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BMG STONY ISLAND LLC REDEVELOPMENT AGREEMENT

BY AND BETWEEN

THE CITY OF CHICAGO

AND

BMG STONY ISLAND LLC

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

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Exhibit F	Permitted Liens*
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Exhibit I	TIF-Funded Improvements*
Exhibit J	Form of Subordination Agreement
Exhibit K	Opinion of Developer's Counsel
Exhibit L	Insurance Requirements

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

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121 North LaSalle Street, Room 600
Chicago, IL 60602

BMG STONY ISLAND LLC REDEVELOPMENT AGREEMENT

This BMG Stony Island LLC Redevelopment Agreement (this "Agreement") is made as of this 8th day of February, 2006, by and between the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Planning and Development ("DPD"), and BMG Stony Island LLC, an Illinois limited liability company (the "Developer"). Capitalized terms not otherwise defined herein shall have the meaning given in Section 2.

RECITALS

A. City Council Authority: To induce redevelopment pursuant to provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq. (the "Act") the City Council of the City (the "the City Council") adopted certain ordinances on October 7, 1998, approving a redevelopment plan for the 71st Street and Stony Island Avenue Redevelopment Project Area (the "Redevelopment Area"), designating the Redevelopment Area as a "redevelopment project area" under the Act, adopting tax increment allocation financing for the Redevelopment Area (collectively, the "TIF Ordinances"). The Redevelopment Area is legally described in Exhibit A hereto.

B. The Project: The Developer intends to undertake the redevelopment project described in Exhibit B hereto (the "Project") with respect to certain property owned or leased by the Developer

located within the Redevelopment Area and commonly known as 7101 South Stony Island Avenue and legally described on Exhibit C-1 (the "Property"). The completion of the Project would not reasonably be anticipated without the financing contemplated in this Agreement. The Project will be carried out in accordance with this Agreement and the City of Chicago 71st Street and Stony Island Avenue Redevelopment Project Area Tax Increment Financing Program Redevelopment Plan (the "Redevelopment Plan") attached hereto as Exhibit C-2.

C. City Financing: The City agrees to use Incremental Taxes to 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:

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

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

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

"City Fee" shall mean the fee described in Section 4.02 hereof.

"City Funds" shall mean the funds described in Section 4.05 hereof.

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

"Completion Date" shall mean the date the City issues its Certificate of Completion.

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

"Employer(s)" shall have the meaning set forth in Paragraph F of Exhibit D hereto.

"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 (as defined below), including but not limited to the Municipal Code of Chicago, Section 7-28-390, 7-28-440, 11-4-1410, 11-4-1420, 11-4-1450, 11-4-1500, 11-4-1530, 11-4-1550, or 11-4-1560.

"Equity" shall mean funds of the Developer (other than funds derived from Lender Financing) in an amount not less than that set forth in Section 4.01 hereof.

"Event of Default" shall have the meaning set forth in Section 12 hereof.

"FTE" shall mean a full-time equivalent employee who worked for the Developer at the Property for a minimum of 1,800 annual hours. For purposes of Section 8.05, the calculation of the number of full-time equivalent employees shall be made by dividing the total hours worked for the Developer at the Property (including part-time employees) during the applicable 12-month period by 1,800 hours.

"General Contractor" shall mean the general contractor(s) hired by the Developer for the Project.

"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 Redevelopment Area TIF Fund established to pay Redevelopment Project Costs and obligations incurred in the payment thereof.

"Lender Financing" shall mean funds borrowed by the Developer from lenders and used to pay for Costs of the Project otherwise secured by the Property.

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

"MBE/WBE Budget" shall mean the budget attached hereto as Exhibit E-2.

"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 Property or the Project.

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

"Prior Expenditure(s)" shall mean those prior expenditures relating to the Project set forth in Exhibit G hereto.

"Prohibited Use" shall mean a fast-food chain restaurant, a national chain business, a branch bank, an employment agency, a currency exchange, a payday loan store, a pawn shop, a psychic or astrological or palm-reading business, a bar or liquor store, an adult bookstore, a massage parlor, a hotel or motel, an off-track betting facility, a trailer-storage yard, a scrap yard, or any use similar to the preceding uses or otherwise identified in writing by DPD. The Commissioner of DPD shall have discretion to consent to a waiver of any of the foregoing prohibited uses for any specific development, which discretion shall be in the Commissioner's sole discretion. Notwithstanding the preceding prohibited uses, Starbucks, which primarily serves beverages and, as an ancillary business, serves baked goods, salads and cold sandwiches, does not constitute a fast-food chain restaurant or a national chain business.

"Project Budget" shall mean the budget attached hereto as Exhibit E-1, showing the total cost of the Project by line item, as the same may be amended from time to time with the consent of DPD.

"Redevelopment Area 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.

"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.

"Reimbursement Event" shall mean an act or omission of by the Developer or its Affiliate resulting in an Event of Default relating to: (i) a material misrepresentation to the City related to the Project that the City relied upon (as reasonably determined by the City) in its decision to provide City Funds for the Project or to pay any such City Funds to the Developer; (ii) a fraudulent act or omission related to the Project; (iii) a misappropriation of funds from the uses set forth in the Project Budget resulting in the receipt by the Developer or its Affiliates of additional fees, commissions or compensation not disclosed in such Project Budget or otherwise

approved in writing by DPD; (iv) any intentional or material waste to the Project improvements or any portion thereof; (v) any unapproved use of City Funds for payment or reimbursement of amounts other than costs of the TIF-Funded Improvements; (vi) a breach of the transfer and assignment restrictions contained in this Agreement; (vii) any material breach of the representations, warranties or covenants regarding environmental matters contained in this Agreement, as applicable; (viii) the occurrence of any material uninsured casualty event to any portion of the Project improvements unless the portion of the improvements damaged by such event is restored within a reasonable period of time; (ix) material misappropriation or misapplication of insurance proceeds or condemnation awards relating to the Project; (x) any material misrepresentation in any Economic Disclosure Statements and Affidavit submitted by the Developer or its Affiliates; (xi) any receipt of City Funds after the occurrence of an Event of Default, or the occurrence of an event which, if prompt notice of such event had been given, would have entitled the City to withhold, suspend, reduce or terminate the disbursement of such City Funds under this Agreement.

"Requisition Form" shall mean the document, in the form attached hereto as Exhibit H, to be delivered by the Developer to DPD pursuant to Section 4.03 of this Agreement.

"Survey" shall mean a survey of the Property prepared in accordance with Minimum Standard Detail Requirements adopted for ALTA/ACSM Land Title Surveys (1999 Revision), including such Table A requirements as the City may reasonably require, 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 resulting from the Project, if any).

"Term of the Agreement" shall mean the period of time commencing on the Closing Date and ending on the earlier to occur of: (a) the date on which the Redevelopment Area is no longer in effect, or (b) the date on which the fifth anniversary date of the issuance of the Certificate pursuant to Section 7.01.

"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, as set forth on Exhibit I, as the same may be amended with DPD's consent.

"Title Company" shall mean Chicago Title Insurance, 8707 Skokie Blvd., Suite 302, Skokie, Illinois 60077.

"Title Policy" shall mean a 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 Purchasing Department, or otherwise certified by the City's Purchasing Department as a women-owned business enterprise.

SECTION 3. THE PROJECT

3.01 The Project. The Developer will complete the Project no later than February 15, 2006, or such later date as to which DPD may consent.

3.02 Project Budget. The Developer has furnished to DPD, and DPD has approved, the Project Budget. The Developer hereby certifies to the City that (a) the City Funds, together with Lender Financing and Equity shall be sufficient to complete the Project, and (b) the Project Budget is true, correct and complete in all material respects.

3.03 DPD Approval. Any approval granted by DPD under this Agreement is for the purposes of this Agreement only and does not affect or constitute any approval required by any other City department or pursuant to any City ordinance, code, regulation or any other governmental approval, nor does any approval by DPD pursuant to this Agreement constitute approval of the quality, structural soundness or safety of the Property or the Project or otherwise lessen the Developer's obligations under Section 5.02.

3.04 Survey Update. On the Completion Date, the Developer shall provide an updated Survey if the Project added new improvements to the Property.

3.05 Signs and Public Relations. The Developer shall erect a sign in accordance with a template provided by DPD, and subject to final approval by DPD, in a conspicuous location on the Property during the Project indicating that financing has been provided by the City.

SECTION 4. FINANCING

4.01 Total Project Cost and Sources of Funds. The cost of the Project is estimated to be \$1,400,000, which the Developer will initially fund from the following sources:

Equity	\$580,000
Lender Financing	\$820,000

ESTIMATED TOTAL

\$1,400,000

Such sources of funds shall be used to pay all Project costs because no City Funds will be paid until the City's issuance of a Certificate, and then only on a "pay-as-you-go" basis in an amount not to exceed \$45,000 per year for five (5) years. Except for the City Funds, no other City financial assistance or incentives have been or will be provided for the Project.

4.02 Reimbursement from City Funds. City Funds may only be used to reimburse the Developer after the issuance of a Certificate for costs of TIF-Funded Improvements that constitute Redevelopment Project Costs. Exhibit I sets forth the maximum amount of costs that may be reimbursed from City Funds for each line item therein, contingent upon receipt by the City of documentation satisfactory to DPD. City Funds shall not be paid to the Developer hereunder prior to the issuance of a Certificate. In no event shall the City reimburse the Developer in excess of the lesser of (a) \$225,000, or (b) sixteen percent (16%) of the Project costs, as set out in the final Project Budget. Furthermore, in no instance shall the total City Funds paid under this Agreement, together with any other financial assistance provided to the Developer with respect to the Project (including, without limitation, the value of any tax assessment incentives, abatements or reductions), exceed sixteen percent (16%) of the Project costs, as set out in the final Project Budget.

Subject to the terms and conditions of this Agreement, the City hereby agrees to provide funds solely from Incremental Taxes to reimburse the Developer for the cost of TIF-Funded Improvements up to the maximum amount determined under the last sentence of the preceding paragraph (the "City Funds"). City Funds derived from Incremental Taxes shall be available to pay such costs and allocated for such purposes only so long as the amount of the Incremental Taxes is sufficient to pay for such costs.

The Developer acknowledges and agrees that the City's obligation to pay any City Funds is contingent upon the fulfillment of the conditions set forth in parts (i) and (ii) above, as well as the prior issuance of the Certificate and the Developer's satisfaction of all other applicable terms and conditions of this Agreement, including, without limitation, compliance with the covenants in Section 8.05.

4.03 Requisition Form. On the Completion Date and on each September 30th (or such other date as the parties may agree to) thereafter and continuing throughout the Term of the Agreement, the Developer shall provide DPD 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 year (or as otherwise permitted by DPD). Upon DPD's request, the Developer shall meet with DPD to discuss any Requisition Form(s).

4.04 Prior Expenditures. Exhibit G hereto sets forth the prior expenditures approved by DPD as of the date hereof.

4.05 Cost Overruns. The Developer shall be solely responsible for any Project costs in excess of those set forth in the Project Budget and shall hold the City harmless from any and all such costs.

4.06 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 payment of City Funds is subject to being terminated and/or reimbursed as provided in Section 12.

SECTION 5. CONDITIONS PRECEDENT

The Developer must satisfy the following conditions before the City will execute and deliver this Agreement, unless such conditions are waived in writing by the City:

5.01 Project Budget. DPD must have approved the Project Budget.

5.02 Other Governmental Approvals. The Developer must have secured all other necessary approvals and permits required by any state, federal, or local statute, ordinance or regulation and has submitted evidence thereof to DPD. Such approvals shall include, without limitation, all building permits necessary for the Project; provided, however, that if the City agrees to close before construction commences, such building permits shall be secured prior to commencement of any such construction work.

5.03 Financing. The Developer must have furnished proof reasonably acceptable to the City that it has Equity and Lender Financing to complete the Project. Any liens against the Property in existence at the Closing Date must have been subordinated to this Agreement pursuant to a Subordination Agreement in the form of Exhibit J to be recorded, at the expense of the Developer, with the Recorder's Office of Cook County.

5.04 Acquisition and Title. The Developer must have 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, along with copies of all Schedule B title exception documents. The Title Policy must be dated as of the Closing Date and contain only those title exceptions listed on Exhibit F hereto and evidence the recording of this Agreement. The Title Policy must 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. If the Project involves any acquisition of real property, the Developer must have provided DPD with documentation related to such acquisition.

5.05 Evidence of Clean Title. The Developer, at its own expense, must have provided the City with searches under its name and the following other names as follows: BMG Stony Island, LLC, Terraco, Inc., Scott H. Gendell, and David Bossy:

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, Scott H. Gendell, David Bossy or any fixtures now or hereafter affixed thereto, except for the Permitted Liens.

5.06 Surveys. The Developer must have furnished the City with three (3) copies of the Survey.

5.07 Insurance. The Developer, at its own expense, must have insured the Property in accordance with Exhibit L hereto, and delivered to DPD actual policies or Accord Form 27 certificates evidencing the required coverages.

5.08 Opinion of the Developer's Counsel. On the Closing Date, the Developer must have furnished the City with an opinion of counsel, substantially in the form attached hereto as Exhibit K, with such changes as may be acceptable to Corporation Counsel.

5.09 Evidence of Prior Expenditures. The Developer must have provided evidence satisfactory to DPD in its sole discretion of the Prior Expenditures.

5.10 Financial Statements. The Developer must have provided DPD with such financial statements as DPD may reasonably require.

5.11 Documentation. The Developer must have provided documentation to DPD, satisfactory in form and substance to DPD, with respect to the current number of employees per Section 8.05.

5.12 Environmental. The Developer must have provided DPD with copies of any existing phase I environmental audits completed with respect to the Property and a letter from the environmental engineer(s) who completed such audit(s), authorizing the City to rely on such audits.

5.13 Corporate Documents; Economic Disclosure Statement. The Developer must have 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 the State of Illinois; 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. If the Developer is not a corporation, it shall provide comparable documentation based on its entity status. The Developer must also have provided the City with an Economic Disclosure Statement dated as of the Closing Date.

5.14 Litigation. The Developer must have provided to Corporation Counsel and DPD, a description of all pending or threatened litigation or administrative proceedings involving the Developer and the Property.

SECTION 6. AGREEMENTS WITH CONTRACTORS AND CONSTRUCTION REQUIREMENTS

In connection with the Project, the Developer shall comply with, and shall cause the general contractor and all subcontractors to comply with, the construction requirements set forth in Exhibit D that are applicable to such parties. Such requirements are specific City requirements that must be satisfied and include, without limitation, wage, MBE/WBE utilization and City resident hiring requirements.

SECTION 7. COMPLETION OF CONSTRUCTION OR REHABILITATION

7.01 Certificate of Completion of Construction or Rehabilitation. Upon completion of the Project in accordance with the terms of this Agreement and upon the Developer's written request, DPD shall either issue to the Developer a Certificate in recordable form certifying that the Developer has fulfilled its obligation to complete the Project in accordance with the terms of this Agreement or a written statement detailing the measures which must be taken in order to obtain the Certificate. DPD may require a single inspection by an inspecting architect hired at the Developer's expense to confirm the completion of the Project. 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 performance of the work associated with the Project improvements. After the issuance of a Certificate, however, all executory terms and conditions of this Agreement and all representations and covenants contained herein unrelated to such work will remain in 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 8.05 and 8.14 as covenants that run with the land will bind any transferee of the Property (including an assignee as described in the following sentence) throughout the Term of the Agreement or such shorter period as may be explicitly provided for therein. The other executory terms of this Agreement shall be binding only upon the Developer or a permitted assignee under Section 15.15 of this Agreement.

7.03 Failure to Complete. If the Developer fails to complete the Project in accordance with the terms of this Agreement, no Certificate will ever be issued, and the City will have the right to terminate this Agreement. If this occurs, no City Funds will ever be paid to the Developer. In addition, if the Project's TIF-Funded Improvements include any public improvements, the City will have the right (but not the obligation) to complete such public improvements and the Developer must immediately reimburse the City for all reasonable costs and expenses incurred in completing such public improvements.

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

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, that:

(a) the Developer is an Illinois limited liability company 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 BMG Stony Island, LLC action, and does not and will not violate its 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) during the term of this Agreement, the Developer will continue to own good, indefeasible and merchantable fee simple title to the Property (and all improvements thereon), or a leasehold interest therein, free and clear of all liens except for the Permitted Liens and such other matters as DPD may consent to in writing;

(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 necessary to conduct its business and to construct, complete and operate the Project;

(h) the Developer is not in default with respect to any agreement or instrument related to the borrowing of money to which the Developer is bound or for which the Property serves as collateral;

(i) any financial statements provided to the City are and will be, at the time of submittal, true, complete and correct in all material respects;

(j) the Developer shall not directly or indirectly do any of the following without the prior written consent of DPD, which consent shall be in DPD's sole discretion: (1) be a party to any merger, liquidation or consolidation; (2) sell (including, without limitation, any sale and leaseback), transfer, convey, lease or otherwise dispose of all or substantially all of its assets or any portion of the Property; or (3) enter into any transaction that would cause a material and detrimental change to the Developer's financial condition;

(k) 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

(l) the Property shall not be used for any Prohibited Use.

(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. The Developer shall redevelop the Property in accordance with this Agreement and all Exhibits attached hereto, the Redevelopment Plan, the TIF Ordinances, the Project Budget and all amendments thereto, and all applicable federal, state and local laws, ordinances, rules, regulations, executive orders and codes. The covenants set forth in this Section shall run with the land but shall be deemed satisfied and shall terminate when the City issues its Certificate for recording in the Recorder's Office of Cook County.

8.03 Use of City Funds. City Funds shall be used by the Developer solely to reimburse the Developer for its payment for the TIF-Funded Improvements.

8.04 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; 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. If any such bonds are issued, the City may use the proceeds thereof to reimburse the Developer for any amounts remaining due under this Agreement.

8.05 Job Creation and Retention; Covenant to Remain in the City. The Developer covenants that, as of the date of this Agreement, and as a condition to the issuance of the Certificate, not less than sixteen (16) FTE jobs shall be created or retained by the Developer at the Property. The Developer further covenants that at all time thereafter through the fifth anniversary date of the issuance of the Certificate pursuant to Section 7.01:

- (a) not less than eleven (11) FTE jobs shall be retained by the Developer at the Property; and
- (b) it will maintain its operations within the City of Chicago and operate the Property for the same use and at substantially the same capacity as described in the Developer's TIF application and/or this Agreement, unless the covenant in clause (a) is satisfied and the Commissioner of DPD, in the Commissioner's sole discretion, consents to a change in use.

During the Term of the Agreement, the Developer shall, at the time of filing the annual Requisition Form, provide DPD with a notarized affidavit certifying to its compliance with this Section 8.05 for the 12 month period ending the day prior to the date of such filing date of such

certificate. Compliance with Section 8.05(a) shall be determined on an annual FTE average only. The covenants set forth in this Section 8.05(a) shall run with the land and be binding upon any permitted transferee, if any, for the period set forth in the first paragraph of this Section 8.05.

8.06 Arms-Length Transactions. Unless disclosed in the approved Project Budget or unless DPD 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 DPD's request, prior to any such disbursement.

8.07 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.

8.08 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.

8.09 Financial Statements. The Developer shall provide DPD with financial statements for each fiscal year within 90 days of the close of such fiscal year and, at DPD's request, shall provide such interim statements as DPD may require.

8.10 Insurance. The Developer shall provide and maintain during the Term of the Agreement, and cause other applicable parties to provide and maintain, the insurance coverages specified in Exhibit L.

8.11 Non-Governmental Charges. Except for the Permitted Liens, and subject to the next sentence, the Developer agrees to pay or cause to be paid when due any Non-Governmental Charges. The Developer has the right, before any delinquency occurs, to contest any Non-Governmental Charge by appropriate legal proceedings properly and diligently prosecuted, so long as such proceedings serve to prevent any sale or forfeiture of the Property.

8.12 Compliance with Laws. The Property and the Project are and shall be owned and operated in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, executive orders and codes, including but not limited to the Municipal Code of Chicago, Section 7-28-390, 7-28-440, 11-4-1410, 11-4-1420, 11-4-1450, 11-4-1500, 11-4-1530,

11-4-1550, or 11-4-1560, whether or not in the performance of this Agreement. Upon the City's request, the Developer shall provide evidence satisfactory to the City of such compliance.

8.13 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 in the Recorder's Office of Cook County. If the Permitted Liens include any existing mortgages, such mortgagee must execute a subordination agreement in the form of Exhibit J.

8.14 Real Estate Provisions; Governmental Charges. Subject to the next paragraph, the Developer will pay when due all Governmental Charges (as defined below) which are assessed or imposed upon the Developer, 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, including, but not limited to, general real estate taxes.

The Developer has the right, before any delinquency occurs, to contest any Governmental Charge by appropriate legal proceedings properly and diligently prosecuted, so long as such proceedings serve to prevent any sale or forfeiture of the Property.

8.15 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. ENVIRONMENTAL MATTERS

The Developer hereby represents and warrants to the City that it has conducted environmental studies sufficient to conclude that the Project may be constructed, completed and operated in accordance with the requirements of all Environmental Laws and this Agreement. 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 and relating to the Project or the Property.

SECTION 10. INDEMNIFICATION

The 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 directly or indirectly relating or arising out of this Agreement or the Project. The provisions of the undertakings and indemnification set out in this Section 10 shall survive the termination of this Agreement.

SECTION 11. MAINTAINING RECORDS/RIGHT TO INSPECT

The Developer shall (a) comply with the requirements of Paragraph H of Exhibit D during the Term of the Agreement and cause the other applicable parties to comply with such requirements, and (b) upon three (3) business days' notice, permit any authorized representative of the City to have access to all portions of the Project and the Property during normal business hours to confirm the Developer's compliance with its obligations under this Agreement.

SECTION 12. DEFAULT AND REMEDIES

12.01 Events of Default. The occurrence of any one or more of the following events, subject to the provisions of Section 12.03, shall constitute an "Event of Default" by the Developer hereunder:

(a) the failure of the Developer to comply with any covenant or obligation, or the breach by the Developer of any representation or warranty, under this Agreement or any related agreement;

(b) the commencement of any bankruptcy, insolvency, liquidation or reorganization proceedings under any applicable state or federal law, 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;

(c) 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;

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

(e) the dissolution of the Developer or the death of any natural person who owns a 50% or more ownership interest in the Developer, unless, in the case of a death, the Developer establishes to the DPD's satisfaction that such death shall not impair the Developer's ability to perform its executory obligations under this Agreement; or

(f) the institution in any court of a criminal proceeding (other than a misdemeanor) against the Developer or any natural person who owns 5% or more ownership interest in the Developer, which is not dismissed within thirty (30) days, or the indictment of the Developer or any natural person who owns such a material interest in the Developer, for any crime (other than a misdemeanor).

12.02 Remedies. Upon the occurrence of an Event of Default, the City may terminate this Agreement and all related agreements, and may suspend disbursement of City Funds. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy. However, the City shall not be entitled to recover any City Funds previously paid to the Developer unless the Event of Default involves a Reimbursement Event.

12.03 Curative Period. In the event the Developer fails to perform any covenant or obligation or breaches any representation or warranty which the Developer is required to perform under this Agreement, 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. No such cure period, however, shall apply to Events of Default described in Section 12(b), (c), (d), (e) or (f), which defaults shall have the cure periods described therein, if any. In addition, no cure period shall apply to default arising from a breach of the jobs and operations covenants in Section 8.05 and such breach shall be an immediate Event of Default.

SECTION 13. 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. No mortgagee shall have the right to succeed to the Developer's rights under this Agreement unless it complies with the first sentence of Section 15.15 hereof.

SECTION 14. 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) overnight courier, or (c) registered or certified mail, return receipt requested.

If to the City:	City of Chicago Department of Planning and Development 121 North LaSalle Street, Room 1000 Chicago, IL 60602 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
If to the Developer:	BMG Stony Island LLC c/o Terraco, Inc. 8707 Skokie Blvd. Suite 230 Skokie, Illinois 60077
With Copies To:	Paul Bennett Neal Murdoch & Leroy 203 North LaSalle, #2300 Chicago, Illinois 6060

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 clause (a) hereof shall be deemed received upon such personal service. Any notice, demand or request sent pursuant to clause (b) shall be deemed received on the day immediately following deposit with the overnight courier and any notices, demands or requests sent pursuant to subsection (c) shall be deemed received two (2) business days following deposit in the mail.

SECTION 15. MISCELLANEOUS

15.01 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 A hereto without the consent of any party hereto, and DPD may grant consents as explicitly provided for under

certain sections of this Agreement. 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 15.01 shall be defined as any deviation from the terms of the Agreement which operates to materially reduce the scope of the Project, to reduce the job-retention obligations in Section 8.05 by more than five percent (5%), to materially change the Project or business operations of the Developer at the Property, or increases the City Funds payable to the Developer.

15.02 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.

15.03 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.

15.04 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.

15.05 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.

15.06 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.

15.07 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.

15.08 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.

15.09 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.

15.10 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.

15.11 Conflict. In the event of a conflict between any provisions of this Agreement and the provisions of the TIF Ordinances, and any bond ordinances relating to the Redevelopment Area, if any, such ordinance(s) shall prevail and control.

15.12 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.

15.13 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.

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

15.15 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, which consent shall be in the City's sole discretion and which, if granted, may be conditioned upon, among other things, the assignee's assumption of all of the Developer's obligations under this Agreement. The foregoing limitation shall not prevent the Developer from collaterally assigning to a lender that is also providing financing for the Project the Developer's right to receive the payment of City Funds as security for such lender financing. The Developer consents to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part.

15.16 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.

15.17 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.

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

15.19 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.

15.20 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.

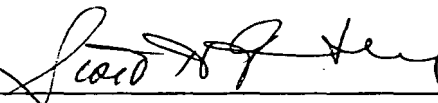
15.21 Costs and Expenses. In addition to and not in limitation of the other provisions of this Agreement, Developer agrees to pay upon demand the City's out-of-pocket expenses, including attorney's fees, incurred in connection with the enforcement of the provisions of this Agreement. This includes, subject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

15.22 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.

BMG Stony ISLAND LLC

By: 
Its: Manager

CITY OF CHICAGO, acting by and through its
Department of Planning and Development

By: _____
Lori T. Healey
Commissioner


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.

BMG Stony ISLAND LLC

By: _____

Its: _____

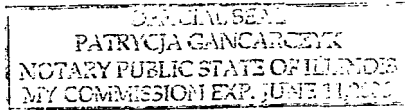
CITY OF CHICAGO, acting by and through its
Department of Planning and Development

By: Lori T. Healey
Lori T..Healey 
Commissioner

STATE OF ILLINOIS)
) ss
COUNTY OF COOK)

I, PATRYCJA GANCARCZYK, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Scott H. Gendell, personally known to me to be the Manager of BMG Story Island LLC, an Illinois [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 8 day of FEB. 2006,



Patricia Gancarczyk
Notary Public

My Commission Expires 6/11/2006

(SEAL)

STATE OF ILLINOIS)
) ss
COUNTY OF COOK)

I, RONALD MOHAMMED, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Lori T. Healey, personally known to me to be the Commissioner of the Department of Planning and Development of the City of Chicago (the "City"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that she signed, sealed, and delivered said instrument pursuant to the authority given to her by the City, as her free and voluntary act and as the free and voluntary act of the City, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 8th th day of FEBRUARY 2006.

Ronald Mohammed
Notary Public

My Commission Expires 6-21-09

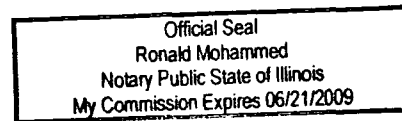


EXHIBIT A

Legal Description of the Redevelopment Area

[Not Attached for Ordinance Purposes]

Exhibit "A".

That part of the west half of Section 19 and the northwest quarter of Section 35, Township 38 North, Range 15 East and that part of Sections 23, 24, 25, 26, the north half of Section 35 and the northwest quarter of Section 36, Township 38 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois described as follows:

beginning at the intersection of the northeast right-of-way line of Anthony Avenue and the east right-of-way line of Stony Island Avenue; thence northwest along said northeast right-of-way line to the intersection of said west right-of-way line of Stony Island Avenue with the east extension of the north right-of-way line of 80th Street; thence west along said extension to the southwest right-of-way line of said Anthony Avenue; thence northwest along said southwest right-of-way line to the east right-of-way line of Blackstone Avenue; thence west, normal from said east right-of-way line to the west right-of-way line of said Blackstone Avenue; thence north along said west right-of-way line to the south line of Lot 1 in Block 4 of Charles L. Hutchinson's Subdivision of part of said Section 35; thence west along said south lot line to the east line of a public alley in said block; thence south along said east alley line to the east extension of the south line of Lot 44 in said Block 4; thence west along said extension and said south line to the east right-of-way line of Dante Avenue; thence west to the southeast corner of Lot 4 in Block 5 of said subdivision; thence west along the south line of said lot to the east line of a public alley in said block; thence west to the southeast corner of Lot 45 in said block; thence west along the south line of said lot and its west extension to the west right-of-way line of Dorchester Avenue; thence north along said west right-of-way line to the south line of the north 24.36 feet of Lot 1 in Block 104 of Cornell's Subdivision of part of said Sections 26 and 35; thence west along said south line to the east line of a public alley in said block; thence west to the southeast corner of the north 25.3 feet of Lot 46 in said block; thence west along the south line of said 25.3 feet of said lot to the east right-of-way line of Kenwood Avenue; thence south along said east right-of-way line to the east extension of the south line of Lot 1 in Odolph A. Johnson's Resubdivision of part of said Cornell's Subdivision; thence west along said extension and said south line to the east line of a public alley in said subdivision; thence south along said east alley line to the east extension of the south line of the north 12.50 feet of Lot 42 in Block 105 of said Cornell's Subdivision; thence west along said extension, said south line, and its westerly extension to the west right-of-way line of Kimbark Avenue; thence north along said west right-of-way line to the south right-of-way line of 79th Street; thence west along said south right-of-way line to the

east line of a public alley in Block 106 of said Cornell's Subdivision; thence south along said east alley line to the east extension of the south line of the north 6 feet of Lot 44 in said Block 106; thence west along said extension and said south line to the east right-of-way line of Avalon Avenue; thence south along said east right-of-way line to the east extension of the south line of Lot 3 in Block 107 of said Cornell's Subdivision; thence west along said extension, said south line and its west extension to the west line of a public alley in said block; thence north along said west alley line to the south line of Lot 45 in said block; thence west along said south line to the east right-of-way line of Woodlawn Avenue; thence south along said east right-of-way line to the east extension of the south line of Lot 5 in the resubdivision of Block 108 of said Cornell's Subdivision; thence west along said extension and said south line to the east line of a public alley in said resubdivision; thence south along said east alley line and its south extension to the south right-of-way line of 79th Place; thence west along said south right-of-way line to the east right-of-way line of the Illinois Central Railroad; thence north along said east right-of-way line to the south right-of-way line of said 79th Street; thence west along said south right-of-way line to the south extension of the east right-of-way line of said Illinois Central Railroad as platted north of said 79th Street; thence north along said extension and said east right-of-way line to the south right-of-way line of 76th Street; thence west along said south right-of-way line to the east right-of-way line of said Illinois Central Railroad as platted north of said 76th Street; thence north along said east right-of-way line to the north right-of-way line of said 76th Street; thence east along said north right-of-way line to the southwest right-of-way line of the Pennsylvania Railroad; thence southeast along said southwest right-of-way line to said south right-of-way line of said 76th Street; thence west along said south right-of-way line to the northeast right-of-way line of said Anthony Avenue; thence southeast along said right-of-way line to the east right-of-way line of said Avalon Avenue; thence south along said right-of-way line to the east extension of the south right-of-way line of 77th Street; thence west along said extension and said south right-of-way line to the east line of a public alley in Block 78 of said Cornell's Subdivision; thence south along said east alley line to the north line of Lot 12 in said block; thence east along said north line and its east extension to the east right-of-way line of Avalon Avenue; thence south along said east right-of-way line to the east extension of the south line of Lot 2 in Block 95 of said Cornell's Subdivision; thence west along said extension and said south line to the east line of a public alley in said block; thence south along said east alley line to the east extension of the north line of Lot 43 in said Block 95; thence west along said extension and said north line to the east right-of-way line of Woodlawn Avenue; thence south along said east right-of-way line to the north line of Lot 24 in said Block 95; thence east along said north line to the west line of a public alley in said Block 95; thence north along said west alley line to the west extension of the north line of Lot

20 in said Block 95; thence east along said extension and said north line to the west right-of-way line of Avalon Avenue; thence north along said west right-of-way line to the west extension of the north line of Lot 29 in Block 96 of said Cornell's Subdivision; thence east along said extension and said north line to the east line of a public alley in said block; thence south along said east alley line to the north line of the south 6.00 feet of Lot 19 in said block; thence east along said north line to the west right-of-way line of Kimbark Avenue; thence north along said west right-of-way line to the west extension of the north line of a public alley in Block 97 of said subdivision; thence east along said extension and said public alley line to the west right-of-way line of Kenwood Avenue; thence north along said west right-of-way line to the north right-of-way line of 78th Street; thence east along said north right-of-way line to the northwest right-of-way line of Dante Avenue; thence northeast along said northwest right-of-way line and its northeast extension to the northeast right-of-way line of said Pennsylvania Railroad; thence northwest along said northeast right-of-way line to the north right-of-way line of said 76th Street; thence east along said north right-of-way line to the southwest right-of-way line of South Chicago Avenue; thence northwest along said southwest right-of-way line to the southwest extension of the northwest right-of-way line of Kimbark Avenue; thence northeast along said northwest right-of-way line to an angle; thence east to the east right-of-way line of said Kimbark Avenue; thence south along said east right-of-way line to the north line of a public alley in Block 40 of said Cornell's Subdivision; thence east along said north alley line and its east extension to the east line of a public alley in said block; thence south along said east alley line to the north line of a public alley in said block; thence east along said north alley line to the west right-of-way line of Kenwood Avenue; thence east to the intersection of the north line of a public alley in Block 39 of said Cornell's Subdivision with the east right-of-way line of said Kenwood Avenue; thence east along said north alley line and its east extension to the east right-of-way line of Dorchester Avenue; thence south along said east right-of-way line to the north right-of-way line of 76th Street; thence east along said north right-of-way line to the west right-of-way line of Blackstone Avenue; thence north along said west right-of-way line to the north right-of-way line of 75th Street; thence east along said north right-of-way line to the west line of Lot 16 in Carton & Johnston's Subdivision of part of said Section 26; thence north along said west line and its north extension to the north line of a public alley in said subdivision; thence east along said north alley line to the west line of a public alley in said subdivision; thence north along said west alley line to the south right-of-way line of 74th Place; thence north to the intersection of the north right-of-way line of said 74th Place with the west line of a public alley in T.B. Keefe's Subdivision of part of said Section 26; thence north along said west public alley line to the south right-of-way line of 74th Street; thence north to the intersection of the north right-of-way line of said 74th Street with

the west line of a public alley in Wentworth's Subdivisions of part of said Section 26; thence north along said west alley line to the south right-of-way line of 73rd Place; thence north to the intersection of the north right-of-way line of said 73rd Place with the west line of a public alley in Slawson's Subdivision of part of said section and in Robertson's Resubdivision thereof; thence north along said west alley line and its north extension to the north right-of-way line of 73rd Street; thence east along said north right-of-way line to the southwest right-of-way line of the Baltimore and Ohio Railroad; thence northwest along said southwest right-of-way line to the south line of a public alley in Block 16 of John G. Shortall Trustee's Subdivision; thence west along said south alley line and its west extension to the west right-of-way line of Blackstone Avenue; thence north along said west right-of-way line to the north right-of-way line of 72nd Place; thence east along said north right-of-way line to the west line of a public alley in Blocks 9, 8 and 1 of said Trustee's Subdivision; thence north along said west alley line through said Blocks 9, 8 and 1 to the south line of a public alley in said Block 1 and Block 2 of said Trustee's Subdivision; thence west along said south alley line through said Blocks 1 and 2 and its west extension to the west right-of-way line of Dorchester Avenue; thence north along said west right-of-way line to the south right-of-way line of 71st Street; thence west along said south right-of-way line to the east right-of-way line of the Illinois Central Railroad; thence north along said east right-of-way line to the south right-of-way line of 67th Street; thence west along said south right-of-way line to the south extension of the west line of a public alley abutting Lots 21 through 40 in a subdivision of Blocks 15 and 16 of Woodlawn Ridge's Subdivision of part of said Section 23; thence north along said south extension and said west alley line to the south right-of-way line of 66th Street; thence east along said south right-of-way line to the east line of a public alley in White and Coleman's Subdivision of Block 4 of Junius Mulvey's Subdivision of part of said Section 23; thence south along said east alley line to the south right-of-way line of 66th Place; thence west along said south right-of-way line to the west line of the east 16 feet of Lot 9 in White and Coleman's Subdivision of Lots 16 to 25 of Block 1 of said Junius Mulvey's Subdivision; thence south along said west line and its south extension to the south line of a public alley in said subdivision; thence west along said south alley line to the west line of Lot 11 in a subdivision of Blocks 1 and 4 of said Junius Mulvey's Subdivision; thence south along said west line to the north right-of-way line of 67th Street; thence east along said north right-of-way line to the north extension of the east right-of-way line of Stony Island Avenue as platted south of said 67th Street; thence south along said extension and said east right-of-way line to the south right-of-way line of 69th Street; thence west along said south right-of-way line to east right-of-way line of Stony Island Avenue; thence south along said east right-of-way line to the north line of Block 3 of Hambleton's Subdivision of part of the Superior Court Partition of part of said Section 24;

thence east along said north line to the east line of a public alley in said block and also in A. Matteson's Subdivision of part of said Section 24; thence south along said east alley line to the north right-of-way line of 70th Street; thence south to the intersection of the south right-of-way line of 70th Street with the east line of a public alley in Block 3 of Cronkhite, Clarkson and Boyd's Subdivision of part of said Section 24; thence south along said east alley line to the north line of Lot 9 in said block; thence east along said north line to the west right-of-way line of Cornell Avenue; thence north along said west right-of-way line to the west extension of the north line of Lot 18 in Block 2 of said Cronkhite, Clarkson and Boyd's Subdivision; thence east along said extension and said north line to the west line of a public alley in said Block 2; thence north along said west alley line to the south right-of-way line of 70th Street; thence north to the intersection of the north right-of-way line of 70th Street with the west line of a public alley in said A. Matteson's Subdivision and also in Block 2 of said Hambleton's Subdivision and also in Block 2 of Dickey and Baker's Subdivision of part of said Section 24; thence north along said west alley line and its north extension to the north right-of-way line of 69th Street; thence east along said north right-of-way line to the north extension of the east right-of-way line of East End Avenue; thence south along said extension and said east right-of-way line to the south line of Lot 15 in Block 1 of said Cronkhite, Clarkson and Boyd's Subdivision; thence east along said south line to the west line of a public alley in said Block 1; thence north along said west alley line to the west extension of the north line of Lot 10 in said Block 1; thence east along said extension and said north line to the west right-of-way line of Cregier Avenue; thence north along said west right-of-way line to the west extension of the north line of Lots 16 and 9 in Block 13 of Jackson Park Highlands Subdivision of part of said Section 24; thence east along said extension, said north line and its east extension to the east right-of-way line of Constance Avenue; thence south along said east right-of-way line to north line of the south 20 feet of Lot 14 in Block 14 of said Jackson Park Highlands; thence east along said north line to the west line of Lot 11 in said block; thence south along said west line to the south line of said Lot 11; thence east along said south line to the west right-of-way line of Bennett Avenue; thence north along said west right-of-way line to the west extension of the north line of the south 42 feet of Lot 14 in Block 15 of said Jackson Park Highlands; thence east along said extension and said north line to the west line of Lot 11 in said block; thence north along said west line to the north line of the south 46 feet of said Lot 11; thence east along said north line to the west right-of-way line of Euclid Avenue; thence north along said west right-of-way line to the west extension of the north line of Lots 14 and 9 in Block 16 of said Jackson Park Highlands; thence east along said extension and said north line to the west right-of-way line of Jeffery Avenue; thence south along said west right-of-way line to the west extension of the north line of the south 40 feet of Lot 9 in

Block 1 of Commissioner's Partition of part of said Section 24; thence east along said extension, said north line and its east extension to the east line of a public alley in said Block 1; thence south along said east alley line to the north line of the south 0.25 feet of Lot 15 in said Block 1; thence east along said north line to the west right-of-way line of Chappel Avenue; thence east to the intersection of the east right-of-way line of Chappel Avenue with the north line of the south 45 feet of Lot 14 in Block 2 of said Commissioner's Partition; thence east along said north line to the west line of a public alley in said Block 2; thence north along said west alley line to the west extension of the north line of the south 17.75 feet of Lot 9 in said Block 2; thence east along said extension, said north line and its east extension to the east right-of-way line of Clyde Avenue; thence south along said east right-of-way line to the north line of a public alley in Block 3 of said Commissioner's Partition; thence east along said north alley line to the west right-of-way line of Merrill Avenue; thence east to the intersection of the east right-of-way line of Merrill Avenue with the south line of Lot 10 in E. L. Summer's Subdivision of part of said Commissioner's Partition; thence east along said south line to the west line of a public alley between said Summer's Subdivision and a resubdivision of the east half of Block 4 of said Commissioner's Partition; thence north along said west alley line to the west extension of the north line of the south 26 feet of Lot 9 in said resubdivision; thence east along said extension, said north line and its east extension to the east right-of-way line of Paxton Avenue; thence south along said east right-of-way line to the north line of a public alley in Block 6 of a resubdivision of part of South Shore Division Number 5 of part of said Section 24; thence east along said north alley line to the west right-of-way line of Crandon Avenue; thence north along said west right-of-way line to the north right-of-way line of 70th Place; thence east along said north right-of-way line to the west right-of-way line of South Shore Drive; thence north along said west right-of-way to a cul-de-sac at the intersection of 67th Street; thence clockwise along said cul-de-sac to the west shore of Lake Michigan; thence easterly and southerly along said west shore to the south right-of-way line of South Shore Drive; thence west along said south right-of-way line to the northeast right-of-way line of Exchange Avenue; thence southeast along said northeast right-of-way line to the east extension of the north line of the south 40 feet of Lot 3 in Block 4 of South Shore Subdivision of part of said Section 30; thence west along said extension and said north line to the east line of the west 75 feet of said Lot 3 and Lot 4; thence south along said east line to the north right-of-way line of 72nd Street; thence east along said north right-of-way line to the northwest extension of the northeast right-of-way line of Phillips Avenue; thence southeast along said extension and said northeast right-of-way line to the east extension of the south line of Lot 6 in said Block 4; thence west along said extension, said south line and its west extension to the west right-of-way line of Yates Avenue; thence north along said west right-of-way line to the

southwest right-of-way line of 71st Street; thence northwest along said southwest right-of-way line to the east extension of the north line of Lot 16 in the resubdivision of Lots 1 and 2 in Block 1 of Stave and Klemm's Subdivision of part of said Section 25; thence west along said extension and said north line to the east right-of-way line of Oglesby Avenue; thence south along said east right-of-way line to the east extension of the south line of a public alley in the resubdivision of Lots 3, 4 and 5 in Block 1 of said Stave and Klemm's Subdivision; thence west along said extension, said south line and its west extension of the west right-of-way line of Crandon Avenue; thence north along said west right-of-way line to the south line of the north 45 feet of Lot 2 in Block 1 of Columbia Addition to South Shore Subdivision of part of said Section 25; thence west along said south line to the east line of a public alley in said block; thence south along said east alley line to the east extension of the south line of Lot 23 in said block; thence west along said extension and said south line to the east right-of-way line of Luella Avenue; thence south along said east right-of-way line to the east extension of the south line of the north 20 feet of Lot 3 in Block 2 of said Columbia Addition; thence west along said extension, said south line and its west extension to the west line of a public alley in said block; thence north along said west alley line to the south line of Lot 23 in said Block 2; thence west along said south line to the east right-of-way line of Paxton Avenue; thence west to the intersection of the west right-of-way line of Paxton Avenue with the south line of the north 97 feet of Lot 1 in Block 2 of Stave and Klemm's Subdivision; thence west along said south line to the east line of a public alley abutting Lots 6 through 10 in Adolph Lindstrom's Resubdivision of part of said Stave and Klemm's Subdivision; thence south along said east alley line to the east extension of the south line of the north 5 feet of Lot 9 in said Adolph Lindstrom's Resubdivision; thence west along said extension, said south line and its west extension to the west right-of-way line of Merrill Avenue; thence north along said west right-of-way line to the south line of Lot 1 in said Adolph Lindstrom's Resubdivision; thence west along said south line to the west line of a public alley abutting said resubdivision; thence south along said west alley line to the north line of Lots 16 and 17 in Block 2 of said Stave and Klemm's Subdivision; thence west along said north line to the east line of the west 124.33 feet of said Lot 16; thence south along said east line and its south extension to the south right-of-way line of 72nd Street; thence west along said south right-of-way line to the west right-of-way line of Jeffery Avenue; thence north along said west right-of-way line to the south line of a public alley abutting Frank's Resubdivision of part of said Section 25; thence west along said south alley line to the east line of Block 1 of South Kenwood Resubdivision of part of said Section 25; thence north along said east line to the south line of Lot 3 in said Block 1; thence west along said south line and its west extension to the west right-of-way line of Euclid Avenue; thence north along said west right-of-way line to the south line of

Lot 2 in Block 1 of said South Kenwood Resubdivision; thence west along said south line to the west line of said lot; thence south along said west line to the north line of the south 72 feet of the north three-tenths of Block 3 of Geo. W. Clark's Subdivision of part of said Section 25; thence west along said north line to the east right-of-way line of Bennett Avenue; thence south along said east right-of-way line to the north line of Belknap's Resubdivision of part of said Block 3 of Geo. W. Clark's Subdivision; thence west along said north line to the east line of Lots 4, 3 and 2 in Christopher Columbus Addition to Jackson Park Subdivision of part of said Section 25; thence north along said east line to the south line of said Lot 2; thence west along said south line and its west extension to the west right-of-way line of Constance Avenue; thence north along said west right-of-way line to the south line of the north 32 feet of Lot 47 in said Christopher Columbus Addition; thence west along said south line and its west extension to the east line of the west 83.43 feet of Lot 2 in Murray Wolbach's Addition to South Shore Subdivision of part of said Section 25; thence south along said east line to the north line of the south 78.72 feet of said Lot 2; thence west along said south line and its west extension to the west line of a public alley in said Murray Wolbach's Addition; thence north along said west alley line to the south line of a public alley in said subdivision; thence west along said south alley line and its west extension to the west right-of-way line of East End Avenue; thence north along said west right-of-way line to the south line of Lot 4 in a resubdivision of Block 2 of Conrad Selpp's Subdivision of part of said Section 25; thence west along said south line to the east line of a public alley in said resubdivision; thence south along said east alley line to the east extension of the north line of the south 3.00 feet of Lot 20 in said resubdivision; thence west along said extension, said south line and its west extension to the west right-of-way line of Cornell Avenue; thence north along said west right-of-way line to the south line of Lot 28 in said resubdivision; thence west along said south line to the east line of the public alley in said resubdivision, also being the east line of a public alley in the resubdivision of Block 3 of said Conrad Selpp's Subdivision, also being the east line of a public alley in the Engers, Cook and Holinger's Resubdivision of Lot 6 in said Conrad Selpp's Subdivision, and also being the east line of a public alley in the resubdivision of Lot 7 in said Conrad Selpp's Subdivision; thence south along said east alley line to the north right-of-way line of 73rd Street; thence west along said north right-of-way line to the east right-of-way line of Stony Island Avenue; thence south along said east right-of-way line to the centerline of 74th Street; thence east along said centerline to the north extension of the east line of a public alley in Platt's Resubdivision of Lots 14 and 16 in said Conrad Selpp's Subdivision; also being the east line of public alley in Pierce's Third Addition to Chicago Resubdivision of Lot 15 in said Conrad Selpp's Subdivision; thence south along said extension and said east alley line to the north right-of-way line of 75th Street; thence east along said north right-of-way line to the

west right-of-way line of East End Avenue; thence north along said west right-of-way line to the north right-of-way line of 74th Street; thence east along said north right-of-way line to the northeast right-of-way line of the Baltimore and Ohio Railroad; thence southeast along said northeast right-of-way line to the north extension of the east right-of-way line of Cregier Avenue; thence south along said extension and said east right-of-way line to the north right-of-way line of 75th Street; thence east along said north right-of-way line to the east right-of-way line of Jeffrey Boulevard; thence south along said east right-of-way line to the south right-of-way line of 76th Street; thence west along said south right-of-way line to the east right-of-way line of Bennett Avenue; thence south along said east right-of-way line to the south right-of-way line of 77th Street; thence west along said south right-of-way line to the west right-of-way line of Constance Avenue; thence north along said west right-of-way line to the south line of a public alley in Blocks 4, 5 and 6 of James Stinson's Subdivision of part of said Section 25; thence west along said south alley line and its west extension to the west right-of-way line of East End Avenue; thence north along said west right-of-way line to the south line of a public alley abutting Lot 82 in Wells and Stuart's Resubdivision of Blocks 7 and 8 of said James Stinson's Subdivision; thence west along said extension and said south alley line to the east line of a public alley abutting said Lot 82; thence south along said east alley line and its south extension to the south right-of-way line of 76th Street; thence west along said south right-of-way line to the east line of a public alley in the resubdivision of Blocks 9 and 10 of said James Stinson's Subdivision, also being the east line of public alley in Blocks 24 and 25 of Southfield Resubdivision of part of said James Stinson's Subdivision; thence south along said east alley line and its south extension to the south line of Lot 15 in Block 25 of said Southfield Resubdivision; thence east along said south line and its east extension to the east right-of-way line of Cornell Avenue; thence south along said east right-of-way line to the north line of a public alley in Block 26 of said Southfield Resubdivision; thence east along said north alley line and its east extension to the east right-of-way line of East End Avenue; thence south along said east right-of-way line to the north right-of-way of 79th Street; thence east along said north right-of-way line to the north extension of the east right-of-way line of East End Avenue as platted south of 79th Street; thence south along said extension and said east line to the south line of a public alley in the subdivision of the west 1,111 feet of the northwest quarter of said Section 36; thence west along said south alley line to the east line of a public alley in said subdivision of the west 1,111 feet; thence south along said east alley line to the northeast line of a public alley in said subdivision of the west 1,111 feet; thence southeast along said northeast alley line and its southeast extension to the southeast right-of-way line of East End Avenue; thence southwest along said southeast right-of-way line to the northeast right-of-way line of South Chicago Avenue; thence southeast along said northeast right-of-way

line to the northeast extension of the southeast line of Lot 16 in Block 3 of Anthony and Harvey's Subdivision of part of said Section 36; thence southwest along said extension, said southeast line and its southwest extension to the southwest line of a public alley abutting the southwest right-of-way line of the Pennsylvania Railroad; thence northwest along said southwest alley line to the east right-of-way line of Stony Island Avenue; thence south along said east right-of-way line to said point of beginning, except therefrom the following parcel:

beginning at the intersection of the north right-of-way line of 69th Place with the west line of a public alley in Block 1 of Bass and Reynold's Subdivision of part of said Section 23; thence north along said west alley line and its north extension to the north right-of-way line of 69th Street; thence east along said north right-of-way line to the west line of a public alley in Block 1 of Marston's Subdivision of part of said Section 23; thence north along said west alley line to the south line of a public alley in said block; thence west along said south alley line to the south extension of the west line of a public alley in said block and also in Block 1 of Pearce and Benjamin's Subdivision of part of said section; thence north along said west alley line and its north extension to the north right-of-way line of 68th Street; thence east along said north right-of-way line to the west line of a public alley in Bass and Edmond's Subdivision of part of said Section 23; thence north along said west alley line to the south line of a public alley in said subdivision and also in Blocks 1 and 4 in Bass' Subdivision of part of said Section 23; thence west along said south alley line to the east right-of-way line of Dorchester Avenue; thence south along said east right-of-way line to the north right-of-way line of 68th Street; thence east along said north right-of-way line to the north extension of the east line of a public alley in Block 2 of said Pearce and Benjamin's Subdivision; thence south along said extension and said east alley line to the east extension of the south line of Lot 21 in said Block 2; thence west along said extension and said south line to the east right-of-way line of Dante Avenue; thence south along said east right-of-way line to the east extension of the south line of the north 12.50 feet of Lot 3 in Block 3 of said Pearce and Benjamin's Subdivision; thence west along said extension and said south line to the east line of a public alley in said block; thence south along said east alley line to the south line of the north 9 feet of Lot 18 in said Block 3; thence west along said extension and said south line to the east right-of-way line of Dorchester Avenue; thence south along said east right-of-way line to the north right-of-way line of 69th Place; thence east along said north right-of-way line to said point of beginning.

IV.

Amended 71st Street Redevelopment Area.

The Designation Report for the 71st Street Redevelopment Area dated January, 1996 (the "Report"), and approved by the City Council on March 19, 1997, is hereby amended to add the following legal description:

Legal Description.

A tract of land located in the south half of Section 24, and the north Section 25, Township 38 North, Range 14 of the Third Principle Meridian in Cook County, Illinois, described as follows:

beginning at the intersection of the northbound lanes of South Stony Island Avenue; thence east along the extension of the line between Parcels 012 and 037 of Block 323 to the intersection of the centerline of the first alley east of South Stony Island Avenue; thence north along said centerline to the intersection of the extension of a line between Parcels 034 and 026 of Block 323; thence east along said line to the intersection of the centerline of South Cornell Avenue; thence north along said line to the intersection of the extension of the line between Parcels 010 and 011 of Block 324; thence east along said line to the intersection of the centerline of the first alley east of South Cornell Avenue; thence north along the centerline of the first alley east of South Cornell Avenue to the extension of a line between Parcels 022 and 023 of Block 324 to the centerline of South East End Avenue; thence south along said line to the intersection of the extension of the line between Parcels 038 and 039 of Block 325; thence east along said line to the intersection of the centerline of the first alley east of South East End Avenue; thence south along said line extended to the intersection of the centerline of the westbound lanes of East 71st Street; thence east along said line to the intersection of the east of South Jeffery Boulevard; thence north along said line to the intersection of the extension of the line between Lots 9 and 10 of Parcel 009 of Block 421; thence east along said line to the intersection of the centerline

of the first alley east of South Jeffery Boulevard; thence south along said line to the intersection of the extension of the line between Parcels 018 and 022 of Block 421; thence east along said line to the intersection of the centerline of South Chappel Avenue; thence north along the centerline of South Chappel Avenue to the extension of the line between Parcels 006 and 007 of Block 422; thence south along the centerline of the first alley east of South Chappel Avenue to the extension of the line between Parcels 018 and 019 of Block 422; thence east along said line to the intersection of the centerline of South Clyde Avenue; thence south along said line to the intersection of the centerline of westbound lanes of East 71st Street; thence east along said line to the intersection of the extension of the centerline of the first alley east of South Merrill Avenue; thence north along said line to the intersection of the extension of the line between Lots 8 and 9 of Parcel 012 of Block 424; thence east along said line to the intersection of the centerline of South Paxton Avenue; thence south along said line to the intersection of the centerline of the first alley north of East 71st Street; thence east along said line to the intersection of the centerline of South Oglesby Avenue; thence north along said line to the intersection of the centerline of East 70th Place; thence east along said line to the intersection of the centerline of South South Shore Drive; thence south along said line to the intersection of the centerline of the eastbound lanes of East 71st Street; thence northwesterly along said line to the intersection of the extension of the line drawn parallel to and 133 feet south of the centerline of East 71st Street; thence west along said line to the intersection of the centerline of South Oglesby Avenue; thence south along said line to the intersection of the centerline of the first alley south of East 71st Street; thence west along said line to the intersection of the centerline of South Crandon Avenue; thence north along said line to the intersection of the extension of the line between Parcels 013 and 014 of Block 203; thence west along said line to the intersection of the centerline of South Luella Avenue; thence north along said line to the intersection of the extension of the line between Parcels 010 and 011 of Block 202; thence along said line to the intersection of the centerline of the first alley west of South Luella Avenue; thence south along said line to the intersection of the extension of the line between Parcels 025 and 002; thence west along said line to the intersection of the centerline of South Paxton Avenue; thence north along said line to the intersection of the extension of the line between Parcels 013 and 014 of Block 201; thence west along said line to the intersection of the centerline of the first alley west of South Paxton Avenue; thence south along said line to the intersection of the extension of the line between Parcels 009 and 010 of Block 201; thence north along said line to the intersection of the centerline of the eastbound lanes of East 71st Street; thence west along said line to the intersection of the centerline of South Jeffery Boulevard; thence south along said line to the intersection of the centerline of the first alley south of East 71st Street; thence west along said line to the east line of Lot 4 of Block 109;

thence north along said line to the intersection of the north line of Lot 4 of Block 109; thence west along the extension of said line to the intersection of the east line Parcel 009 of Block 108; thence north along said line to the intersection of the line between Parcels 001 and 002 of Block 108; thence west along the extension of said line to the intersection of the centerline of South Bennett Avenue; thence north along said line to the intersection of the centerline of the east bound lanes of East 71st Street; thence west along said line to the intersection of the extension of the west line of Parcel 001 of Block 105; thence south along said line to the intersection of the south line of Parcel 004 of Block 103; thence west along the extension of said line to the intersection of the west line of Lot 2 of Parcel 003 of Block 103; thence south along said line to the intersection of the centerline of the first alley south of East 71st Street; thence west along said line to the intersection of the centerline of South East End Avenue; thence north along said line to the intersection of the extension of the line between Parcels 019 and 020 of Block 101; thence west along said line to the intersection of the centerline of the first alley west of South East End Avenue; thence south along said line to the intersection of the extension of the line between Lots 19 and 20 of Block 101; thence west along said line to the intersection of the centerline of South Cornell Avenue; thence north along said line to the intersection of the extension of the line between Parcels 013 and 014 of Block 100; thence west along said line to the intersection of the centerline of the first alley west of South Cornell Avenue; thence south along the centerline of the first alley west of South Cornell Avenue to the centerline of East 72nd Street; thence west along the centerline of East 72nd Street to the centerline of the northbound lane of South Stony Island Avenue; thence north along said line to the intersection of the centerline of the eastbound lanes of East 71st Street; thence west along said line to the centerline of the intersection of the northbound lanes of South Stony Island Avenue; thence north along said line to the point of beginning.

[Figure 1 referred to in this Amended Designation Report for the
71st Street Commercial Corridor Redevelopment Plan
unavailable at time of printing.]

[Table 3 not referenced in this Amended Designation Report for the
71st Street Commercial Corridor Redevelopment Plan is on
file and available for public inspection in
the Office of the City Clerk.]

Tables 1 and 2 referred to in this Amended Designation Report for the 71st

EXHIBIT C-1

Legal Description of Property

LOT 43, 44, 45, 46, 47 AND SOUTH 3 FEET OF LOT 48 IN THE SUBDIVISION OF BLOCK 2 IN CONRAD SEIPP'S SUBDIVISION OF WEST 1/2 OF THE NORTHWEST 1/4 OF SECTION 25, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

EXHIBIT E-1

Project Budget

Land Acquisition	\$ 420,000
Site Preparation	249,200
Hard Costs	
Demo	22,300
Building	308,940
Tenant Allowance	40,000
Permits	10,000
Soft Costs	
Arch. & Engin.	64,100
Survey/Traffic/Plan	5,000
Soil/Environ.	10,300
Appraisal	3,500
Insurance	2,500
Legal	20,000
Taxes	10,000
Lender's Fee	10,000
Constr. Int.	100,000
Leasing Fee	23,000
Dev. Fee	50,000
Title/Escrow	5,000
Contingency	46,160
Total	\$1,400,000

EXHIBIT E-2

MBE/WBE Project Budget

<u>Item</u>	<u>Cost</u>
Site Preparation	\$ 249,200
Demo	\$ 22,300
Building	\$ 308,940
Contingency	\$ 46,160
Total	\$ 626,600
MBE Requirement (25%)	\$156,650
WBE Requirement (5%)	\$ 31,330

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 I

TIF-Funded Improvements

<u>Line Item</u>	<u>Cost</u>
Land Acquisition	\$ 290,000
Site Preparation	\$ 249,200
Demolition	\$ 22,300
Constr. Interest	\$ 100,000
Total	\$ 661,500*

*Although there is \$661,500 in TIF-Eligible Expenses, the developer will receive a maximum of \$225,000 in reimbursements.