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Karen A. Yarbrough  
Cook County Recorder of Deeds  
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This agreement was prepared by and after recording return to:  
Sweta Shah, Esq.  
City of Chicago Department of Law  
121 North LaSalle Street, Room 600  
Chicago, IL 60602

NELSON MANDELA APARTMENTS REDEVELOPMENT AGREEMENT

This Nelson Mandela Apartments Redevelopment Agreement (this "**Agreement**") is made as of this 29<sup>th</sup> day of January, 2016, by and among the City of Chicago, an Illinois municipal corporation (the "**City**"), through its Department of Planning and Development ("**DPD**") and Nelson Mandela Apartments, LP, an Illinois limited partnership (the "**Partnership**"), Rockwell Community Development, Inc., an Illinois not-for-profit corporation ("**Rockwell**"), and Bickerdike Redevelopment Corporation, an Illinois not-for-profit corporation ("**Bickerdike**"). The Partnership, Rockwell, and Bickerdike may be collectively referred to hereinafter as the "**Developer Parties**."

RECITALS

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

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

C. City Council Authority: To induce redevelopment pursuant to the Act, the City Council of the City (the "**City Council**") adopted ordinances on February 27, 2002, published at pages 79794 through 80025 of the Journal of Proceedings of the City Council (the "**Journal**") for said date: (1) approving a redevelopment plan (the "**Original CCP Redevelopment Plan**") for

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the Chicago/Central Park Redevelopment Project Area (the "**CCP Redevelopment Area**," legally described in **Exhibit A-1** hereto); (2) designating the CCP Redevelopment Area as a Redevelopment Project Area pursuant to the Act; and (3) adopting tax increment allocation financing for the CCP Redevelopment Area (the "**CCP TIF Adoption Ordinance**"). The Original CCP Redevelopment Plan was amended by an ordinance adopted on June 8, 2011 and published at pages 214 through 398 of the Journal of Proceedings of the City Council of the City for said date (the "**CCP Amendment**"). Items(1)-(3) above, as item (1) was amended by the CCP Amendment, are collectively referred to herein as the "**CCP TIF Ordinances**."

Furthermore, the City Council adopted ordinances on June 10, 1998, published at pages 70367 through 70520 of the Journal for said date: (1) approving a redevelopment plan (the "**Original Kinzie Redevelopment Plan**") for the Kinzie Industrial Conservation Area Tax Increment Redevelopment Project Area (the "**Kinzie Redevelopment Area**," as legally described in **Exhibit A-2** hereto); (2) designating the Kinzie Redevelopment Area as a Redevelopment Project Area pursuant to the Act; and (3) adopting tax increment allocation financing for the Kinzie Redevelopment Area (the "**Kinzie TIF Adoption Ordinance**"). The Original Kinzie Redevelopment Plan was amended by an ordinance adopted on May 12, 2010 and published at pages 89565 through 89664 of the Journal (the "**Kinzie Amendment**") for said date. The Original Kinzie Redevelopment Plan and Kinzie Amendment, are together referred to hereinafter as the "**Kinzie Redevelopment Plan**." Items (1)-(3) above, as item (1) was amended by the Kinzie Amendment, are collectively referred to herein as the "**Kinzie TIF Ordinances**."

The CCP Redevelopment Plan and Kinzie Redevelopment Plan are referred to collectively hereinafter as the "**Redevelopment Plan**." The CCP TIF Adoption Ordinance and the Kinzie TIF Adoption Ordinance are collectively referred to herein as the "**TIF Adoption Ordinance**." The CCP TIF Ordinances and the Kinzie TIF Ordinances are referred to collectively herein as the "**TIF Ordinances**." The CCP Redevelopment Area and Kinzie Redevelopment Area are referred to collectively herein as the "**Redevelopment Area**."

D. The Project:

Bickerdike plans to purchase certain City-owned property located within the CCP Redevelopment Area at 601-603 North Central Park Avenue; 549 North Drake Avenue; 614 North Spaulding Avenue; and 605 and 607 North Sawyer Avenue all in Chicago, Illinois and legally described on **Exhibit B-1** attached hereto (the "**CCP City Land**") and immediately transfer the CCP City Land to the Partnership. Bickerdike also plans to purchase certain City-owned property located within the Kinzie Redevelopment Area at 524 and 530 North Troy Street; 3106, 3110, 3116, 3120, 3124 and 3145 West Franklin Boulevard, all in Chicago, Illinois and legally described on **Exhibit B-2** attached hereto (the "**Kinzie City Land**", and together with the CCP City Land, the "**City Land**") and immediately transfer the Kinzie City Land to the Partnership.

Bickerdike owns property located within the CCP Redevelopment Area at 600 and 602 North St. Louis Avenue, and 601 North Sawyer Avenue, all in Chicago, Illinois, as legally described on **Exhibit B-3** attached hereto (the "**CCP Developer Land**"). Bickerdike owns property located within the Kinzie Redevelopment Area at 3112 and 3114 West Franklin Boulevard in Chicago, Illinois, as legally described on **Exhibit B-4** attached hereto (the "**Kinzie**



**Developer Land,**” and together with the CCP Developer Land, the **“Developer Land”**). The City Land and the Developer Land together constitute the **“Property.”**

Within the time frames set forth in Section 4.01 hereof, the Partnership shall commence and complete construction of thirteen (13) buildings on the Property, which will be a multifamily housing project consisting of 72 affordable units and related common areas (the **“Facility”**). The Facility and related improvements (including but not limited to those TIF-Funded Improvements as defined below and set forth on **Exhibit C**) are collectively referred to herein as the **“Project.”** It is expected the Project will create 3 permanent and 41 temporary jobs. The completion of the Project would not reasonably be anticipated without the financing contemplated in this Agreement.

E. Redevelopment Plan: The Project will be carried out in accordance with this Agreement and the City of Chicago Redevelopment Plan included in the TIF Ordinances.

F. City Financing: The City agrees to use, in the amounts set forth in Section 5.03 hereof, Available Incremental Taxes (as defined below), to pay for or reimburse the Developer Parties for the costs of TIF-Funded Improvements pursuant to the terms and conditions of this Agreement.

In addition, the City may, in its discretion, issue tax increment allocation bonds (**“TIF Bonds”**) secured by Incremental Taxes pursuant to a TIF bond ordinance (the **“TIF Bond Ordinance”**) at a later date as described in Section 5.03(d) hereof, the proceeds of which (the **“TIF Bond Proceeds”**) may be used to pay for the costs of the TIF-Funded Improvements not previously paid for from Incremental Taxes, or in order to reimburse the City for the costs of TIF-Funded Improvements.

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

SECTION 1. RECITALS, HEADINGS AND EXHIBITS

The foregoing recitals are hereby incorporated into this Agreement by reference. The paragraph and section headings contained in this Agreement, including without limitation those set forth in the following table of contents, are for convenience only and are not intended to limit, vary, define or expand the content thereof. Each of the Developer Parties agrees to comply with the requirements set forth in the following exhibits which are attached to and made a part of this Agreement. All provisions listed in the Exhibits have the same force and effect as if they had been listed in the body of this Agreement.

Table of Contents	List of Exhibits
1. Recitals, Headings and Exhibits	A-1 CCP Redevelopment Area
2. Definitions	A-2 Kinzie Redevelopment Area
3. City Land Conveyance	B-1 *CCP City Land
4. The Project	B-2 *Kinzie City Land
5. Financing	B-3 *CCP Developer Land

6. Conditions Precedent	B-4	*Kinzie Developer Land
7. Agreements with Contractors	C	*TIF-Funded Improvements
8. Completion of Construction or Rehabilitation	D	Escrow Agreement
9. Covenants/Representations/Warranties of Developer Parties	E	Construction Contract
10. Covenants/Representations/Warranties of the City	F	[intentionally omitted]
11. Partnership's Employment Obligations	G	*Permitted Liens
12. Environmental Matters	H-1	*Project Budget
13. Insurance	H-2	*MBE/WBE Budget
14. Indemnification	I	Approved Prior Expenditures
15. Maintaining Records/Right to Inspect	J	Opinion of Partnership's Counsel
16. Defaults and Remedies	K	[intentionally omitted]
17. Mortgaging of the Project	L	Requisition Form
18. Notice	M	[intentionally omitted]
19. Miscellaneous	N	Form of Subordination Agreement
	O	Form of Payment Bond
		(An asterisk (*) indicates which exhibits are to be recorded.)

## SECTION 2. DEFINITIONS

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

“Act” shall have the meaning set forth in the Recitals hereof.

“Affiliate” shall mean any person or entity directly or indirectly controlling, controlled by or under common control with Partnership.

“Annual Compliance Report” shall mean a signed report from Partnership to the City (a) itemizing each of Partnership's obligations under the RDA during the preceding calendar year, (b) certifying Partnership's compliance or noncompliance with such obligations, (c) attaching evidence (whether or not previously submitted to the City) of such compliance or noncompliance and (d) certifying that Partnership is not in default with respect to any provision of the RDA, the agreements evidencing the Lender Financing, if any, or any related agreements; provided, that the obligations to be covered by the Annual Compliance Report shall include the following: (1) delivery of Financial Statements (Section 9.13); (2) delivery of updated insurance certificates, if applicable (Section 9.14); (3) delivery of evidence of payment of Non-Governmental Charges, if applicable (Section 9.15); (4) delivery of evidence that Energy Star Recognition has been obtained (Section 9.23); and (5) compliance with all other executory provisions of the RDA.

“Available Incremental Taxes” shall mean an amount equal to the Incremental Taxes on deposit in the TIF Fund established to pay Redevelopment Project Costs and obligations incurred in the payment thereof and which are available for the financing or payment of Redevelopment Project Costs, after deducting (i) the TIF District Administration Fee, (ii) all Incremental Taxes From a New Project pledged or allocated to assist the New Project, (iii) all

Incremental Taxes previously allocated (based on the date of the applicable resolution adopted by the City's Community Development Commission) or pledged by the City before the date of this Agreement including, without limitation, Incremental Taxes allocated or pledged to Prior Obligations, and (iv) debt service payments with respect to the Bonds, if any.

"Available Project Funds" shall have the meaning set forth for such term in Section 5.07 hereof.

"Bond(s)" shall have the meaning set forth for such term in Section 9.05 hereof.

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

"Bridge Loan" shall mean that certain loan made by Citibank N.A. to Partnership for the Project.

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

"CCP Developer Land" shall have the meaning set forth in the Recitals hereof.

"Certificate" shall mean the Certificate of Completion of Construction described in Section 8.01 hereof.

"Change Order" shall mean any amendment or modification to the Scope Drawings, Plans and Specifications or the Project Budget as described in Section 4.03, Section 4.04 and Section 4.05, respectively.

"City Contract" shall have the meaning set forth in Section 9.01(l) hereof.

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

"City Funds" shall mean the funds described in Section 5.03(b) hereof.

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

"City Land Closing" shall have the meaning set forth in Section 3.01(a) hereof.

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

"Contract" shall have the meaning set forth in Section 11.03 hereof.

"Contractor" shall have the meaning set forth in Section 11.03 hereof.

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

"Corporation Counsel" shall mean the City's Department of Law.

"CPS" shall mean The Board of Education of the City of Chicago, also known as Chicago Public Schools.

"Deed" shall have the meaning set forth in Section 3.01(b) hereof.

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

"EDS" shall mean the City's Economic Disclosure Statement and Affidavit, on the City's then-current form, whether submitted in paper or via the City's online submission process.

"Employer(s)" shall have the meaning set forth in Section 11 hereof.

"Employment Plan" shall have the meaning set forth in Section 6.14 hereof.

"Energy Star Recognition" shall mean the "Designed to Earn the ENERGY STAR" recognition with respect to the Project, as administered by the United States Environmental Protection Agency.

"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.

"Equity" shall mean funds of Developer Parties (other than funds derived from Lender Financing) irrevocably available for the Project, in the amount set forth in Section 5.01 hereof, which amount may be increased pursuant to Section 5.06 (Cost Overruns) or Section 5.03(b).

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

"Escrow Agreement" shall mean the Escrow Agreement establishing a construction escrow, to be entered into as of the date hereof by the City, the Title Company (or an affiliate of the Title Company), Partnership and Partnership's lender(s), substantially in the form of Exhibit D attached hereto.

"Event of Default" shall have the meaning set forth in Section 16 hereof.

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



“Financial Interest” shall have the meaning set forth for such term in Section 2-156-010 of the Municipal Code.

“Final Project Cost” shall have the meaning set forth in Section 8.01 hereof.

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

“General Contractor” shall mean the general contractor(s) hired by Developer Parties pursuant to Section 7.01.

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

“Human Rights Ordinance” shall have the meaning set forth in Section 11 hereof.

“In Balance” shall have the meaning set forth in Section 5.07 hereof.

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

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

“Indemnitee” and “Indemnites” shall have the meanings set forth in Section 14.01 hereof.

“Kinzie City Land” shall have the meaning set forth in the Recitals hereof.

“Kinzie Developer Land” shall have the meaning set forth in the Recitals hereof.

“Laws” shall mean all applicable federal, state, local or other laws (including common law), statutes, codes, ordinances, rules, regulations or other requirements, now or hereafter in effect, as amended or supplemented from time to time, and any applicable judicial or administrative interpretation thereof, including any applicable judicial or administrative orders,

consent decrees or judgments, including, without limitation, Sections 7-28 and 11-4 of the Municipal Code relating to waste disposal.

“Lender Financing” shall mean funds borrowed by Developer Parties from lenders and irrevocably available to pay for costs of the Project, in the amounts set forth in Section 5.01 hereof, including, without limitation, the Bridge Loan, the First Mortgage Permanent Loan, and the Subordinate Mortgage Permanent Loan.

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

“MBE/WBE Budget” shall mean the budget attached hereto as Exhibit H-2, as described in Section 11.03.

“MBE/WBE Program” shall have the meaning set forth in Section 11.03 hereof.

“Municipal Code” shall mean the Municipal Code of the City of Chicago, as amended from time to time.

“New Mortgage” shall have the meaning set forth in Section 17 hereof.

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

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

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

“Permitted Mortgage” shall have the meaning set forth in Section 17 hereof.

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

“Prior Expenditure(s)” shall have the meaning set forth in Section 5.05(a) hereof.

“Prior Obligations” shall mean Incremental Taxes pledged or committed to support the following projects:

CCP Redevelopment Area  
Arterial street resurfacing

Central Park Blvd. Lake St. to Franklin St.  
Division St., Kostner Ave. to Ridgeway Ave.  
Fulton St., Central Park Blvd. to Kedzie Blvd; Homan Ave., Franklin Blvd. to Fulton St., St. Louis Ave., Governors Pkwy to Carroll Ave.  
Hamlin Ave., Fulton St. to Lake St.  
Lighting--multiple locations in Ward 28  
Multi-Family purchase Rehab Program  
Neighborhood Improvement Program (NIP)  
Breakthrough Urban Ministries RDA  
Rosa Parks Apartments RDA  
West Humboldt Place RDA  
Small Business Improvement Fund (SBIF)  
TIF Works  
Modern Schools Bonds Debt Service:  
    Raby Horticultural  
    Westinghouse

Kinzie Redevelopment Area

Harold Washington Unity Coop RDA  
Peppercorn 240 LLC RDA

Intergovernmental Agreements:

    CPS: Cather  
    CPS: ADAPh1 Beidler  
    CPS: ADA Ph1 Morton  
    Library: Richard M. Daley  
    CTA: Morgan Green Line station

Street Improvements

    Grand Avenue

Arterial street resurfacing

    California Ave., Madison St. to Fulton St.  
    Fulton St., Sacramento Blvd. to California Ave.

Resurfacing Aberdeen St., Washington St. to Carroll Ave.

    Fulton St.  
    Halsted St., Chicago River to Lake St.

    Sacramento Blvd., Chicago St. to Carroll Ave.; Racine St., Lake St. to Randolph St.

Street improvements--Artesian Ave., Hubbard St. south

    Kinzie St., Carpenter St. to Des Plaines St.

    Kinzie St., Carpenter St., Peoria St. Green St.

    Kinzie St., Ogden St. to Carpenter St.; Racine St., Carroll Ave. to Hubbard St.

    Kinzie St., Ogden St. to DesPlaines St.

Street reconstruction - Lake St., Damen Ave. to Ashland Ave.

Divvy station installation

Lighting--Grand Ave., Central Park Ave, to Western Ave.

Sidewalks

Curb/gutter--Hubbard St., Morgan St. to Carpenter St.  
315 N. Racine Ave.; 159 N. Carpenter St.  
Lake St./Albany Ave.

Vaulted Sidewalks

1052 W. Fulton St.  
1335 W. Randolph St.

Alley construction

3045-50 W. Franklin Blvd.  
Fulton Market, Lake St, Green St., Peoria St.

Streetscape

Fulton Market, Halsted St. to Morgan St.  
Fulton Market, Morgan St. to Ogden St.  
Western St. Monroe St. to Lake St.

Traffic Signal- Halsted St./Fulton Market

Traffic Study - Fulton Market/Randolph St. Area

Small Business Improvement Fund (SBIF)

TIF Works

Chicago Farm Works

Pre-acquisition costs

Planned Manufacturing District Study

Water and Sewer Main Replacement Fulton Market

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

"Project Budget" shall mean the budget attached hereto as Exhibit H-1, showing the total cost of the Project by line item, furnished by Developer Parties to DPD, in accordance with Section 4.03 hereof.

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

"Purchase Price" shall have the meaning set forth in Section 3.01(a) hereof.

"Reconveyance Deed" shall have the meaning set forth in Section 6.07 hereof.

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

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

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

"Regulatory Agreement" shall mean that certain Low Income Housing Tax Credit Regulatory Agreement by and between the City and the Partnership dated of even date herewith.



“Requisition Form” shall mean the document, in the form attached hereto as Exhibit L, to be delivered by Developer Parties to DPD pursuant to Section 5.04 of this Agreement.

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

“Survey” shall mean a plat of survey in the most recently revised form of ALTA/ACSM land title survey of the Property, meeting the 2011 Minimum Standard Detail Requirements for ALTA/ACSM Land Title Surveys, effective February 23, 2011, dated within 75 days prior to the Closing Date, acceptable in form and content to the City and the Title Company, prepared by a surveyor registered in the State of Illinois, certified to the City and the Title Company, and indicating whether the Property is in a flood hazard area as identified by the United States Federal Emergency Management Agency (and updates thereof to reflect improvements to the Property in connection with the construction of the Facility and related improvements as required by the City or lender(s) providing Lender Financing).

“Term of the Agreement” shall mean the period of time commencing on the Closing Date and ending on the date on which the Redevelopment Area is no longer in effect (through and including December 31, 2026, as such date may be amended in accordance with applicable law).

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

“TIF Bonds” shall have the meaning set forth in the Recitals hereof.

“TIF Bond Ordinance” shall have the meaning set forth in the Recitals hereof.

“TIF Bond Proceeds” shall have the meaning set forth in the Recitals hereof.

“TIF District Administration Fee” shall mean the fee described in Section 5.05(c) hereof.

“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.

“TIF-Funded Improvements” shall mean those improvements of the Project which (i) qualify as Redevelopment Project Costs, (ii) are eligible costs under the Redevelopment Plan and (iii) the City has agreed to pay for out of the City Funds, subject to the terms of this Agreement. Exhibit C lists the TIF-Funded Improvements for the Project.

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

“Title Company” shall mean Title Services, Inc., an Illinois corporation.

“Title Policy” shall mean a title insurance policy in the most recently revised ALTA or equivalent form, showing title to the Property in Partnership as the insured and noting the recording of this Agreement as an encumbrance against the Property, and a subordination agreement in favor of the City with respect to previously recorded liens against the Property related to Lender Financing, if any, issued by the Title Company.

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

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

### SECTION THREE: CITY LAND CONVEYANCE

3.01 Conveyance of the City Land. The following provisions shall govern the City's conveyance of the City Land to the Partnership:

(a) Purchase Price. The City hereby agrees to sell, and Bickerdike hereby agrees to purchase, upon and subject to the terms and conditions of this Agreement, the City Land, for the amount of Thirteen and no/100 Dollars (\$13.00) (the "**Purchase Price**"), which is to be paid by Bickerdike to the City on the date the City conveys the City Land (the occurrence of such conveyance, the "**City Land Closing**") in cash or by certified check or cashier's check or wire transfer of immediately available funds. The Partnership shall pay all escrow fees and other title insurance fees, premiums and closing costs. The Partnership acknowledges and agrees that (i) the appraised fair market value of the City Land is One Hundred Sixty Seven Thousand and no/100 Dollars (\$167,000) and (ii) the City has only agreed to sell the City Land to the Partnership for the Purchase Price because the Partnership has agreed to execute this Agreement and comply with its respective terms and conditions.

(b) Form of Deed. The City shall convey the City Land to Bickerdike by quitclaim deed (the "**Deed**"), subject to the terms of this Agreement and, without limiting the quitclaim nature of the deed, the following

- (i) the Redevelopment Plan;
- (ii) the Regulatory Agreement;
- (ii) the standard exceptions in an ALTA title insurance policy;
- (iii) general real estate taxes and any special assessments or other taxes;
- (iv) all easements, encroachments, covenants and restrictions of record and not shown of record;
- (v) such other title defects as may exist; and
- (vi) any and all exceptions caused by the acts of the Developer Parties or agents.

(c) Title and Survey. Bickerdike and the Partnership acknowledge that they have obtained title insurance commitments for the City Land, showing the City in title to the City Land.

Bickerdike shall be solely responsible for and shall pay all costs associated with updating such title commitments (including all search, continuation and later-date fees), and obtaining any title insurance, extended coverage or other endorsements it deems necessary. The City agrees to provide the Title Company with a completed ALTA owner's statement, and other transfer documents typically required by the Title Company and typically provided by the City (but expressly excluding, however, "gap" undertakings, title indemnities and similar liabilities) at or prior to the City Land Closing. At the City Land Closing, the Partnership shall deliver to the City a copy of the owner's policy of title insurance that it obtains with respect to the City Land.

The City shall have no obligation to cure title defects; provided; however, if there are exceptions for general real estate tax liens which accrued prior to the City Land Closing with respect to the City Land, the City shall file a petition to vacate the tax sale in the Circuit Court of Cook County if the tax liens have been sold and/or seek to abate the tax liens by filing a tax abatement letter with the appropriate Cook County authorities or, filing tax injunction proceedings in the Circuit Court of Cook County, but shall have no further obligation with respect to any such taxes. If the City is unable to obtain the waiver or release of any such tax liens or is unable to cause the Title Company to insure over such tax liens, or if the City Land is encumbered with any other unpermitted exceptions, the Partnership shall have the option to do one of the following: (a) accept title to the City Land subject to the unpermitted exceptions, which shall then become permitted exceptions; or (b) terminate this Agreement by delivery of written notice to the City at least fourteen (14) days prior to the scheduled date for the City Land Closing.

The Partnership shall obtain and furnish the City with three (3) copies of a survey of the Property at the Partnership's sole cost and expense.

(d) City Land Closing. The conveyances of the City Land (from the City to Bickerdike and from Bickerdike to the Partnership) shall take place on the date of the City Land Closing at the downtown offices of the Title Company or such other place as the parties may mutually agree upon in writing; provided, however, in no event shall the closing of the land sale occur unless Bickerdike and the Partnership have satisfied all conditions precedent set forth in this Agreement, unless DPD, in its sole discretion, waives such conditions. On or before the Closing Date, the City shall deliver to the Title Company the Deed, all necessary state, county and municipal real estate transfer tax declarations, and an ALTA statement. The City will not provide a gap undertaking. Bickerdike shall immediately re-convey the City Land to the Partnership.

(e) Recordation of Quitclaim Deed and Other Documents. Bickerdike shall promptly record the Deed in the Office of the Recorder of Deeds of Cook County, Illinois and shall pay to record the Deed, this Agreement, and any other documents incident to the conveyance of the Property.

(f) No Merger. The terms of this Agreement shall not be merged with the City's deed conveying the City Land to the Partnership, and the delivery of the deed shall not be deemed to affect or impair the terms of this Agreement.

3.02 Escrow. In the event that Bickerdike requires conveyance through an escrow, Bickerdike shall pay all escrow fees.

3.03 Environmental Condition of the City Land.

The City makes no covenant, representation or warranty as to the soil or environmental condition of the City Land or the suitability of the City Land for any purpose whatsoever, and the Partnership agrees to accept the City Land "as is". If after the City Land Closing, the soil or environmental condition of the City Land is not in all respects entirely suitable for the use to which the City Land is to be utilized, it shall be the sole responsibility and obligation of the Partnership to take such action as is necessary to put the City Land in a condition suitable for such intended use. The Developer Parties agree to release the City from any claims and liabilities relating to or arising from the environmental condition of the City Land (including, without limitation, claims under CERCLA) and to undertake and discharge all liabilities of the City arising from any environmental condition which existed on the City Land prior to the City Land Closing.

Bickerdike and the Partnership each, on behalf of itself and its officers, directors, employees, successors, assigns, and anyone claiming by, through, or under them (collectively, the "**Bickerdike / Partnership Parties**") hereby waives and releases the City from and against any claims and liabilities relating to or arising from the structural, physical or environmental condition of the City Land, including, without limitation, claims arising under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended ("**CERCLA**"), and shall undertake and discharge all liabilities of the City arising from any structural, physical or environmental condition that existed on the City Land prior to the City Land Closing, including, without limitation, liabilities arising under CERCLA. The Bickerdike / Partnership Parties hereby acknowledge that, in purchasing the City Land, the Bickerdike / Partnership Parties are relying solely upon their own inspection and other due diligence activities and not upon any information (including, without limitation, environmental studies or reports of any kind) provided by or on behalf of the City or its agents or employees with respect thereto. The Bickerdike / Partnership Parties shall perform such studies and investigations, conduct such tests and surveys, and engage such specialists as the Bickerdike / Partnership Parties deem appropriate to evaluate fairly the structural, physical and environmental condition and risks of the City Land. If, after the City Land Closing, the structural, physical and environmental condition of the City Land is not in all respects entirely suitable for their intended use, it shall be the Bickerdike / Partnership Parties' sole responsibility and obligation to take such action as is necessary to put the City Land in a condition which is suitable for its intended use.

3.04 **Restrictions on Use of the Property.** The Developer Parties agree that they:

- (a) Shall devote the Property, and any part thereof, solely to the Project;
- (b) Shall not discriminate on the basis of race, color, sex, gender identity, age, religion, disability, national origin, ancestry, sexual orientation, marital status, parental status, military discharge status, or source of income in the use or occupancy of the Property or any part thereof or the Project or any part thereof; and
- (c) Shall devote the CCP City Land and the CCP Developer Land to uses consistent with the CCP Redevelopment Plan, and shall devote the Kinzie City Land and the Kinzie Developer Land to uses consistent with the Kinzie Redevelopment Plan.



The covenants contained in this Section 3.04(c) shall terminate upon the expiration of the applicable Redevelopment Plan as such expiration may be amended from time to time in accordance with and pursuant to applicable law.

#### SECTION 4. THE PROJECT

4.01 The Project. With respect to the Facility, the Developer Parties will: (i) begin redevelopment construction no later than six (6) months after the Closing Date, and (ii) complete redevelopment construction no later than twenty-four (24) months of the commencement of construction.

4.02 Scope Drawings and Plans and Specifications. The Partnership has delivered the Scope Drawings and Plans and Specifications to DPD and DPD has approved same. After such initial approval, subsequent proposed changes to the Scope Drawings or Plans and Specifications shall be submitted to DPD as a Change Order pursuant to Section 4.04 hereof. The Scope Drawings and Plans and Specifications shall at all times conform to the Redevelopment Plan and all applicable federal, state and local laws, ordinances and regulations. Partnership shall submit all necessary documents to the City's Building Department, Department of Transportation and such other City departments or governmental authorities as may be necessary to acquire building permits and other required approvals for the Project.

4.03 Project Budget. The Partnership has furnished to DPD, and DPD has approved, a Project Budget showing total costs for the Project in an amount not less than \$27,559,603. Partnership hereby certifies to the City that (a) it has Lender Financing and Equity described in Section 5.01 hereof in amounts sufficient to complete the Project; and (b) the Project Budget is true, correct and complete in all material respects. Partnership shall promptly deliver to DPD certified copies of any Change Orders with respect to the Project Budget for approval pursuant to Section 4.04 hereof.

4.04 Change Orders. All Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to changes to the Project must be submitted by the Partnership to DPD for DPD's prior written approval. The Partnership shall not authorize or permit the performance of any work relating to any such Change Order or the furnishing of materials in connection therewith prior to the receipt by the Partnership of DPD's written approval. The Construction Contract, and each contract between the General Contractor and any subcontractor, shall contain a provision to this effect. An approved Change Order shall not be deemed to imply any obligation on the part of the City to increase the amount of City Funds which the City has pledged pursuant to this Agreement or provide any other additional assistance to the Partnership.

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

4.06 Other Approvals. Any DPD approval under this Agreement shall have no effect upon, nor shall it operate as a waiver of, Partnership's obligations to comply with the provisions of Section 6.03 (Other Governmental Approvals) hereof. Partnership shall not commence construction of the Project until Partnership has obtained all necessary permits and approvals (including but not limited to DPD's approval of the Scope Drawings and Plans and Specifications) and proof of the General Contractor's and each subcontractor's bonding as required hereunder.

4.07 Progress Reports and Survey Updates. Partnership shall provide DPD with written quarterly progress reports detailing the status of the Project, including a revised completion date, if necessary (with any change in completion date being considered a Change Order, requiring DPD's written approval pursuant to Section 4.04). Partnership shall provide three (3) copies of an updated Survey to DPD upon the request of DPD or any lender providing Lender Financing, reflecting improvements made to the Property.

4.08 Inspecting Agent or Architect. If required by DPD, an independent agent or architect (other than Partnership's architect) approved by DPD shall be selected to act as the inspecting agent or architect, at Partnership's expense, for the Project. The inspecting agent or architect shall perform periodic inspections with respect to the Project, providing certifications with respect thereto to DPD, prior to requests for disbursement for costs related to the Project hereunder. If approved by DPD, the inspecting agent or architect may be the same one being used in such role by the lender providing Lender Financing, provided that such agent or architect (a) is not also the Partnership's agent or architect and (b) acknowledges in writing to the City that the City may rely on the findings of such agent or architect.

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

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

## SECTION 5. FINANCING

5.01 Total Project Cost and Sources of Funds. The cost of the Project is estimated to be \$27,559,603, to be applied in the manner set forth in the Project Budget.

<b>Sources:</b>	<b>Amount:</b>
<b>Lender Financing:</b> First Mortgage Permanent Loan	\$ 637,000*
<b>Lender Financing:</b> Subordinate Mortgage Permanent Loan	\$ 1,440,000*

<b>Lender Financing (Sponsor Loan):</b> Proceeds from grant of City Funds	\$ 6,450,503**
<b>Equity:</b> General Partner Contribution	\$ 100
<b>Equity:</b> Low Income Housing Tax Credit Equity	\$19,032,000***
<b>Total Sources</b>	\$27,559,603

\*Citibank, N.A. will serve as lender for the First Mortgage Permanent Loan and the Subordinate Mortgage Permanent Loan.

\*\*It is anticipated that the City Funds will be granted to Bickerdike on the Closing Date pursuant to this Agreement and Bickerdike will immediately make a sponsor loan secured by a junior mortgage to the Partnership in the amount of the City Funds.

\*\*\*It is anticipated that \$14,675,705 of the Low Income Housing Tax Credit Equity and the \$6,450,503 in City Funds will be bridged during construction by the Bridge Loan.

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

5.03 City Funds.

(a) Uses of City Funds. City Funds may only be used to pay directly or reimburse Developer Parties for costs of TIF-Funded Improvements that constitute Redevelopment Project Costs. Exhibit C sets forth, by line item, the TIF-Funded Improvements for the Project, and the maximum amount of costs that may be paid by or reimbursed from City Funds for each line item therein (subject to Sections 5.03(b) and 5.05(d)), contingent upon receipt by the City of documentation satisfactory in form and substance to DPD evidencing such cost and its eligibility as a Redevelopment Project Cost.

(b) Sources of City Funds. Subject to the terms and conditions of this Agreement, including but not limited to this Section 5.03 and Section 6 hereof, the City hereby agrees to provide City funds from the sources and in the amounts described directly below (the "City Funds") to pay for or reimburse Developer Parties for the costs of the TIF-Funded Improvements:

<u>Source of City Funds</u>	<u>Maximum Amount</u>
Available Incremental Taxes and/or TIF Bond Proceeds	\$6,450,503

provided, however, that the total amount of City Funds expended for TIF-Funded Improvements shall be an amount not to exceed \$6,450,503; and provided further, that the \$6,450,503 to be derived from Available Incremental Taxes and/or TIF Bond proceeds shall be available to pay costs related to TIF-Funded Improvements and allocated by the City for that purpose only so long as the amount of the Available Incremental Taxes deposited into the TIF Fund shall be sufficient to pay for such costs.

Developer Parties acknowledge and agree that the City's obligation to pay for TIF-Funded Improvements up to a maximum of \$6,450,503 is contingent upon the fulfillment of the condition set forth above. In the event that such conditions are not fulfilled, the amount of Equity to be contributed by Developer Parties pursuant to Section 5.01 hereof shall increase proportionately.

(c) City Funds. Subject to the conditions described in this Section 5.03, the City shall pay City Funds to Developer Parties in four installments as follows:

- (i) Six weeks following the Closing Date in the amount of \$500,000; and
- (ii) Upon the completion of 33% of the Project (based on the amount of expenditures incurred in relation to the Project Budget) in the amount of \$1,983,501; and
- (iii) Upon the completion of 66% of the Project (based on the amount of expenditures incurred in relation to the Project Budget) in the amount of \$1,983,501; and
- (iv) Upon the issuance of the Certificate in the amount of \$1,983,501.

5.04 Requisition Form. When the Developer Parties submit documentation to the City in connection with a request for the payment of City Funds as described in Section 5.03(c), beginning on the first request for payment and continuing through the earlier of (i) the Term of the Agreement or (ii) the date that the Developer Parties have been reimbursed in full under this Agreement, the Developer Parties shall provide DPD with a Requisition Form, along with the documentation described therein. The Developer Parties shall meet with DPD at the request of DPD to discuss the Requisition Form(s) previously delivered.

5.05 Treatment of Prior Expenditures and Subsequent Disbursements.

(a) Prior Expenditures. Only those expenditures made by Developer Parties with respect to the Project prior to the Closing Date, evidenced by documentation satisfactory to DPD and approved by DPD as satisfying costs covered in the Project Budget, shall be considered previously contributed Equity or Lender Financing hereunder (the "Prior Expenditures"). DPD shall have the right, in its sole discretion, to disallow any such expenditure as a Prior Expenditure. Exhibit I hereto sets forth the prior expenditures approved by DPD as of the date hereof as Prior Expenditures. Prior Expenditures made for items other than TIF-Funded Improvements shall not be reimbursed to Developer Parties, but shall reduce the amount of Equity and/or Lender Financing required to be contributed by Developer Parties pursuant to Section 5.01 hereof.

(b) [intentionally omitted]

(c) TIF District Administration Fee. Annually, the City may allocate an amount not to exceed 5.0% of the Incremental Taxes for payment of costs incurred by the City for the administration and monitoring of the Redevelopment Area, including the Project. Such fee shall be in addition to and shall not be deducted from or considered a part of the City Funds, and the City shall have the right to receive such funds prior to any payment of City Funds hereunder.



(d) Allocation Among Line Items. Disbursements for expenditures related to TIF-Funded Improvements may be allocated to and charged against the appropriate line only, with transfers of costs and expenses from one line item to another, without the prior written consent of DPD, being prohibited; provided, however, that such transfers among hard cost line items, in an amount not to exceed \$25,000 or \$100,000 in the aggregate, may be made without the prior written consent of DPD.

5.06 Cost Overruns. If the aggregate cost of the TIF-Funded Improvements exceeds City Funds available pursuant to Section 5.03 hereof, or if the cost of completing the Project exceeds the Project Budget, Developer Parties shall be solely responsible for such excess cost, and shall hold the City harmless from any and all costs and expenses of completing the TIF-Funded Improvements in excess of City Funds and of completing the Project.

5.07 Preconditions of Disbursement. Prior to each disbursement of City Funds hereunder, one or more of the Developer Parties shall submit documentation regarding the applicable expenditures to DPD, which shall be satisfactory to DPD in its sole discretion. Delivery by one or more of the Developer Parties to DPD of any request for disbursement of City Funds hereunder shall, in addition to the items therein expressly set forth, constitute a certification to the City, as of the date of such request for disbursement, that:

(a) the total amount of the disbursement request represents the actual cost of the Acquisition or the actual amount payable to (or paid to) the General Contractor and/or subcontractors who have performed work on the Project, and/or their payees;

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

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

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

(e) none of the Developer Parties have received any notice and has no knowledge of any liens or claim of lien either filed or threatened against the Property except for the Permitted Liens;

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

(g) the Project is In Balance. The Project shall be deemed to be in balance ("In Balance") only if the total of the available Project funds equals or exceeds the aggregate of the amount necessary to pay all unpaid Project costs incurred or to be incurred in the completion of the Project. "Available Project Funds" as used herein shall mean: (i) the undisbursed City Funds; (ii) the undisbursed Lender Financing, if any; (iii) the undisbursed Equity and (iv) any deferred developer fee owed to the Developer Parties, and (v) any other amounts deposited by Developer pursuant to this Agreement. Partnership hereby agrees that, if the Project is not In

Balance, Partnership shall, within 10 days after a written request by the City, deposit with the escrow agent or will make available (in a manner acceptable to the City), cash in an amount that will place the Project In Balance, which deposit shall first be exhausted before any further disbursement of the City Funds shall be made.

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

5.08 Permitted Transfers. Notwithstanding anything herein to the contrary, City will permit (i) the investor limited partner (the "Investor Limited Partner") to remove Rockwell, the general partner of the Partnership, in accordance with the Partnership's limited partnership agreement, provided the substitute general partner is acceptable to City in its discretion and the City provides its written consent (except no consent of the City shall be required under this Agreement if the substitute general partner is an affiliate of the Investor Limited Partner), (ii) the transfer of limited partner interests to an affiliate of the Investor Limited Partner pursuant to the limited partnership agreement, and (iii) the general partner to assign to a lender that is providing Lender Financing (the "Lender") all of the general partner's rights, title and interest in and to the Partnership and under the Partnership's limited partnership agreement as collateral for the Developer's obligations under the loans made or to be made by the Lender to the Partnership.

5.09 Conditional Grant. The City Funds being provided hereunder are being granted on a conditional basis, subject to Developer Parties' compliance with the provisions of this Agreement. The City Funds are subject to being reimbursed as provided in Section 16.02 hereof.

5.10 Sale or Transfer of the Property or Project by Partnership.

(a) Prior to the Issuance of the Certificate. Partnership must obtain the prior approval of the City for any sale or transfer of any part of the Property or the Project prior to the issuance of the Certificate.

(b) After the Issuance of the Certificate. After the Certificate is issued, Partnership need not obtain prior approval for any sale or transfer of any part of the Property or the Project; provided, however, that Partnership must notify the City not less than 60 days before any closing of sale of Partnership's intention to sell any part of the Property or the Project. Partnership must provide the City with true and correct copies of any contract for sale and related documents as part of such notice.

5.11 Construction Escrow. The City and Partnership hereby agree to enter into the Escrow Agreement. Except as expressly set forth herein, all disbursements of Project funds shall be made through the funding of draw requests with respect thereto pursuant to the Escrow

Agreement and this Agreement. In case of any conflict between the terms of this Agreement and the Escrow Agreement, the terms of this Agreement shall control. The City must receive copies of any draw requests and related documents submitted to the Title Company for disbursements under the Escrow Agreement. If Lender Financing is provided as contemplated by Section 5.01(a) to bridge finance any of the City Funds, then the Partnership may direct the amounts payable pursuant to Section 5.03 to be paid by the City in accordance with this Agreement to an account established by the Partnership with the Lender providing the Lender Financing until the full repayment of the Lender Financing.

## SECTION 6. CONDITIONS PRECEDENT

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

6.01 Project Budget. Partnership has submitted to DPD, and DPD has approved, a Project Budget in accordance with the provisions of Section 4.03 hereof.

6.02 Scope Drawings and Plans and Specifications. Partnership has submitted to DPD, and DPD has approved, the Scope Drawings and Plans and Specifications accordance with the provisions of Section 4.02 hereof.

6.03 Other Governmental Approvals. Partnership has secured all other necessary approvals and permits required by any state, federal, or local statute, ordinance or regulation and has submitted evidence thereof to DPD.

6.04 Financing. Partnership has furnished proof reasonably acceptable to the City that Partnership has Equity and Lender Financing in the amounts set forth in Section 5.01 hereof to complete the Project and satisfy its obligations under this Agreement. If a portion of such funds consists of Lender Financing, Partnership has furnished proof as of the Closing Date that the proceeds thereof are available to be drawn upon by Partnership as needed and are sufficient (along with other sources set forth in Section 5.01) to complete the Project. Partnership has delivered to DPD a copy of the construction escrow agreement entered into by Partnership regarding the Lender Financing. Any liens against the Property in existence at the Closing Date have been subordinated to certain encumbrances of the City set forth herein pursuant to a Subordination Agreement, in substantially the form set forth in Exhibit N hereto, with such changes as are acceptable to the City, executed on or prior to the Closing Date, which is to be recorded, at the expense of Partnership, with the Office of the Recorder of Deeds of Cook County.

6.05 Acquisition and Title. On the Closing Date, Partnership has furnished the City with a copy of the Title Policy for the City Land, certified by the Title Company, or a binding, signed, marked-up commitment to issue such Title Policy. The Title Policy is dated as of the Closing Date and contains only those title exceptions listed as Permitted Liens on Exhibit G hereto and evidences the recording of this Agreement pursuant to the provisions of Section 9.18 hereof. The Title Policy also contains such endorsements as shall be required by Corporation Counsel, including but not limited to an owner's comprehensive endorsement and satisfactory endorsements regarding zoning (3.1 with parking), contiguity, location, access and survey. Partnership has provided to DPD, on or prior to the Closing Date, documentation related to the

purchase of the City Land and certified copies of all easements and encumbrances of record with respect to the City Land not addressed, to DPD's satisfaction, by the Title Policy and any endorsements thereto.

6.06 Proof of Ownership of Developer Land. Prior to the conveyance of the City Land, the Partnership shall deliver to the City documentation in a form reasonably acceptable to the City's Corporation Counsel evidencing that the Partnership or Bickerdike is in title to the Developer Land.

6.07 Reconveyance Deed. Prior to the conveyance of the City Land to the Developer, the Developer shall deliver to the City a special warranty deed for the City Land in recordable form naming the City as grantee ("**Reconveyance Deed**"), for possible recording in accordance with Section 16.02.

6.08 Evidence of Clean Title. Each of the Developer Parties, at their own expense, has provided the City with searches as indicated in the chart below under each Developer Parties' name (and the following trade names of each of the Developer Parties: none) showing no liens against the Developer Parties, the Property or any fixtures now or hereafter affixed thereto, except for the Permitted Liens:

<b>Jurisdiction</b>	<b>Searches</b>
Secretary of State	UCC, Federal tax
Cook County Recorder	UCC, Fixtures, Federal tax, State tax, Memoranda of judgments
U.S. District Court	Pending suits and judgments
Clerk of Circuit Court, Cook County	Pending suits and judgments

6.09 Surveys. Partnership has furnished the City with three (3) copies of the Survey.

6.10 Insurance. Partnership, at its own expense, has insured the Property in accordance with Section 13 hereof, and has delivered certificates required pursuant to Section 13 hereof evidencing the required coverages to DPD.

6.11 Opinion of Partnership's Counsel. On the Closing Date, each of the Developer Parties has furnished the City with an opinion of counsel, substantially in the form attached hereto as Exhibit J, with such changes as required by or acceptable to Corporation Counsel. If Partnership has engaged special counsel in connection with the Project, and such special counsel is unwilling or unable to give some of the opinions set forth in Exhibit J hereto, such opinions were obtained by Partnership from its general corporate counsel.

6.12 Evidence of Prior Expenditures. Partnership has provided evidence satisfactory to DPD in its sole discretion of the Prior Expenditures in accordance with the provisions of Section 5.05(a) hereof.

6.13 Financial Statements. Partnership has provided Financial Statements to DPD for its most recent fiscal year, and audited or unaudited interim financial statements.



6.14 Documentation; Employment Plan. The Partnership has provided documentation to DPD, satisfactory in form and substance to DPD, with respect to current employment matters in connection with the construction or rehabilitation work on the Project, including the reports described in Section 9.07. At least thirty (30) days prior to the Closing Date, the Partnership has met with the Workforce Solutions division of DPD to review employment opportunities with the Partnership after construction or rehabilitation work on the Project is completed. On or before the Closing Date, Partnership has provided to DPD, and DPD has approved, the Employment Plan for the Project (the "Employment Plan"). The Employment Plan includes, without limitation, the Partnership's estimates of future job openings, titles, position descriptions, qualifications, recruiting, training, placement and such other information as DPD has requested relating to the Project.

6.15 Environmental. Partnership has provided DPD with copies of all environmental reports or audits, if any, previously completed with respect to the Property and any phase I or II environmental audit with respect to the Property required by the City. Partnership has provided the City with a letter from the environmental engineer(s) who completed such audit(s), authorizing the City to rely on such audits.

6.16 Corporate Documents; Economic Disclosure Statement. Each of the Developer Parties has provided a copy of its Articles or Certificate of Incorporation or Organization or Limited Partnership containing the original certification of the Secretary of State of its state of incorporation or organization; certificates of good standing from the Secretary of State of its state of incorporation or organization and all other states in which Developer is qualified to do business; a secretary's certificate in such form and substance as the Corporation Counsel may require; by-laws or operating agreement of Developer; and such other corporate documentation as the City has requested.

Each of the Developer Parties has provided to the City an EDS, dated as of the Closing Date, which is incorporated by reference, and Developer Parties further will provide any other affidavits or certifications as may be required by federal, state or local law in the award of public contracts, all of which affidavits or certifications are incorporated by reference. Notwithstanding acceptance by the City of the EDS, failure of the EDS to include all information required under the Municipal Code renders this Agreement voidable at the option of the City. Developer Parties and any other parties required by this Section 6.16 to complete an EDS must promptly update their EDS(s) on file with the City whenever any information or response provided in the EDS(s) is no longer complete and accurate, including changes in ownership and changes in disclosures and information pertaining to ineligibility to do business with the City under Chapter 1-23 of the Municipal Code, as such is required under Sec. 2-154-020, and failure to promptly provide the updated EDS(s) to the City will constitute an event of default under this Agreement.

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

## SECTION 7. AGREEMENTS WITH CONTRACTORS



7.01 Bid Requirement for General Contractor and Subcontractors. The Developer represents that prior to entering into an agreement with a General Contractor or any subcontractor for construction of the Project, Developer has solicited, or has caused the General Contractor to solicit, bids from qualified contractors eligible to do business with, and having an office located in, the City of Chicago, and has submitted all bids received to DPD for its inspection and written approval. (i) For the TIF-Funded Improvements, Developer has selected the General Contractor (or has caused the General Contractor to select the subcontractor) submitting the lowest responsible bid who can complete the Project in a timely manner. If Developer selected a General Contractor (or the General Contractor selects any subcontractor) submitting other than the lowest responsible bid for the TIF-Funded Improvements, the difference between the lowest responsible bid and the bid selected may not be paid out of City Funds. (ii) For Project work other than the TIF-Funded Improvements, if Developer selected a General Contractor (or the General Contractor selects any subcontractor) who did not submit the lowest responsible bid, the difference between the lowest responsible bid and the higher bid selected shall be subtracted from the actual total Project costs for purposes of the calculation of the amount of City Funds to be contributed to the Project pursuant to Section 5.03(b) hereof. Developer has submitted copies of the Construction Contract to DPD in accordance with Section 7.02 below. Photocopies of all subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to DPD within five (5) business days of the execution thereof. Developer represents that the General Contractor has not (and has caused the General Contractor to ensure that the subcontractors have not) begin work on the Project until the Plans and Specifications have been approved by DPD and all requisite permits have been obtained.

7.02 Construction Contract. Prior to the execution thereof, Partnership shall deliver to DPD a copy of the proposed Construction Contract with the General Contractor selected to handle the Project in accordance with Section 7.01 above, for DPD's prior written approval, which shall be granted or denied within ten (10) business days after delivery thereof. Within ten (10) business days after execution of such contract by Developer Parties, the General Contractor and any other parties thereto, Partnership shall deliver to DPD and Corporation Counsel a certified copy of such contract together with any modifications, amendments or supplements thereto.

7.03 Performance and Payment Bonds. Prior to the commencement of any portion of the Project which includes work on the public way, Partnership shall require that the General Contractor be bonded for its payment by sureties having an AA rating or better using a bond in the form attached as Exhibit O hereto. The City shall be named as obligee or co-obligee on any such bonds.

7.04 Employment Opportunity. Partnership shall contractually obligate and cause the General Contractor and each subcontractor to agree to the provisions of Section 11 hereof.

7.05 Multi-Project Labor Agreement. The Developer Parties shall cause the General Contractor to comply with that certain Settlement Agreement dated November 3, 2011, by and among the City, Chicago Regional Council of Carpenters, the Metropolitan Pier and Exposition Authority, the Public Building Commission of the City of Chicago, and the State of Illinois, because the Project budget is in excess of \$25,000,000, and, therefore, is subject to the

provisions of that certain City of Chicago Multi-Project Labor Agreement (the "MPLA") dated February 9, 2011, by and among the City and the labor organizations comprising the Chicago & Cook County Building & Construction Trades Council. The Developer Parties shall cause the General Contractor to comply with the MPLA to the fullest extent legally permissible without violating other requirements applicable to the construction of the Project, including, without limitation, the requirements of the MBE/WBE Program, the City resident employment provisions, Housing Act Section 3, Davis-Bacon Act, Illinois Prevailing Wages, the Contract Work Hours and Safety Standards Act and the Labor Standards Deposit Agreement. At the direction of DPD, affidavits and other supporting documentation shall be required of the Developer Parties, the General Contractor and the subcontractors to verify or clarify compliance with the MPLA.

7.06 Other Provisions. In addition to the requirements of this Section 7, the Construction Contract and each contract with any subcontractor shall contain provisions required pursuant to Section 4.04 (Change Orders), Section 7.05 (Multi-Project Labor Agreement), Section 9.09 (Prevailing Wage), Section 11.01(e) (Employment Opportunity), Section 11.02 (City Resident Employment Requirement), Section 11.03 (MBE/WBE Requirements, as applicable), Section 13 (Insurance) and Section 15.01 (Books and Records) hereof. Photocopies of all contracts or subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to DPD within five (5) business days of the execution thereof.

## SECTION 8. COMPLETION OF CONSTRUCTION OR REHABILITATION

8.01 Certificate of Completion of Construction or Rehabilitation. Upon completion of construction of the Project in accordance with the terms of this Agreement, and upon the Partnership's written request, which shall include a final Project budget detailing the total actual cost of the construction of the Project (the "**Final Project Cost**"), DPD shall issue to the Partnership the Certificate (the "**Certificate**"), all in recordable form certifying that the Partnership has fulfilled its obligation to complete the Project in accordance with the terms of this Agreement. No Certificate shall be issued unless DPD is satisfied that the Partnership has fulfilled all of the following obligations:

- (a) Receipt of a Certificate of Occupancy or other evidence acceptable to DPD that the Partnership has complied with building permit requirements for the Project;
- (b) Partnership has completed construction of the Project according to the Plans and Specifications;
- (c) The Facility is open for operation and in the process of being leased to tenants pursuant to the requirements set forth in the affordability provisions of the regulatory agreement executed by the Partnership in connection with the Low Income Housing Tax Credits;
- (d) Evidence that the Developer Parties have incurred TIF-eligible costs in an equal amount to, or greater than, \$6,450,503;
- (e) The City's Monitoring and Compliance Unit has verified that, at the time the Certificate is issued, the Partnership is in full compliance with City requirements set forth in Section 11 and Section 9.09 (M/WBE, City Residency and Prevailing Wage) with respect to

construction of the Project, and that 100% of the Partnership's MBE/WBE Commitment in Section 11.03 has been fulfilled; and

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

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

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

Those covenants specifically described at Sections 9.02, 9.06, 9.19 and 9.21 as covenants that run with the land are the only covenants in this Agreement intended to be binding upon any transferee of the Property (including an assignee as described in the following sentence) throughout the Term of the Agreement notwithstanding the issuance of a Certificate; provided, that upon the issuance of a Certificate, the covenants set forth in Section 9.02 shall be deemed to have been fulfilled. The other executory terms of this Agreement that remain after the issuance of a Certificate shall be binding only upon Developer Parties or a permitted assignee of Developer Parties who, pursuant to Section 19.15 of this Agreement, has contracted to take an assignment of Developer's rights under this Agreement and assume Developer Parties' liabilities hereunder.

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

- (a) the right to terminate this Agreement and cease all disbursement of City Funds not yet disbursed pursuant hereto;

- (b) the right (but not the obligation) to complete those TIF-Funded Improvements that are public improvements and to pay for the costs of TIF-Funded Improvements (including interest costs) out of City Funds or other City monies. In the event that the aggregate cost of completing the TIF-Funded Improvements exceeds the amount of City Funds available pursuant to Section 5.01, Developer Parties shall reimburse the City for all reasonable costs and expenses incurred by the City in completing such TIF-Funded Improvements in excess of the available City Funds; and

(c) the right to seek reimbursement of the City Funds from Developer Parties, provided that the City is entitled to rely on an opinion of counsel that such reimbursement will not jeopardize the tax-exempt status of the TIF Bonds.

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

#### SECTION 9. COVENANTS/ REPRESENTATIONS/ WARRANTIES OF THE DEVELOPER PARTIES.

9.01 General. The Developer Parties respectively represent, warrant and covenant, as of the date of this Agreement and as of the date of each disbursement of City Funds hereunder, that:

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

(b) each of the Developer Parties have the right, power and authority to enter into, execute, deliver and perform this Agreement;

(c) the execution, delivery and performance by each of the Developer Parties of this Agreement has been duly authorized by all necessary corporate action, and does not and will not violate its Certificate of Limited Partnership, its Articles of Incorporation/Articles of Organization or by-laws or operating agreement or limited partnership 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 Developer Party is now a party or by which Developer Party is now or may become bound;

(d) unless otherwise permitted or not prohibited pursuant to or under the terms of this Agreement, Partnership shall acquire and shall maintain good, indefeasible and merchantable fee simple title to the Property (and all improvements thereon) free and clear of all liens (except for the Permitted Liens, Lender Financing as disclosed in the Project Budget and non-governmental charges that Developer is contesting in good faith pursuant to Section 9.15 hereof)

(e) the Developer Parties are 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 Developer Parties which would impair its ability to perform under this Agreement;



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

(h) Developer Parties are not in default with respect to any indenture, loan agreement, mortgage, deed, note or any other agreement or instrument related to the borrowing of money to which Developer Parties are a party or by which Developer Parties are bound;

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

(j) prior to the issuance of a Certificate, Developer Parties shall not do any of the following without the prior written consent of DPD: (1) be a party to any merger, liquidation or consolidation; (2) sell, transfer, convey, lease or otherwise dispose of all or substantially all of its assets or any portion of the Property (including but not limited to any fixtures or equipment now or hereafter attached thereto) except in the ordinary course of business; (3) enter into any transaction outside the ordinary course of Developer Parties' business; (4) assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity; or (5) enter into any transaction that would cause a material and detrimental change to Developer Parties' financial condition;

(k) Partnership has not incurred, and, prior to the issuance of a Certificate, shall not, without the prior written consent of the Commissioner of DPD, allow the existence of any liens against the Property (or improvements thereon) other than the Permitted Liens; or incur any indebtedness, secured or to be secured by the Property (or improvements thereon) or any fixtures now or hereafter attached thereto, except Lender Financing disclosed in the Project Budget;

(l) Developer Parties have 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 Developer in violation of Chapter 2-156-120 of the Municipal Code;

(m) none of the Developer Parties nor any affiliate of Developer Parties 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;

(n) such party understands that (i) the City Funds are limited obligations of the City, payable solely from funds on deposit in the TIF Fund; (ii) the City Funds do not constitute indebtedness of the City within the meaning of any constitutional or statutory provision or limitation; (iii) such party will have no right to compel the exercise of any taxing power of the City for payment of the City Funds; and (iv) the City Funds do not and will not represent or constitute a general obligation or a pledge of the faith and credit of the City, the State of Illinois or any political subdivision thereof;

(o) such party has sufficient knowledge and experience in financial and business matters, including municipal projects and revenues of the kind represented by the City Funds, and has been supplied with access to information to be able to evaluate the risks associated with the receipt of City Funds;

(p) such party understands that there is no assurance as to the amount or timing of receipt of City Funds, and that the amounts of City Funds actually received by such party may be substantially less than the maximum amounts set forth in Section 5.03(b);

(q) such party understands it may not sell, assign, pledge or otherwise transfer its interest in this Agreement or City Funds in whole or in part, and, to the fullest extent permitted by law, agrees to indemnify the City for any losses, claims, damages or expenses relating to or based upon any sale, assignment, pledge or transfer of City Funds in violation of this Agreement; and

(r) such party acknowledges that with respect to City Funds, the City has no obligation to provide any continuing disclosure to the Electronic Municipal Market Access System maintained by the Municipal Securities Rulemaking Board, to any holder of a note relating to City Funds or any other person under Rule 15c2-12 of the Commission promulgated under the Securities Exchange Act of 1934 or otherwise, and shall have no liability with respect thereto.

9.02 Covenant to Redevelop. Upon DPD's approval of the Project Budget, the Scope Drawings and Plans and Specifications as provided in Sections 4.02 and 4.03 hereof, and Developer's receipt of all required building permits and governmental approvals, Developer Parties shall redevelop the Property in accordance with this Agreement and all Exhibits attached hereto, the TIF Ordinances, the Bond Ordinance, the TIF Bond Ordinance, the Scope Drawings, Plans and Specifications, Project Budget and all amendments thereto, and all federal, state and local laws, ordinances, rules, regulations, executive orders and codes applicable to the Project, the Property and/or Developer Parties. The covenants set forth in this Section shall run with the land and be binding upon any transferee, but shall be deemed satisfied upon issuance by the City of a Certificate with respect thereto.

9.03 Redevelopment Plan. Developer Parties represent that the Project is and shall be in compliance with all of the terms of the Redevelopment Plan, which is hereby incorporated by reference into this Agreement.

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

9.05 Other Bonds. Developer Parties shall, at the request of the City, agree to any reasonable amendments to this Agreement that are necessary or desirable in order for the City to issue (in its sole discretion) any bonds in connection with the Redevelopment Area, the proceeds of which may be used to reimburse the City for expenditures made in connection with, or provide a source of funds for the payment for, the TIF-Funded Improvements (the "Bonds"); provided, however, that any such amendments shall not have a material adverse effect on Developer or the Project. Developer Parties shall, at Developer Parties' 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.

9.06 Affordable Housing Covenant. Developer Parties agree and covenant to the City that, the following provisions shall govern the terms of the obligation to provide affordable housing under this Agreement:

- (a) The Facility shall be operated and maintained solely as residential rental housing;
- (b) All 72 of the residential units in the Facility shall be available for occupancy to and be occupied solely by one or more qualifying as Low Income Families (as defined below) upon initial occupancy; and
- (c) Each of the 72 residential units in the Facility has monthly rents paid by the tenants not in excess of thirty percent (30%) of the maximum allowable income for a Low Income Family (with the applicable Family size for such units determined in accordance with the rules specified in Section 42(g)(2) of the Internal Revenue Code of 1986, as amended); provided, however, that for any unit occupied by a Family (as defined below) that no longer qualifies as a Low Income Family due to an increase in such Family's income since the date of its initial occupancy of such unit, the maximum monthly rent for such unit shall not exceed thirty percent (30%) of such Family's monthly income.
- (d) As used in this Section 9.06, the following terms has the following meanings:
  - (i) "Family" shall mean one or more individuals, whether or not related by blood or marriage; and
  - (ii) "Low Income Families" shall mean Families whose annual income does not exceed sixty percent (60%) of the Chicago-area median income, adjusted for Family size, as such annual income and Chicago-area median income are determined from time to time by the United States Department of Housing and Urban Development, and thereafter such income limits shall apply to this definition.

(e) The covenants set forth in this Section 9.06 shall run with the land and be binding upon any transferee throughout the Term of this Agreement.

9.07 Employment Opportunity; Progress Reports. Developer Parties covenant and agree to abide by, and contractually obligate and use reasonable efforts to cause the General Contractor and each subcontractor to abide by the terms set forth in Section 11 hereof. Developer shall deliver to the City written progress reports detailing compliance with the requirements of Sections 9.09, 11.02 and 11.03 of this Agreement. Such reports shall be delivered to the City on a monthly basis until the Project is completed. If any such reports indicate a shortfall in compliance, Developer shall also deliver a plan to DPD which shall outline, to DPD's satisfaction, the manner in which Developer Parties shall correct any shortfall.

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

9.09 Prevailing Wage. Developer Parties covenant and agree to pay, and to contractually obligate and cause the General Contractor and each subcontractor to pay, the prevailing wage rate ("**Illinois Prevailing Wages**") as ascertained by the Illinois Department of Labor (the "**Department**"), to all Project employees. All such contracts shall list the specified rates to be paid to all laborers, workers and mechanics for each craft or type of worker or mechanic employed pursuant to such contract. If the Department revises such prevailing wage rates, the revised rates shall apply to all such contracts. Upon the City's request, Developer Parties shall provide the City with copies of all such contracts entered into by Developer or the General Contractor to evidence compliance with this Section 9.09.

9.10 Arms-Length Transactions. Unless DPD has given its prior written consent with respect thereto, no Affiliate of Developer Parties 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. Developer Parties shall provide information with respect to any entity to receive City Funds directly or indirectly (whether through payment to the Affiliate by Developer Parties and reimbursement to Developer Parties for such costs using City Funds, or otherwise), upon DPD's request, prior to any such disbursement.

9.11 Conflict of Interest. Pursuant to Section 5/11-74.4-4(n) of the Act, each of Developer Parties represent, warrant and covenant 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 Developer Parties 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 Developer Parties' business, the Property or any other property in the Redevelopment Area.

9.12 Disclosure of Interest. Developer Parties' counsel has no direct or indirect financial ownership interest in Developer, the Property or any other aspect of the Project.

9.13 Financial Statements. Developer Parties shall obtain and provide to DPD Financial Statements for fiscal year ended 2014 and each year thereafter for the Term of the Agreement.

9.14 Insurance. Partnership, at its own expense, shall comply with all provisions of Section 13 hereof.

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

(b) Right to Contest. Partnership has the right, before any delinquency occurs:

(i) to contest or object in good faith to the amount or validity of any Non-Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted, in such manner as shall stay the collection of the contested Non-Governmental Charge, prevent the imposition of a lien or remove such lien, or prevent the sale or forfeiture of the Property (so long as no such contest or objection shall be deemed or construed to relieve, modify or extend Partnership's covenants to pay any such Non-Governmental Charge at the time and in the manner provided in this Section 9.15); or

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

9.16 Developer Parties' Liabilities. None of the Developer Parties shall enter into any transaction that would materially and adversely affect its ability to perform its obligations hereunder or to repay any material liabilities or perform any material obligations of Developer Parties to any other person or entity. Developer Parties shall immediately notify DPD of any and all events or actions which may materially affect Developer Parties' ability to carry on its business operations or perform its obligations under this Agreement or any other documents and agreements.

9.17 Compliance with Laws.

(a) Representation. To the best of Developer Parties' knowledge, after diligent inquiry, the Property and the Project are and shall be, as and when required, in compliance with



all applicable Laws pertaining to or affecting the Project and the Property. Upon the City's request, Developer Parties shall provide evidence satisfactory to the City of such compliance.

(b) Covenant. Partnership covenants that the Property and the Project will be operated and managed in compliance with all Laws. Upon the City's request, the Partnership shall provide evidence to the City of its compliance with this covenant.

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

9.19 Real Estate Provisions.

(a) Governmental Charges.

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

(ii) Right to Contest. Partnership has the right before any delinquency occurs to contest or object in good faith to the amount or validity of any Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted in such manner as shall stay the collection of the contested Governmental Charge and prevent the imposition of a lien or the sale or forfeiture of the Property. No such contest or objection shall be deemed or construed in any way as relieving, modifying or extending Partnership's covenants to pay any such Governmental Charge at the time and in the manner provided in this Agreement unless Partnership has given prior written notice to DPD of Partnership's intent to contest or object to a Governmental Charge and, unless, at DPD's sole option,

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



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

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

(c) Real Estate Taxes.

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

(ii) Covenants Running with the Land. The parties agree that the restrictions contained in this Section 9.19(c) are covenants running with the land and this Agreement shall be recorded by the Partnership as a memorandum thereof, at the Partnership's expense, with the Cook County Recorder of Deeds on the Closing Date. These restrictions shall be binding upon the Partnership and its agents, representatives, lessees, successors, assigns and transferees from and after the date hereof, provided however, that the covenants shall be released when the Redevelopment Area is no longer in effect. The Partnership agrees that any sale, lease, conveyance, or transfer of title to all or any portion of the Property or Redevelopment Area from and after the date hereof shall be made explicitly subject to such covenants and restrictions. Notwithstanding anything contained in this Section 9.19(c) to the contrary, the City, in its sole discretion and by its sole action, without the joinder or concurrence of the Partnership, their successors or assigns, may waive and terminate the Developer Parties' covenants and agreements set forth in this Section 9.19(c).

(d) Notification to the Cook County Assessor of Change in Use and Ownership. Prior to the Closing Date, Partnership shall complete a letter of notification, in accordance with 35 ILCS 200/15-20, notifying the Cook County Assessor that there has been a change in use and ownership of the Property. On the Closing Date, Partnership shall pay to the Title Company the

cost of sending the notification to the Cook County Assessor via certified mail, return receipt requested. After delivery of the notification, Partnership shall forward a copy of the return receipt to DPD, with a copy to the City's Corporation Counsel's office.

9.20 Survival of Covenants. All warranties, representations, covenants and agreements of Developer Parties contained in this Section 9 and elsewhere in this Agreement shall be true, accurate and complete at the time of Developer Parties' execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties hereto and (except as provided in Section 8 hereof upon the issuance of a Certificate) shall be in effect throughout the Term of the Agreement.

9.21 Annual Compliance Report. Beginning in the year of the issuance of the Certificate and continuing for the subsequent ten years, Partnership shall submit to DPD the Annual Compliance Report within 30 days after the end of the calendar year to which the Annual Compliance Report relates. Failure by Developer to submit the Annual Compliance Report shall constitute an Event of Default under Section 16.01 hereof, without notice or opportunity to cure pursuant to Section 16.03 hereof. The covenants contained in this Section 9.21 shall run with the land and be binding upon any transferee for the Term of the Agreement.

9.22 Inspector General. It is the duty of Developer Parties and the duty of any bidder, proposer, contractor, subcontractor, and every applicant for certification of eligibility for a City contract or program, and all of Developer Parties' officers, directors, agents, partners, and employees and any such bidder, proposer, contractor, subcontractor or such applicant: (a) to cooperate with the Inspector General in any investigation or hearing undertaken pursuant to Chapter 2-56 of the Municipal Code and (b) to cooperate with the Legislative Inspector General in any investigation undertaken pursuant to Chapter 2-55 of the Municipal Code. Each of the Developer Parties represents that it understands and will abide by all provisions of Chapters 2-56 and 2-55 of the Municipal Code and that it will inform subcontractors of this provision and require their compliance.

9.23 Energy Star Recognition. Not later than the second anniversary of the Certificate issuance, the Developer Partnership shall provide evidence of Energy Star Recognition.

9.24. FOIA and Local Records Act Compliance.

(a) FOIA. The Developer Parties acknowledges that the City is subject to the Illinois Freedom of Information Act, 5 ILCS 140/1 et. seq., as amended ("FOIA"). The FOIA requires the City to produce records (very broadly defined in FOIA) in response to a FOIA request in a very short period of time, unless the records requested are exempt under the FOIA. If the Developer Parties receive a request from the City to produce records within the scope of FOIA, then the Developer Parties covenant to comply with such request within 48 hours of the date of such request. Failure by the Developer Parties to timely comply with such request shall be an Event of Default.

(b) Exempt Information. Documents that any of the Developer Parties submits to the City under Section 9.21, (Annual Compliance Report) or otherwise during the Term of the Agreement that contain trade secrets and commercial or financial information may be exempt if disclosure would result in competitive harm. However, for documents submitted by any of the

Developer Parties to be treated as a trade secret or information that would cause competitive harm, FOIA requires that Developer Parties mark any such documents as "proprietary, privileged or confidential." If any Developer Parties marks a document as "proprietary, privileged and confidential", then DPD will evaluate whether such document may be withheld under the FOIA. DPD, in its discretion, will determine whether a document will be exempted from disclosure, and that determination is subject to review by the Illinois Attorney General's Office and/or the courts.

(c) Local Records Act. Each of the Developer Parties acknowledges that the City is subject to the Local Records Act, 50 ILCS 205/1 et. seq, as amended (the "Local Records Act"). The Local Records Act provides that public records may only be disposed of as provided in the Local Records Act. If requested by the City, the Developer covenants Parties covenant to use its best efforts consistently applied to assist the City in its compliance with the Local Records Act

9.25 Survival of Covenants. All warranties, representations, covenants and agreements of Developer Parties contained in this Section 9 and elsewhere in this Agreement shall be true, accurate and complete at the time of Developer Parties' execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties hereto and (except as provided in Section 8 hereof upon the issuance of a Certificate of Completion) shall be in effect throughout the Term of the Agreement.

## SECTION 10. COVENANTS/REPRESENTATIONS/WARRANTIES OF CITY

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

10.02 Survival of Covenants. All warranties, representations, and covenants of the City contained in this Section 10 or elsewhere in this Agreement shall be true, accurate, and complete at the time of the City's execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties hereto and be in effect throughout the Term of the Agreement.

## SECTION 11. DEVELOPER PARTIES' EMPLOYMENT OBLIGATIONS

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

(a) No Employer shall discriminate against any employee or applicant for employment based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income

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

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

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

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

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

(f) Failure to comply with the employment obligations described in this Section 11.01 shall be a basis for the City to pursue remedies under the provisions of Section 16.02 hereof.

11.02 City Resident Construction Worker Employment Requirement. Developer Parties agree for itself and its successors and assigns, and shall contractually obligate its General Contractor and shall cause the General Contractor to contractually obligate its subcontractors, as applicable, to agree, that during the construction of the Project they shall comply with the minimum percentage of total worker hours performed by actual residents of the City as specified in Section 2-92-330 of the Municipal Code (at least 50 percent of the total worker hours worked



by persons on the site of the Project shall be performed by actual residents of the City); provided, however, that in addition to complying with this percentage, Developer Parties, its General Contractor and each subcontractor shall be required to make good faith efforts to utilize qualified residents of the City in both unskilled and skilled labor positions.

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

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

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

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

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

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

Good faith efforts on the part of Developer Parties, the General Contractor and each subcontractor to provide utilization of actual Chicago residents (but not sufficient for the granting of a waiver request as provided for in the standards and procedures developed by the Chief Procurement Officer) shall not suffice to replace the actual, verified achievement of the requirements of this Section concerning the worker hours performed by actual Chicago residents.

When work at the Project is completed, in the event that the City has determined that Developer Parties have failed to ensure the fulfillment of the requirement of this Section concerning the worker hours performed by actual Chicago residents or failed to report in the manner as indicated above, the City will thereby be damaged in the failure to provide the benefit of demonstrable employment to Chicagoans to the degree stipulated in this Section. Therefore, in such a case of non-compliance, it is agreed that 1/20 of 1 percent (0.0005) of the aggregate hard construction costs set forth in the Project budget (the product of .0005 x such aggregate



hard construction costs) (as the same shall be evidenced by approved contract value for the actual contracts) shall be surrendered by Developer Parties to the City in payment for each percentage of shortfall toward the stipulated residency requirement. Failure to report the residency of employees entirely and correctly shall result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. The willful falsification of statements and the certification of payroll data may subject Developer Parties, the General Contractor and/or the subcontractors to prosecution. Any retainage to cover contract performance that may become due to Developer Parties pursuant to Section 2-92-250 of the Municipal Code may be withheld by the City pending the Chief Procurement Officer's determination as to whether Developer Parties must surrender damages as provided in this paragraph.

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

Developer Parties shall cause or require the provisions of this Section 11.02 to be included in all construction contracts and subcontracts related to the Project.

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

(a) Consistent with the findings which support, as applicable, (i) the Minority-Owned and Women-Owned Business Enterprise Procurement Program, Section 2-92-420 et seq., Municipal Code (the "Procurement Program"), and (ii) the Minority- and Women-Owned Business Enterprise Construction Program, Section 2-92-650 et seq., Municipal Code (the "Construction Program," and collectively with the Procurement Program, the "MBE/WBE Program"), and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, and as qualified by, the provisions of this Section 11.03, during the course of the Project, at least the following percentages of the MBE/WBE Budget (as set forth in Exhibit H-2 hereto) shall be expended for contract participation by MBEs and by WBEs:

- (1) At least 24 percent by MBEs.
- (2) At least four percent by WBEs.

(b) For purposes of this Section 11.03 only, Developer Parties (and any party to whom a contract is let by Developer Parties in connection with the Project) shall be deemed a "contractor" and this Agreement (and any contract let by Developer Parties in connection with the Project) shall be deemed a "contract" or a "construction contract" as such terms are defined in Sections 2-92-420 and 2-92-670, Municipal Code, as applicable.

(c) Consistent with Sections 2-92-440 and 2-92-720, Municipal Code, Developer Parties' MBE/WBE commitment may be achieved in part by Developer Parties's status as an MBE or WBE (but only to the extent of any actual work performed on the Project by Developer Parties) or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of (i)

or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of (i) the MBE or WBE participation in such joint venture or (ii) the amount of any actual work performed on the Project by the MBE or WBE), by Developer Parties utilizing a MBE or a WBE as the General Contractor (but only to the extent of any actual work performed on the Project by the General Contractor), by subcontracting or causing the General Contractor to subcontract a portion of the Project to one or more MBEs or WBEs, or by the purchase of materials or services used in the Project from one or more MBEs or WBEs, or by any combination of the foregoing. Those entities which constitute both a MBE and a WBE shall not be credited more than once with regard to Developer Parties's MBE/WBE commitment as described in this Section 11.03. In accordance with Section 2-92-730, Municipal Code, Developer Parties shall not substitute any MBE or WBE General Contractor or subcontractor without the prior written approval of DPD.

(d) Developer Parties shall deliver quarterly reports to the City's monitoring staff during the Project describing its efforts to achieve compliance with this MBE/WBE commitment. Such reports shall include, *inter alia*, the name and business address of each MBE and WBE solicited by Developer Parties or the General Contractor to work on the Project, and the responses received from such solicitation, the name and business address of each MBE or WBE actually involved in the Project, a description of the work performed or products or services supplied, the date and amount of such work, product or service, and such other information as may assist the City's monitoring staff in determining Developer Parties's compliance with this MBE/WBE commitment. Developer Parties shall maintain records of all relevant data with respect to the utilization of MBEs and WBEs in connection with the Project for at least five years after completion of the Project, and the City's monitoring staff shall have access to all such records maintained by Developer Parties, on five Business Days' notice, to allow the City to review Developer Parties' compliance with its commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the Project.

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

(f) Any reduction or waiver of Developer Parties' MBE/WBE commitment as described in this Section 11.03 shall be undertaken in accordance with Sections 2-92-450 and 2-92-730, Municipal Code, as applicable.

(g) Prior to the commencement of the Project, Developer Parties shall be required to meet with the City's monitoring staff with regard to Developer Parties' compliance with its obligations under this Section 11.03. The General Contractor and all major subcontractors shall be required to attend this pre-construction meeting. During said meeting, Developer Parties shall demonstrate to the City's monitoring staff its plan to achieve its obligations under this Section 11.03, the sufficiency of which shall be approved by the City's monitoring staff. During the Project, Developer Parties shall submit the documentation required by this Section 11.03 to the City's monitoring staff, including the following: (i) subcontractor's activity report; (ii) contractor's certification concerning labor standards and prevailing wage requirements; (iii)

contractor letter of understanding; (iv) monthly utilization report; (v) authorization for payroll agent; (vi) certified payroll; (vii) evidence that MBE/WBE contractor associations have been informed of the Project via written notice and hearings; and (viii) evidence of compliance with job creation/job retention requirements. Failure to submit such documentation on a timely basis, or a determination by the City's monitoring staff, upon analysis of the documentation, that Developer Parties is not complying with its obligations under this Section 11.03, shall, upon the delivery of written notice to Developer Parties, be deemed an Event of Default. Upon the occurrence of any such Event of Default, in addition to any other remedies provided in this Agreement, the City may: (1) issue a written demand to Developer Parties to halt the Project, (2) withhold any further payment of any City Funds to Developer Parties or the General Contractor, or (3) seek any other remedies against Developer Parties available at law or in equity.

## SECTION 12. ENVIRONMENTAL MATTERS

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

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

12.02 If enrollment in the Illinois Site Remediation Program is required, the Partnership acknowledges and agrees that the City will not issue a Certificate of Completion or a Certificate of Occupancy for the Project until the Illinois Environmental Protection Agency has issued, and the City has approved, a Final Comprehensive No Further Remediation Letter for the Property.

## SECTION 13. INSURANCE

Partnership must provide and maintain, at Partnership's own expense, or cause to be provided and maintained during the term of this Agreement, the insurance coverage and requirements specified below, insuring all operations related to the Agreement.

(a) Prior to execution and delivery of this Agreement.

(i) Workers Compensation and Employers Liability

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

(ii) Commercial General Liability (Primary and Umbrella)

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

(iii) All Risk Property

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

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

(i) Workers Compensation and Employers Liability

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

(ii) Commercial General Liability (Primary and Umbrella)

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

(iii) Automobile Liability (Primary and Umbrella)



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

(iv) Railroad Protective Liability

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

(v) All Risk /Builders Risk

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

(vi) Professional Liability

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

(vii) Valuable Papers

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

(viii) Contractors Pollution Liability

When any remediation work is performed which may cause a pollution exposure, Partnership must cause remediation contractor to provide Contractor Pollution Liability covering bodily injury, property damage and other losses caused by pollution conditions that arise from the contract scope of work with limits of not less than \$1,000,000 per occurrence. Coverage must include completed operations, contractual liability, defense, excavation, environmental cleanup, remediation and disposal. When policies are renewed or replaced, the policy retroactive date must coincide with or precede, start of

work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years. The City of Chicago is to be named as an additional insured.

(c) Post Construction:

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

(d) Other Requirements:

Partnership must furnish the City of Chicago, Department of Planning and Development, City Hall, Room 1000, 121 North LaSalle Street 60602, original Certificates of Insurance, or such similar evidence, to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. Partnership must submit evidence of insurance on the City of Chicago Insurance Certificate Form (copy attached) or equivalent prior to closing. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. The failure of the City to obtain certificates or other insurance evidence from Partnership is not a waiver by the City of any requirements for Partnership to obtain and maintain the specified coverages. Partnership shall advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance does not relieve Partnership of the obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to stop work and/or terminate agreement until proper evidence of insurance is provided.

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

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

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

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

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

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

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

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

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

The City of Chicago Risk Management Department maintains the right to modify, delete, alter or change these requirements.

#### SECTION 14. INDEMNIFICATION

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

(i) Developer's failure to comply with any of the terms, covenants and conditions contained within this Agreement; or

(ii) Developer's or any contractor's failure to pay General Contractors, subcontractors or materialmen in connection with the TIF-Funded Improvements or any other Project improvement; or

(iii) the existence of any material misrepresentation or omission in this Agreement, any offering memorandum or information statement or the Redevelopment Plan or any other document related to this Agreement that is the result of information supplied or omitted by Developer or any Affiliate Developer or any agents, employees, contractors or persons acting under the control or at the request of Developer or any Affiliate of Developer; or

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

provided, however, that Developer shall have no obligation to an Indemnitee arising from the wanton or willful misconduct of that Indemnitee. To the extent that the preceding sentence may be unenforceable because it is violative of any law or public policy, Developer shall contribute the maximum portion that it is permitted to pay and satisfy under the applicable law, to the payment and satisfaction of all indemnified liabilities incurred by the Indemnitees or any of them. The provisions of the undertakings and indemnification set out in this Section 14.01 shall survive the termination of this Agreement.

## SECTION 15. MAINTAINING RECORDS/RIGHT TO INSPECT

15.01 Books and Records. Developer Parties shall keep and maintain separate, complete, accurate and detailed books and records necessary to reflect and fully disclose the total actual cost of the Project and the disposition of all funds from whatever source allocated thereto, and to monitor the Project. All such books, records and other documents, including but not limited to Developer Parties' loan statements, if any, General Contractors' and contractors' sworn statements, general contracts, subcontracts, purchase orders, waivers of lien, paid receipts and invoices, shall be available at Developer Parties' offices for inspection, copying, audit and examination by an authorized representative of the City, at Developer Parties' expense. Developer Parties shall incorporate this right to inspect, copy, audit and examine all books and records into all contracts entered into by Developer Parties with respect to the Project.

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

## SECTION 16. DEFAULT AND REMEDIES

16.01 Events of Default. The occurrence of any one or more of the following events, subject to the provisions of Section 16.03, shall constitute an "Event of Default" by Developer Parties hereunder:

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

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

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

(d) except as otherwise permitted hereunder, the creation (whether voluntary or involuntary) of, or any attempt to create, any lien or other encumbrance upon the Property,



including any fixtures now or hereafter attached thereto, other than the Permitted Liens, or the making or any attempt to make any levy, seizure or attachment thereof;

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

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

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

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

(i) the dissolution of Developer Parties or the death of any natural person who owns a material interest in Developer Parties;

(j) the institution in any court of a criminal proceeding (other than a misdemeanor) against Developer Parties or any natural person who owns a material interest in Developer Parties, which is not dismissed within thirty (30) days, or the indictment of Developer Parties or any natural person who owns a material interest in Developer Parties, for any crime (other than a misdemeanor);

(k) prior to the expiration of the Term of the Agreement, without the prior written consent of the City, any sale, transfer, conveyance, lease or other disposition of all or substantially all of Developer Parties' assets or any portion of the Property (including but not limited to any fixtures or equipment now or hereafter attached thereto) except in the ordinary course of business or as otherwise expressly permitted by this Agreement;

(l) The failure of Developer Parties, or the failure by any party that is a Controlling Person (defined in Section 1-23-010 of the Municipal Code) with respect to Developer Parties, to maintain eligibility to do business with the City in violation of Section 1-23-030 of the Municipal Code; such failure shall render this Agreement voidable or subject to termination, at the option of the Chief Procurement Officer;

(m) the failure of the Developer Parties to use the Property as an affordable housing development pursuant to and in accordance with Section 9.06; or

(n) the failure of the Developer Parties to commence or complete the Project in accordance with the time line outlined in Section 4.01.

For purposes of Sections 16.01(i) or 16.01(j) hereof, a person with a material interest in Developer Parties shall be one owning ten (10%) or more of Developer Parties' membership interests.

16.02 Remedies. Subject to Section 16.04, upon the occurrence of an Event of Default, the City may terminate this Agreement and any other agreements to which the City and Developer Parties are or shall be parties, suspend disbursement of City Funds, place a lien on the Project in the amount of City Funds paid, seek reimbursement of any City Funds paid, and/or the City may re-enter and take possession of the City Land, terminate the estate conveyed to the Partnership, and re-vest title to the City Land in the City pursuant to the Reconveyance Deed; provided, however, the City's foregoing right of reverter shall be limited by, and shall not defeat, render invalid, or limit in any way, the lien of any mortgage authorized by this Agreement. If the Reconveyance Deed is recorded by the City, the Partnership shall be responsible for all real estate taxes and assessments which accrued during the period the City Land were owned by the Partnership, and shall cause the release of all liens or encumbrances placed on the City Land during the period of time the City Land was owned by the Partnership. The Partnership will cooperate with the City to ensure that if the City records the Reconveyance Deed, such recording is effective for purposes of transferring title to the City Land to the City by executing any customary transfer documents. Once the Certificate has been issued, the Reconveyance Deed shall be void, the City shall return the Reconveyance Deed to the Partnership, and this remedy of reconveyance shall be extinguished.

The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to damages, injunctive relief or the specific performance of the agreements contained herein.

16.03 Curative Period. In the event Developer Parties shall fail to perform a monetary covenant which Developer Parties is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless Developer Parties has failed to perform such monetary covenant within ten (10) days of its receipt of a written notice from the City specifying that it has failed to perform such monetary covenant. In the event Developer Parties shall fail to perform a non-monetary covenant which Developer Parties is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless Developer Parties 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, Developer Parties 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.

16.04 Right to Cure by Lenders and Investors. In the event that an Event of Default occurs under this Agreement, and if, as a result thereof, the City intends to exercise any right or remedy available to it that could result in the termination of this Agreement or the cancellation, suspension, or reduction of any payment due from the City under this Agreement, the City shall send notice of such intended exercise to the parties identified in Section 18 and to any Lender providing Lender Financing or the Investor Limited Partner shall have the right (but not the obligation) to cure such an Event of Default under the following conditions:

(i) if the Event of Default is a monetary default, any party entitled to cure such default may cure it within 30 days after the later of: (a) the expiration of the cure period, if any, granted to the Developer Parties with respect to such monetary default; or (b) receipt by the Lenders or the Investor Limited Partner, as applicable, of such notice from the City; and

(ii) if the Event of Default is of a non-monetary nature, any party entitled to cure such default shall have the right to cure it within 30 days after the later of: (a) the expiration of the cure period, if any, granted to the Developer Parties with respect to such non-monetary default; or (b) receipt of such notice from the City; provided, however, that if such non-monetary default is not reasonably capable of being cured by the Lenders or the Investor Limited Partner within such 30-day period, such period shall be extended for such reasonable period of time as may be necessary to cure such default, provided that the party seeking such cure must continue diligently to pursue such cure and, if possession of the Project is necessary to effect such cure, the party seeking such cure must have instituted appropriate legal proceedings to obtain possession, in addition, upon such party obtaining possession of the Project, in the City's sole discretion, the City shall waive any Event of Default that cannot reasonably be cured.

## SECTION 17. MORTGAGING OF THE PROJECT

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

(a) In the event that a mortgagee or any other party shall succeed to Partnership's interest in the Property or any portion thereof pursuant to the exercise of remedies under a New Mortgage (other than a Permitted Mortgage), whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of Partnership's interest hereunder in accordance with Section 19.15 hereof, the City may, but shall not be obligated to, attorn to and recognize such party as the successor in interest to Partnership for all purposes under this Agreement and, unless so recognized by the City as the successor in interest, such party shall be entitled to no rights or benefits under this Agreement, but such party shall be bound by those provisions of this Agreement that are covenants expressly running with the land.

(b) In the event that any mortgagee shall succeed to Partnership's interest in the Property or any portion thereof pursuant to the exercise of remedies under an Existing Mortgage or a Permitted Mortgage, whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of Partnership's interest hereunder in accordance with Section 19.15 hereof, the City hereby agrees to attorn to and recognize such party as the successor in interest to Partnership for all purposes under this Agreement so long as such party accepts all of the obligations and liabilities of "Partnership" hereunder; provided, however, that, notwithstanding any other provision of this Agreement to the contrary, it is understood and agreed that if such party accepts an assignment of Partnership's interest under this Agreement, such party has no liability under this Agreement for any Event of Default of Partnership which accrued prior to the time such party succeeded to the interest of Partnership under this Agreement, in which case Partnership shall be solely responsible. However, if such mortgagee under a Permitted Mortgage or an Existing Mortgage does not expressly accept an assignment of Partnership's interest hereunder, such party shall be entitled to no rights and benefits under this Agreement, and such party shall be bound only by those provisions of this Agreement, if any, which are covenants expressly running with the land.

(c) Prior to the issuance by the City to Partnership of a Certificate pursuant to Section 8 hereof, no New Mortgage shall be executed with respect to the Property or any portion thereof without the prior written consent of the Commissioner of DPD.

#### SECTION 18. NOTICE

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

<p><b>If to the City:</b></p> <p>City of Chicago          Department of Planning and Development          121 North LaSalle Street, Room 1000          Chicago, Illinois 60602          Attention: Commissioner</p>	<p><b>If to Partnership:</b></p> <p>Nelson Mandela Apartments, LP          2550 West North Avenue          Chicago, Illinois 60647          Attention: Joy Aruguete, Chief Executive Officer</p>
<p>With Copies To:</p> <p>City of Chicago          Department of Law          121 North LaSalle Street, Room 600          Chicago, Illinois 60602          Attention: Finance and Economic Development Division</p>	<p>With Copies To:</p> <p>Applegate &amp; Thorne-Thomsen, P.C.          626 W. Jackson Blvd., Suite 400          Chicago, Illinois 60661          Attention: Nicholas J. Brunick</p> <p>And To:          Wincopin Circle LLLP          c/o Enterprise Community Asset Management, Inc.</p>



	70 Corporate Center 11000 Broken Land Parkway, Suite 700 Columbia, Maryland 21044 Attention: General Counsel
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Such addresses may be changed by notice to the other parties given in the same manner provided above. Any notice, demand, or request sent pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon dispatch. Any notice, demand or request sent pursuant to clause (c) shall be deemed received on the day immediately following deposit with the overnight courier and any notices, demands or requests sent pursuant to subsection (d) shall be deemed received two (2) business days following deposit in the mail.

## SECTION 19. MISCELLANEOUS

19.01 Amendment. This Agreement and the Exhibits attached hereto may not be amended 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 the Redevelopment Plan without the consent of any party hereto. It is agreed that no material amendment or change to this Agreement shall be made or be effective unless ratified or authorized by an ordinance duly adopted by the City Council. The term "material" for the purpose of this Section 19.01 shall be defined as any deviation from the terms of the Agreement which (a) operates to cancel or otherwise reduce any developmental, construction or job-creating obligations of Developer Parties (including those set forth in Sections 11.02 and 11.03 hereof) by more than five percent (5%), or (b) materially changes the Project site or character of the Project or any activities undertaken by Developer Parties affecting the Project site, the Project, or both, or increases any time agreed for performance by Developer Parties by more than ninety (90) days.

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

19.03 Limitation of Liability. No member, official or employee of the City shall be personally liable to Developer Parties 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 Developer Parties from the City or any successor in interest or on any obligation under the terms of this Agreement.

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

19.05 Waiver. Waiver by the City or Developer Parties 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 Developer Parties 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.

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

19.07 Disclaimer. Nothing contained in this Agreement nor any act of the City shall be deemed or construed by any of the parties, or by any third person, to create or imply any relationship of third-party beneficiary, principal or agent, limited or general partnership or joint venture, or to create or imply any association or relationship involving the City.

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

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

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

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

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

19.13 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.

19.14 Assignment. Developer Parties may not sell, assign or otherwise transfer its interest in this Agreement in whole or in part without the written consent of the City; provided, however, that the Developer Parties may collaterally assign their respective interests in this

Agreement to any of its lenders identified to the City as of the Closing Date, or to any lenders identified after the Closing Date and approved by the City, if any such lenders require such collateral assignment. Any successor in interest to Developer Parties under this Agreement shall certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, including but not limited to Sections 9.19 Real Estate Provisions and 9.23 (Survival of Covenants) hereof, for the Term of the Agreement. Developer Parties consent to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part.

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

19.16 Force Majeure. Neither the City nor Developer Parties 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.

19.17 Business Economic Support Act. Pursuant to the Business Economic Support Act (30 ILCS 760/1 et seq.), if Developer Parties are required to provide notice under the WARN Act, Developer Parties 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 Developer Parties have locations in the State. Failure by Developer Parties 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.

19.18 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.

19.19 Costs and Expenses. In addition to and not in limitation of the other provisions of this Agreement, Developer Parties agree 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 Parties also will pay any court costs, in addition to all other sums provided by law.

19.20 Business Relationships. Pursuant to Section 2-156-030(b) of the Chicago Municipal Code, it is illegal for (i) 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 any business relationship that creates a "Financial Interest" (as defined in Section 2-156-010 of the Municipal Code) on the part of the official, or the "Domestic Partner" (as defined in Section 2-156-010 of the Municipal Code) or spouse of the official, or from whom or which he has derived any income or compensation during the preceding twelve months or from whom or which he reasonably expects to derive any income or compensation in the following twelve months, and (ii) for any elected official 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 any business relationship that creates a Financial Interest on the part of the official, or the Domestic Partner or spouse of the official, or from whom or which he has derived any income or compensation during the preceding twelve months or from whom or which he reasonably expects to derive any income or compensation in the following twelve months. Any 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. Developer Parties hereby represent and warrant 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.

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

19.22 Exhibits. All of the exhibits attached to this Agreement are incorporated into this Agreement by reference.


[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.

NELSON MANDELA APARTMENTS, LP  
an Illinois limited partnership


By: Rockwell Community Development, Inc.,  
an Illinois not-for-profit corporation

By:   
Name: Joy Aruguete  
Title: Secretary/Treasurer

ROCKWELL COMMUNITY DEVELOPMENT, INC., an  
Illinois not-for-profit corporation

By:   
Name: Joy Aruguete  
Title: Secretary/Treasurer

BICKERDIKE REDEVELOPMENT CORPORATION, an  
Illinois not-for-profit corporation,

By:   
Name: Joy Aruguete  
Title: Chief Executive Officer

CITY OF CHICAGO

By: \_\_\_\_\_  
David L. Reifman  
Commissioner  
Department of Planning and Development

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

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an Illinois limited partnership

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an Illinois not-for-profit corporation

By: \_\_\_\_\_  
Name: Joy Aruguete  
Title: Secretary/Treasurer

ROCKWELL COMMUNITY DEVELOPMENT, INC., an  
Illinois not-for-profit corporation

By: \_\_\_\_\_  
Name: Joy Aruguete  
Title: Secretary/Treasurer

BICKERDIKE REDEVELOPMENT CORPORATION, an  
Illinois not-for-profit corporation

By: \_\_\_\_\_  
Name: Joy Aruguete  
Title: Chief Executive Officer

CITY OF CHICAGO

By: \_\_\_\_\_  
David L. Reifman  
Commissioner  
Department of Planning and Development







STATE OF ILLINOIS )  
 ) SS  
COUNTY OF COOK )

I, BRIDGET A. WHITE, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Joy Aruguete, personally known to me to be the chief executive officer of Bickerdike Redevelopment Corporation, an Illinois not-for-profit corporation ("Bickerdike") 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 Pres. of Bickerdike, as her free and voluntary act and as the free and voluntary act of Bickerdike, for the uses and purposes therein set forth.

2016 GIVEN under my hand and official seal this 26 day of January.

Bridget A. White  
Notary Public

My Commission Expires 7/22/2016

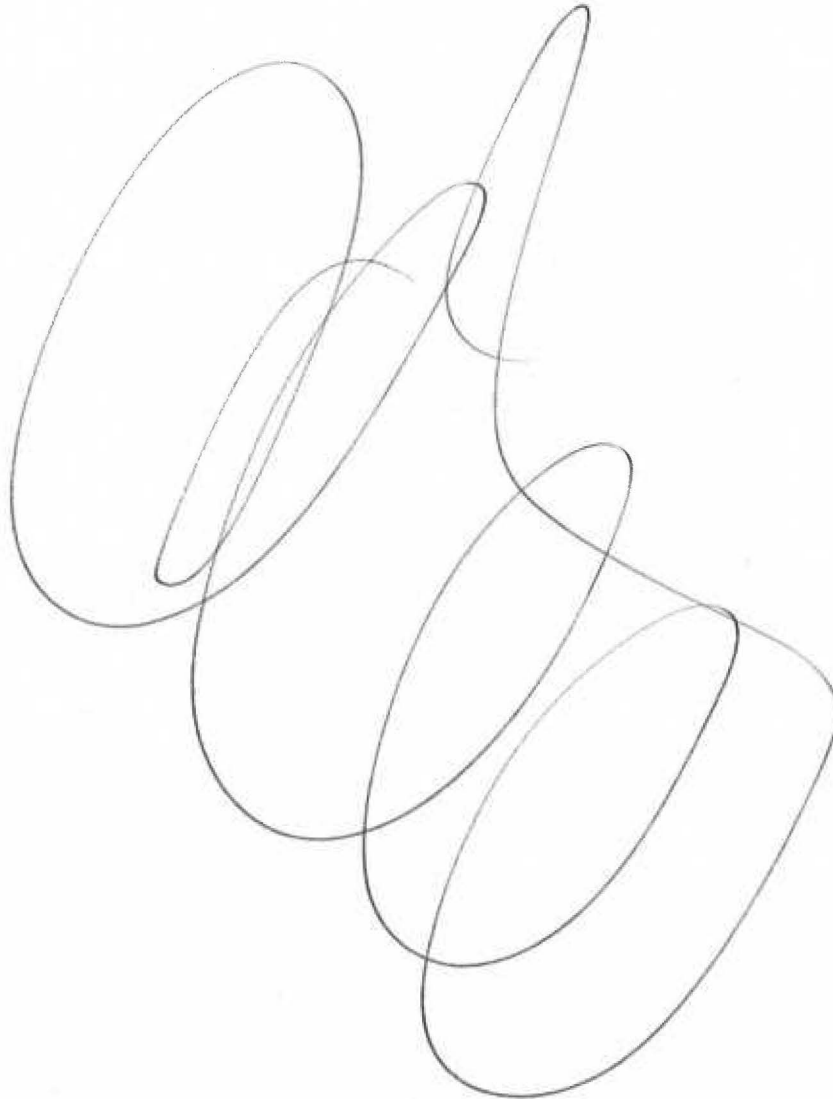




**EXHIBIT A-1**

**CCP REDEVELOPMENT AREA**

[Intentionally Omitted]



**EXHIBIT A-2**

**KINZIE REDEVELOPMENT AREA**

[Intentionally Omitted]





**EXHIBIT B-1**

**CCP CITY LAND**

[Subject to Survey and Title Insurance]

LOTS 24 AND 25 IN BLOCK 5 CUSHING'S SUBDIVISION OF BLOCKS 4 & 5 OF F. HARDING'S SUBDIVISION OF THE WEST ½ OF THE NORTHEAST ¼ OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: 601-603 N. CENTRAL PARK  
(NEW: 3554 W. OHIO ST.)

*PIN:* 16-11-208-015-0000

LOTS 1 & 2 IN THE SUBDIVISION OF BLOCK 11 OF HARDING'S SUBDIVISION OF THE WEST ½ OF THE NORTHEAST ¼ OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: 549 N. DRAKE  
(NEW: 3525 W. OHIO ST.)

*PIN:* 16-11-217-001-000

LOTS 18 AND 19 IN BLOCK 1 IN PHINNEY'S SUBDIVISION OF THE SOUTHWEST ¼ OF THE NORTHEAST ¼ OF THE NORTHEAST ¼ OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: 614 N. SPAULDING  
(NEW: 614 N. SPAULDING)

*PIN:* 16-11-213-041-0000

LOT 11 IN THE RESUBDIVISION OF LOTS 1 TO 10 AND 13 TO 17 IN BLOCK 1 IN RUST AND GILCHRIST'S SUBDIVISION OF THE SOUTHEAST ¼ OF THE NORTHEAST ¼ OF THE NORTHEAST ¼ OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: 605 N. SAWYER  
(NEW: 3224 W. OHIO ST.)

*PIN:* 16-11-215-037-0000

LOT 12 IN THE RESUBDIVISION OF LOTS 1 TO 10 AND 13 TO 17 IN BLOCK 1 IN RUST AND GILCHRIST'S SUBDIVISION OF THE SOUTHEAST ¼ OF THE NORTHEAST ¼ OF THE NORTHEAST ¼ OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: 607 N. SAWYER  
(NEW: 607 N. SAWYER AVE.)

*PIN:* 16-11-215-038-0000

**EXHIBIT B-2**

**KINZIE CITY LAND**

[Subject to Survey and Title Insurance]

THAT PART OF LOT 9 LYING SOUTH OF A LINE DRAWN FROM A POINT ON THE EAST LINE OF SAID LOT 3.04 FEET NORTH OF THE SOUTHEAST CORNER OF SAID LOT 9 TO A POINT ON THE WEST LINE OF SAID LOT 3.09 FEET NORTH OF THE SOUTHWEST CORNER OF SAID LOT 9 AND ALL OF LOT 10 IN BLOCK 2 OF JA'S W. TAYLOR'S SUBDIVISION OF THE WEST ½ OF THE SOUTHWEST ¼ OF THE NORTHWEST ¼ OF SECTION 12, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: 524 N. TROY ST.  
(NEW: 526 N. TROY ST.)

*PIN:* 16-12-106-021-0000

LOTS 8 AND 9 (EXCEPT THAT PART OF LOT 9 LYING SOUTH OF A LINE DRAWN FROM A POINT ON THE EAST LINE OF SAID LOT 3.04 FEET NORTH OF THE SOUTHEAST CORNER OF SAID LOT 9 TO A POINT ON THE WEST LINE OF SAID LOT 3.09 FEET NORTH OF THE SOUTHWEST CORNER OF SAID LOT 9) IN BLOCK 2 OF JA'S W. TAYLOR'S SUBDIVISION OF THE WEST ½ OF THE SOUTHWEST ¼ OF THE NORTHWEST ¼ OF SECTION 12, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: 530 N. TROY ST.  
(NEW: 528 N. TROY ST.)

*PIN:* 16-12-106-036-0000

LOTS 17, 18 IN BLOCK 1 OF JA'S W. TAYLOR'S SUBDIVISION OF THE WEST ½ OF THE SOUTHWEST ¼ OF THE NORTHWEST ¼ OF SECTION 12, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: 3106-3110 W. FRANKLIN BLVD.  
(NEW: 3108 W. FRANKLIN BLVD.)

16-12-107-031-0000  
16-12-107-032-0000

LOTS 21 AND 22 AND THAT PART OF LOT 23 LYING EAST OF A LINE DRAWN FROM A POINT ON THE SOUTH LINE OF SAID LOT 2.99 FEET WEST OF THE SOUTHEAST

CORNER OF SAID LOT TO A POINT ON THE NORTH LINE OF SAID LOT 2.95 FEET WEST OF THE NORTHEAST CORNER OF SAID LOT IN BLOCK 1 OF JA'S W. TAYLOR'S SUBDIVISION OF THE WEST ½ OF THE SOUTHWEST ¼ OF THE NORTHWEST ¼ OF SECTION 12, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: 3116-3120 W. FRANKLIN BLVD.  
(NEW: 3118 W. FRANKLIN BLVD.)

*PIN:* 16-12-107-026-0000  
16-12-107-027-0000  
16-12-107-028-0000

LOT 24 AND LOT 23 (EXCEPT THAT PART LYING EAST OF A LINE DRAWN FROM A POINT ON THE SOUTH LINE OF SAID LOT 2.99 FEET WEST OF THE SOUTHEAST CORNER OF SAID LOT TO A POINT ON THE NORTH LINE OF SAID LOT 2.95 FEET WEST OF THE NORTHEAST CORNER OF SAID LOT) IN BLOCK 1 OF JA'S W. TAYLOR'S SUBDIVISION OF THE WEST ½ OF THE SOUTHWEST ¼ OF THE NORTHWEST ¼ OF SECTION 12, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: 3124 W. FRANKLIN BLVD.  
(NEW: 505 N. TROY ST.)

*PIN:* 16-12-107-026-0000

LOTS 7 AND 8 IN IN BLOCK 3 OF JA'S W. TAYLOR'S SUBDIVISION OF THE WEST ½ OF THE SOUTHWEST ¼ OF THE NORTHWEST ¼ OF SECTION 12, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: 3145 W. FRANKLIN BLVD.

*PIN:* 16-12-109-003-0000



**EXHIBIT B-3**

**CCP DEVELOPER LAND**

[Subject to Survey and Title Insurance]

LOTS 23 & 24 IN MORTON'S SUBDIVISION OF LOTS 1 TO 5, 8, 9 & 10 OF BRECKENRIDGE'S SUBDIVISION OF BLOCK 6 OF HARDING'S SUBDIVISION OF THE WEST ½ OF THE NORTHEAST ¼ OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: 600-602 N. ST. LOUIS  
(NEW: 3500 W. OHIO ST.)

PIN: 16-11-209-038-0000  
16-11-209-037-0000

LOT 10 IN THE RESUBDIVISION OF LOTS 1 TO 10 AND 13 TO 17 IN BLOCK 1 IN RUST AND GILCHRIST'S SUBDIVISION OF THE SOUTHEAST ¼ OF THE NORTHEAST ¼ OF THE NORTHEAST ¼ OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: 601 N. SAWYER  
(NEW: 3224 W. OHIO ST.)

PIN: 16-11-215-021-0000

**EXHIBIT B-4**

**KINZIE DEVELOPER LAND**

[Subject to Survey and Title Insurance]

LOT 19 AND LOT 20 IN BLOCK 1 OF JA'S W. TAYLOR'S SUBDIVISION OF THE WEST ½ OF THE SOUTHWEST ¼ OF THE NORTHWEST ¼ OF SECTION 12, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: 3112-3114 W. FRANKLIN BLVD.  
(NEW: 3114 W. FRANKLIN BLVD.)

PIN: 16-12-107-029-0000  
16-12-107-030-0000

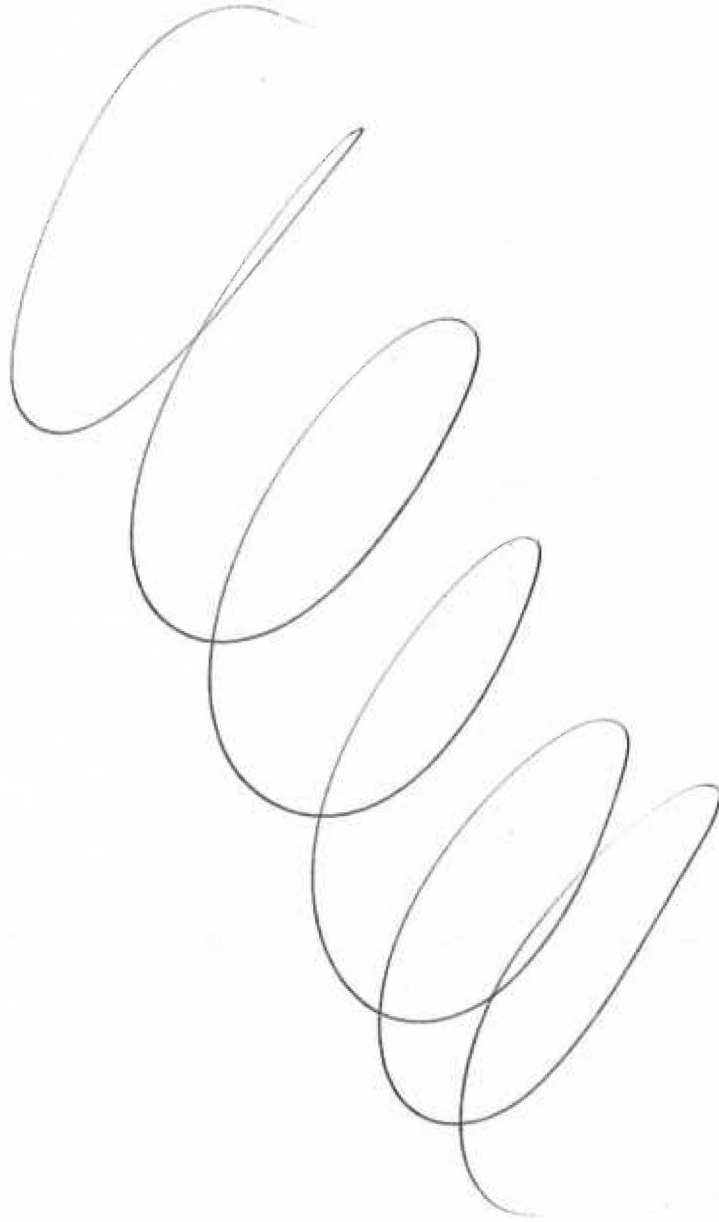
**EXHIBIT C**

**TIF-FUNDED IMPROVEMENTS**

<b>Category</b>	<b>Project Budget Amount</b>	<b>% TIF-Eligible</b>	<b>TIF-Eligible Cost</b>
Acquisition	\$180,000	100%	\$180,000
Sitework	\$1,301,563	100%	\$1,301,563
Affordable Housing Unit Costs			
Hard Costs	\$17,459,029	50%	\$8,729,515
Additional GC Costs	\$2,055,810	50%	\$1,027,905
Soft Costs and Architecture/Engineering	\$779,175	50%	\$389,588
Environmental and Geotechnical Testing	\$72,585	100%	\$72,585
<b>Total</b>			<b>\$11,701,156</b>

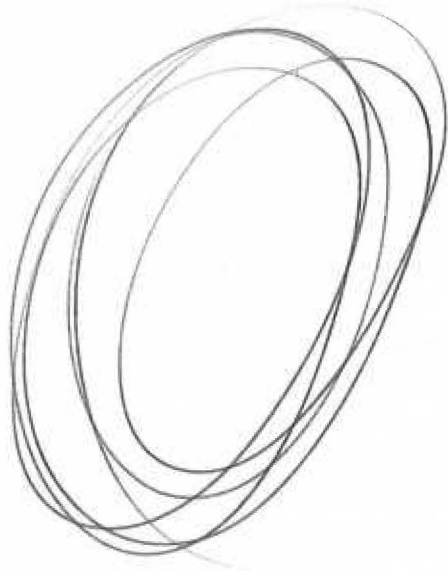
\*Notwithstanding the total of TIF-Funded Improvements or the amount of TIF-eligible costs, the assistance to be provided by the City is limited to the amount described in Section 5.03 and shall not exceed \$6,450,503.

**EXHIBIT D**  
**ESCROW AGREEMENT**  
**[Intentionally Omitted]**





**EXHIBIT E**  
**CONSTRUCTION CONTRACT**  
**[Intentionally Omitted]**



## EXHIBIT G

### PERMITTED LIENS

1. Liens or encumbrances against the Property:

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

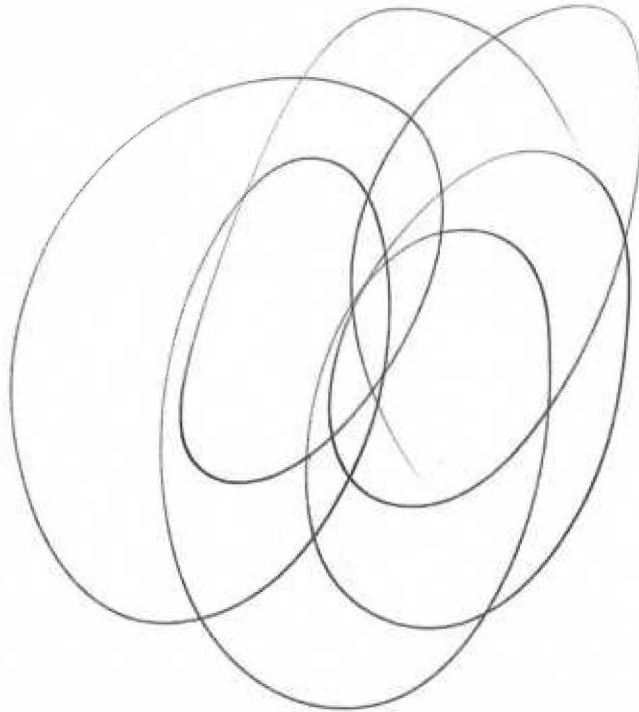
2. Liens or encumbrances against Developer or the Project, other than liens against the Property, if any: none.

**EXHIBIT H-1**  
**PROJECT BUDGET**

<b>Category</b>	<b>Amount</b>
Land Acquisition	\$180,000
Sitework	\$1,602,963
Unit Construction Costs	\$17,459,029
Additional GC Costs	\$2,213,616
Architectural and Engineering	\$670,000
Other Soft Costs	\$2,422,990
Lender Fees	\$1,441,363
Insurance and Taxes	\$131,721
Marketing and Leasing	\$15,000
Developer Fee	\$1,000,000
Reserves	\$422,921
<b>Total Project Costs</b>	<b>\$27,559,603</b>



**EXHIBIT I**  
**APPROVED PRIOR EXPENDITURES**  
**[Intentionally Omitted]**





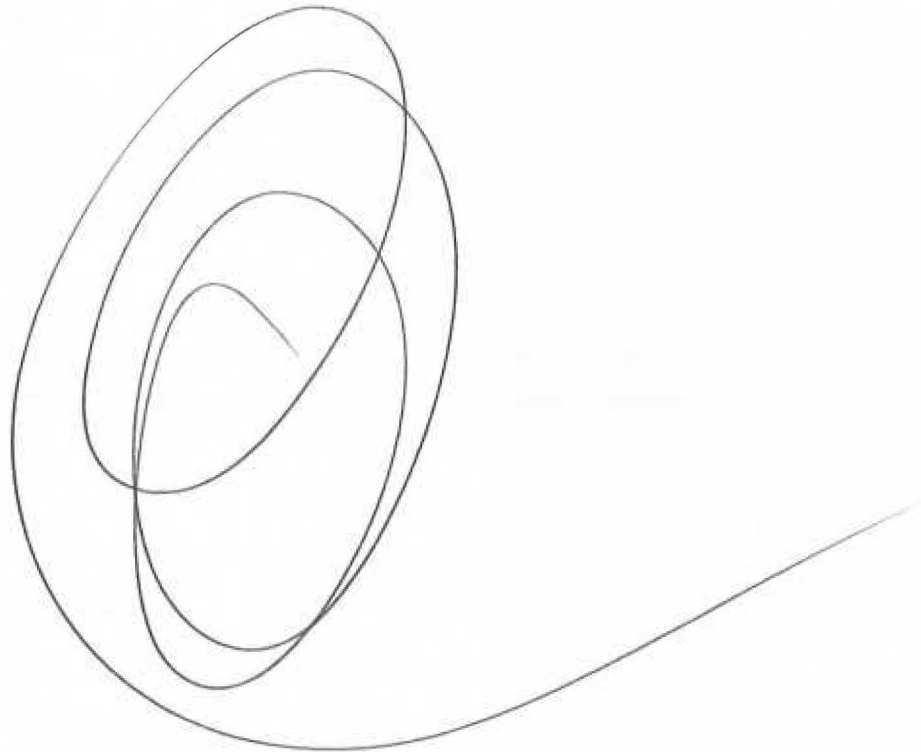
**EXHIBIT J**  
**OPINION OF DEVELOPER'S COUNSEL**  
**[Intentionally Omitted]**



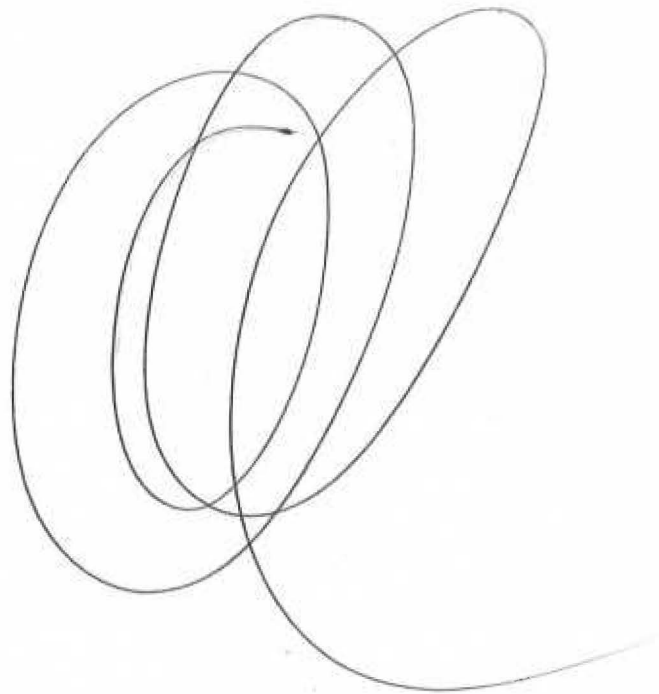
**EXHIBIT L**

**REQUISITION FORM**

**[Intentionally Omitted]**



**EXHIBIT N**  
**FORM OF SUBORDINATION AGREEMENT**  
**[Intentionally Omitted]**



**EXHIBIT O**  
**FORM OF PAYMENT BOND**  
**[Intentionally Omitted]**

