidence thereof has been provided to Owner and the Landlord,

(c) all required insurance coverages have been obtained by Contractor, and evidence thereof provided to Owner and the Landlord, and

(d) Owner and the Landlord have given written notice that the Work can proceed, subject to such reasonable conditions as Owner and/or the Landlord may impose.

17. Contractor shall not commence Work with respect to any changes in the plans unless and until approved by Owner and the Landlord.

18. All Work done in or upon the Premises by Contractor shall be done according to the following standards, except as the same may be modified on Contractor's plans approved by or on behalf of the Landlord and Owner.

(a) All design and construction shall comply with all applicable statutes, ordinances, regulations, laws, codes and industry standards. Approval by Owner or the Landlord of Contractor's plans shall not constitute a waiver of this requirement or assumption by Owner or the Landlord of responsibility for compliance. Where several sets of the foregoing laws, codes and standards must be met, the strictest shall apply where not prohibited by another law, code or standard.

(b) Contractor shall obtain all required Building permits and when construction has been completed shall obtain an occupancy permit for Owner for the Premises, if required by local Building code, which shall be delivered to Owner and the Landlord.

(c) Contractor warrants and shall ensure that it is a licensed contractor, possessing good labor relations, capable of performing quality Workmanship and Working in harmony with the Landlord's employees, contractors and subcontractors and with other contractors and subcontractors on the job site. Contractor agrees to be signatory to the appropriate collective bargaining agreement(s) with the labor organizations affiliated with the Building and Construction Trades Department of the AFL-CIO, with the International Brotherhood of Teamsters, or with the United Brotherhood of Carpenters and Joiners of America. All Work shall be coordinated with any general construction work in the Building in order not to adversely affect other work being performed by or for the Landlord or its contractors and subcontractors.

(d) Contractor shall use only new materials in its Work, except where explicitly shown in plans approved by Owner and the Landlord. On completion of the Work, Contractor shall provide or cause to be provided to Owner and the Landlord copies of all warranties of at least one (1) year duration from the date of completion against defects in Workmanship and materials on all Work performed and equipment installed in the Premises as part of such Work.

(e) Contractor agrees that, in performing Work, it shall not interfere with or disturb other tenants and occupants of the Building. Contractor shall take all reasonable precautionary steps to protect Owner's facilities and the facilities of others affected by the Work and to properly police same. Construction equipment and materials are to be kept within the Premises and delivery and loading of equipment and materials shall be done at such locations and at such time as the Landlord shall direct so as not to burden the operation of the Building.

(f) In the even that Contractor shall have violated the requirements imposed on Contractor pursuant to the terms herein or Landlord's construction rules and regulations, the Landlord shall have the right to order Contractor to cease Work and remove its equipment and employees from the Building unless Contractor immediately complies with such requirements upon notice from the Landlord.

(g) The interiors of elevators used by Contractor and the common areas shall be adequately protected from damage in a manner reasonably satisfactory to Owner and the Landlord. Contractor agrees to remove all construction debris and shall not place debris in the Building's waste containers.

(h) Contractor's Work shall be subject to inspection by Owner and by the Landlord, the Building manager and the Landlord's architects, contractors and other representatives, at all times.

(i) Contractor shall proceed with its Work expeditiously, continuously and efficiently, and shall complete the Work prior to _____, 200__.

(j) Contractor shall have no authority to deviate in any respect from approved plans in performance of the Work, except as approved by Owner and the Landlord and their designated representative in writing. Upon completion of the Work, Contractor shall furnish to Owner and the Landlord five (5) black and white prints along with a CADD file and Record Design Documents of the Work reflecting "as-built" conditions.

(k) Contractor agrees to cooperate in coordinating its Work and any base building work by the Landlord not completed prior to Contractor's commencement of its Work.

(l) Without limitation of the indemnification provisions contained in the Agreement, Contractor agrees to indemnify, protect, defend and hold harmless Owner, the Landlord, the Landlord's manager, and their respective members, managers, contractors, architects, and all of their respective their officers, directors, partners, agents and employees from and against all claims, liabilities, losses, damages and expenses of whatever nature arising out of or in connection with Contractor's Work or the entry of Contractor into the Building and the Premises, including, without limitation, the cost of any repairs to the Premises or Building necessitated by activities of Contractor and bodily injury to persons or damage to the property of Owner, its employees, agents, invitees, licensees or others, except, however, to the extent such claims, liabilities, losses, damages and expenses are not covered for the benefit of the additional insures/indemnitees under the general liability insurance required of Contractor as described above and are otherwise attributable to the negligence of the Landlord, Owner or their agents or employees. It is understood and agreed that the foregoing indemnity shall be in addition to the insurance requirements set forth above and shall not be in discharge of or in substitution for same.

19. Contractor shall comply with the Building Rules and Regulations attached hereto as Exhibit G, and any obligations thereunder of Owner as Tenant under the Lease shall be applicable to Contractor.

EXHIBIT G

LEASE RULES AND REGULATIONS

If there is any conflict between these Rules and Regulations and the rights granted to Tenant under the Lease, the terms of the Lease shall prevail.

1. The sidewalks, halls, passages, elevators and stairways shall not be obstructed by the Tenant. The halls, passages, entrances, elevators, stairways, balconies and roof are not for the use of the general public and the Landlord shall in all cases retain the right of control and prevent access thereto of all persons whose presence in the judgment of the Landlord shall be prejudicial to the safety, character, reputation and interests of the Building and its tenants provided that nothing herein contained shall be construed to prevent such access to persons with whom the Tenant normally deals in the ordinary course of its business unless such persons are engaged in illegal activities. The Tenant and its employees shall not go upon the roof of the Building without the written consent of the Landlord.

2. The sashes, windows, lights or skylights that reflect or admit light into multi-tenant halls or other common areas of the Building shall not be covered or obstructed.

3. The toilet rooms, water and wash closets and other water apparatus shall not be used for any purpose other than that for which they were constructed and no foreign substances of any kind whatsoever shall be thrown therein and the expense of any breakage, stoppage or damage, resulting from the violation of this rule, shall be banned by the Tenant who, or whose clerk, agents, servants or visitors shall have caused it.

4. Curtains, blinds, shade or screens visible from outside of the Premises are subject to Landlords' prior approval. No awnings shall be permitted on any part of the Premises.

5. No safes or other objects heavier than the lift capacity of the freight elevators of the Building shall be brought into or installed on the Premises. The Tenant shall not place a load upon any floor of the Premises which exceeds the load per square foot which such floor was designed to carry and which is allowed by law. The moving of safes shall occur only between such hours as may be designated by, and only upon previous notice to, the manager of the Building, and the persons employed to move safes in or out of the Building must be acceptable to the Landlord. No freight, furniture or bulky matter of any description shall be received into the Building or carried into the elevators except during hours and in a manner approved by the Landlord.

6. The Tenant shall not use, keep or permit to be used or kept any foul or noxious gas or substance in the Premises or permit or suffer the Premises to be occupied or used in a manner offensive or objectionable to the Landlord or other occupants of the Building by reason of noise, odors and/or vibrators, or interfere in any way with other Tenants or those having business therein, nor shall any animals or birds (except seeing-eye dogs) be kept in or about the Building.

7. Tenant shall not use or permit to be brought into or kept in the Premises or on the Property any inflammable oils or fluids, or any explosive or other articles deemed hazardous to person or property; or do or permit to be done any act or thing which will invalidate or be in conflict with fire or other insurance policies covering the Property or its operation, or the Premises, or part of either; or do or permit to be done anything in or upon the Premises, which shall not comply with all rules, orders, regulations or requirements of the Illinois Inspection and Rating Bureau, the Fire Insurance Rating Organization, the Board of Fire Underwriters, or any similar organization (and Tenant shall at all times comply with all such rules, regulations or requirements), or which shall increase the rate of insurance on the Building, its appurtenances or contents.

8. Boring or cutting for wires or otherwise as well as other installation of conduits and wiring for any purposes shall be subject to the prior approval of Landlord.

9. The Tenant, upon termination of the tenancy, shall deliver to the Landlord all the keys of offices, rooms and toilet rooms which shall have been furnished the Tenant or which the Tenant shall have made, and in the event of loss of any keys so furnished, shall pay the Landlord therefor.

10. The Tenant shall not put down any floor covering in the Premises without the Landlord's prior approval of the manner and method of applying such floor covering.

11. Access to the Building or to the halls, corridors, elevators or stairways in the Building or to the Premises may be refused unless the person seeking access has a pass or is properly identified. The Landlord shall, in no case, be liable for damages for the admission to or exclusion from the Building of any person whom the Landlord has the right to exclude under Rule 1 above. In case of invasion, mob, riot, public excitement or other commotion, the Landlord reserves the right to prevent access to the Building during the continuance of the same by closing the doors or otherwise, for the safety of the tenants or the Landlord and protection of property in the Building.

12. The Tenant assumes full reasonable responsibility for protecting the Premises from theft, robbery and pilferage which includes keeping doors locked and windows and other means of entry to the Premises closed.

13. The Tenant shall not alter any lock or install a new or additional lock or any bolt on any door, window or transom of the Premises without prior written consent of the Landlord. If the Landlord shall give its consent, the Tenant shall in each case furnish the Landlord with a key for any such lock.

14. The Tenant shall not waste electricity, water or air conditioning and agrees to cooperate fully with Landlord to assure the most effective operation of the Building's heating and air conditioning and shall not allow the adjustment (except by Landlord's authorized Building personnel) of any controls other than room thermostats installed for the Tenant's use. The Tenant shall keep corridor doors closed.

15. Tenant shall not do any cooking in the Premises, except in an employee cafeteria, or engage any commercial coffee cart service. Tenant shall not place any vending or dispensing

machine of any kind in or about the Premises, except in an employee cafeteria or otherwise for the personal use of Tenant's employees. No smoking or loitering is permitted in the common areas of the Building except in areas designated by Landlord, if any.

16. Prior to removing furniture equipment or other items from the Premises or the Building, Tenant must submit a written list of such items to Landlord and obtain a removal permit thereof from the Building manager authorizing Building employees to permit such articles to be removed.

17. Tenant shall not paint, display, inscribe or affix any sign, trademark, picture, advertising, notice, lettering or direction on any part of the outside or inside of the Building, or on the Premises, except on the public hallway doors of the Premises, and then only such name or names or matter and of such color, size, style, character and material as shall be first approved by Landlord in writing. Landlord reserves the right to remove any other matter without notice to Tenant at the cost and expense of Tenant.

18. Tenant shall not advertise the business, profession or activities of Tenant in any manner which violates the letter or spirit of any code of ethics adopted by any recognized association or organization pertaining thereto or use the name of the Building for any purpose other than that of the business address of Tenant, or use any picture or likeness of the Building or "100 North Riverside Plaza", or any other name by which the Building may from time to time be known, on any letterhead, envelope, circular, notice, advertisement, container or wrapping material, without the prior written consent of Landlord.

19. Tenant shall not place any radio or television antenna aerial wires or other equipment on the roof or on or in any part of the inside or outside of the Building other than the inside of the Premises; operate or permit to be operated any musical or sound producing instrument or device inside or outside the Premises which may be heard outside the Premises, operate any electrical device which may interfere with or impair broadcasting or reception from or in the Building or elsewhere.

20. Tenant shall not place anything or allow anything to be placed near the glass of any door, partition, or window which may be unsightly from outside the Premises; take or permit to be taken in or out of other entrances of the Building, or take or permit on other elevators, any item normally taken in or out through the trucking concourse or service doors or in or on freight elevators; or, whether temporarily, accidentally, or otherwise, allow anything to remain in, place or store anything in, or obstruct in any way, any passageway, exit, stairway, elevator, shipping platform, or truck concourse. Tenant shall lend its full cooperation to keep such areas free from all obstruction and in a clean and sightly condition and move all supplies, furniture and equipment as soon as received directly to the Premises and move all such items and waste, other than waste customarily removed by employees of the Building, being taken from the Premises, directly to the shipping platform at or about the time arranged for removal therefrom.

21. Tenant shall not do any painting or decorating in the Premises, or mark, paint, cut or drill into, drive nails or screws into, or in any way deface any part of the Premises or the Building, outside or inside, without the prior written consent of Landlord except as permitted by this Lease.

22. Tenant shall not exhibit, sell or offer for sale, use, rent or exchange in or from the Premises or on the Property any article, thing or service except those ordinarily embraced within the permitted use of the Premises without the prior written consent of Landlord. Tenant shall report all peddlers, solicitors and beggars promptly to the Office of the Building or as Landlord otherwise requests.

23. Tenant shall have the right to install a full service kitchen in the Premises with Landlord's prior approval, not to be unreasonably withheld, conditioned or delayed. Tenant shall also have the right to install ice machine(s), full size refrigerators, dishwashers, convection ovens and microwave ovens in the Premises. Tenant shall not use the Premises for housing, lodging or sleeping purposes or for any immoral or illegal purposes; or permit the manufacture, sale, purchase or use of any spirituous, fermented, intoxicating or alcoholic liquors in the Premises or on the Property. Tenant may serve food at business functions in the Premises or the Building (including social business functions) and serve alcoholic beverages at such functions for the exclusive use of Tenant's employees, directors, stockholders, customers and business invitees (such as customers, prospective customers, vendors, contractors and consultants), subject to compliance with all applicable permits, codes, ordinances and licensing laws and, without limitation of the provisions of the Lease, provided that Tenant has delivered to Landlord certificates evidencing satisfactory insurance against any liability of Landlord arising from such serving of alcoholic beverages.

AIA® Document A201™ – 1997

General Conditions of the Contract for Construction

for the following PROJECT:
(Name and location or address):
NAVTEQ
100 N. Riverside Plaza
Chicago, IL 60606

THE OWNER:
(Name and address):
NAVTEQ
222 Merchandise Mart, Suite 900
Chicago, IL 60654

THE ARCHITECT:
(Name and address):
Gensler
30 West Monroe Street, Suite 400
Chicago, IL 60603

ADDITIONS AND DELETIONS:
The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

This document has been approved and endorsed by The Associated General Contractors of America

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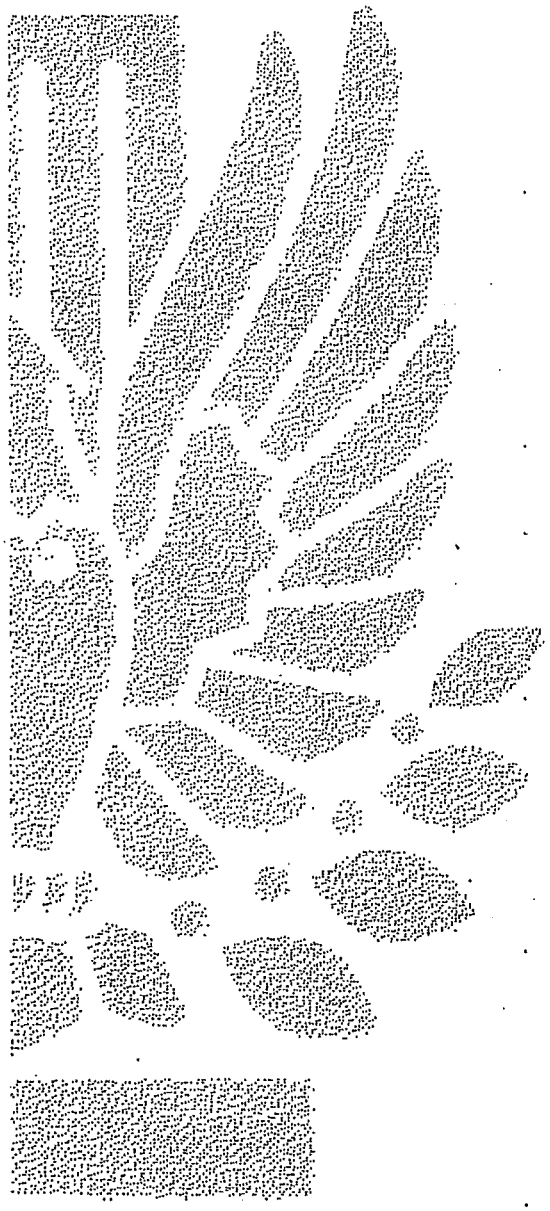

ARTICLE 1 GENERAL PROVISIONS

§ 1.1 BASIC DEFINITIONS

§ 1.1.1 THE CONTRACT DOCUMENTS

The Contract Documents consist of the Agreement between Owner and Contractor (hereinafter the Agreement), Conditions of the Contract (General, Supplementary and other Conditions), Drawings, Specifications, Addenda issued prior to execution of the Contract, other documents listed in the Agreement and Modifications issued after execution of the Contract. A Modification is (1) a written amendment to the Contract signed by both parties, (2) a Change Order, (3) a Construction Change Directive or (4) a written order for a minor change in the Work issued by the Architect. Unless specifically enumerated in the Agreement, the Contract Documents do not include other documents such as bidding requirements (advertisement or invitation to bid, Instructions to Bidders, sample forms, the Contractor's bid or portions of Addenda relating to bidding requirements).

§ 1.1.2 THE CONTRACT

The Contract Documents form the Contract for Construction. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations or agreements, either written or oral. The Contract may be amended or modified only by a Modification. The Contract Documents shall not be construed to create a contractual relationship of any kind (1) between the Architect and Contractor, (2) between the Owner and a Subcontractor or Sub-subcontractor, (3) between the Owner and Architect or (4) between any persons or entities other than the Owner and Contractor. The Architect shall, however, be entitled to performance and enforcement of obligations under the Contract intended to facilitate performance of the Architect's duties.

§ 1.1.3 THE WORK

The term "Work" means the construction and services required by the Contract Documents, whether completed or partially completed, and includes all other labor, materials, equipment and services provided or to be provided by the Contractor to fulfill the Contractor's obligations. The Work may constitute the whole or a part of the Project.

§ 1.1.4 THE PROJECT

The Project is the total construction of which the Work performed under the Contract Documents may be the whole or a part and which may include construction by the Owner or by separate contractors.

§ 1.1.5 THE DRAWINGS

The Drawings are the graphic and pictorial portions of the Contract Documents showing the design, location and dimensions of the Work, generally including plans, elevations, sections, details, schedules and diagrams.

§ 1.1.6 THE SPECIFICATIONS

The Specifications are that portion of the Contract Documents consisting of the written requirements for materials, equipment, systems, standards and workmanship for the Work, and performance of related services.

§ 1.1.7 THE PROJECT MANUAL

The Project Manual is a volume assembled for the Work which may include the bidding requirements, sample forms, Conditions of the Contract and Specifications.

§ 1.1.8 KNOWLEDGE

The terms "knowledge," "recognize," and "discover," their respective derivatives and similar terms in the Contract Documents, as used in reference to the Contractor, shall be interpreted to mean that which the Contractor knows (or should know), recognizes (or should recognize) and discovers (or should discover) in exercising the care, skill and diligence required by the Contract Documents. Analogously, the expression "reasonably inferable" and similar terms in the Contract Documents shall be interpreted to mean reasonably inferable by a contractor familiar with the Project and exercising the care, skill and diligence required of the Contractor by the Contract Documents.

§ 1.2 CORRELATION AND INTENT OF THE CONTRACT DOCUMENTS

§ 1.2.1 The intent of the Contract Documents is to include all items necessary for the proper execution and completion of the Work by the Contractor. The Contract Documents are complementary, and what is required by one shall be as binding as if required by all; performance by the Contractor shall be required only to the extent consistent with the Contract Documents and reasonably inferable from them as being necessary to produce the indicated results.

§ 1.2.2 Organization of the Specifications into divisions, sections and articles, and arrangement of Drawings shall not control the Contractor in dividing the Work among Subcontractors or in establishing the extent of Work to be performed by any trade.

§ 1.2.3 Unless otherwise stated in the Contract Documents, words which have well-known technical or construction industry meanings are used in the Contract Documents in accordance with such recognized meanings.

§ 1.2.4 Before ordering any materials or doing any Work, the Contractor and each Subcontractor shall verify measurements at the site and shall be responsible for the correctness of such measurements. No extra charge or compensation will be allowed on account of differences between actual dimensions and the dimensions indicated on the Drawings. Any difference which may be found shall be submitted to the Architect for resolution before proceeding with the Work.

§ 1.3 CAPITALIZATION

§ 1.3.1 Terms capitalized in these General Conditions include those which are (1) specifically defined, (2) the titles of numbered articles or (3) the titles of other documents published by the American Institute of Architects.

§ 1.4 INTERPRETATION

§ 1.4.1 In the interest of brevity the Contract Documents frequently omit modifying words such as "all" and "any" and articles such as "the" and "an," but the fact that a modifier or an article is absent from one statement and appears in another is not intended to affect the interpretation of either statement.

§ 1.5 EXECUTION OF CONTRACT DOCUMENTS

§ 1.5.1 The Contract Documents shall be signed by the Owner and Contractor. If either the Owner or Contractor or both do not sign all the Contract Documents, the Architect shall identify such unsigned Documents upon request.

§ 1.5.2 Execution of the Contract by the Contractor is a representation that the Contractor has visited the site, become generally familiar with local conditions under which the Work is to be performed and correlated personal observations with requirements of the Contract Documents.

§ 1.6 OWNERSHIP AND USE OF DRAWINGS, SPECIFICATIONS AND OTHER INSTRUMENTS OF SERVICE

§ 1.6.1 The Drawings, Specifications and other documents, including those in electronic form, prepared by the Architect and the Architect's consultants are Instruments of Service through which the Work to be executed by the Contractor is described. The Contractor may retain one record set. Neither the Contractor nor any Subcontractor, Sub-subcontractor or material or equipment supplier shall own or claim a copyright in the Drawings, Specifications and other documents prepared by the Architect or the Architect's consultants, and unless otherwise indicated the Architect and the Architect's consultants shall be deemed the authors of them and will retain all common law, statutory and other reserved rights, in addition to the copyrights. All copies of Instruments of Service, except the Contractor's record set, shall be returned or suitably accounted for to the Architect, on request, upon completion of the Work. The Drawings, Specifications and other documents prepared by the Architect and the Architect's consultants, and copies thereof furnished to the Contractor, are for use solely with respect to this Project. They are not to be used by the Contractor or any Subcontractor, Sub-subcontractor or material or equipment supplier on other projects or for additions to this Project outside the scope of the Work without the specific written consent of the Owner, Architect and the Architect's consultants. The Contractor, Subcontractors, Sub-subcontractors and material or equipment suppliers are authorized to use and reproduce applicable portions of the Drawings, Specifications and other documents prepared by the Architect and the Architect's consultants appropriate to and for use in the execution of their Work under the Contract Documents. All copies made under this authorization shall bear the statutory copyright notice, if any, shown on the Drawings, Specifications and other documents prepared by the Architect and the Architect's consultants. Submittal or distribution to meet official regulatory requirements or for other purposes in connection with this Project is not to be construed as publication in derogation of the Architect's or Architect's consultants' copyrights or other reserved rights.

ARTICLE 2 OWNER

§ 2.1 GENERAL

§ 2.1.1 The Owner is the person or entity identified as such in the Agreement and is referred to throughout the Contract Documents as if singular in number. The Owner shall designate in writing a representative who shall have express authority to bind the Owner with respect to all matters requiring the Owner's approval or authorization.

Except as otherwise provided in Section 4.2.1, the Architect does not have such authority. The term "Owner" means the Owner or the Owner's authorized representative.

§ 2.1.2 The Owner shall furnish to the Contractor within fifteen days after receipt of a written request, information necessary and relevant for the Contractor to evaluate, give notice of or enforce mechanic's lien rights. Such information shall include a correct statement of the record legal title to the property on which the Project is located, usually referred to as the site, and the Owner's interest therein.

§ 2.2 INFORMATION AND SERVICES REQUIRED OF THE OWNER

§ 2.2.1 The Owner shall, at the written request of the Contractor, prior to commencement of the Work and thereafter, furnish to the Contractor reasonable evidence that financial arrangements have been made to fulfill the Owner's obligations under the Contract. Furnishing of such evidence shall be a condition precedent to commencement or continuation of the Work. After such evidence has been furnished, the Owner shall not materially vary such financial arrangements without prior notice to the Contractor.

§ 2.2.2 Except for permits and fees, including those required under Section 3.7.1, which are the responsibility of the Contractor under the Contract Documents, the Owner shall secure and pay for necessary approvals, easements, assessments and charges required for construction, use or occupancy of permanent structures or for permanent changes in existing facilities.

§ 2.2.3 The Owner shall furnish surveys describing physical characteristics, legal limitations and utility locations for the site of the Project, and a legal description of the site. The Contractor shall be entitled to rely on the accuracy of information furnished by the Owner but shall exercise proper precautions relating to the safe performance of the Work.

§ 2.2.4 Information or services required of the Owner by the Contract Documents shall be furnished by the Owner with reasonable promptness. Any other information or services relevant to the Contractor's performance of the Work under the Owner's control shall be furnished by the Owner after receipt from the Contractor of a written request for such information or services.

§ 2.2.5 Unless otherwise provided in the Contract Documents, the Contractor will be furnished, free of charge, such copies of Drawings and Project Manuals as are reasonably necessary for execution of the Work.

§ 2.3 OWNER'S RIGHT TO STOP THE WORK

§ 2.3.1 If the Contractor fails to correct Work which is not in accordance with the requirements of the Contract Documents as required by Section 12.2 or fails to carry out Work in accordance with the Contract Documents, the Owner may issue a written order to the Contractor to stop the Work, or any portion thereof, until the cause for such order has been eliminated; however, the right of the Owner to stop the Work shall not give rise to a duty on the part of the Owner to exercise this right for the benefit of the Contractor or any other person or entity, except to the extent required by Section 6.1.3.

§ 2.4 OWNER'S RIGHT TO CARRY OUT THE WORK

§ 2.4.1 If the Contractor defaults or neglects to carry out the Work in accordance with the Contract Documents and fails within a seven-day period after receipt of written notice from the Owner to commence and continue correction of such default or neglect with diligence and promptness, the Owner may after such seven-day period give the Contractor a second written notice to correct such deficiencies within a three-day period. If the Contractor within such three-day period after receipt of such second notice fails to commence and continue to correct any deficiencies, the Owner may, without prejudice to other remedies the Owner may have, correct such deficiencies. In such case an appropriate Change Order shall be issued deducting from payments then or thereafter due the Contractor the reasonable cost of correcting such deficiencies, including Owner's expenses and compensation for the Architect's additional services made necessary by such default, neglect or failure. Such action by the Owner and amounts charged to the Contractor are both subject to prior approval of the Architect. If payments then or thereafter due the Contractor are not sufficient to cover such amounts, the Contractor shall pay the difference to the Owner.

§ 2.5 EXTENT OF OWNER'S RIGHTS

§ 2.5.1 Except as otherwise expressly set forth in the Contract Documents, the rights stated in this Article 2 and elsewhere in the Contract Documents are cumulative and not in limitation of any rights of the Owner (i) granted in the Contract Documents, (ii) at law, or (iii) in equity.

§ 2.5.2 In no event shall the Owner have control over, charge of, or any responsibility for construction means, methods, techniques sequences or procedures or for safety precautions and programs in connection with the Work, notwithstanding any of the rights and authority granted the Owner in the Contract Documents.

ARTICLE 3 CONTRACTOR

§ 3.1 GENERAL

§ 3.1.1 The Contractor is the person or entity identified as such in the Agreement and is referred to throughout the Contract Documents as if singular in number. The term "Contractor" means the Contractor or the Contractor's authorized representative.

§ 3.1.2 The Contractor shall perform the Work in accordance with the Contract Documents.

§ 3.1.3 The Contractor shall not be relieved of obligations to perform the Work in accordance with the Contract Documents either by activities or duties of the Architect in the Architect's administration of the Contract, or by tests, inspections or approvals required or performed by persons other than the Contractor.

§ 3.2 REVIEW OF CONTRACT DOCUMENTS AND FIELD CONDITIONS BY CONTRACTOR

§ 3.2.1 Since the Contract Documents are complementary, before starting each portion of the Work, the Contractor shall carefully study and compare the various Drawings and other Contract Documents relative to that portion of the Work, as well as the information furnished by the Owner pursuant to Section 2.2.3, shall take field measurements of any existing conditions related to that portion of the Work and shall observe any conditions at the site affecting it. These obligations are for the purpose of facilitating construction by the Contractor and are not for the purpose of discovering errors, omissions, or inconsistencies in the Contract Documents; however, any errors, inconsistencies or omissions discovered by the Contractor shall be reported promptly to the Architect as a request for information in such form as the Architect may require.

§ 3.2.2 Any design errors or omissions noted by the Contractor during this review shall be reported promptly to the Architect, but it is recognized that the Contractor's review is made in the Contractor's capacity as a contractor and not as a licensed design professional unless otherwise specifically provided in the Contract Documents. The Contractor is not required to ascertain that the Contract Documents are in accordance with applicable laws, statutes, ordinances, building codes, and rules and regulations, but any nonconformity discovered by or made known to the Contractor shall be reported promptly to the Architect.

§ 3.2.3 If the Contractor believes that additional cost or time is involved because of clarifications or instructions issued by the Architect in response to the Contractor's notices or requests for information pursuant to Sections 3.2.1 and 3.2.2, the Contractor shall make Claims as provided in Sections 4.3.6 and 4.3.7. If the Contractor fails to perform the obligations of Sections 3.2.1 and 3.2.2, the Contractor shall pay such costs and damages to the Owner as would have been avoided if the Contractor had performed such obligations. Provided the Contractor has carefully reviewed the Contract Documents using qualified personnel, the Contractor shall not be liable to the Owner or Architect for damages resulting from errors, inconsistencies or omissions in the Contract Documents or for differences between field measurements or conditions and the Contract Documents unless the Contractor recognized such error, inconsistency, omission or difference and knowingly failed to report it to the Architect.

§ 3.2.4 The exactness of grades, dimensions or locations on any Drawings issued by the Architect, is not guaranteed by the Architect or the Owner. The Contractor shall, therefore, satisfy itself as to the accuracy of critical grades, dimensions and locations. In all cases of interconnection of its Work with existing or other work, the Contractor shall verify at the site all dimensions relating to such existing or other work. Any errors due to the Contractor's failure to so verify critical dimensions or locations shall be promptly rectified by the Contractor without any additional cost to the Owner.

§ 3.2.5 The Contractor shall familiarize itself and all Subcontractors with the provisions of the Safety Program included as Exhibit G to the Agreement. The Contractor and all Subcontractors shall comply with the requirements

thereof. The Contractor shall be responsible for safety at the site, and shall cause Subcontractors and sub-subcontractors to be directly responsible for their own safety at the site.

§ 3.2.6 The Contractor represents the following: the Contract Documents are sufficiently complete and detailed for the Contractor to (i) satisfy the scope of the Work contemplated by the Contract Documents within the Contract Sum, and (ii) comply with all the requirements of the Contract Documents. The Work required by the Contract Documents can be completed within the Contract Time, and no adjustments in the Contract Time or the Contract Sum shall be permitted unless the scope of the Work is changed from that described by the Contract Documents.

§ 3.2.7 The Work required by the Contract Documents shall be (i) good and sound practices within the construction industry practice, (ii) consistent with generally prevailing and accepted standards applicable to the Work, (iii) consistent with requirements of any warranties applicable to the Work.

§ 3.3 SUPERVISION AND CONSTRUCTION PROCEDURES

§ 3.3.1 The Contractor shall supervise and direct the Work, using the Contractor's best skill and attention. The Contractor shall be solely responsible for and have control over construction means, methods, techniques, sequences and procedures and for coordinating all portions of the Work. The Contractor shall review any specified construction or installation procedure (including those recommended by any product manufacturer). The Contractor shall advise the Architect (i) if the specified procedure deviates from good construction practice (ii) if following the procedure will adversely affect any warranties, or (iii) of any objections which the Contractor may have to the procedure. If the Contract Documents give specific instructions concerning construction means, methods, techniques, sequences or procedures, the Contractor shall evaluate the jobsite safety thereof and, except as stated below, shall be fully and solely responsible for the jobsite safety of such means, methods, techniques, sequences or procedures. If the Contractor determines that such means, methods, techniques, sequences or procedures may not be safe, the Contractor shall give timely written notice to the Owner and Architect and shall not proceed with that portion of the Work without further written instructions from the Architect. If the Contractor is then instructed to proceed with the required means, methods, techniques, sequences or procedures without acceptance of changes proposed by the Contractor, the Owner shall be solely responsible for any resulting loss or damage.

§ 3.3.2 The Contractor shall be responsible to the Owner for acts and omissions of the Contractor's employees, Subcontractors and their agents and employees, and other persons or entities performing portions of the Work for or on behalf of the Contractor or any of its Subcontractors.

§ 3.3.3 The Contractor shall be responsible for inspection of portions of Work already performed to determine that such portions are in proper condition to receive subsequent Work.

§ 3.4 LABOR AND MATERIALS

§ 3.4.1 Unless otherwise provided in the Contract Documents, the Contractor shall provide and pay for labor, materials, equipment, tools, construction equipment and machinery, water, heat, utilities, transportation, and other facilities and services necessary for proper execution and completion of the Work, whether temporary or permanent and whether or not incorporated or to be incorporated in the Work.

§ 3.4.2 The Contractor may make substitutions only with the consent of the Owner, after evaluation by the Architect and in accordance with a Change Order.

§ 3.4.3 The Contractor shall enforce strict discipline and good order among the Contractor's employees and other persons carrying out the Contract. The Contractor shall not permit employment of unfit persons or persons not skilled in tasks assigned to them.

§ 3.4.4 The Contractor shall only employ labor on the Project in connection with the Work capable of working harmoniously with all trades, crafts and any other individuals associated with the Project. The Contractor shall also use commercially reasonable efforts to minimize the likelihood of any strike, work stoppage or other labor disturbance.

§ 3.4.5 If the Work is to be performed by trade unions, the Contractor shall use commercially reasonable efforts to make all necessary arrangements to reconcile, without delay, damage, or cost to the Owner and without recourse to the Architect or the Owner, any conflict between the Contract Documents and any agreements or regulations of any

kind at any time in force among members or councils which regulate or distinguish what activities shall not be included in the work of any particular trade. In case the progress of the Work is affected by any undue delay in furnishing or installing any items or materials or equipment required under the Contract Documents because of the conflict involving any such agreement or regulation, the Architect may require that other material or equipment of equal kind and quality be provided at no additional cost to the Owner.

§ 3.4.6 In case the progress of the Work is affected by any undue delay in furnishing or installing any items or materials or equipment required under the Contract Documents because of such conflict involving any such labor agreement or regulation, the Owner may require that other material or equipment of equal kind and quality be provided pursuant to a Change Order or Construction Change Directive.

§ 3.5 WARRANTY

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

§ 3.5.2 The Contractor agrees to assign to the Owner at the time of final completion of the Work, any and all manufacturer's warranties relating to materials and labor used in the Work and further agrees to perform the Work in such manner so as to preserve any and all such manufacturer's warranties.

§ 3.6 TAXES

§ 3.6.1 The Contractor shall pay sales, consumer, use and similar taxes for the Work provided by the Contractor which are legally enacted when bids are received or negotiations concluded, whether or not yet effective or merely scheduled to go into effect.

§ 3.7 PERMITS, FEES AND NOTICES

§ 3.7.1 Unless otherwise provided in the Contract Documents, the Contractor shall secure and pay for the building permit and other permits and governmental fees, licenses and inspections necessary for proper execution and completion of the Work which are customarily secured after execution of the Contract and which are legally required when bids are received or negotiations concluded.

§ 3.7.2 The Contractor shall comply with and give notices required by laws, ordinances, rules, regulations and lawful orders of public authorities applicable to performance of the Work.

§ 3.7.3 It is not the Contractor's responsibility to ascertain that the Contract Documents are in accordance with applicable laws, statutes, ordinances, building codes, and rules and regulations. However, if the Contractor observes that portions of the Contract Documents are at variance therewith, the Contractor shall promptly notify the Architect and Owner in writing, and necessary changes shall be accomplished by appropriate Modification.

§ 3.7.4 If the Contractor performs Work knowing it to be contrary to laws, statutes, ordinances, building codes, and rules and regulations without such notice to the Architect and Owner, the Contractor shall assume appropriate responsibility for such Work and shall bear the costs attributable to correction.

§ 3.8 ALLOWANCES

§ 3.8.1 The Contractor shall include in the Contract Sum all allowances stated in the Contract Documents. Items covered by allowances shall be supplied for such amounts and by such persons or entities as the Owner may direct, but the Contractor shall not be required to employ persons or entities to whom the Contractor has reasonable objection.

§ 3.8.2 Unless otherwise provided in the Contract Documents:

.1 allowances shall cover the cost to the Contractor of materials and equipment delivered at the site and all required taxes, less applicable trade discounts;

.2 Contractor's costs for unloading and handling at the site, labor, installation costs, overhead, profit and other expenses contemplated for stated allowance amounts shall be included in the Contract Sum but not in the allowances;

.3 whenever costs are more than or less than allowances, the Contract Sum shall be adjusted accordingly by Change Order. The amount of the Change Order shall reflect (1) the difference between actual costs and the allowances under Section 3.8.2.1 and (2) changes in Contractor's costs under Section 3.8.2.2.

§ 3.8.3 Materials and equipment under an allowance shall be selected by the Owner in sufficient time to avoid delay in the Work.

§ 3.9 SUPERINTENDENT

§ 3.9.1 The Contractor shall employ a competent superintendent and necessary assistants who shall be in attendance at the Project site during performance of the Work. The superintendent shall represent the Contractor, and communications given to the superintendent shall be as binding as if given to the Contractor. Important communications shall be confirmed in writing. Other communications shall be similarly confirmed on written request in each case.

§ 3.10 CONTRACTOR'S CONSTRUCTION SCHEDULES

§ 3.10.1 The Contractor, promptly after being awarded the Contract, shall prepare and submit for the Owner's and Architect's information a Contractor's construction schedule for the Work. The schedule shall not exceed time limits current under the Contract Documents, shall be revised at appropriate intervals as required by the conditions of the Work and Project, shall be related to the entire Project to the extent required by the Contract Documents, and shall provide for expeditious and practicable execution of the Work.

§ 3.10.2 The Contractor shall prepare and keep current, for the Architect's approval, a schedule of submittals which is coordinated with the Contractor's construction schedule and allows the Architect reasonable time to review submittals.

§ 3.10.3 The Contractor shall perform the Work in general accordance with the most recent schedules submitted to the Owner and Architect, and provide the Owner and the Architect prompt written notification of any condition which is anticipated to cause a delay in the most recently approved Project Schedule.

§ 3.11 DOCUMENTS AND SAMPLES AT THE SITE

§ 3.11.1 The Contractor shall maintain at the site for the Owner one record copy of the Drawings, Specifications, Addenda, Change Orders and other Modifications, in good order and marked currently to record field changes and selections made during construction, and one record copy of approved Shop Drawings, Product Data, Samples and similar required submittals. These shall be available to the Architect and shall be delivered to the Architect for submittal to the Owner upon completion of the Work.

§ 3.12 SHOP DRAWINGS, PRODUCT DATA AND SAMPLES

§ 3.12.1 Shop Drawings are drawings, diagrams, schedules and other data specially prepared for the Work by the Contractor or a Subcontractor, Sub-subcontractor, manufacturer, supplier or distributor to illustrate some portion of the Work.

§ 3.12.2 Product Data are illustrations, standard schedules, performance charts, instructions, brochures, diagrams and other information furnished by the Contractor to illustrate materials or equipment for some portion of the Work.

§ 3.12.3 Samples are physical examples which illustrate materials, equipment or workmanship and establish standards by which the Work will be judged.

§ 3.12.4 Shop Drawings, Product Data, Samples and similar submittals are not Contract Documents. The purpose of their submittal is to demonstrate for those portions of the Work for which submittals are required by the Contract Documents the way by which the Contractor proposes to conform to the information given and the design concept expressed in the Contract Documents. Review by the Architect is subject to the limitations of Section 4.2.7. Informational submittals upon which the Architect is not expected to take responsive action may be so identified in

the Contract Documents. Submittals which are not required by the Contract Documents may be returned by the Architect without action.

§ 3.12.5 The Contractor shall review for compliance with the Contract Documents, approve and submit to the Architect Shop Drawings, Product Data, Samples and similar submittals required by the Contract Documents with reasonable promptness and in such sequence as to cause no delay in the Work or in the activities of the Owner or of separate contractors. Submittals which are not marked as reviewed for compliance with the Contract Documents and approved by the Contractor may be returned by the Architect without action.

§ 3.12.6 By approving and submitting Shop Drawings, Product Data, Samples and similar submittals, the Contractor represents that the Contractor has determined and verified materials, field measurements and field construction criteria related thereto, or will do so, and has checked and coordinated the information contained within such submittals with the requirements of the Work and of the Contract Documents.

§ 3.12.7 The Contractor shall perform no portion of the Work for which the Contract Documents require submittal and review of Shop Drawings, Product Data, Samples or similar submittals until the respective submittal has been approved by the Architect.

§ 3.12.8 The Work shall be in accordance with approved submittals except that the Contractor shall not be relieved of responsibility for deviations from requirements of the Contract Documents by the Architect's approval of Shop Drawings, Product Data, Samples or similar submittals unless the Contractor has specifically informed the Architect in writing of such deviation at the time of submittal and (1) the Architect has given written approval to the specific deviation as a minor change in the Work, or (2) a Change Order or Construction Change Directive has been issued authorizing the deviation. The Contractor shall not be relieved of responsibility for errors or omissions in Shop Drawings, Product Data, Samples or similar submittals by the Architect's approval thereof.

§ 3.12.9 The Contractor shall direct specific attention, in writing or on resubmitted Shop Drawings, Product Data, Samples or similar submittals, to revisions other than those requested by the Architect on previous submittals. In the absence of such written notice the Architect's approval of a resubmission shall not apply to such revisions.

§ 3.12.10 The Contractor shall not be required to provide professional services which constitute the practice of architecture or engineering unless such services are specifically required by the Contract Documents for a portion of the Work or unless the Contractor needs to provide such services in order to carry out the Contractor's responsibilities for construction means, methods, techniques, sequences and procedures. The Contractor shall not be required to provide professional services in violation of applicable law. If professional design services or certifications by a design professional related to systems, materials or equipment are specifically required of the Contractor by the Contract Documents, the Owner and the Architect will specify all performance and design criteria that such services must satisfy. The Contractor shall cause such services or certifications to be provided by a properly licensed design professional, whose signature and seal shall appear on all drawings, calculations, specifications, certifications, Shop Drawings and other submittals prepared by such professional. Shop Drawings and other submittals related to the Work designed or certified by such professional, if prepared by others, shall bear such professional's written approval when submitted to the Architect. The Owner and the Architect shall be entitled to rely upon the adequacy, accuracy and completeness of the services, certifications or approvals performed by such design professionals, provided the Owner and Architect have specified to the Contractor all performance and design criteria that such services must satisfy. Pursuant to this Section 3.12.10, the Architect will review, approve or take other appropriate action on submittals only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. The Contractor shall not be responsible for the adequacy of the performance or design criteria required by the Contract Documents.

§ 3.12.11 When professional certification of performance criteria of materials, systems or equipment is required by the Contract Documents, the Contractor shall provide the person or party providing the certification with full information on the relevant performance requirements and on the conditions under which the materials, systems or equipment will be expected to operate at the site. The certification shall be based on performance under the operating conditions at the site, and the Architect shall be entitled to rely upon the accuracy and completeness of such calculations and certifications.

§ 3.12.12 The Contractor represents and warrants that all shop drawings shall be prepared by persons and entities possessing expertise and experience in the trade for which the shop drawing is prepared and, if required by the Contract Documents, the Architect or applicable law, by a licensed engineer.

§ 3.13 USE OF SITE

§ 3.13.1 The Contractor shall confine operations at the site to areas permitted by law, ordinances, permits and the Contract Documents and shall not unreasonably encumber the site with materials or equipment.

§ 3.13.2 Only materials and equipment which are to be used directly in the Work shall be brought to and stored on the site by the Contractor. After equipment is no longer required for the Work, it shall be promptly removed from the site. The Owner is responsible for security measures in or with respect to the site. Security of the site shall be the sole responsibility of the Owner, and the Contractor shall have no liability therefor, unless such responsibility is otherwise modified by Change Order.

§ 3.13.3 The Contractor and any entity for whom the Contractor is responsible shall not erect any sign on the site without the prior written consent of the Owner, which may be withheld in the sole discretion of the Owner.

§ 3.14 CUTTING AND PATCHING

§ 3.14.1 The Contractor shall be responsible for cutting, fitting or patching required to complete the Work or to make its parts fit together properly.

§ 3.14.2 The Contractor shall not damage or endanger a portion of the Work or fully or partially completed construction of the Owner or separate contractors by cutting, patching or otherwise altering such construction, or by excavation. The Contractor shall not cut or otherwise alter such construction by the Owner or a separate contractor except with written consent of the Owner and of such separate contractor; such consent shall not be unreasonably withheld. The Contractor shall not unreasonably withhold from the Owner or a separate contractor the Contractor's consent to cutting or otherwise altering the Work.

§ 3.15 CLEANING UP

§ 3.15.1 The Contractor shall keep the premises and surrounding area free from accumulation of waste materials or rubbish caused by operations under the Contract. At completion of the Work, the Contractor shall remove from and about the Project waste materials, rubbish, the Contractor's tools, construction equipment, machinery and surplus materials.

§ 3.15.2 If the Contractor fails to clean up as provided in the Contract Documents, the Owner may do so and the cost thereof shall be charged to the Contractor.

§ 3.16 ACCESS TO WORK

§ 3.16.1 The Contractor shall provide the Owner and Architect access to the Work in preparation and progress wherever located.

§ 3.17 ROYALTIES, PATENTS AND COPYRIGHTS

§ 3.17.1 The Contractor shall pay all royalties and license fees. The Contractor shall defend suits or claims for infringement of copyrights and patent rights and shall hold the Owner and Architect harmless from loss on account thereof, but shall not be responsible for such defense or loss when a particular design, process or product of a particular manufacturer or manufacturers is required by the Contract Documents or where the copyright violations are contained in Drawings, Specifications or other documents prepared by the Owner or Architect. However, if the Contractor has reason to believe that the required design, process or product is an infringement of a copyright or a patent, the Contractor shall be responsible for such loss unless such information is promptly furnished to the Architect.

§ 3.18 INDEMNIFICATION

§ 3.18.1 To the fullest extent permitted by law, the Contractor shall defend, indemnify and hold harmless the Owner, Architect, Architect's consultants, and agents, officers, members, partners, employees and directors of any of them from and against claims, damages (including punitive damages), losses, costs, economic losses and expenses, including but not limited to attorneys' fees and litigation costs ("Losses"), arising out of or resulting from or in connection with Contractor's performance of the Work, provided that such Losses are attributable to bodily injury,

sickness, disease or death, or to injury to or destruction of tangible property (other than the Work itself), but only to the extent caused in whole or in part by the negligent acts or omissions of the Contractor, a Subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, regardless of whether or not such Loss is caused in part by a party indemnified hereunder. Such obligation shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity which would otherwise exist as to a party or person described in this Section 3.18 to an indemnitee. This Section 3.18 shall survive the termination or completion of this Agreement. .

§ 3.18.2 In claims against any person or entity indemnified under this Section 3.18 by an employee of the Contractor, a Subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, the indemnification obligation under Section 3.18.1 shall not be limited by a limitation on amount or type of damages, compensation or benefits payable by or for the Contractor or a Subcontractor under workers' compensation acts, disability benefit acts or other employee benefit acts.

ARTICLE 4 ADMINISTRATION OF THE CONTRACT

§ 4.1 ARCHITECT

§ 4.1.1 The Architect is the person lawfully licensed to practice architecture or an entity lawfully practicing architecture identified as such in the Agreement and is referred to throughout the Contract Documents as if singular in number. The term "Architect" means the Architect or the Architect's authorized representative.

§ 4.1.2 Duties, responsibilities and limitations of authority of the Architect as set forth in the Contract Documents shall not be restricted, modified or extended without written consent of the Owner, Contractor and Architect. Consent shall not be unreasonably withheld.

§ 4.1.3 If the employment of the Architect is terminated, the Owner shall employ a new Architect against whom the Contractor has no reasonable objection and whose status under the Contract Documents shall be that of the former Architect.

§ 4.2 ARCHITECT'S ADMINISTRATION OF THE CONTRACT

§ 4.2.1 The Architect will provide administration of the Contract as described in the Contract Documents, and will be an Owner's representative (1) during construction, (2) until final payment is due and (3) with the Owner's concurrence, from time to time during the one-year period for correction of Work described in Section 12.2. The Architect will have authority to act on behalf of the Owner only to the extent provided in the Contract Documents, unless otherwise modified in writing in accordance with other provisions of the Contract.

§ 4.2.2 The Architect, as a representative of the Owner, will visit the site at intervals appropriate to the stage of the Contractor's operations (1) to become generally familiar with and to keep the Owner informed about the progress and quality of the portion of the Work completed, (2) to endeavor to guard the Owner against defects and deficiencies in the Work, and (3) to determine in general if the Work is being performed in a manner indicating that the Work, when fully completed, will be in accordance with the Contract Documents. However, the Architect will not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the Work. The Architect will neither have control over or charge of, nor be responsible for, the construction means, methods, techniques, sequences or procedures, or for the safety precautions and programs in connection with the Work, since these are solely the Contractor's rights and responsibilities under the Contract Documents, except as provided in Section 3.3.1.

§ 4.2.3 The Architect will not be responsible for the Contractor's failure to perform the Work in accordance with the requirements of the Contract Documents. The Architect will not have control over or charge of and will not be responsible for acts or omissions of the Contractor, Subcontractors, or their agents or employees, or any other persons or entities performing portions of the Work.

§ 4.2.4 Communications Facilitating Contract Administration. Except as otherwise provided in the Contract Documents or when direct communications have been specially authorized, the Owner and Contractor shall endeavor to communicate with each other through the Architect about matters arising out of or relating to the Contract. Communications by and with the Architect's consultants shall be through the Architect. Communications by and with Subcontractors and material suppliers shall be through the Contractor. Communications by and with separate contractors shall be through the Owner.

§ 4.2.5 Based on the Architect's evaluations of the Contractor's Applications for Payment, the Architect will review and certify the amounts due the Contractor and will issue Certificates for Payment in such amounts.

§ 4.2.6 The Architect will have authority to reject Work that does not conform to the Contract Documents. Whenever the Architect considers it necessary or advisable, the Architect will have authority to require inspection or testing of the Work in accordance with Sections 13.5.2 and 13.5.3, whether or not such Work is fabricated, installed or completed. However, neither this authority of the Architect nor a decision made in good faith either to exercise or not to exercise such authority shall give rise to a duty or responsibility of the Architect to the Contractor, Subcontractors, material and equipment suppliers, their agents or employees, or other persons or entities performing portions of the Work.

§ 4.2.7 The Architect will review and approve or take other appropriate action upon the Contractor's submittals such as Shop Drawings, Product Data and Samples, but only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. The Architect's action will be taken with such reasonable promptness as to cause no delay in the Work or in the activities of the Owner, Contractor or separate contractors, while allowing sufficient time in the Architect's professional judgment to permit adequate review. Review of such submittals is not conducted for the purpose of determining the accuracy and completeness of other details such as dimensions and quantities, or for substantiating instructions for installation or performance of equipment or systems, all of which remain the responsibility of the Contractor as required by the Contract Documents. The Architect's review of the Contractor's submittals shall not relieve the Contractor of the obligations under Sections 3.3, 3.5 and 3.12. The Architect's review shall not constitute approval of safety precautions or, unless otherwise specifically stated by the Architect, of any construction means, methods, techniques, sequences or procedures. The Architect's approval of a specific item shall not indicate approval of an assembly of which the item is a component.

§ 4.2.8 The Architect will prepare Change Orders and Construction Change Directives, and may authorize minor changes in the Work as provided in Section 7.4.

§ 4.2.9 The Architect will conduct inspections to determine the date or dates of Substantial Completion and the date of final completion, will receive and forward to the Owner, for the Owner's review and records, written warranties and related documents required by the Contract and assembled by the Contractor, and will issue a final Certificate for Payment upon compliance with the requirements of the Contract Documents.

§ 4.2.10 If the Owner and Architect agree, the Architect will provide one or more project representatives to assist in carrying out the Architect's responsibilities at the site. The duties, responsibilities and limitations of authority of such project representatives shall be as set forth in an exhibit to be incorporated in the Contract Documents.

§ 4.2.11 The Architect will interpret and provide recommendations to the Owner concerning performance under and requirements of, the Contract Documents on written request of either the Owner or Contractor. The Architect's response to such requests will be made in writing within any time limits agreed upon or otherwise with reasonable promptness. If no agreement is made concerning the time within which interpretations required of the Architect shall be furnished in compliance with this Section 4.2, then delay shall not be recognized on account of failure by the Architect to furnish such interpretations until 15 days after written request is made for them.

§ 4.2.12 Interpretations and decisions of the Architect will be consistent with the intent of and reasonably inferable from the Contract Documents and will be in writing or in the form of drawings. When making such interpretations and initial decisions, the Architect will endeavor to secure faithful performance by both Owner and Contractor, will not show partiality to either and will not be liable for results of interpretations or decisions so rendered in good faith.

§ 4.2.13 The Architect's decisions on matters relating to aesthetic effect will be final if consistent with the intent expressed in the Contract Documents.

§ 4.3 CLAIMS AND DISPUTES

§ 4.3.1 Definition. A Claim is a demand or assertion by one of the parties seeking, as a matter of right, adjustment or interpretation of Contract terms, payment of money, extension of time or other relief with respect to the terms of the Contract. The term "Claim" also includes other disputes and matters in question between the Owner and Contractor

arising out of or relating to the Contract. Claims must be initiated by written notice. The responsibility to substantiate Claims shall rest with the party making the Claim.

§ 4.3.2 Time Limits on Claims. Claims by either party must be initiated within 21 days after occurrence of the event giving rise to such Claim or within thirty (30) days after the claimant first recognizes the condition giving rise to the Claim, whichever is later. Claims must be made by written notice. After a claim has been implemented by a Change Order, only if the Contractor can demonstrate a changed condition not contemplated by such Change Order, may the Contractor submit an additional Claim. Any such additional Claim must be submitted in a timely manner.

§ 4.3.3 Continuing Contract Performance. Pending final resolution of a Claim except as otherwise agreed in writing or as provided in Section 9.7.1 and Article 14, the Contractor shall proceed diligently with performance of the Contract and the Owner shall continue to make payments in accordance with the Contract Documents.

§ 4.3.4 Claims for Concealed or Unknown Conditions. If conditions are encountered at the site which are (1) subsurface or otherwise concealed physical conditions which differ materially from those indicated in the Contract Documents or (2) unknown physical conditions of an unusual nature, which differ materially from those ordinarily found to exist and generally recognized as inherent in construction activities of the character provided for in the Contract Documents, then notice by the observing party shall be given to the other party promptly before conditions are disturbed and in no event later than 21 days after first observance of the conditions. The Architect will promptly investigate such conditions and, if they differ materially and cause an increase or decrease in the Contractor's cost of, or time required for, performance of any part of the Work, will recommend an equitable adjustment in the Contract Sum or Contract Time, or both. If the Architect determines that the conditions at the site are not materially different from those indicated in the Contract Documents and that no change in the terms of the Contract is justified, the Architect shall so notify the Owner and Contractor in writing, stating the reasons. Claims by either party in opposition to such determination must be made within 21 days after the Architect has given notice of the decision. If the conditions encountered are materially different, the Contract Sum and Contract Time shall be equitably adjusted, but if the Owner and Contractor cannot agree on an adjustment in the Contract Sum or Contract Time, the adjustment shall be referred to the Architect for initial determination, subject to further proceedings pursuant to Section 4.4.

§ 4.3.5 Claims for Additional Cost. If the Contractor wishes to make Claim for an increase in the Contract Sum, written notice as provided herein shall be given before proceeding to execute the Work. Prior notice is not required for Claims relating to an emergency endangering life or property arising under Section 10.6.

§ 4.3.6 If the Contractor believes additional cost is involved for reasons including but not limited to (1) a written interpretation from the Architect, (2) an order by the Owner to stop the Work where the Contractor was not at fault, (3) a written order for a minor change in the Work issued by the Architect, (4) failure of payment by the Owner, (5) termination of the Contract by the Owner, (6) Owner's suspension or (7) other reasonable grounds, Claim shall be filed in accordance with this Section 4.3.

§ 4.3.7 Claims for Additional Time

§ 4.3.7.1 If the Contractor wishes to make Claim for an increase in the Contract Time, written notice as provided herein shall be given. The Contractor's Claim shall include an estimate of cost and of probable effect of delay on progress of the Work. In the case of a continuing delay only one Claim is necessary.

§ 4.3.7.2 If adverse weather conditions are the basis for a Claim for additional time, such Claim shall be documented by data substantiating that weather conditions were abnormal for the period of time, could not have been reasonably anticipated and had an adverse effect on the scheduled construction.

§ 4.3.8 Injury or Damage to Person or Property. If either party to the Contract suffers injury or damage to person or property because of an act or omission of the other party, or of others for whose acts such party is legally responsible, written notice of such injury or damage, whether or not insured, shall be given to the other party within a reasonable time not exceeding 21 days after discovery. The notice shall provide sufficient detail to enable the other party to investigate the matter.

§ 4.3.9 If unit prices are stated in the Contract Documents or subsequently agreed upon, and if quantities originally contemplated are materially changed in a proposed Change Order or Construction Change Directive so that

application of such unit prices to quantities of Work proposed will cause substantial inequity to the Owner or Contractor, the applicable unit prices shall be equitably adjusted.

§ 4.3.10 Claims for Consequential Damages. The Contractor and Owner waive Claims against each other for consequential damages arising out of or relating to this Contract. This mutual waiver includes:

.1 damages incurred by the Owner for rental expenses, for losses of use, income, profit, financing, business and reputation, and for loss of management or employee productivity or of the services of such persons; and

.2 damages incurred by the Contractor for principal office expenses including the compensation of personnel stationed there, for losses of financing, business and reputation, and for loss of profit except anticipated profit arising directly from the Work.

This mutual waiver is applicable, without limitation, to all consequential damages due to either party's termination in accordance with Article 14. Nothing contained in this Section 4.3.10 shall be deemed to preclude an award of liquidated direct damages, when applicable, in accordance with the requirements of the Contract Documents.

§ 4.4 RESOLUTION OF CLAIMS AND DISPUTES

§ 4.4.1 Decision of Architect. Claims, including those alleging an error or omission by the Architect but excluding those arising under Sections 10.3 through 10.5, shall be referred initially to the Architect for decision. An initial decision by the Architect shall be required as a condition precedent to mediation, arbitration or litigation of all Claims between the Contractor and Owner arising prior to the date final payment is due, unless 30 days have passed after the Claim has been referred to the Architect with no decision having been rendered by the Architect. The Architect will not decide disputes between the Contractor and persons or entities other than the Owner.

§ 4.4.2 The Architect will review Claims and within ten days of the receipt of the Claim take one or more of the following actions: (1) request additional supporting data from the claimant or a response with supporting data from the other party, (2) reject the Claim in whole or in part, (3) approve the Claim, (4) suggest a compromise, or (5) advise the parties that the Architect is unable to resolve the Claim if the Architect lacks sufficient information to evaluate the merits of the Claim or if the Architect concludes that, in the Architect's sole discretion, it would be inappropriate for the Architect to resolve the Claim.

§ 4.4.3 In evaluating Claims, the Architect may, but shall not be obligated to, consult with or seek information from either party or from persons with special knowledge or expertise who may assist the Architect in rendering a decision. The Architect may request the Owner to authorize retention of such persons at the Owner's expense.

§ 4.4.4 If the Architect requests a party to provide a response to a Claim or to furnish additional supporting data, such party shall respond, within ten days after receipt of such request, and shall either provide a response on the requested supporting data, advise the Architect when the response or supporting data will be furnished or advise the Architect that no supporting data will be furnished. Upon receipt of the response or supporting data, if any, the Architect will either reject or approve the Claim in whole or in part.

§ 4.4.5 The Architect will approve or reject Claims by written decision, which shall state the reasons therefor and which shall notify the parties of any change in the Contract Sum or Contract Time or both. The approval or rejection of a Claim by the Architect shall be final and binding on the parties but subject to mediation and arbitration.

§ 4.4.6 When a written decision of the Architect states that (1) the decision is final but subject to mediation and arbitration and (2) a demand for arbitration of a Claim covered by such decision must be made within 30 days after the date on which the party making the demand receives the final written decision, then failure to demand arbitration within said 30 days' period shall result in the Architect's decision becoming final and binding upon the Owner and Contractor. If the Architect renders a decision after arbitration proceedings have been initiated, such decision may be entered as evidence, but shall not supersede arbitration proceedings unless the decision is acceptable to all parties concerned.

§ 4.4.7 Upon receipt of a Claim against the Contractor or at any time thereafter, the Architect or the Owner may, but is not obligated to, notify the surety, if any, of the nature and amount of the Claim. If the Claim relates to a possibility of a Contractor's default, the Architect or the Owner may, but is not obligated to, notify the surety and request the surety's assistance in resolving the controversy.

§ 4.4.8 If a Claim relates to or is the subject of a mechanic's lien, the party asserting such Claim may proceed in accordance with applicable law to comply with the lien notice or filing deadlines prior to resolution of the Claim by the Architect, by mediation or by arbitration.

§ 4.5 MEDIATION

§ 4.5.1 Any Claim arising out of or related to the Contract, except Claims relating to aesthetic effect and except those waived as provided for in Sections 4.3.10, 9.10.4 and 9.10.5 shall, after initial decision by the Architect or 30 days after submission of the Claim to the Architect, be subject to mediation as a condition precedent to arbitration or the institution of legal or equitable proceedings by either party.

§ 4.5.2 The parties shall endeavor to resolve their Claims by mediation which, unless the parties mutually agree otherwise, shall be in accordance with the Construction Industry Mediation Rules of the American Arbitration Association currently in effect. Request for mediation shall be filed in writing with the other party to the Contract and with the American Arbitration Association. The request may be made concurrently with the filing of a demand for arbitration but, in such event, mediation shall proceed in advance of arbitration or legal or equitable proceedings, which shall be stayed pending mediation for a period of 60 days from the date of filing, unless stayed for a longer period by agreement of the parties or court order.

§ 4.5.3 The parties shall share the mediator's fee and any filing fees equally. The mediation shall be held in the place where the Project is located, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

§ 4.6 ARBITRATION

§ 4.6.1 Any Claim arising out of or related to the Contract, except Claims relating to aesthetic effect and except those waived as provided for in Sections 4.3.10, 9.10.4 and 9.10.5, shall, after decision by the Architect or 30 days after submission of the Claim to the Architect, be subject to arbitration. Prior to arbitration, the parties shall endeavor to resolve disputes by mediation in accordance with the provisions of Section 4.5.

§ 4.6.2 Claims not resolved by mediation shall be decided by arbitration which, unless the parties mutually agree otherwise, shall be in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association currently in effect. The demand for arbitration shall be filed in writing with the other party to the Contract and with the American Arbitration Association, and a copy shall be filed with the Architect.

§ 4.6.3 A demand for arbitration shall be made within the time limits specified in Sections 4.4.6 and 4.6.1 as applicable, and in other cases within a reasonable time after the Claim has arisen, and in no event shall it be made after the date when institution of legal or equitable proceedings based on such Claim would be barred by the applicable statute of limitations as determined pursuant to Section 13.7.

§ 4.6.4 Limitation on Consolidation or Joinder. No arbitration arising out of or relating to the Contract shall include, by consolidation or joinder or in any other manner, the Architect, the Architect's employees or consultants, except by written consent containing specific reference to the Agreement and signed by the Architect, Owner, Contractor and any other person or entity sought to be joined. No arbitration shall include, by consolidation or joinder or in any other manner, parties other than the Owner, Contractor, a separate contractor as described in Article 6 and other persons substantially involved in a common question of fact or law whose presence is required if complete relief is to be accorded in arbitration. No person or entity other than the Owner, Contractor or a separate contractor as described in Article 6 shall be included as an original third party or additional third party to an arbitration whose interest or responsibility is insubstantial. Consent to arbitration involving an additional person or entity shall not constitute consent to arbitration of a Claim not described therein or with a person or entity not named or described therein. The foregoing agreement to arbitrate and other agreements to arbitrate with an additional person or entity duly consented to by parties to the Agreement shall be specifically enforceable under applicable law in any court having jurisdiction thereof.

§ 4.6.5 Claims and Timely Assertion of Claims. The party filing a notice of demand for arbitration must assert in the demand all Claims then known to that party on which arbitration is permitted to be demanded.

§ 4.6.6 Judgment on Final Award. The award rendered by the arbitrator or arbitrators shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

ARTICLE 5 SUBCONTRACTORS

§ 5.1 DEFINITIONS

§ 5.1.1 A Subcontractor is a person or entity who has a direct contract with the Contractor to perform a portion of the Work at the site. The term "Subcontractor" is referred to throughout the Contract Documents as if singular in number and means a Subcontractor or an authorized representative of the Subcontractor. The term "Subcontractor" also include sub-subcontractors, sub-subcontractors of all tiers, materialmen, and any other parties who furnish labor and/or materials as a part of the Work. The term "Subcontractor" does not include a separate contractor or subcontractors of a separate contractor. .

§ 5.1.2 A Sub-subcontractor is a person or entity who has a direct or indirect contract with a Subcontractor to perform a portion of the Work at the site. The term "Sub-subcontractor" is referred to throughout the Contract Documents as if singular in number and means a Sub-subcontractor or an authorized representative of the Sub-subcontractor.

§ 5.2 AWARD OF SUBCONTRACTS AND OTHER CONTRACTS FOR PORTIONS OF THE WORK

§ 5.2.1 Unless otherwise stated in the Contract Documents or the bidding requirements, the Contractor, as soon as practicable after award of the Contract, shall furnish in writing to the Owner through the Architect the names of persons or entities (including those who are to furnish materials or equipment fabricated to a special design) proposed for each principal portion of the Work. The Architect will promptly reply to the Contractor in writing stating whether or not the Owner or the Architect, after due investigation, has reasonable objection to any such proposed person or entity. Failure of the Owner or Architect to reply promptly shall constitute notice of no reasonable objection.

§ 5.2.2 The Contractor shall not contract with a proposed person or entity to whom the Owner or Architect has made reasonable and timely objection. The Contractor shall not be required to contract with anyone to whom the Contractor has made reasonable objection.

§ 5.2.3 If the Owner or Architect has reasonable objection to a person or entity proposed by the Contractor, the Contractor shall propose another to whom the Owner or Architect has no reasonable objection. If the proposed but rejected Subcontractor was reasonably capable of performing the Work, the Contract Sum and Contract Time shall be increased or decreased by the difference, if any, occasioned by such change, and an appropriate Change Order shall be issued before commencement of the substitute Subcontractor's Work. However, no increase in the Contract Sum or Contract Time shall be allowed for such change unless the Contractor has acted promptly and responsively in submitting names as required.

§ 5.2.4 The Contractor shall not change a Subcontractor, person or entity previously selected if the Owner or Architect makes reasonable objection to such substitute.

§ 5.3 SUBCONTRACTUAL RELATIONS

§ 5.3.1 By written agreement, the Contractor shall require each Subcontractor, to the extent of the Work to be performed by the Subcontractor, to be bound to the Contractor by terms of the Contract Documents, and to assume toward the Contractor all the obligations and responsibilities, including the responsibility for safety of the Subcontractor's Work, which the Contractor, by the Contract Documents, assumes toward the Owner and Architect. Each subcontract agreement shall preserve and protect the rights of the Owner and Architect under the Contract Documents with respect to the Work to be performed by the Subcontractor so that subcontracting thereof will not prejudice such rights, and shall allow to the Subcontractor, unless specifically provided otherwise in the subcontract agreement, the benefit of all rights, remedies and redress against the Contractor that the Contractor, by the Contract Documents, has against the Owner. Where appropriate, the Contractor shall require each Subcontractor to enter into similar agreements with Sub-subcontractors. The Contractor shall make available to each proposed Subcontractor, prior to the execution of the subcontract agreement, copies of the Contract Documents to which the Subcontractor will be bound, and, upon written request of the Subcontractor, identify to the Subcontractor terms and conditions of the proposed subcontract agreement which may be at variance with the Contract Documents. Subcontractors will similarly make copies of applicable portions of such documents available to their respective proposed Sub-subcontractors.

§ 5.3.2 All subcontracts shall (a) be in writing, (b) require that the portion of the Work covered by such subcontract be performed in accordance with the Contract Documents, (c) required the Subcontractor to carry and maintain insurance in accordance with the requirements of the Contract Documents, (d) specifically provide that the Owner is an intended third party beneficiary of such subcontract, (e) specifically name the Owner as an intended third party beneficiary of any warranty by the Subcontractor, (f) provide for estoppel certificates as required by the Contract, and (g) comply with Subsection 5.4.3 of the General Conditions. The Contractor shall provide the Owner with true and complete copies of all subcontracts within ten (10) days of their execution.

§ 5.4 CONTINGENT ASSIGNMENT OF SUBCONTRACTS

§ 5.4.1 Each subcontract agreement for a portion of the Work is assigned by the Contractor to the Owner provided that:

.1 assignment is effective only after termination of the Contract by the Owner for cause pursuant to Section 14.2 and only for those subcontract agreements which the Owner accepts by notifying the Subcontractor and Contractor in writing; and

.2 assignment is subject to the prior rights of the surety, if any, obligated under bond relating to the Contract.

§ 5.4.2 Upon such assignment, if the Work has been suspended for more than 30 days, the Subcontractor's compensation shall be equitably adjusted for increases in cost resulting from the suspension.

§ 5.4.3 Each subcontract shall specifically provide that the Owner shall only be responsible to the Subcontractor for those obligations of the Contractor that remain unpaid as of the date of such assignment (unless the Contractor has failed to make payment to a Subcontractor for which the Contractor has received payment from the Owner) and to the extent such unpaid obligations are in the amount shown as unpaid on the Contractor's Statement as submitted for the preceding Application for Payment and those obligations of the Contractor which will accrue subsequent to the Owner's written acceptance of such subcontract under this contingent assignment.

§ 5.4.4 Each Subcontractor shall provide, from time to time, such estoppels as may be reasonably requested by the Owner.

ARTICLE 6 CONSTRUCTION BY OWNER OR BY SEPARATE CONTRACTORS

§ 6.1 OWNER'S RIGHT TO PERFORM CONSTRUCTION AND TO AWARD SEPARATE CONTRACTS

§ 6.1.1 The Owner reserves the right to perform construction or operations related to the Project with the Owner's own forces, and to award separate contracts in connection with other portions of the Project or other construction or operations on the site under Conditions of the Contract identical or substantially similar to these including those portions related to insurance and waiver of subrogation. If the Contractor claims that delay or additional cost is involved because of such action by the Owner, the Contractor shall make such Claim as provided in Section 4.3.

§ 6.1.2 When separate contracts are awarded for different portions of the Project or other construction or operations on the site, the term "Contractor" in the Contract Documents in each case shall mean the Contractor who executes each separate Owner-Contractor Agreement.

§ 6.1.3 The Owner shall provide for coordination of the activities of the Owner's own forces and of each separate contractor with the Work of the Contractor, who shall cooperate with them. The Contractor shall cooperate with and assist the Owner in this coordination, and participate with other separate contractors and the Owner in reviewing their construction schedules when directed to do so. The Contractor shall make any revisions to the construction schedule deemed necessary after a joint review and mutual agreement. The construction schedules shall then constitute the schedules to be used by the Contractor, separate contractors and the Owner until subsequently revised.

§ 6.1.4 Unless otherwise provided in the Contract Documents, when the Owner performs construction or operations related to the Project with the Owner's own forces, the Owner shall be deemed to be subject to the same obligations and to have the same rights which apply to the Contractor under the Conditions of the Contract, including, without excluding others, those stated in Article 3, this Article 6 and Articles 10, 11 and 12.

§ 6.2 MUTUAL RESPONSIBILITY

§ 6.2.1 The Contractor shall afford the Owner and separate contractors reasonable opportunity for introduction and storage of their materials and equipment and performance of their activities, and shall connect and coordinate the Contractor's construction and operations with theirs as required by the Contract Documents.

§ 6.2.2 If part of the Contractor's Work depends for proper execution or results upon construction or operations by the Owner or a separate contractor, the Contractor shall, prior to proceeding with that portion of the Work, promptly report to the Architect apparent discrepancies or defects in such other construction that would render it unsuitable for such proper execution and results. Failure of the Contractor so to report shall constitute an acknowledgment that the Owner's or separate contractor's completed or partially completed construction is fit and proper to receive the Contractor's Work, except as to defects not then reasonably discoverable.

§ 6.2.3 The Owner shall be reimbursed by the Contractor for costs incurred by the Owner which are payable to a separate contractor because of delays, improperly timed activities or defective construction of the Contractor. The Owner shall be responsible to the Contractor for costs incurred by the Contractor because of delays, improperly timed activities, damage to the Work or defective construction of a separate contractor.

§ 6.2.4 The Contractor shall promptly remedy damage wrongfully caused by the Contractor to completed or partially completed construction or to property of the Owner or separate contractors as provided in Section 10.2.5.

§ 6.2.5 The Owner and each separate contractor shall have the same responsibilities for cutting and patching as are described for the Contractor in Section 3.14.

§ 6.3 OWNER'S RIGHT TO CLEAN UP

§ 6.3.1 If a dispute arises among the Contractor, separate contractors and the Owner as to the responsibility under their respective contracts for maintaining the premises and surrounding area free from waste materials and rubbish, the Owner may clean up and the Architect will allocate the cost among those responsible.

ARTICLE 7 CHANGES IN THE WORK

§ 7.1 GENERAL

§ 7.1.1 Changes in the Work may be accomplished after execution of the Contract, and without invalidating the Contract, by Change Order, Construction Change Directive or order for a minor change in the Work, subject to the limitations stated in this Article 7 and elsewhere in the Contract Documents.

§ 7.1.2 A Change Order shall be based upon agreement among the Owner, Contractor and Architect; a Construction Change Directive requires agreement by the Owner and Architect and may or may not be agreed to by the Contractor; an order for a minor change in the Work may be issued by the Architect alone.

§ 7.1.3 Changes in the Work shall be performed under applicable provisions of the Contract Documents, and the Contractor shall proceed promptly, unless otherwise provided in the Change Order, Construction Change Directive or order for a minor change in the Work. Except as permitted in Section 7.3, a change in the Contract Sum or the Contract Time shall be accomplished only by a Change Order.

§ 7.2 CHANGE ORDERS

§ 7.2.1 A Change Order is a written instrument prepared by the Architect and signed by the Owner, Contractor and Architect, stating their agreement upon all of the following:

.1 change in the Work;

.2 the amount of the adjustment, if any, in the Contract Sum; and

.3 the extent of the adjustment, if any, in the Contract Time.

§ 7.2.2 Methods used in determining adjustments to the Contract Sum may include those listed in Section 7.3.3.

§ 7.2.3 Agreement on any Change Order shall constitute a final settlement of all matters relating to the change in the Work which is the subject of the Change Order, including, but not limited to, all direct and indirect costs associated with such change and any and all adjustments to the Contract Sum and the Construction Schedule. In the event a Change Order increases the Contract Sum, the Contractor shall include the Work covered by such Change Orders in Applications for Payment as if such Work were originally part of the Contract Documents.

§ 7.2.4 The cost of changes in the Work shall be as defined Subsection 7.3.6 below, but in no case shall the cost of a change be at rates higher than the standard paid at the place of the Project.

§ 7.3 CONSTRUCTION CHANGE DIRECTIVES

§ 7.3.1 A Construction Change Directive is a written order prepared by the Architect and signed by the Owner and Architect, directing a change in the Work prior to agreement on adjustment, if any, in the Contract Sum or Contract Time, or both. The Owner may by Construction Change Directive, without invalidating the Contract, order changes in the Work within the general scope of the Contract consisting of additions, deletions or other revisions, the Contract Sum and Contract Time being adjusted as otherwise provided herein. Notwithstanding anything herein to the contrary, no Construction Change Directive shall be valid unless signed by the Owner.

§ 7.3.2 A Construction Change Directive shall be used in the absence of total agreement on the terms of a Change Order.

§ 7.3.3 If the Construction Change Directive provides for an adjustment to the Contract Sum, the adjustment shall be based on one of the following methods:

.1 mutual acceptance of a lump sum properly itemized and supported by sufficient substantiating data to permit evaluation;

.2 unit prices stated in the Contract Documents or subsequently agreed upon;

.3 cost to be determined in a manner agreed upon by the parties and a mutually acceptable fixed or percentage fee; or

.4 as provided in Section 7.3.6.

§ 7.3.4 Upon receipt of a Construction Change Directive, the Contractor shall promptly proceed with the change in the Work involved and advise the Architect of the Contractor's agreement or disagreement with the method, if any, provided in the Construction Change Directive for determining the proposed adjustment in the Contract Sum or Contract Time.

§ 7.3.5 A Construction Change Directive signed by the Contractor and the Owner indicates the agreement of the Contractor therewith, including adjustment in Contract Sum and Contract Time or the method for determining them. Such agreement shall be effective immediately and shall be recorded as a Change Order.

§ 7.3.6 If the Contractor does not respond promptly or disagrees with the method for adjustment in the Contract Sum, the method and the adjustment shall be recommended by the Architect on the basis of reasonable expenditures and savings of those performing the Work attributable to the change, including, in case of an increase in the Contract Sum, a reasonable allowance for overhead and profit in accordance with the Contract Documents. In such case, and also under Section 7.3.3.3, the Contractor shall keep and present, in such form as the Architect may prescribe, an itemized accounting together with appropriate supporting data. Unless otherwise provided in the Contract Documents, costs for the purposes of this Section 7.3.6 shall be based on the most economical manner of performing the Work or providing the materials in such Change Directive, and shall be limited to the following, all of which shall be attributable to the change:

.1 costs of labor, including social security, old age and unemployment insurance, fringe benefits required by agreement or custom, and workers' compensation insurance;

.2 costs of materials, supplies and equipment, including cost of transportation, whether incorporated or consumed;

.3 rental costs of machinery and equipment, exclusive of hand tools, whether rented from the Contractor or others;

.4 costs of premiums for all bonds and insurance, permit fees, and sales, use or similar taxes related to the Work; and

.5 additional costs of supervision and field office personnel directly attributable to the change.

§ 7.3.7 The amount of credit to be allowed by the Contractor to the Owner for a deletion or change which results in a net decrease in the Contract Sum shall be actual net cost as confirmed by the Architect. When both additions and credits covering related Work or substitutions are involved in a change, the allowance for overhead and profit shall be figured on the basis of net increase, if any, with respect to that change.

§ 7.3.8 Pending final determination of the total cost of a Construction Change Directive to the Owner, amounts not in dispute for such changes in the Work shall be included in Applications for Payment accompanied by a Change Order indicating the parties' agreement with part or all of such costs. For any portion of such cost that remains in dispute, the Architect will make an interim determination for purposes of monthly certification for payment for those costs. That determination of cost shall adjust the Contract Sum on the same basis as a Change Order, subject to the right of either party to disagree and assert a claim in accordance with Article 4.

§ 7.3.9 When the Owner and Contractor agree with the determination made by the Architect concerning the adjustments in the Contract Sum and Contract Time, or otherwise reach agreement upon the adjustments, such agreement shall be effective immediately and shall be recorded by preparation and execution of an appropriate Change Order.

§ 7.4 MINOR CHANGES IN THE WORK

§ 7.4.1 The Architect will have authority to order minor changes in the Work not involving adjustment in the Contract Sum or extension of the Contract Time and not inconsistent with the intent of the Contract Documents. Such changes shall be effected by written order and shall be binding on the Owner and Contractor. The Contractor shall carry out such written orders promptly.

ARTICLE 8 TIME

§ 8.1 DEFINITIONS

§ 8.1.1 Unless otherwise provided, Contract Time is the period of time, including authorized adjustments, allotted in the Contract Documents for Substantial Completion of the Work.

§ 8.1.2 The date of commencement of the Work is the date established in the Agreement.

§ 8.1.3 The date of Substantial Completion for each component of the Work is the date certified by the Architect in accordance with Section 9.8.

§ 8.1.4 The term "day" as used in the Contract Documents shall mean calendar day unless otherwise specifically defined.

§ 8.2 PROGRESS AND COMPLETION

§ 8.2.1 Time limits stated in the Contract Documents are of the essence of the Contract. By executing the Agreement the Contractor confirms that the Contract Time is a reasonable period for performing the Work.

§ 8.2.2 The Contractor shall not knowingly, except by agreement or instruction of the Owner in writing, prematurely commence operations on the site or elsewhere prior to the effective date of insurance required by Article 11 to be furnished by the Contractor and Owner. The date of commencement of the Work shall not be changed by the effective date of such insurance. Unless the date of commencement is established by the Contract Documents or a notice to proceed given by the Owner, the Contractor shall notify the Owner in writing not less than five days or other agreed period before commencing the Work to permit the timely filing of mortgages, mechanic's liens and other security interests.

§ 8.2.3 The Contractor shall proceed expeditiously with adequate forces and shall achieve Substantial Completion within the Contract Time.

§ 8.3 DELAYS AND EXTENSIONS OF TIME

§ 8.3.1 If the Contractor is delayed at any time in the commencement or progress of the Work by an act or neglect of the Owner or Architect, or of an employee of either, or of a separate contractor employed by the Owner, or by changes ordered in the Work, or by labor disputes, fire, unusual delay in deliveries, unavoidable casualties or other causes beyond the Contractor's control, or by delay authorized by the Owner pending mediation and arbitration, or by other causes which the Architect determines may justify delay, and a claim for such extension is made in accordance with Section 4.3.2, then the Contract Time shall be extended by Change Order for such reasonable time as the Architect may determine.

§ 8.3.2 Claims relating to time shall be made in accordance with applicable provisions of Section 4.3.

§ 8.3.3 This Section 8.3 does not preclude recovery of damages for delay by either party under other provisions of the Contract Documents.

ARTICLE 9 PAYMENTS AND COMPLETION

§ 9.1 CONTRACT SUM

§ 9.1.1 The Contract Sum is stated in the Agreement and, including authorized adjustments, is the total amount payable by the Owner to the Contractor for performance of the Work under the Contract Documents.

§ 9.2 SCHEDULE OF VALUES

§ 9.2.1 Before the first Application for Payment, the Contractor shall submit to the Architect a schedule of values allocated to various portions of the Work, prepared in such form and supported by such data to substantiate its accuracy as the Architect may require. This schedule, unless objected to by the Architect, shall be used as a basis for reviewing the Contractor's Applications for Payment.

§ 9.3 APPLICATIONS FOR PAYMENT

§ 9.3.1 At least ten days before the date established for each progress payment, the Contractor shall submit to the Architect an itemized Application for Payment for operations completed in accordance with the schedule of values, projected for the Work in place through the end of the respective period. Such application shall be notarized, if required, and supported by such data substantiating the Contractor's right to payment as the Owner or Architect may require, such as copies of requisitions from Subcontractors and material suppliers, and reflecting retainage if provided for in the Contract Documents.

§ 9.3.1.1 As provided in Section 7.3.8, such applications may include requests for payment on account of changes in the Work which have been properly authorized by Construction Change Directives, or by interim determinations of the Architect, but not yet included in Change Orders.

§ 9.3.1.2 Such applications may not include requests for payment for portions of the Work for which the Contractor does not intend to pay to a Subcontractor or material supplier, unless such Work has been performed by others whom the Contractor intends to pay.

§ 9.3.1.3 Each Application for Payment shall be accompanied by the following, all in form and substance reasonably satisfactory to the Owner: (i) a current Contractor's lien waiver and duly executed and acknowledged Sworn Statement showing all Subcontractors with whom the Contractor has entered into subcontracts, the amount of each such subcontract, the amount requested for any Subcontractor, the requested progress payment and the amount to be paid to the Contractor from such progress payment, together with similar Sworn Statements from all such Subcontractors for the prior period, (ii) except as otherwise permitted under the Contract, duly executed waivers of mechanics' and materialmens' liens from all Subcontractors and for non-lien items, receipts, establishing payment or satisfaction of all amounts previously requested on behalf of such entities by the Contractor, and (iii) all information and material required to comply with the Contract Documents or reasonably requested by the Owner, the Architect, or the Owner's title insurer or construction lender. Notwithstanding anything to the contrary contained in the Contract Documents, all payments shall be made through a construction escrow established with the Owner's title insurer in accordance with the standard form of construction escrow then currently in use by the Owner's title insurer with such modifications as are necessary to conform to the Contract Documents and containing items which are not inconsistent with the Contract Documents nor materially increase the Contractor's obligations under the Contract Documents and receipt by the Contractor of all payments shall be conditioned upon compliance with the terms of such construction escrow.

§ 9.3.2 Unless otherwise provided in the Contract Documents, payments shall be made on account of materials and equipment delivered and suitably stored at the site for subsequent incorporation in the Work. If approved in advance by the Owner, payment may similarly be made for materials and equipment suitably stored off the site at a location agreed upon in writing. Payment for materials and equipment stored on or off the site shall be conditioned upon compliance by the Contractor with procedures satisfactory to the Owner to establish the Owner's title to such materials and equipment or otherwise protect the Owner's interest, and shall include the costs of applicable insurance, storage and transportation to the site for such materials and equipment stored off the site.

§ 9.3.3 The Contractor warrants that title to all Work covered by an Application for Payment will pass to the Owner no later than the time of payment. The Contractor further warrants that upon submittal of an Application for

Payment all Work for which Certificates for Payment have been previously issued and payments received from the Owner shall, to the best of the Contractor's knowledge, information and belief, be free and clear of liens, claims, security interests or encumbrances in favor of the Contractor, Subcontractors, material suppliers, or other persons or entities making a claim by reason of having provided labor, materials and equipment relating to the Work.

§ 9.3.3.1 The Contractor further expressly undertakes to defend the Owner, the Architect, and the consultants, agents and employees of any of them (collectively, the "Indemnitees") at the Contractor's sole expense, against any actions lawsuit or proceedings brought against the Indemnitees as a result of liens filed against the Work, the site and any improvements thereon, payments due the Contractor or any portion of the property of any of the Indemnitees (referred to collectively as "liens" in Subsection 9.3.3). The Contractor hereby agrees to indemnify and hold Indemnitees harmless against any such liens or claims of lien and agrees to pay any judgment or lien resulting from any such actions, lawsuit or proceedings. The above indemnity shall not apply (a) if the Owner fails to make payment as required under the Contract Documents, or (b) if the lien is for work not performed and for which the Owner has not made payment, or (c) to the extent the amount of the lien is included within the amount shown as unpaid for such Subcontractor or the Contractor on the most recent approved Contractor's Affidavit included in an Application for Payment. Credit shall be given to the Owner against the amounts payable to Contractor for any payment made by the Owner to settle any claim of a Subcontractor or material supplier.

§ 9.4 CERTIFICATES FOR PAYMENT

§ 9.4.1 The Architect will, within seven days after receipt of the Contractor's Application for Payment, either issue to the Owner a Certificate for Payment, with a copy to the Contractor, for such amount as the Architect determines is properly due, or notify the Contractor and Owner in writing of the Architect's reasons for withholding certification in whole or in part as provided in Section 9.5.1.

§ 9.4.2 The issuance of a Certificate for Payment will constitute a representation by the Architect to the Owner, based on the Architect's evaluation of the Work and the data comprising the Application for Payment, that the Work has progressed to the point indicated and that, to the best of the Architect's knowledge, information and belief, the quality of the Work is in accordance with the Contract Documents. The foregoing representations are subject to an evaluation of the Work for conformance with the Contract Documents upon Substantial Completion, to results of subsequent tests and inspections, to correction of minor deviations from the Contract Documents prior to completion and to specific qualifications expressed by the Architect. The issuance of a Certificate for Payment will further constitute a representation that the Contractor is entitled to payment in the amount certified. However, the issuance of a Certificate for Payment will not be a representation that the Architect has (1) made exhaustive or continuous on-site inspections to check the quality or quantity of the Work, (2) reviewed construction means, methods, techniques, sequences or procedures, (3) reviewed copies of requisitions received from Subcontractors and material suppliers and other data requested by the Owner to substantiate the Contractor's right to payment, or (4) made examination to ascertain how or for what purpose the Contractor has used money previously paid on account of the Contract Sum.

§ 9.5 DECISIONS TO WITHHOLD CERTIFICATION

§ 9.5.1 The Architect may withhold a Certificate for Payment in whole or in part, to the extent reasonably necessary to protect the Owner, if in the Architect's opinion the representations to the Owner required by Section 9.4.2 cannot be made. If the Architect is unable to certify payment in the amount of the Application, the Architect will notify the Contractor and Owner as provided in Section 9.4.1. If the Contractor and Architect cannot agree on a revised amount, the Architect will promptly issue a Certificate for Payment for the amount for which the Architect is able to make such representations to the Owner. The Architect may also withhold a Certificate for Payment or, because of subsequently discovered evidence, may nullify the whole or a part of a Certificate for Payment previously issued, to such extent as may be necessary in the Architect's opinion to protect the Owner from loss for which the Contractor is responsible, including loss resulting from acts and omissions described in Section 3.3.2, because of:

.1 defective Work not remedied;

.2 third party claims filed or reasonable evidence indicating probable filing of such claims unless security acceptable to the Owner is provided by the Contractor;

.3 failure of the Contractor to make payments properly to Subcontractors or for labor, materials or equipment;

.4 reasonable evidence that the Work cannot be completed for the unpaid balance of the Contract Sum;

.5 damage to the Owner or another contractor;

.6 reasonable evidence that the Work will not be completed within the Contract Time, and that the unpaid balance would not be adequate to cover actual or liquidated damages for the anticipated delay; or

.7 failure to carry out the Work in accordance with the Contract Documents.

§ 9.5.2 When the above reasons for withholding certification are removed, certification will be made for amounts previously withheld.

§ 9.6 PROGRESS PAYMENTS

§ 9.6.1 After the Architect has issued a Certificate for Payment, the Owner shall make payment in the manner and within the time provided in the Contract Documents, and shall so notify the Architect.

§ 9.6.2 The Contractor shall promptly pay each Subcontractor, upon receipt of payment from the Owner, out of the amount paid to the Contractor on account of such Subcontractor's portion of the Work, the amount to which said Subcontractor is entitled, reflecting percentages actually retained from payments to the Contractor on account of such Subcontractor's portion of the Work. The Contractor shall, by appropriate agreement with each Subcontractor, require each Subcontractor to make payments to Sub-subcontractors in a similar manner.

§ 9.6.3 The Architect will, on request, furnish to a Subcontractor, if practicable, information regarding percentages of completion or amounts applied for by the Contractor and action taken thereon by the Architect and Owner on account of portions of the Work done by such Subcontractor.

§ 9.6.4 Neither the Owner nor Architect shall have an obligation to pay or to see to the payment of money to a Subcontractor except as may otherwise be required by law.

§ 9.6.5 Payment to material suppliers shall be treated in a manner similar to that provided in Sections 9.6.2, 9.6.3 and 9.6.4.

§ 9.6.6 A Certificate for Payment, a progress payment, or partial or entire use or occupancy of the Project by the Owner shall not constitute acceptance of Work not in accordance with the Contract Documents.

§ 9.6.7 Unless the Contractor provides the Owner with a payment bond in the full penal sum of the Contract Sum, payments received by the Contractor for Work properly performed by Subcontractors and suppliers shall be held by the Contractor for those Subcontractors or suppliers who performed Work or furnished materials, or both, under contract with the Contractor for which payment was made by the Owner. Nothing contained herein shall require money to be placed in a separate account and not commingled with money of the Contractor, shall create any fiduciary liability or tort liability on the part of the Contractor for breach of trust or shall entitle any person or entity to an award of punitive damages against the Contractor for breach of the requirements of this provision.

§ 9.7 FAILURE OF PAYMENT

§ 9.7.1 If the Architect does not issue a Certificate for Payment, through no fault of the Contractor, within seven days after receipt of the Contractor's Application for Payment, or if the Owner does not pay the Contractor within seven days after the date established in the Contract Documents the amount certified by the Architect or awarded by arbitration, then the Contractor may, upon seven additional days' written notice to the Owner and Architect, stop the Work until payment of the amount owing has been received. The Contract Time shall be extended appropriately and the Contract Sum shall be increased by the amount of the Contractor's reasonable costs of shut-down, delay and start-up, plus interest as provided for in the Contract Documents.

§ 9.8 SUBSTANTIAL COMPLETION

§ 9.8.1 Substantial Completion is the stage in the progress of the Work when the Work or designated portion thereof is sufficiently complete in accordance with the Contract Documents so that the Owner can occupy or utilize the Work for its intended use.

§ 9.8.2 When the Contractor considers that the Work, or a portion thereof which the Owner agrees to accept separately, is substantially complete, the Contractor shall prepare and submit to the Architect a comprehensive list of items to be completed or corrected prior to final payment. Failure to include an item on such list does not alter the responsibility of the Contractor to complete all Work in accordance with the Contract Documents.

§ 9.8.3 Upon receipt of the Contractor's list, the Architect will make an inspection to determine whether the Work or designated portion thereof is substantially complete. If the Architect's inspection discloses any item, whether or not included on the Contractor's list, which is not sufficiently complete in accordance with the Contract Documents so that the Owner can occupy or utilize the Work or designated portion thereof for its intended use, such item shall constitute an additional punch list unless, as a result thereof, the Work does not comply with the requirements for Substantial Completion as provided in Paragraph 9.8.1, in which case the Contractor shall, before issuance of the Certificate of Substantial Completion, complete or correct such item upon notification by the Architect. In such case, the Contractor shall then submit a request for another inspection by the Architect to determine Substantial Completion.

§ 9.8.4 When the Work or designated portion thereof is substantially complete, the Architect will prepare a Certificate of Substantial Completion which shall establish the date of Substantial Completion, shall establish responsibilities of the Owner and Contractor for security, maintenance, heat, utilities, damage to the Work and insurance, and shall fix the time within which the Contractor shall finish all items on the list accompanying the Certificate. Warranties required by the Contract Documents shall commence on the date of Substantial Completion of the Work or designated portion thereof unless otherwise provided in the Certificate of Substantial Completion.

§ 9.8.5 The Certificate of Substantial Completion shall be submitted to the Owner and Contractor for their written acceptance of responsibilities assigned to them in such Certificate. Upon such acceptance and consent of surety, if any, the Owner shall make payment of retainage applying to such Work or designated portion thereof. Such payment shall be adjusted for Work that is incomplete or not in accordance with the requirements of the Contract Documents.

§ 9.9 PARTIAL OCCUPANCY OR USE

§ 9.9.1 The Owner may occupy or use any completed or partially completed portion of the Work at any stage when such portion is designated by separate agreement with the Contractor, provided such occupancy or use is consented to by the insurer as required under Section 11.4.1.5 and authorized by public authorities having jurisdiction over the Work. Such partial occupancy or use may commence whether or not the portion is substantially complete, provided the Owner and Contractor have accepted in writing the responsibilities assigned to each of them for payments, retainage, if any, security, maintenance, heat, utilities, damage to the Work and insurance, and have agreed in writing concerning the period for correction of the Work and commencement of warranties required by the Contract Documents. When the Contractor considers a portion substantially complete, the Contractor shall prepare and submit a list to the Architect as provided under Section 9.8.2. Consent of the Contractor to partial occupancy or use shall not be unreasonably withheld. The stage of the progress of the Work shall be determined by written agreement between the Owner and Contractor or, if no agreement is reached, by decision of the Architect.

§ 9.9.2 Immediately prior to such partial occupancy or use, the Owner, Contractor and Architect shall jointly inspect the area to be occupied or portion of the Work to be used in order to determine and record the condition of the Work.

§ 9.9.3 Unless otherwise agreed upon, partial occupancy or use of a portion or portions of the Work shall not constitute acceptance of Work not complying with the requirements of the Contract Documents.

§ 9.10 FINAL COMPLETION AND FINAL PAYMENT

§ 9.10.1 Upon receipt of written notice that the Work is ready for final inspection and acceptance and upon receipt of a final Application for Payment, the Architect will promptly make such inspection and, when the Architect finds the Work acceptable under the Contract Documents and the Contract fully performed, the Architect will promptly issue a final Certificate for Payment stating that to the best of the Architect's knowledge, information and belief, and on the basis of the Architect's on-site visits and inspections, the Work has been completed in accordance with terms and conditions of the Contract Documents and that the entire balance found to be due the Contractor and noted in the final Certificate is due and payable. The Architect's final Certificate for Payment will constitute a further representation that conditions listed in Section 9.10.2 as precedent to the Contractor's being entitled to final payment have been fulfilled. All warranties and guarantees required under or pursuant to the Contract Documents shall be assembled, delivered and assigned by the Contractor to the Architect as part of the final Application for Payment. The final Certificate for Payment will not be issued by the Architect until all warranties and guarantees have been received and accepted by the Owner.

§ 9.10.2 Neither final payment nor any remaining retained percentage shall become due until the Contractor submits to the Architect (1) an affidavit that payrolls, bills for materials and equipment, and other indebtedness connected with the Work for which the Owner or the Owner's property might be responsible or encumbered (less amounts withheld by Owner) have been paid or otherwise satisfied, (2) a certificate evidencing that insurance required by the Contract Documents to remain in force after final payment is currently in effect and will not be canceled or allowed to expire until at least 30 days' prior written notice has been given to the Owner, (3) a written statement that the Contractor knows of no substantial reason that the insurance will not be renewable to cover the period required by the Contract Documents, (4) consent of surety, if any, to final payment and (5), if required by the Owner, other data establishing payment or satisfaction of obligations, such as receipts, releases and waivers of liens, claims, security interests or encumbrances arising out of the Contract, to the extent and in such form as may be designated by the Owner. If a Subcontractor refuses to furnish a release or waiver required by the Owner, the Contractor may furnish a bond satisfactory to the Owner to indemnify the Owner against such lien. If such lien remains unsatisfied after payments are made, the Contractor shall refund to the Owner all money that the Owner may be compelled to pay in discharging such lien, including all costs and reasonable attorneys' fees.

§ 9.10.3 If, after Substantial Completion of the Work, final completion thereof is materially delayed through no fault of the Contractor or by issuance of Change Orders affecting final completion, and the Architect so confirms, the Owner shall, upon application by the Contractor and certification by the Architect, and without terminating the Contract, make payment of the balance due for that portion of the Work fully completed and accepted. If the remaining balance for Work not fully completed or corrected is less than retainage stipulated in the Contract Documents, and if bonds have been furnished, the written consent of surety to payment of the balance due for that portion of the Work fully completed and accepted shall be submitted by the Contractor to the Architect prior to certification of such payment. Such payment shall be made under terms and conditions governing final payment, except that it shall not constitute a waiver of claims.

§ 9.10.4
(Paragraphs deleted)
Acceptance of final payment by the Contractor, a Subcontractor or material supplier shall constitute a waiver of claims by that payee except those previously made in writing and identified by that payee as unsettled at the time of final Application for Payment.

(Paragraphs deleted)

ARTICLE 10 PROTECTION OF PERSONS AND PROPERTY

§ 10.1 SAFETY PRECAUTIONS AND PROGRAMS

§ 10.1.1 The Contractor shall be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the performance of the Contract.

§ 10.2 SAFETY OF PERSONS AND PROPERTY

§ 10.2.1 The Contractor shall take reasonable precautions for safety of, and shall provide reasonable protection to prevent damage, injury or loss to:

.1 employees on the Work and other persons who may be affected thereby;

.2 the Work and materials and equipment to be incorporated therein, whether in storage on or off the site, under care, custody or control of the Contractor or the Contractor's Subcontractors or Sub-subcontractors; and

.3 other property at the site or adjacent thereto, such as trees, shrubs, lawns, walks, pavements, roadways, structures and utilities not designated for removal, relocation or replacement in the course of construction.

§ 10.2.2 The Contractor shall give notices and comply with applicable laws, ordinances, rules, regulations and lawful orders of public authorities bearing on safety of persons or property or their protection from damage, injury or loss.

§ 10.2.3 The Contractor shall erect and maintain, as required by existing conditions and performance of the Contract, reasonable safeguards for safety and protection, including posting danger signs and other warnings against hazards, promulgating safety regulations and notifying owners and users of adjacent sites and utilities.

§ 10.2.4 When use or storage of explosives or other hazardous materials or equipment or unusual methods are necessary for execution of the Work, the Contractor shall exercise utmost care and carry on such activities under supervision of properly qualified personnel.

§ 10.2.5 The Contractor shall promptly remedy damage and loss (other than damage or loss insured under property insurance required by the Contract Documents) to property referred to in Sections 10.2.1.2 and 10.2.1.3 caused in whole or in part by the Contractor, a Subcontractor, a Sub-subcontractor, or anyone directly or indirectly employed by any of them, or by anyone for whose acts they may be liable and for which the Contractor is responsible under Sections 10.2.1.2 and 10.2.1.3, except damage or loss attributable to acts or omissions of the Owner or Architect or anyone directly or indirectly employed by either of them, or by anyone for whose acts either of them may be liable, and not attributable to the fault or negligence of the Contractor. The foregoing obligations of the Contractor are in addition to the Contractor's obligations under Section 3.18.

§ 10.2.6 The Contractor shall designate a responsible member of the Contractor's organization at the site whose duty shall be the prevention of accidents. This person shall be the Contractor's superintendent unless otherwise designated by the Contractor in writing to the Owner and Architect.

§ 10.2.7 The Contractor shall not load or permit any part of the construction or site to be loaded so as to endanger its safety.

§ 10.3 HAZARDOUS MATERIALS

§ 10.3.1 If reasonable precautions will be inadequate to prevent foreseeable bodily injury or death to persons resulting from a material or substance, including but not limited to asbestos or polychlorinated biphenyl (PCB), encountered on the site by the Contractor, the Contractor shall, upon recognizing the condition, immediately stop Work in the affected area and report the condition to the Owner and Architect in writing. If any Hazardous Substance is encountered in any products or materials specified in the Contract Documents or proposed by the Contractor, the Contractor shall immediately notify the Owner and the Architect thereof.

§ 10.3.2 The Owner shall obtain the services of a licensed laboratory to verify the presence or absence of the material or substance reported by the Contractor and, in the event such material or substance is found to be present, to verify that it has been rendered harmless. Unless otherwise required by the Contract Documents, the Owner shall furnish in writing to the Contractor and Architect the names and qualifications of persons or entities who are to perform tests verifying the presence or absence of such material or substance or who are to perform the task of removal or safe containment of such material or substance. The Contractor and the Architect will promptly reply to the Owner in writing stating whether or not either has reasonable objection to the persons or entities proposed by the Owner. If either the Contractor or Architect has an objection to a person or entity proposed by the Owner, the Owner shall propose another to whom the Contractor and the Architect have no reasonable objection. When the material or substance has been rendered harmless, Work in the affected area shall resume upon written agreement of the Owner and Contractor. The Contract Time shall be extended appropriately and the Contract Sum shall be increased in the amount of the Contractor's reasonable additional costs of shut-down, delay and start-up, which adjustments shall be accomplished as provided in Article 7. The term "rendered harmless" shall be interpreted to mean that levels and exposure standards set forth in OSHA regulations and other applicable laws. In no event however, shall the Owner have any responsibility for any Hazardous Substances that are brought to the site by the Contractor, any Subcontractor, any materialman or supplier, or any entity for whom any of them is responsible. The Contractor agrees not to use any fill or other materials to be incorporated into the Work which are hazardous, toxic or comprised of any items that are Hazardous Substances.

§ 10.3.3 To the fullest extent permitted by law, the Owner shall indemnify and hold harmless the Contractor, Subcontractors, Architect, Architect's consultants and agents and employees of any of them from and against claims, damages, losses and expenses, including but not limited to attorneys' fees, arising out of or resulting from performance of the Work in the affected area if in fact the material or substance presents the risk of bodily injury or death as described in Section 10.3.1 and has not been rendered harmless, provided that such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the Work itself) and provided that such damage, loss or expense is not due to the sole negligence of a party seeking indemnity.

§ 10.4 The Owner shall not be responsible under Section 10.3 for materials and substances brought to the site by the Contractor unless such materials or substances were required by the Contract Documents.

§ 10.5 If, without negligence on the part of the Contractor, the Contractor is held liable for the cost of remediation of a hazardous material or substance solely by reason of performing Work as required by the Contract Documents, the Owner shall indemnify the Contractor for all cost and expense thereby incurred.

§ 10.6 EMERGENCIES

§ 10.6.1 In an emergency affecting safety of persons or property, the Contractor shall act, at the Contractor's discretion, to prevent threatened damage, injury or loss. Additional compensation or extension of time claimed by the Contractor on account of an emergency shall be determined as provided in Section 4.3 and Article 7.

ARTICLE 11 INSURANCE AND BONDS

§ 11.1 CONTRACTOR'S LIABILITY INSURANCE

§ 11.1.1

(Paragraphs deleted)

Contractor shall provide the Owner with a properly executed Certificate of Insurance and true, correct and complete copies of the all insurance policies required under this Contract conforming to the requirements set forth herein ten (10) days before commencing the Work (other than architectural and engineering services). If Contractor fails to provide the Owner with the Certificate of Insurance and copies of the policies, Contractor shall not be permitted on the Site. Contractor's obligation to indemnify Owner shall not be altered or relieved by Contractor's failure to provide the insurance required hereunder.

§ 11.1.2 Contractor shall maintain during the progress of the Work the following insurance with the minimum limits and coverages shown below, which limits and coverage shall not be reduced by the existence of other insurance or claims:

.1 Workers' Compensation and Employer's Liability Insurance with limits of not less than $500,000.00 and as required by any Employee Benefit Acts or other statutes applicable where the Work is to be performed as will protect Contractor from liability under the aforementioned acts. Contractor and all its subcontractors of every tier shall waive their right of subrogation against Owner and the Landlord, and their respective agents, employees and property managers for any claims covered under this Workers' Compensation policy.

.2 Commercial General Liability Insurance (including Contractors' Protective Liability) in an amount not less than $2,000,000.00 per occurrence, whether involving bodily injury liability (or death resulting therefrom) or property damage liability, or a combination thereof, with a minimum annual aggregate limit of $2,000,000.00, and with umbrella coverage with limits not less than $5,000,000.00. Such insurance shall provide for explosion and collapse, completed operations coverage and broad form blanket contractual liability coverage and shall insure Contractor against any and all claims for bodily injury, including death resulting therefrom, and damage to the property of others arising from its operations under the contracts, whether such operations are performed by Contractor or by anyone directly or indirectly employed by any of them.

.3 Comprehensive Automobile Liability Insurance, including the Ownership, maintenance and operation of any automotive equipment, owned, hired, or non-owned in an amount not less than $500,000.00 for each person in one accident, and $1,000,000.00 for injuries sustained by two or more persons in any one accident and property damage liability in an amount not less than $1,000,000.00 for each accident. Such insurance shall insure Contractor against any and all claims for bodily injury, including death resulting therefrom, and damage to the property of others arising from its operations under the contracts, whether such operations are performed by Contractor, or by anyone directly or indirectly employed by Contractor.

.4 "All-risk" builder's risk insurance upon the entire Work to the full insurable value thereof (the term "all risk" shall include for purposes hereof such similar policy as may be currently available regardless of whether the terminology may have changed, e.g., "special form - causes of loss," and the term "builder's risk" shall include for purposes hereof either builder's risk or installation floater, as the case may be). This insurance shall include the interests of the Landlord and Owner (and their respective contractors and subcontractors of any tier to the extent of any insurable interest therein) in the Work and shall insure against the perils of fire and extended coverage and shall include "all-risk" builder's risk insurance for physical loss or damage including, without duplication of coverage, theft, vandalism

and malicious mischief. If portions of the Work are stored off the site of the Building or in transit to said site are not covered under said "all-risk" builder's risk insurance, then Contractor shall effect and maintain similar property insurance on such portions of such Work. Any loss insured under said "all-risk" builder's risk insurance is to be adjusted with the Landlord and Owner and made payable to the Landlord as trustee for the insureds, as their interests may appear, subject to the agreement reached by said parties in interest, or in the absence of any such agreement, then in accordance with a final, non-appealable order of a court of competent jurisdiction.

.5 Contractors' pollution liability insurance with limits of liability of $1,000,000 each claim and aggregate with a deductible no greater than $250,000 each claim. The policy will provide coverage for sums that the insured become legally obligated to pay as loss as a result of claims for bodily injury, property damage or clean-up costs caused by "Pollution Incident." "Pollution Incident(s)" will include the discharge, dispersal, release or escape of any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, medical waste, waste materials, lead and hydrocarbons. If the policy is a "claims made" form, coverage will be maintained for four years after completion of the Work.

All policies (except the Workers' compensation policy) shall be endorsed to include as additional insured parties Owner, the Landlord, the Landlord's project management representative and all other parties required to be included as additional insureds under Owner's insurance policies under its lease with the Landlord (as well as any other party reasonably designated by Owner or the Landlord from time to time). Contractor's Commercial General Liability additional insured endorsement shall be on ISO Form CG 20 10 11 85 or a combination of CG 20 10 10 01 and CG 20 37 10 01 or their equivalent, providing coverage for the additional insureds for any liability arising from the operations and completed operations of Contractor for as long as the additional insureds may be exposed to liability arising from the Contractors' Work. Said endorsements shall also provide that all additional insured parties shall be given not less than thirty (30) days' prior written notice of any reduction, cancellation or non renewal of coverage (except that not less than ten (10) days' prior written notice shall be sufficient in the case of cancellation for non payment of premium) and shall provide that the insurance coverage afforded to the additional insured parties thereunder shall be primary to any insurance carried independently by said additional insured parties. The insurance policies required hereunder shall be considered as the primary insurance and shall not call into contribution any insurance maintained by Owner or the Landlord. Additionally, where applicable, each policy shall contain a cross liability and severability of interest clause.

§ 11.1.3 Certificates of the insurance described in Section 11.1.2 hereof must: (i) be on an ACORD 25-S form or its equivalent; (ii) eliminate any "endeavor to" and "but failure to mail such notice shall impose .... representatives" language as it relates to notices; (iii) include the initials of an authorized representative next to any deletions in the Certificate or policies; and (iv) state that coverage will not be altered, canceled or allowed to expire before thirty (30) days' written notice is mailed to the Owner and Lender. Contractor shall endorse the policies described in Section 11.1.2.2 to include the Owner Indemnitees as Additional Insureds by endorsement at least as broad as ISO Form CG2010. Other persons or entities with an insurable interest may also be named Additional Insureds. Except as set forth below, the coverage afforded the Additional Insureds under Contractor's policies shall be primary insurance and the Additional Insured's shall be non-contributory. If the Additional Insureds have other insurance which is applicable to the loss, such other insurance shall be on an excess basis only.

§ 11.1.4 If requested by the Owner, Lender or Inspecting Architect, Contractor shall provide the Owner with Certificates of Insurance and true, correct and complete copies of insurance policies from all Subcontractors that are employed by Contractor in the performance of this Contract. Contactor must require each Subcontractor to maintain during the progress of the Work insurance with the minimum limits and coverages outlined in Sections 11.1.2.1, 11.1.2.2 and 11.1.2.3 above. The Subcontractors shall endorse their Commercial General Liability Insurance to include the Owner Indemnitees as Additional Insureds by endorsement at least as broad as ISO Form CG2010. Other persons or entities with an insurable interest may also be named Additional Insureds. The coverage afforded the Additional Insureds under Subcontractor's policies shall be primary insurance and the Additional Insured's shall be non-contributory. If the Additional Insureds have other insurance which is applicable to the loss, such other insurance shall be on an excess basis only. The amount of the Subcontractors' liability under these policies shall not be reduced by the existence of other insurance or claims. Certificates of Insurance and insurance policies from Subcontractors shall be submitted along with Contractor's evidence of insurance prior to being allowed on the Site.

§ 11.1.5 If Contractor returns to the Site, evidence of current insurance complying with the requirements set forth herein must be provided before entry onto the Site by Contractor.

§ 11.1.6 It is understood and agreed that failure to provide the insurance protection required herein does not relieve Contractor of the obligation to defend and indemnify the Owner Indemnitees against any claim or loss which otherwise would have been covered by the insurance if Contractor had so obtained same in compliance herewith. Contractor, Subcontractors, Sub-subcontractors and their agents and employees waive all rights of subrogation against the Owner Indemnitees and Architect with respect to matters covered by the liability insurance that Contractor, Subcontractors and Sub-subcontractors are required to carry hereunder. It is understood and agreed that the insurance coverages and limits required herein shall not limit the extent of Contractor's responsibilities and liabilities specified in the Contract or under Applicable Laws.

§ 11.1.7 All policies of insurance to be carried by Contractor: (i) shall be issued by an "AVIII" insurance company, as rated by the most current of Best Insurance Reports as published by A.M. Best Company, and a company which is otherwise acceptable to the Owner and Lender and authorized to do business is the State of Illinois; and (ii) shall be issued in the name of Contractor.

§ 11.2 OWNER'S LIABILITY INSURANCE

§ 11.2.1 The Owner shall be responsible for purchasing and maintaining the Owner's usual liability insurance.

§ 11.3 PROJECT MANAGEMENT PROTECTIVE LIABILITY INSURANCE

§ 11.3.1 Optionally, the Owner may require the Contractor to purchase and maintain Project Management Protective Liability insurance from the Contractor's usual sources as primary coverage for the Owner's, Contractor's and Architect's vicarious liability for construction operations under the Contract. Unless otherwise required by the Contract Documents, the Owner shall reimburse the Contractor by increasing the Contract Sum to pay the cost of purchasing and maintaining such optional insurance coverage, and the Contractor shall not be responsible for purchasing any other liability insurance on behalf of the Owner. The minimum limits of liability purchased with such coverage shall be equal to the aggregate of the limits required for Contractor's Liability Insurance under Sections 11.1.1.2 through 11.1.1.5.

§ 11.3.2 To the extent damages are covered by Project Management Protective Liability insurance, the Owner, Contractor and Architect waive all rights against each other for damages, except such rights as they may have to the proceeds of such insurance. The policy shall provide for such waivers of subrogation by endorsement or otherwise.

§ 11.3.3 The Contractor shall include the Owner, the Architect and other persons and entities reasonably specified by the Owner as additional insureds on the Contractor's Liability Insurance coverage under Section 11.1.

§ 11.4 PROPERTY INSURANCE

§ 11.4.1 Unless otherwise provided, the Owner shall purchase and maintain, in a company or companies lawfully authorized to do business in the jurisdiction in which the Project is located, property insurance written on a builder's risk "all-risk" or equivalent policy form in the amount of the initial Contract Sum, plus value of subsequent Contract modifications thereto and cost of materials supplied or installed by others, comprising total value for the entire Project at the site on a replacement cost basis without optional deductibles. Such property insurance shall be maintained, unless otherwise provided in the Contract Documents or otherwise agreed in writing by all persons and entities who are beneficiaries of such insurance, until final payment has been made as provided in Section 9.10 or until no person or entity other than the Owner has an insurable interest in the property required by this Section 11.4 to be covered, whichever is later. This insurance shall include interests of the Owner, the Contractor, Subcontractors and Sub-subcontractors in the Project. Property insurance provided by the Owner shall not cover any tools, apparatus, machinery, scaffolding, hoists, forms, staging, shoring and other similar items commonly referred to as construction equipment which may be on the Project site and the capital value of such is not included in the Work. The Contractor shall make its own arrangements for any insurance it may require on such construction equipment. Any such policy obtained by the Contractor under this Section 11.4.1 shall include a waiver of subrogation in accordance with the requirements of Subsection 11.4.7.

§ 11.4.1.1 Property insurance shall be on an "all-risk" or equivalent policy form and shall include, without limitation, insurance against the perils of fire (with extended coverage) and physical loss or damage including, without

duplication of coverage, theft, vandalism, malicious mischief, collapse, earthquake, flood, windstorm, falsework, testing and startup, temporary buildings and debris removal including demolition occasioned by enforcement of any applicable legal requirements, and shall cover reasonable compensation for Architect's and Contractor's services and expenses required as a result of such insured loss.

§ 11.4.1.2 If the Owner does not intend to purchase such property insurance required by the Contract and with all of the coverages in the amount described above, the Owner shall so inform the Contractor in writing prior to commencement of the Work. The Contractor may then effect insurance which will protect the interests of the Contractor, Subcontractors and Sub-subcontractors in the Work, and by appropriate Change Order the cost thereof shall be charged to the Owner. If the Contractor is damaged by the failure or neglect of the Owner to purchase or maintain insurance as described above, without so notifying the Contractor in writing, then the Owner shall bear all reasonable costs properly attributable thereto.

§ 11.4.1.3 If the property insurance requires deductibles, the Owner shall pay costs not covered because of such deductibles.

§ 11.4.1.4 This property insurance for Work stored away from the site shall commence when such Work becomes owned by the Owner as evidenced by an executed and delivered bill of sale from the Contractor to the Owner accepted by the Owner and provided the Contractor shall notify the Owner in writing not less than ten (10) days prior thereto if, in the aggregate, Cost of Work for Work stored away from the site exceeds One Hundred Thousand Dollars ($100,000). The Contractor shall notify the Owner in writing not less than ten (10) days prior thereto if the aggregate Cost of the Work for Work in transit exceeds One Hundred Thousand Dollars ($100,000).

§ 11.4.1.5 Partial occupancy or use in accordance with Section 9.9 shall not commence until the insurance company or companies providing property insurance have consented to such partial occupancy or use by endorsement or otherwise. The Owner and the Contractor shall take reasonable steps to obtain consent of the insurance company or companies and shall, without mutual written consent, take no action with respect to partial occupancy or use that would cause cancellation, lapse or reduction of insurance.

§ 11.4.2 Boiler and Machinery Insurance. The Owner shall purchase and maintain boiler and machinery insurance required by the Contract Documents or by law, which shall specifically cover such insured objects during installation and until final acceptance by the Owner; this insurance shall include interests of the Owner, Contractor, Subcontractors and Sub-subcontractors in the Work, and the Owner and Contractor shall be named insureds.

§ 11.4.3 Loss of Use Insurance. The Owner, at the Owner's option, may purchase and maintain such insurance as will insure the Owner against loss of use of the Owner's property due to fire or other hazards, however caused. The Owner waives all rights of action against the Contractor for loss of use of the Owner's property, including consequential losses due to fire or other hazards however caused.

§ 11.4.4 If the Contractor requests in writing that insurance for risks other than those described herein or other special causes of loss be included in the property insurance policy, the Owner shall, if possible, include such insurance, and the cost thereof shall be charged to the Contractor by appropriate Change Order.

§ 11.4.5 If during the Project construction period the Owner insures properties, real or personal or both, at or adjacent to the site by property insurance under policies separate from those insuring the Project, or if after final payment property insurance is to be provided on the completed Project through a policy or policies other than those insuring the Project during the construction period, the Owner shall waive all rights in accordance with the terms of Section 11.4.7 for damages caused by fire or other causes of loss covered by this separate property insurance. All separate policies shall provide this waiver of subrogation by endorsement or otherwise.

§ 11.4.6 Before an exposure to loss may occur, the Owner shall file with the Contractor a copy of each policy that includes insurance coverages required by this Section 11.4. Each policy shall contain all generally applicable conditions, definitions, exclusions and endorsements related to this Project. Each policy shall contain a provision that the policy will not be canceled or allowed to expire, and that its limits will not be reduced, until at least 30 days' prior written notice has been given to the Contractor.

§ 11.4.7 Waivers of Subrogation. The Owner and Contractor waive all rights against (1) each other and any of their subcontractors, sub-subcontractors, agents and employees, each of the other, and (2) the Architect, Architect's consultants, separate contractors described in Article 6, if any, and any of their subcontractors, sub-subcontractors, agents and employees, for damages caused by fire or other causes of loss to the extent covered by property insurance obtained pursuant to this Section 11.4 or other property insurance applicable to the Work, except such rights as they have to proceeds of such insurance held by the Owner as fiduciary. The Owner or Contractor, as appropriate, shall require of the Architect, Architect's consultants, separate contractors described in Article 6, if any, and the subcontractors, sub-subcontractors, agents and employees of any of them, by appropriate agreements, written where legally required for validity, similar waivers each in favor of other parties enumerated herein. The policies shall provide such waivers of subrogation by endorsement or otherwise. A waiver of subrogation shall be effective as to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, did not pay the insurance premium directly or indirectly, and whether or not the person or entity had an insurable interest in the property damaged.

§ 11.4.8 A loss insured under Owner's property insurance shall be adjusted by the Owner as fiduciary and made payable to the Owner as fiduciary for the insureds, as their interests may appear, subject to requirements of any applicable mortgagee clause and of Section 11.4.10. The Contractor shall pay Subcontractors their just shares of insurance proceeds received by the Contractor, and by appropriate agreements, written where legally required for validity, shall require Subcontractors to make payments to their Sub-subcontractors in similar manner.

§ 11.4.9 If required in writing by a party in interest, the Owner as fiduciary shall, upon occurrence of an insured loss, give bond for proper performance of the Owner's duties. The cost of required bonds shall be charged against proceeds received as fiduciary. The Owner shall deposit in a separate account proceeds so received, which the Owner shall distribute in accordance with such agreement as the parties in interest may reach, or in accordance with an arbitration award in which case the procedure shall be as provided in Section 4.6. If after such loss no other special agreement is made and unless the Owner terminates the Contract for convenience, replacement of damaged property shall be performed by the Contractor after notification of a Change in the Work in accordance with Article 7.

§ 11.4.10 The Owner as fiduciary shall have power to adjust and settle a loss with insurers unless one of the parties in interest shall object in writing within five days after occurrence of loss to the Owner's exercise of this power; if such objection is made, the dispute shall be resolved as provided in Sections 4.5 and 4.6. The Owner as fiduciary shall, in the case of arbitration, make settlement with insurers in accordance with directions of the arbitrators. If distribution of insurance proceeds by arbitration is required, the arbitrators will direct such distribution.

§ 11.5 PERFORMANCE BOND AND PAYMENT BOND

§ 11.5.1 The Owner shall have the right to require the Contractor to furnish bonds covering faithful performance of the Contract and payment of obligations arising thereunder as stipulated in bidding requirements or specifically required in the Contract Documents on the date of execution of the Contract.

§ 11.5.2 Upon the request of any person or entity appearing to be a potential beneficiary of bonds covering payment of obligations arising under the Contract, the Contractor shall promptly furnish a copy of the bonds or shall permit a copy to be made.

ARTICLE 12 UNCOVERING AND CORRECTION OF WORK

§ 12.1 UNCOVERING OF WORK

§ 12.1.1 If a portion of the Work is covered contrary to the Architect's request or to requirements specifically expressed in the Contract Documents, it must, if required in writing by the Architect, be uncovered for the Architect's examination and be replaced at the Contractor's expense without change in the Contract Time.

§ 12.1.2 If a portion of the Work has been covered which the Architect has not specifically requested to examine prior to its being covered, the Architect may request to see such Work and it shall be uncovered by the Contractor. If such Work is in accordance with the Contract Documents, costs of uncovering and replacement shall, by appropriate Change Order, be at the Owner's expense. If such Work is not in accordance with the Contract Documents, correction shall be at the Contractor's expense unless the condition was caused by the Owner or a separate contractor in which event the Owner shall be responsible for payment of such costs.

§ 12.2 CORRECTION OF WORK

§ 12.2.1 BEFORE OR AFTER SUBSTANTIAL COMPLETION

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

§ 12.2.2 AFTER SUBSTANTIAL COMPLETION

§ 12.2.2.1 In addition to the Contractor's obligations under Section 3.5, if, within one year after the date of Substantial Completion of the Work or designated portion thereof or after the date for commencement of warranties established under Section 9.9.1, or by terms of an applicable special warranty required by the Contract Documents, any of the Work is found to be not in accordance with the requirements of the Contract Documents, the Contractor shall correct it promptly after receipt of written notice from the Owner to do so unless the Owner has previously given the Contractor a written acceptance of such condition. The Owner shall give such notice promptly after discovery of the condition. During the one-year period for correction of Work, if the Owner fails to notify the Contractor and give the Contractor an opportunity to make the correction, the Owner waives the rights to require correction by the Contractor and to make a claim for breach of warranty. If the Contractor fails to correct nonconforming Work within a reasonable time during that period after receipt of notice from the Owner or Architect, the Owner may correct it in accordance with Section 2.4.

§ 12.2.2.2 The one-year period for correction of Work shall be extended with respect to portions of Work first performed after Substantial Completion by the period of time between Substantial Completion and the actual performance of the Work.

§ 12.2.2.3 The one-year period for correction of Work shall not be extended by corrective Work performed by the Contractor pursuant to this Section 12.2.

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

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

§ 12.2.5 Nothing contained in this Section 12.2 shall be construed to establish a period of limitation with respect to other obligations which the Contractor might have under the Contract Documents. Establishment of the one-year period for correction of Work as described in Section 12.2.2 relates only to the specific obligation of the Contractor to correct the Work, and has no relationship to the time within which the obligation to comply with the Contract Documents may be sought to be enforced, nor to the time within which proceedings may be commenced to establish the Contractor's liability with respect to the Contractor's obligations other than specifically to correct the Work.

§ 12.3 ACCEPTANCE OF NONCONFORMING WORK

§ 12.3.1 If the Owner prefers to accept Work which is not in accordance with the requirements of the Contract Documents, the Owner may do so instead of requiring its removal and correction, in which case the Contract Sum will be reduced as appropriate and equitable. Such adjustment shall be effected whether or not final payment has been made.

ARTICLE 13 MISCELLANEOUS PROVISIONS

§ 13.1 GOVERNING LAW

§ 13.1.1 The Contract shall be governed by the law of the place where the Project is located.

§ 13.2 SUCCESSORS AND ASSIGNS

§ 13.2.1 The Owner and Contractor respectively bind themselves, their partners, successors, assigns and legal representatives to the other party hereto and to partners, successors, assigns and legal representatives of such other party in respect to covenants, agreements and obligations contained in the Contract Documents. Except as provided in Section 13.2.2, neither party to the Contract shall assign the Contract as a whole without written consent of the

other. If either party attempts to make such an assignment without such consent, that party shall nevertheless remain legally responsible for all obligations under the Contract.

§ 13.2.2 The Owner may, without consent of the Contractor, assign the Contract to an institutional lender providing construction financing for the Project. In such event, the lender shall assume the Owner's rights and obligations under the Contract Documents. The Contractor shall execute all consents reasonably required to facilitate such assignment.

§ 13.3 WRITTEN NOTICE

§ 13.3.1 Written notice shall be deemed to have been duly served if delivered in person to the individual or a member of the firm or entity or to an officer of the corporation for which it was intended, or if delivered at or sent by registered or certified mail to the last business address known to the party giving notice.

§ 13.4 RIGHTS AND REMEDIES

§ 13.4.1 Duties and obligations imposed by the Contract Documents and rights and remedies available thereunder shall be in addition to and not a limitation of duties, obligations, rights and remedies otherwise imposed or available by law.

§ 13.4.2 No action or failure to act by the Owner, Architect or Contractor shall constitute a waiver of a right or duty afforded them under the Contract, nor shall such action or failure to act constitute approval of or acquiescence in a breach thereunder, except as may be specifically agreed in writing.

§ 13.5 TESTS AND INSPECTIONS

§ 13.5.1 Tests, inspections and approvals of portions of the Work required by the Contract Documents or by laws, ordinances, rules, regulations or orders of public authorities having jurisdiction shall be made at an appropriate time. Unless otherwise provided, the Contractor shall make arrangements for such tests, inspections and approvals with an independent testing laboratory or entity acceptable to the Owner, or with the appropriate public authority, and shall bear all related costs of tests, inspections and approvals. The Contractor shall give the Architect timely notice of when and where tests and inspections are to be made so that the Architect may be present for such procedures. The Owner shall bear costs of tests, inspections or approvals which do not become requirements until after bids are received or negotiations concluded.

§ 13.5.2 If the Architect, Owner or public authorities having jurisdiction determine that portions of the Work require additional testing, inspection or approval not included under Section 13.5.1, the Architect will, upon written authorization from the Owner, instruct the Contractor to make arrangements for such additional testing, inspection or approval by an entity acceptable to the Owner, and the Contractor shall give timely notice to the Architect of when and where tests and inspections are to be made so that the Architect may be present for such procedures. Such costs, except as provided in Section 13.5.3, shall be at the Owner's expense.

§ 13.5.3 If such procedures for testing, inspection or approval under Sections 13.5.1 and 13.5.2 reveal failure of the portions of the Work to comply with requirements established by the Contract Documents, all costs made necessary by such failure including those of repeated procedures and compensation for the Architect's services and expenses shall be at the Contractor's expense.

§ 13.5.4 Required certificates of testing, inspection or approval shall, unless otherwise required by the Contract Documents, be secured by the Contractor and promptly delivered to the Architect.

§ 13.5.5 If the Architect is to observe tests, inspections or approvals required by the Contract Documents, the Architect will do so promptly and, where practicable, at the normal place of testing.

§ 13.5.6 Tests or inspections conducted pursuant to the Contract Documents shall be made promptly to avoid unreasonable delay in the Work.

§ 13.6 INTEREST

§ 13.6.1 Payments due and unpaid under the Contract Documents shall bear interest from the date payment is due at such rate as the parties may agree upon in writing or, in the absence thereof, at the legal rate prevailing from time to time at the place where the Project is located.

§ 13.7 USE OF TERMS

§ 13.7.1

(Paragraphs deleted)

Any specific requirement in the Contract Documents that the responsibilities or obligations of the Contractor also apply to a Subcontractor or such Subcontractor is added for emphasis and are also hereby deemed to include a Subcontractor of any tier. The omission of a reference to a Subcontractor in connection with any of the Contractor's responsibilities or obligations shall not be construed to diminish, abrogate or limit any responsibilities or obligations of a Subcontractor of any tier under the Contract Documents or the applicable subcontract.

ARTICLE 14 TERMINATION OR SUSPENSION OF THE CONTRACT

§ 14.1 TERMINATION BY THE CONTRACTOR

§ 14.1.1 The Contractor may terminate the Contract if the Work is stopped for a period of 30 consecutive days through no act or fault of the Contractor or a Subcontractor, Sub-subcontractor or their agents or employees or any other persons or entities performing portions of the Work under direct or indirect contract with the Contractor, for any of the following reasons:

.1 issuance of an order of a court or other public authority having jurisdiction which requires all Work to be stopped;

.2 an act of government, such as a declaration of national emergency which requires all Work to be stopped;

.3 because the Architect has not issued a Certificate for Payment and has not notified the Contractor of the reason for withholding certification as provided in Section 9.4.1, or because the Owner has not made payment on a Certificate for Payment within the time stated in the Contract Documents; or

.4 the Owner has failed to furnish to the Contractor promptly, upon the Contractor's request, reasonable evidence as required by Section 2.2.1.

§ 14.1.2 The Contractor may terminate the Contract if, through no act or fault of the Contractor or a Subcontractor, Sub-subcontractor or their agents or employees or any other persons or entities performing portions of the Work under direct or indirect contract with the Contractor, repeated suspensions, delays or interruptions of the entire Work by the Owner as described in Section 14.3 constitute in the aggregate more than 100 percent of the total number of days scheduled for completion, or 120 days in any 365-day period, whichever is less.

§ 14.1.3 If one of the reasons described in Section 14.1.1 or 14.1.2 exists, the Contractor may, upon seven days' written notice to the Owner and Architect, if such reason is still in effect, terminate the Contract and recover from the Owner payment for Work executed and for proven loss with respect to materials, equipment, tools, and construction equipment and machinery, including reasonable overhead, profit and damages.

§ 14.1.4 If the Work is stopped for a period of 60 consecutive days through no act or fault of the Contractor or a Subcontractor or their agents or employees or any other persons performing portions of the Work under contract with the Contractor because the Owner has persistently failed to fulfill the Owner's obligations under the Contract Documents with respect to matters important to the progress of the Work, the Contractor may, upon seven additional days' written notice to the Owner and the Architect, terminate the Contract and recover from the Owner as provided in Section 14.1.3.

§ 14.2 TERMINATION BY THE OWNER FOR CAUSE

§ 14.2.1 The Owner may terminate the Contract if the Contractor:

.1 refuses or fails to supply enough properly skilled workers or proper materials;

.2 fails to make payment to Subcontractors for materials or labor in accordance with the respective agreements between the Contractor and the Subcontractors;

.3 disregards laws, ordinances, or rules, regulations or orders of a public authority having jurisdiction;

.4 otherwise is guilty of substantial breach of a provision of the Contract Documents; or

.5 fails to meet the time lines in relation to the critical path in the Construction Schedule (Exhibit D) to the Agreement and continues to ineffectively address such failure for thirty (30) days after notice from the Owner unless within such thirty (30) days, the Contractor commences the cure thereof and diligently proceeds to cure such failure.

§ 14.2.2 When any of the above reasons exist, the Owner, upon certification by the Architect that sufficient cause exists to justify such action, may without prejudice to any other rights or remedies of the Owner and after giving the Contractor and the Contractor's surety, if any, seven days' written notice, terminate employment of the Contractor and may, subject to any prior rights of the surety:

.1 take possession of the site and of all materials, equipment, tools, and construction equipment and machinery thereon owned by the Contractor;

.2 accept assignment of subcontracts pursuant to Section 5.4; and

.3 finish the Work by whatever reasonable method the Owner may deem expedient. Upon request of the Contractor, the Owner shall furnish to the Contractor a detailed accounting of the costs incurred by the Owner in finishing the Work.

§ 14.2.3 When the Owner terminates the Contract for one of the reasons stated in Section 14.2.1, the Contractor shall not be entitled to receive further payment until the Work is finished.

§ 14.2.4 If the unpaid balance of the Contract Sum exceeds costs of finishing the Work, including compensation for the Architect's services and expenses made necessary thereby, and other damages incurred by the Owner and not expressly waived, such excess shall be paid to the Contractor. If such costs and damages exceed the unpaid balance, the Contractor shall pay the difference to the Owner. The amount to be paid to the Contractor or Owner, as the case may be, shall be certified by the Architect, upon application, and this obligation for payment shall survive termination of the Contract, provided the aggregate payments to the Contractor under this subparagraph 14.2.4, plus all prior payments under the Agreement, shall not exceed the Contract Sum.

§ 14.3 SUSPENSION BY THE OWNER FOR CONVENIENCE

§ 14.3.1 The Owner may, without cause, order the Contractor in writing to suspend, delay or interrupt the Work in whole or in part for such period of time as the Owner may determine.

§ 14.3.2 The Contract Sum and Contract Time shall be adjusted for increases in the cost and time caused by suspension, delay or interruption as described in Section 14.3.1. Adjustment of the Contract Sum shall include profit. No adjustment shall be made to the extent:

.1 that performance is, was or would have been so suspended, delayed or interrupted by another cause for which the Contractor is responsible; or

.2 that an equitable adjustment is made or denied under another provision of the Contract.

§ 14.4 TERMINATION BY THE OWNER FOR CONVENIENCE

§ 14.4.1 The Owner may, at any time, terminate the Contract for the Owner's convenience and without cause.

§ 14.4.2 Upon receipt of written notice from the Owner of such termination for the Owner's convenience, the Contractor shall:

.1 cease operations as directed by the Owner in the notice;

.2 take actions necessary, or that the Owner may direct, for the protection and preservation of the Work; and

.3 except for Work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing subcontracts and purchase orders and enter into no further subcontracts and purchase orders.

§ 14.4.3 In case of such termination for the Owner's convenience, the Contractor shall be entitled to receive payment for Work executed, and costs incurred by reason of such termination, along with reasonable overhead and profit on the Work not executed. There shall be no other recourse.

EXHIBIT F

(intentionally omitted)

EXHIBIT G

PERMITTED LIENS

1. Liens or encumbrances against the Property:

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

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

EXHIBIT H-1

PROJECT BUDGET

Uses	Amount
Hard Costs	
Demolition	$ 290,000
Base Building Work	$ 1,547,715
Furniture	$ 4,785,700
Hard Costs	$24,579,035
Total Hard Costs	**$31,202,450**
Soft Costs	
Architecture, Engineering, Consultants	$ 768,519
MEP Engineering Fee	$ 310,062
Lease Legal Fees	$ 60,000
TIP Legal Fee	$ 50,000
LEED Consultant	$ 56,204
Insurance Fees	$ 309,949
Real Estate Commissions	$ 1,995,000
Audio/Visual, Security, Cabling, Commisioning	$ 325,034
General Conditions	$ 616,352
Project Manager Consultant	$ 155,567
Movers	$ 343,970
Other Soft Costs	$ 457,434
Total Soft Costs	$ 5,448,091
Total Project Costs	**$36,650,541**

EXHIBIT H-2

MBE/WBE PROJECT BUDGET

Uses	Amount
Demolition	$ 411,113
Hard Costs	$19,682,059
Hoisting	$ 347,760
Clean-up	$ 599,854
General Conditions	$ 615,042
Overtime	$ 257,300
Total MBE/WBE Project Budget	**$21,313,128**

MBE/WBE Expenditure Goal

MBE (24%)	$ 5,115,151
WBE (4%)	$ 852,525
Total MBE/WBE Expenditures	**$ 5,967,676**

EXHIBIT I

APPROVED PRIOR EXPENDITURES

Uses	Amount
Hard Costs	
Base Building Work	$ 1,547,715
Furniture	$ 4,785,700
Hard Costs	$26,252,770
Total Hard Costs	**$32,586,185**
Soft Costs	
Architecture, Engineering, Consultants	$ 768,519
MEP Engineering Fee	$ 310,062
Lease Legal Fees	$ 60,000
TIP Legal Fee	$ 50,000
LEED Consultant	$ 56,204
Real Estate Commissions	$ 1,995,000
Audio/Visual, Security, Cabling, Commisioning	$ 325,034
Project Manager Consultant	$ 155,567
Movers	$ 343,970
Total Soft Costs	$ 4,064,356
Total Project Costs	**$36,650,541**

EXHIBIT J

OPINION OF DEVELOPER'S COUNSEL

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

—, ——

City of Chicago
121 North LaSalle Street
Chicago, IL 60602

ATTENTION: Corporation Counsel

Ladies and Gentlemen:

We have acted as counsel to _____, an [Illinois] _____ (the "**Developer**"), in connection with the purchase of certain land and the construction of certain facilities thereon located in the _____ Redevelopment Project Area (the "**Project**"). In that capacity, we have examined, among other things, the following agreements, instruments and documents of even date herewith, hereinafter referred to as the "**Documents**":

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

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

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

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

In addition to the foregoing, we have examined

(a) the original or certified, conformed or photostatic copies of the Developer's (i) Articles of Incorporation, as amended to date, (ii) qualifications to do business and certificates of good standing in all states in which the Developer is qualified to do business, (iii) By-Laws, as amended to date, and (iv) records of all corporate proceedings relating to the Project [revise if the Developer is not a corporation]; and

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

In all such examinations, we have assumed the genuineness of all signatures

(other than those of the Developer), the authenticity of documents submitted to us as originals and conformity to the originals of all documents submitted to us as certified, conformed or photostatic copies.

Based on the foregoing, it is our opinion that:

1. The Developer is a corporation duly organized, validly existing and in good standing under the laws of its state of [incorporation] [organization], has full power and authority to own and lease its properties and to carry on its business as presently conducted, and is in good standing and duly qualified to do business as a foreign [corporation] [entity] under the laws of every state in which the conduct of its affairs or the ownership of its assets requires such qualification, except for those states in which its failure to qualify to do business would not have a material adverse effect on it or its business.

2. The Developer has full right, power and authority to execute and deliver the Documents to which it is a party and to perform its obligations thereunder. Such execution, delivery and performance will not conflict with, or result in a breach of, the Developer's [Articles of Incorporation or By-Laws] [describe any formation documents if the Developer is not a corporation] or result in a breach or other violation of any of the terms, conditions or provisions of any law or regulation, order, writ, injunction or decree of any court, government or regulatory authority, or, to the best of our knowledge after diligent inquiry, any of the terms, conditions or provisions of any agreement, instrument or document to which the Developer is a party or by which the Developer or its properties is bound. To the best of our knowledge after diligent inquiry, such execution, delivery and performance will not constitute grounds for acceleration of the maturity of any agreement, indenture, undertaking or other instrument to which the Developer is a party or by which it or any of its property may be bound, or result in the creation or imposition of (or the obligation to create or impose) any lien, charge or encumbrance on, or security interest in, any of its property pursuant to the provisions of any of the foregoing, other than liens or security interests in favor of the lender providing Lender Financing (as defined in the Agreement).

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

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

5. **Exhibit A** attached hereto (a) identifies each class of capital stock of the Developer, (b) sets forth the number of issued and authorized shares of each such class, and (c) identifies the record owners of shares of each class of capital stock of the Developer and the number of shares held of record by each such holder. To the best of our knowledge after diligent inquiry, except as set forth on **Exhibit A**, there are no warrants, options, rights or commitments of purchase, conversion, call or exchange or other rights or restrictions with respect to any of the capital stock of the Developer. Each outstanding share of the capital

stock of the Developer is duly authorized, validly issued, fully paid and nonassessable.

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

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

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

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

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

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

We are attorneys admitted to practice in the State of Illinois and we express no opinion as to any laws other than
federal laws of the United States of America and the laws of the State of Illinois. **[Note: include a reference to the laws of the state of incorporation/organization of the Developer, if other than Illinois.]**

This opinion is issued at the Developer's request for the benefit of the City and its counsel, and may not be disclosed to or relied upon by any other person.

Very truly yours,

_____

By:_____
Name:_____

EXHIBIT K

(intentionally omitted)

EXHIBIT L

REQUISITION FORM

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

The affiant, _____, _____ of _____, a _____ (the "**Developer**"), hereby certifies that with respect to that certain _____ Redevelopment Agreement between the Developer and the City of Chicago dated _____, ____ (the "**Agreement**"):

A. Expenditures for the Project, in the total amount of $_____, have been made:

B. This paragraph B sets forth and is a true and complete statement of all costs of TIF-Funded Improvements for the Project reimbursed by the City to date:

$_____

C. The Developer requests reimbursement for the following cost of TIF-Funded Improvements:

$_____

D. None of the costs referenced in paragraph C above have been previously reimbursed by the City.

E. The Developer hereby certifies to the City that, as of the date hereof:

1. Except as described in the attached certificate, the representations and warranties contained in the Redevelopment Agreement are true and correct and the Developer is in compliance with all applicable covenants contained herein.

2. No event of Default or condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default, exists or has occurred.

All capitalized terms which are not defined herein has the meanings given such terms in the Agreement.

[Developer]

By:_____
Name
Title:_____

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

_____
My commission expires:_____

Agreed and accepted:

_____
Name
Title:_____
City of Chicago
Department of Community Development

EXHIBIT M

NOTICE OF PROPOSED APPROVED SUCCESSOR

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

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

Re: Notice of Proposed Approved Successor
NAVTEQ Redevelopment Agreement

Dear Commissioner:

This letter is written pursuant to the NAVTEQ Redevelopment Agreement dated as of _____, 200___ (the "Agreement") and constitutes the written notice of NAVTEQ Corporation (the "Developer") of an impending [merger] [consolidation] [reorganization](the "Transaction") involving Developer and [INSERT NAME OF PROPOSED APPROVED SUCCESSOR]. Upon the completion of such Transaction, [INSERT NAME OF PROPOSED APPROVED SUCCESSOR] shall have succeeded to all or a majority of the business or assets, or both, of Developer. A summary of the principal terms of the proposed Transaction, as contained in information available in publicly-available filings, is attached hereto as Schedule 1. If the City has further questions concerning the proposed Transaction, such questions should be directed to [INSERT NAME, ADDRESS, AND PHONE NUMBER OF PERSON TO BE CONTACTED].

Sincerely yours,

NAVTEQ CORPORATION

By: _____

Its: _____

Attachments to Notice of Proposed Approved Successor

Schedule 1 to Exhibit M (Attach Summary of Principal Terms)
Schedule 2 to Exhibit M (see attached)

Schedule 2 to Exhibit M

[FORM OF ASSUMPTION AGREEMENT]

THIS DOCUMENT PREPARED
BY AND AFTER RECORDING
SHOULD BE SENT TO:

[Counsel to Proposed Approved Successor]

_____
_____
_____

Assumption Agreement

This Assumption Agreement (the "Agreement") is made as of _____, 20___, and is entered into by and among NAVTEQ Corporation, a Delaware corporation (the "Developer"), [NAME OF PROPOSED APPROVED SUCCESSOR] (the "Purchaser") and the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Community Development.

RECITALS

A. The Developer and the City have entered into a NAVTEQ Redevelopment Agreement dated as of _____, 200__ and recorded with the Cook County Recorder of Deeds on _____, 200__ as Document No. _____ (the "RDA") pursuant to which the City agreed, subject to the terms and conditions in the RDA, to provide financing to assist the Developer in completing the redevelopment of the Project, which is located on the property legally described on Exhibit A attached hereto and made a part hereof (the "Property"). Capitalized terms not otherwise defined in this Agreement shall have the meanings given them in the RDA.

B. The Developer and the Purchaser have entered into that certain [TITLE OF AGREEMENT WITH PROPOSED APPROVED SUCCESSOR], dated as of _____, 20__ (the "Purchase Agreement") pursuant to which the Purchaser will consummate a [merger] [consolidation] [reorganization] (the "Transaction") involving the Developer and the Purchaser and pursuant to which the Developer shall succeed to all or a majority of the business or assets, or both, of Developer. A summary of the principal terms of the proposed Transaction is attached hereto as Exhibit B.

C. Pursuant to Section 8.01(j) of the RDA, the Developer may not be a party to the Transaction without the City's written consent.

D. Pursuant to the Purchase Agreement, the Developer intends to sell, assign and transfer to Purchaser its obligations and duties under the RDA; Purchaser has read and understands the RDA and desires to assume all of the Developer's obligations and duties under the RDA upon the date of Closing (as defined in the Purchase Agreement), and pursuant to Section

18.15 of the RDA, the Developer and the Purchaser desire to receive the City's written consent for this assignment and assumption [NOTE: if Purchase Agreement does not contain an assignment of the RDA by the Developer, then this provision must be added to this Assumption Agreement].

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

1. Recitals. The foregoing recitals are hereby incorporated into this Agreement by reference.

2. Consent. In accordance with Section 8.01(j) of the RDA and pursuant to the powers granted to the City under the RDA, the City hereby grants its consent to the Transaction pursuant to the Purchase Agreement and subject to the covenants and agreements in this Agreement.

3. No Effect on Recording Priority of RDA. The parties agree that entering into and recording this Agreement shall have no effect on the recording priority of the RDA and that this Agreement shall relate back to the dates that the RDA was originally recorded in the land title records of Cook County, Illinois.

4. No Change in Defined Terms. All capitalized terms not otherwise defined herein, shall have the same meanings as set forth in the RDA.

5. Amendment to RDA. The RDA is hereby amended to provide that an "Event of Default" shall include the failure by the Purchaser or Developer to satisfy the covenants contained in this Agreement, and that no notice or cure period shall apply to the failure to satisfy the covenants described in Section 9 (Recording and Filing) or Section 19 (Release) of this Agreement, notwithstanding any contrary language in the RDA. All other provisions and terms of the RDA shall remain unchanged.

6. Authority. Each of the Developer and Purchaser represents and warrants that: (a) such party has the right, power and authority to enter into, execute, deliver and perform this Agreement and the person executing this Agreement on behalf of such party is duly authorized to execute this Agreement on behalf of such party; and (b) the execution, delivery and performance by such party of this Agreement has been duly authorized by all necessary action, and does not and will not violate its Articles of Organization or Operating Agreement, Limited Partnership Agreement or other organizational or governing documents, any applicable provision of law, or constitute a breach of, default under or require the consent under any agreement, instrument or document to which such party is now a party or by which such party is now or may become bound.

7. Representations and Warranties of the Developer. The Developer represents and warranties that it is not in default with respect to any provision of the RDA. The Developer acknowledges and agrees that, notwithstanding any other terms or provisions of this Agreement to the contrary, the Developer shall remain liable for all of its obligations and liabilities under the RDA.

8. Representations, Warranties and Covenants of the Purchaser. The Purchaser

represents, warrants and covenants as follows:

(a) it has received and reviewed a true, correct and complete copy of the RDA, the Letter of Credit, the Redevelopment Plan and the related agreements (collectively, the "Agreements");

(b) it acknowledges and agrees that upon the date of Closing and throughout the Term of the RDA (or such other period specified in the Agreements) it shall be bound by, and Purchaser hereby covenants to assume and comply with, the terms, conditions, covenants, duties, obligations, representations and warranties set forth in the Agreements which, by their terms, are binding upon Developer including, without limitation, by delivering a substitute Letter of Credit in form and substance satisfactory to the City in its sole and absolute discretion; provided, however, that the Purchaser acknowledges that it is not entitled to receive any City Funds pursuant to the Agreements or this Assumption Agreement;

(c) neither the Purchaser, nor any affiliate person or entity controlling, controlled by or under common control with the Purchaser, nor any person identified in the organizational chart depicting the Purchaser's ownership being delivered to the City simultaneously herewith1 (the "Successor Parties"), is (i) in violation of any City laws, regulations and requirements including, without limitation, any "anti-scofflaw" laws); (ii) in default under any other written agreements between any such person or entity and the City, or (iii) delinquent in the payment of any amounts due to the City;

(d) the Purchaser is qualified to do business in the State of Illinois and has obtained all qualifications, licenses and approvals required by the City of Chicago and State of Illinois in order to do business;

(e) the Purchaser (i) leases and occupies at least 200,000 square feet of office space in the Building, (ii) uses such space in the Building for the corporate headquarters and the principal office of the national and international business of the Purchaser and its Affiliates and the site which the principal executive officers of the Purchaser and its Affiliates have designated as their principal offices, and (iii) has at least 350 FTE jobs at the Building, in each case in accordance with the terms of the Agreements; and

(f) the Purchaser has delivered to the City each of the following:

(i) Economic Disclosure Statement & Affidavit forms (or recertifications thereof)("Disclosure Forms") executed by the Successor Parties and, if applicable, such additional Disclosure Forms as may be required by applicable ordinances, rules and regulations in effect on the closing date of the Transaction;

(ii) certificates executed by authorized representatives of the Successor Parties attaching and certifying, as applicable, as to (a) organizational documents and bylaws or operating agreement certified, as applicable, by the Secretary of State of the State of organization, (b) evidence of the authority of each Successor Party to assume the obligations under the Agreements to which it will become a party, and (c) incumbency and signatures of the individuals authorized to sign on behalf of each Successor Party;

(iii) an opinion of the counsel to the Purchaser opining as to the authority of

each Successor Party to enter into or assume the Agreements, the due execution and enforceability thereof, and such other applicable matters as may be required by the City; and

(iv) such other documents, agreements, instruments, certificates and affidavits as the City may require pursuant to all federal, state or local statutes, laws, regulations, ordinances, executive orders, codes, rules, orders, licenses, judgments, decrees or requirements.

9. Recording and Filing. The Developer shall cause this Agreement and all amendments and supplements hereto to be recorded and filed against the Property (legally described on Exhibit A hereto) on or before the date of Closing in the conveyance and real property records of the county in which the Property 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.

10. Limitation of Liability. No member, official or employee of the City shall be personally liable to any party to this Agreement or any successor in interest in the event of any default or breach by the City or any successor in interest under the terms of this Agreement or the RDA.

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

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

13. Conflict. In the event of a conflict between any provisions of this Agreement and the provisions of the RDA, the provisions of this Agreement shall control.

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

15. 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.

16. Notice. Unless otherwise specified, any notice, demand or request required under the RDA or this Agreement shall be given in writing in the manner specified in the RDA (a) to the Purchaser, at _____, _____, _____, Fax No. _____, Attention: _____, and (b) to any other party, at the addresses set forth in the RDA.

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

18. 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 the Agreement, or in connection with the transactions contemplated thereby, shall be grounds for termination of the Agreement and the transactions contemplated thereby. Each of the Developer and Purchaser 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.

19. Release. If the Purchase Agreement is amended without the prior written consent of the City or if the Transaction pursuant to the Purchase Agreement does not occur and the Purchase Agreement is terminated, the Developer shall within five business days after such amendment or termination prepare and deliver to each of the parties to this Agreement a document to be executed by each such party which shall nullify this Agreement and restore the RDA to the form existing prior to the date hereof as if this Agreement had never been executed. Within five business days after receiving the City's signature to such document, such document shall be recorded by the Developer at the Developer's expense and the Developer shall provide the City a copy therefore showing the date and recording number of record.

[PROPOSED APPROVED SUCCESSOR]

By:_____

Name:_____

Title:_____

NAVTEQ CORPORATION, a Delaware Corporation

By:_____

Its:_____

CITY OF CHICAGO, a municipal corporation, acting by and through its Department of Community Development

By:_____

Name: _____
Title: Commissioner

[Add Notary blocks]
Attachments to Assumption Agreement
Exhibit A to Assumption Agreement - Legal Description of the Property

EXHIBIT N

Jobs and Occupancy Certificate

[to be retyped on letterhead of Developer]

_____, 20____

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

Re: Jobs and Occupancy Certificate
NAVTEQ Redevelopment Agreement

Dear Commissioner:

This Certificate is delivered pursuant to the NAVTEQ Redevelopment Agreement dated as of _____, 20__ (the "**Agreement**") and constitutes the Jobs Certificate of the Developer for the period ended _____, _____ **[add month, day and year]**. The undersigned certifies that (a) the Developer continues to maintain its Corporate Headquarters at the Building and to lease and occupy at least the minimum square footage at the Building as set forth in **Section 8.06(a)** of the Agreement, (b) each of the individuals listed in the chart below is a Full Time Equivalent Employee of the Developer. Capitalized terms used without definition in this Certificate have the meanings given them in the Agreement.

Sincerely yours,

NAVTEQ CORPORATION

By:_____

Its:_____

Full Time Equivalent Employees as of _____, 20___

Employee Name (Last, First)	Number of months employed in Chicago office during the year	Paid from Chicago office? (Y or N)	Work hours total at least 35 per week? (Y or N)	Work hours total at least 1750 during the year (Y or N)	Independent contractor, third-party service provider, consultant, or ancillary services employee? (Y or N)	Job title

Note: no more than five percent (5%) of the FTEs may consist of job shares or similar work arrangements.

ATTACHMENT K

CITY OF CHICAGO, ILLINOIS
LASALLE CENTRAL
REDEVELOPMENT PROJECT

FINANCIAL REPORT

DECEMBER 31, 2010

CITY OF CHICAGO, ILLINOIS
LASALLE CENTRAL REDEVELOPMENT PROJECT

CONTENTS

BANSLEY AND KIENER, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS
O'HARE PLAZA
8745 WEST HIGGINS ROAD, SUITE 200
CHICAGO, ILLINOIS 60631
AREA CODE 312 263.2700

INDEPENDENT AUDITOR'S REPORT

The Honorable Rahm Emanuel, Mayor
Members of the City Council
City of Chicago, Illinois

We have audited the accompanying financial statements of the LaSalle Central Redevelopment Project of the City of Chicago, Illinois, as of and for the year ended December 31, 2010, as listed in the table of contents. These financial statements are the responsibility of the City of Chicago's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the financial statements present only the LaSalle Central Redevelopment Project and do not purport to, and do not present fairly the financial position of the City of Chicago, Illinois, as of December 31, 2010, and the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the LaSalle Central Redevelopment Project of the City of Chicago, Illinois, as of December 31, 2010, and the changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis on pages 3 through 5 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The schedule of expenditures by statutory code on page 11, which is also the responsibility of the City of Chicago's management, is presented for purposes of additional analysis and is not a required part of the financial statements of LaSalle Central Redevelopment Project of the City of Chicago, Illinois. Such additional information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

Bansley and Kiener, L.L.P.

Certified Public Accountants

June 9, 2011

CITY OF CHICAGO, ILLINOIS
LASALLE CENTRAL REDEVELOPMENT PROJECT

MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)

As management of the LaSalle Central Tax Increment Redevelopment Project Area (Project), we offer the readers of the Project's financial statements this narrative overview and analysis of the Project's financial performance for the year ended December 31, 2010. Please read it in conjunction with the Project's financial statements, which follow this section.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Project's basic financial statements. The Project's basic financial statements include three components: 1) government-wide financial statements, 2) governmental fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information concerning the Project's expenditures by statutory code.

Basic Financial Statements

The basic financial statements include two kinds of financial statements that present different views of the Project – the *Government-Wide Financial Statements* and the *Governmental Fund Financial Statements.* These financial statements also include the notes to the financial statements that explain some of the information in the financial statements and provide more detail.

Government-Wide Financial Statements

The government-wide financial statements provide both long-term and short-term information about the Project's financial status and use accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the project's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid. The two government-wide statements report the Project's net assets and how they have changed. Net assets – the difference between the Project's assets and liabilities – is one way to measure the Project's financial health, or position.

Governmental Fund Financial Statements

The governmental fund financial statements provide more detailed information about the Project's significant funds – not the Project as a whole. Governmental funds focus on: 1) how cash and other financial assets can readily be converted to cash flows and 2) the year-end balances that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are more financial resources that can be spent in the near future to finance the Project. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the statements to explain the relationship (or differences) between them.

CITY OF CHICAGO, ILLINOIS
LASALLE CENTRAL REDEVELOPMENT PROJECT

MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)
(Continued)

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and governmental fund financial statements. The notes to the financial statements follow the basic financial statements.

Other Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents a schedule of expenditures by statutory code. This supplementary information follows the notes to the financial statements.

Condensed Comparative Financial Statements

The condensed comparative financial statements are presented on the following page.

Analysis of Overall Financial Position and Results of Operations

Property tax revenue for the Project was $14,043,164 for the year. This was a decrease of 56 percent over the prior year. The change in net assets produced a decrease in net assets of $9,672,771. The Project's net assets decreased by 13 percent from the prior year making available $65,686,945 of funding to be provided for purposes of future redevelopment in the Project's designated area. Revenues decreased this year due to the Project's redevelopment plan of land acquisition, removing dilapidated or deteriorating structures and accordingly decreasing the total equalized assessed value of parcels and subsequent tax increment and related collections. Expenses increased this year due to the Project's formulation of a redevelopment plan or necessary funding was substantially complete and available.

CITY OF CHICAGO, ILLINOIS
LASALLE CENTRAL REDEVELOPMENT PROJECT

MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)
(Concluded)

Government-Wide

	2010	2009	Change	% Change
Total assets	$ 66,228,718	$ 75,968,119	$ (9,739,401)	-13%
Total liabilities	541,773	608,403	(66,630)	-11%
Total net assets	$ 65,686,945	$ 75,359,716	$ (9,672,771)	-13%
Total revenues	$ 14,098,499	$ 31,745,495	$ (17,646,996)	-56%
Total expenses	3,771,270	1,899,583	1,871,687	99%
Operating transfers out	20,000,000	-	20,000,000	100%
Changes in net assets	(9,672,771)	29,845,912	(39,518,683)	-132%
Ending net assets	$ 65,686,945	$ 75,359,716	$ (9,672,771)	-13%

CITY OF CHICAGO, ILLINOIS
LASALLE CENTRAL REDEVELOPMENT PROJECT

STATEMENT OF NET ASSETS AND
GOVERNMENTAL FUND BALANCE SHEET
DECEMBER 31, 2010

ASSETS	Governmental Fund	Adjustments	Statement of Net Assets
Cash and investments	$ 46,127,650	$ -	$ 46,127,650
Property taxes receivable	20,047,000	-	20,047,000
Accrued interest receivable	54,068	-	54,068
Total assets	$ 66,228,718	$ -	$ 66,228,718
LIABILITIES			
Vouchers payable	$ 192,363	$ -	$ 192,363
Due to other City funds	349,410	-	349,410
Deferred revenue	18,232,695	(18,232,695)	-
Total liabilities	18,774,468	(18,232,695)	541,773
FUND BALANCE/NET ASSETS			
Fund balance:			
Reserved for surplus distribution (Note 2)	12,000,000	(12,000,000)	-
Designated for future redevelopment project costs	35,454,250	(35,454,250)	-
Total fund balance	47,454,250	(47,454,250)	-
Total liabilities and fund balance	$ 66,228,718		
Net assets:			
Restricted for surplus distribution (Note 2)		12,000,000	12,000,000
Restricted for future redevelopment project costs		53,686,945	53,686,945
Total net assets		$ 65,686,945	$ 65,686,945

Amounts reported for governmental activities in the statement of net assets are different because:

Total fund balance - governmental fund	$ 47,454,250
Property tax revenue is recognized in the period for which levied rather than when "available". A portion of the deferred property tax revenue is not available.	18,232,695
Total net assets - governmental activities	$ 65,686,945

The accompanying notes are an integral part of the financial statements.

CITY OF CHICAGO, ILLINOIS
LASALLE CENTRAL REDEVELOPMENT PROJECT

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2010

	Governmental Fund	Adjustments	Statement of Activities
Revenues:			
Property tax	$ 19,627,645	$ (5,584,481)	$ 14,043,164
Interest	55,335	-	55,335
Total revenues	19,682,980	(5,584,481)	14,098,499
Expenditures/expenses:			
Economic development projects	3,771,270	-	3,771,270
Excess of revenues over expenditures	15,911,710	(5,584,481)	10,327,229
Other financing uses:			
Operating transfers out (Note 3)	(20,000,000)	-	(20,000,000)
Excess of expenditures and other financing uses over revenues	(4,088,290)	4,088,290	-
Change in net assets	-	(9,672,771)	(9,672,771)
Fund balance/net assets:			
Beginning of year	51,542,540	23,817,176	75,359,716
End of year	$ 47,454,250	$ 18,232,695	$ 65,686,945

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balance - governmental fund	$ (4,088,290)
Property tax revenue is recognized in the period for which levied rather than when "available". A portion of the deferred property tax revenue is not available.	(5,584,481)
Change in net assets - governmental activities	$ (9,672,771)

The accompanying notes are an integral part of the financial statements.

CITY OF CHICAGO, ILLINOIS
LASALLE CENTRAL REDEVELOPMENT PROJECT

NOTES TO FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies

(a) *Reporting Entity*

In November 2006, the City of Chicago (City) established the LaSalle Central Tax Increment Redevelopment Project Area (Project). The area has been established to finance improvements, leverage private investment and create and retain jobs. The Project is accounted for within the special revenue funds of the City.

(b) *Government-Wide and Fund Financial Statements*

The accompanying financial statements of the Project have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). In June 1999, the GASB unanimously approved Statement No. 34 (as amended by Statement No. 37), *Basic Financial Statements - Management's Discussion and Analysis - for State and Local Governments* and at a later date, Statement No. 38 *Certain Financial Statements Disclosures*, and include the following:

- A Management Discussion and Analysis (MD&A) section providing an analysis of the Project's overall financial position and results of operations.
- Government-wide financial statements prepared using the economic resources measurement focus and the *accrual basis of accounting* for all the Project's activities.
- Fund financial statements, which focus on the Project's governmental funds *current financial resources measurement focus.*

(c) *Measurement Focus, Basis of Accounting and Financial Statements Presentation*

The government-wide financial statements are reported using the *accrual basis of accounting.* Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

The governmental fund financial statements are prepared on the *modified accrual basis of accounting* with only current assets and liabilities included on the balance sheet. Under *the modified accrual basis of accounting*, revenues are recorded when susceptible to accrual, i.e., both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Property taxes are susceptible to accrual and recognized as a receivable in the year levied. Revenue recognition is deferred unless the taxes are received within 60 days subsequent to year-end. Expenditures are recorded when the liability is incurred.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. The City has elected not to follow subsequent private-sector guidance.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources, as they are needed.

CITY OF CHICAGO, ILLINOIS
LASALLE CENTRAL REDEVELOPMENT PROJECT

NOTES TO FINANCIAL STATEMENTS
(Continued)

Note 1 – Summary of Significant Accounting Policies (Concluded)

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from these estimates.

(d) *Assets, Liabilities and Net Assets*

Cash and Investments

Cash belonging to the City is generally deposited with the City Treasurer as required by the Municipal Code of Chicago. The City Comptroller issues warrants for authorized City expenditures which represent a claim for payment when presented to the City Treasurer. Payment for all City warrants clearing is made by checks drawn on the City's various operating bank accounts.

The City Treasurer and City Comptroller share responsibility for investing in authorized investments. Interest earned on pooled investments is allocated to participating funds based upon their average combined cash and investment balances.

The City values its investments at fair value or amortized cost. U.S. Government securities purchased at a price other than par with a maturity of less than one year are reported at amortized cost.

Capital Assets

Capital assets are not capitalized in the governmental fund but, instead, are charged as current expenditures when purchased. The Government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) of the City includes the capital assets and related depreciation, if any, of the Project in which ownership of the capital asset will remain with the City (i.e. infrastructure, or municipal building). All other construction will be expensed in both the government-wide financial statements and the governmental fund as the City nor Project will retain the right of ownership.

(e) *Stewardship, Compliance and Accountability*

Illinois Tax Increment Redevelopment Allocation Act Compliance

The Project's expenditures include reimbursements for various eligible costs as described in subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act and the Redevelopment Agreement relating specifically to the Project. Eligible costs include but are not limited to survey, property assembly, rehabilitation, public infrastructure, financing and relocation costs.

Reimbursements

Reimbursements, if any, are made to the developer for project costs, as public improvements are completed and pass City inspection.

CITY OF CHICAGO, ILLINOIS
LASALLE CENTRAL REDEVELOPMENT PROJECT

NOTES TO FINANCIAL STATEMENTS
(Concluded)

Note 2 – Surplus Distribution

In December 2010, the City declared a surplus within the fund balance of the Project in the amount of $12,000,000. In June 2011, the surplus funds were sent to the Cook County Treasurer's Office to be redistributed to the various taxing agencies.

Note 3 – Operating Transfers Out

During 2010, in accordance with State statues, the Project transferred $20,000,000 to the contiguous Randolph/Wells Redevelopment Project for the redevelopment agreement for the development at 188 West Randolph Street.

Note 4 – Commitments

The City has pledged certain amounts solely from available excess incremental taxes to provide financial assistance to a developer under the terms of a redevelopment agreement for the purpose of paying costs of certain eligible redevelopment project costs.

As of December 31, 2010 the Project has entered into contracts for approximately $2,126,000 for services and construction projects.

SUPPLEMENTARY INFORMATION

CITY OF CHICAGO, ILLINOIS
LASALLE CENTRAL REDEVELOPMENT PROJECT

SCHEDULE OF EXPENDITURES BY STATUTORY CODE

Code Description	
Costs of studies, surveys, development of plans and specifications, implementation and administration of the redevelopment plan including but not limited to staff and professional service costs for architectural, engineering, legal, marketing	$ 340,188
Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings and fixtures	241,600
Costs of the construction of public works or improvements	3,189,482
	$ 3,771,270

ATTACHMENT L

B&K

BANSLEY AND KIENER, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

ESTABLISHED 1922

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INDEPENDENT AUDITOR'S REPORT

The Honorable Rahm Emanuel, Mayor
Members of the City Council
City of Chicago, Illinois

We have audited, in accordance with auditing standards generally accepted in the United States of America, the statement of net assets and governmental fund balance sheet of LaSalle Central Redevelopment Project of the City of Chicago, Illinois as of December 31, 2010, and the related statement of activities and governmental fund revenues, expenditures and changes in fund balance for the year then ended, and have issued our report thereon dated June 9, 2011.

In connection with our audit, nothing came to our attention that caused us to believe that the Project failed to comply with the regulatory provisions in Subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Allocation Redevelopment Act and Subsection (o) of Section 11-74.6-10 of the Illinois Industrial Jobs Recovery Law as they relate to the eligibility for costs incurred incidental to the implementation of the LaSalle Central Redevelopment Project of the City of Chicago, Illinois.

This report is intended for the information of the City of Chicago's management. However, this report is a matter of public record, and its distribution is not limited.

Bansley and Kiener, L.L.P.

Certified Public Accountants

June 9, 2011

ATTACHMENT M

INTERGOVERNMENTAL AGREEMENTS
FY 2010

A list of all intergovernmental agreements in effect in FY 2010 to which the municpality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)]

Name of Agreement	Description of Agreement	Amount Transferred Out	Amount Received
None			

LaSalle Central Redevelopment Project Area
2010 Annual Report