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47TH/ASHLAND REDEVELOPMENT AGREEMENT

BY AND BETWEEN

THE CITY OF CHICAGO

AND

PARK FEDERAL SAVINGS BANK

✓ This agreement was prepared by
and after recording return to:
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Exhibit C	*TIF-Funded Improvements
Exhibit D	Redevelopment Plan
Exhibit E	Construction Contract
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Exhibit I	Approved Prior Expenditures
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Exhibit K	*Preliminary TIF Projection -- Real Estate Taxes
Exhibit L	Requisition Form

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

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This agreement was prepared by and
after recording return to:
Charles E. Rodgers, Jr., Esq.
City of Chicago Law Department
121 North LaSalle Street, Room 600
Chicago, IL 60602

47th/ASHLAND REDEVELOPMENT AGREEMENT

This 47th/ Ashland Redevelopment Agreement (this "Agreement") is made as of this 21st day of July 2011, by and between the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Housing and Economic Development ("HED"), and Park Federal Savings Bank, (the "Developer").

RECITALS

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

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

C. City Council Authority: To induce redevelopment pursuant to the Act, the City Council of the City (the "City Council") adopted the following ordinances on March 27, 2002: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the 47th/Ashland Redevelopment Project Area"; (2) "An Ordinance of the City of Chicago, Illinois Designating the 47th/Ashland

Redevelopment Project Area as a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act"; and (3) "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Allocation Financing for the 47th/Ashland Redevelopment Project Area" (the "TIF Adoption Ordinance") (items (1)-(3) collectively referred to herein as the "TIF Ordinances"). The redevelopment project area referred to above (the "Redevelopment Area") is legally described in Exhibit A hereto.

D. The Project: The Developer has purchased 1817 - 1823 West 47th and 4707 South Honore (the "Property") located within the Redevelopment Area, all as legally described on Exhibit B hereto, and within the time frames set forth in Section 3.01 hereof, and has completed construction of an approximately 10,184 square foot 2 story all-masonry branch bank building (the "Facility") thereon. The Facility includes a three lane drive-up and parking with ATM, a Green Roof covering 50% of the net roof area, and will be fully fenced and landscaped in accordance with the Chicago landscape Ordinance, and has driveway access from Honore and 47th Street. 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." 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 47th/Ashland Redevelopment Project Area Tax Increment Financing Program Redevelopment Plan (the "Redevelopment Plan") attached hereto as Exhibit D.

F. City Financing: The City agrees to use, in the amounts set forth in Section 4.03 hereof, Available Incremental Taxes (as defined below), to reimburse the Developer 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 4.03(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.

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

SECTION 1. RECITALS

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

SECTION 2. DEFINITIONS

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

"47th/Ashland 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.

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

"Acquisition" 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 the Developer.

"Available Incremental Taxes" shall mean an amount equal to 80% of the Incremental Taxes deposited in the 47th/Ashland Redevelopment Project Area TIF Fund attributable to the taxes levied on the Property and with respect to the Project.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

"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 47th/Ashland special tax allocation fund for the Area established to pay Redevelopment Project Costs and obligations incurred in the payment thereof.

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

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

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

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

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

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

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

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

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

"Project Budget" shall mean the budget attached hereto as Exhibit H-1, showing the total cost of the

Project by line item, furnished by the Developer to , in accordance with Section 3.03 hereof.

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

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

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

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

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

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

"Survey" shall mean a the ALTA/ACSM Land Title Survey dated December 11, 2007, prepared by MM Surveying Co., Inc., which is deemed to be acceptable in form and content to the City and the Title Company(hereinafter defined) and is certified to the City and the Title Company, which indicates whether the Property is in a flood hazard area as identified by the United States Federal Emergency Management Agency.

"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, 2025).

"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-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 Chicago Title Insurance Company.

"Title Policy" shall mean a title insurance policy in the most recently revised ALTA or equivalent form, showing the Developer as the insured, noting the recording of this Agreement as an encumbrance against the Property.

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

2101 et seq.).

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

SECTION 3. THE PROJECT

3.01 The Project. With respect to the Facility, the Developer has, pursuant to the Plans and Specifications and subject to the provisions of Section 18.17 hereof: (i) commenced deconstruction no later than May 1, 2007; and (ii) completed construction and conduct business operations therein no later than May 1, 2008.

3.02 Scope Drawings and Plans and Specifications. The Developer has delivered the Scope Drawings and Plans and Specifications to HED and HED has approved same. After such initial approval, subsequent proposed changes to the Scope Drawings or Plans and Specifications shall be submitted to HED as a Change Order pursuant to Section 3.04 hereof. The Scope Drawings and Plans and Specifications shall at all times conform to the Redevelopment Plan and all applicable federal, state and local laws, ordinances and regulations. The Developer shall submit all necessary documents to the City's Building Department, Department of Transportation and such other City departments or governmental authorities as may be necessary to acquire building permits and other required approvals for the Project.

3.03 Project Budget. The Developer has furnished to HED, and HED has approved, a Project Budget showing total costs for the Project in an amount not less than Five Million Two Thousand Six Hundred Seventy Dollars (\$5,002,670). The Developer hereby certifies to the City that (a) the City Funds, together with Lender Financing, if any, and Equity described in Section 4.02 hereof, shall be sufficient to complete the Project. The Developer hereby certifies to the City that (a) it has Equity in an amount sufficient to pay for all Project costs; and (b) the Project Budget is true, correct and complete in all material respects. The Developer shall promptly deliver to HED certified copies of any Change Orders with respect to the Project Budget for approval pursuant to Section 3.04 hereof.

3.04 Change Orders. Intentionally Omitted.

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

3.06 Other Approvals. Any HED approval under this Agreement shall have no effect upon, nor shall it operate as a waiver of, the Developer's obligations to comply with the provisions of Section 5.03 (Other Governmental Approvals) hereof. The Developer has obtained all necessary permits and approvals (including but not limited to HED'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 prior to commencing construction.

3.07 Progress Reports and Survey Updates. The Developer shall provide HED 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 HED's written approval pursuant to Section 3.04). Upon conclusion of construction, the Developer shall provide three (3) copies of an updated

Survey to HED upon the request of HED reflecting improvements made to the Property.

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

3.09 Barricades. Intentionally Omitted.

3.10 Public Relations. The City reserves the right to include the name, photograph, artistic rendering of the Project and other pertinent information regarding the Developer, the Property and the Project in the City's promotional literature and communications.

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

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

SECTION 4. FINANCING

4.01 Total Project Cost and Sources of Funds. The cost of the Project is Five Million Two Thousand Six Hundred Seventy Dollars \$5,002,670, to be applied in the manner set forth in the Project Budget. Such costs shall be funded from the following sources:

Equity (subject to <u>Sections 4.03(b) and 4.06</u>)	\$5,002,670.00
Lender Financing	NONE
ESTIMATED TOTAL	\$5,002,670.00
ESTIMATED CITY FUNDS (Reimbursement)	\$ 850,000.00

4.02 Developer Funds. Equity and/or Lender Financing shall be used to pay all Project costs, including but not limited to Redevelopment Project Costs and costs of TIF-Funded Improvements.

4.03 City Funds.

(a) Uses of City Funds. City Funds may only be used to reimburse the Developer for costs of TIF-Funded Improvements that constitute Redevelopment Project Costs. Exhibit C sets forth, by line item, the TIF-Funded Improvements for the Project, and the maximum amount of costs that may be paid by or reimbursed from City Funds for each line item therein (subject to Sections 4.03(b) and 4.05(d)), contingent upon receipt by the City of documentation satisfactory in form and substance to HED evidencing such cost and its eligibility as a Redevelopment Project Cost. City Funds shall not be paid to the Developer hereunder

prior to the issuance of a Certificate.

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

<u>Source of City Funds</u>	<u>Maximum Amount</u>
Available Incremental Taxes	\$ 850,000.00

The initial disbursement of City Funds shall be made after issuance of the Certificate; provided, however, that the total amount of City Funds expended for TIF-Funded Improvements shall be an amount not to exceed the lesser of Eight Hundred Fifty Thousand Dollars (\$850,000.00) or seventeen percent (17%) of the actual total Project costs; and provided further, that the amount to be derived from Available Incremental Taxes and/or TIF Bond proceeds, if any, shall be available to pay costs related to TIF-Funded Improvements and allocated by the City for that purpose only so long as:

- (i) The amount of the Available Incremental Taxes deposited into the 47th Ashland TIF Fund shall be sufficient to pay for such costs; and
- (ii) The City has been reimbursed from Available Incremental Taxes for the amount previously disbursed by the City for TIF-Funded Improvements.

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

4.04 Construction Escrow; Requisition Form. (a) The City must receive copies of any draw requests and related documents submitted to the Title Company for disbursements under the Escrow Agreement, if any. In order to be reimbursed for TIF-Funded Improvements, the Developer shall provide HED with a Requisition Form along with the documentation described therein. Requisition for TIF-Funded Improvements shall be made after issuance of the Certificate and thereafter prior to each October 1 (or such other date as the parties may agree to) thereafter, and continuing throughout the earlier of (i) the Term of the Agreement or (ii) the date that the Developer has been reimbursed in full under this Agreement. Requisitions for TIF-Funded Improvements shall be made not more than one time per calendar year (or as otherwise permitted by). On each December 1 (or such other date as may be acceptable to the parties) and continuing throughout the Term of the Agreement, the Developer shall meet with HED at the request of HED to discuss the Requisition Form(s) previously delivered.

4.05 Treatment of Prior Expenditures and Subsequent Disbursements.

(a) Prior Expenditures. Only those expenditures made by the Developer with respect to the Project prior to the Closing Date, evidenced by documentation satisfactory to HED and approved by HED as satisfying costs covered in the Project Budget, shall be considered previously contributed Equity hereunder (the "Prior Expenditures"). HED 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 HED as of the date hereof as Prior Expenditures. Prior Expenditures made for items other than TIF-Funded Improvements shall not be reimbursed to the Developer, but shall reduce the amount of Equity and/or Lender Financing required

to be contributed by the Developer pursuant to Section 4.01 hereof.

(b) 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 HED, being prohibited; provided, however, that such transfers among line items, in an amount not to exceed Twenty Five Thousand Dollars (\$25,000.00) or One Hundred Thousand Dollars (\$100,00.00) in the aggregate, may be made without the prior written consent of HED.

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

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

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

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

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

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

(g) the Project is In Balance. The Project shall be deemed to be in balance ("In Balance") only if the total of the available Project funds equals or exceeds the aggregate of the amount necessary to pay all unpaid Project costs incurred or to be incurred in the completion of the Project. "Available Project Funds" as used herein shall mean: (i) the undisbursed City Funds; (ii) the undisbursed Lender Financing, if any; (iii) the undisbursed Equity and (iv) any other amounts deposited by the Developer pursuant to this Agreement. The Developer hereby agrees that, if the Project is not In Balance, the Developer shall, within 10 days after a written request by the City, deposit with the 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 the Developer to submit further documentation as the City may require in order to verify that the matters certified to above are true and correct, and any disbursement by the City shall be subject to the City's review and approval of such documentation and its satisfaction that such certifications are true and correct; provided, however, that nothing in this sentence shall be deemed to prevent the City from relying on such certifications by the Developer. In addition, the Developer shall have satisfied all other preconditions of disbursement of City Funds for each disbursement, including but not limited to requirements set forth in TIF Bond Ordinance, if any, the TIF Bonds, if any, the TIF Ordinances, this Agreement and/or the Escrow Agreement.

4.08 Conditional Grant. The City Funds being provided hereunder are being granted on a conditional basis, subject to the Developer's compliance with the provisions of this Agreement. The City Funds are subject to reimbursement as set forth in this Agreement.

4.09 Cost of Issuance. The Developer shall be responsible for paying all costs, including costs relating to the opinion described in Section 5.09 hereof.

SECTION 5. CONDITIONS PRECEDENT

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

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

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

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

5.04 Financing. The Developer has furnished proof reasonably acceptable to the City that the Developer has Equity in the amounts set forth in Section 4.01 hereof to complete the Project and satisfy its obligations under this Agreement.

5.05 Acquisition and Title. On the Closing Date, the Developer has furnished the City with a copy of the Title Policy for the Property, certified by the Title Company, showing the Developer as the named insured. The Title Policy is dated as of the Closing Date and contains only those title exceptions listed as Permitted Liens on Exhibit G hereto and evidences the recording of this Agreement pursuant to the provisions of Section 8.18 hereof. The Title Policy also contains such endorsements as shall be required by Corporation Counsel, including but not limited to an owner's comprehensive endorsement and satisfactory endorsements regarding zoning (3.1 with parking), contiguity, location, access and survey. The Developer has provided to HED, on or prior to the Closing Date, documentation related to the purchase of the Property and certified copies of all easements and encumbrances of record with respect to the Property not addressed, to HED's satisfaction, by the Title Policy and any endorsements thereto.

5.06 Evidence of Clean Title. The Developer, at its own expense, has provided the City with searches under the Developer's name as follows:

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

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

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

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

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

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

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

5.12 Documentation. The Developer has provided documentation to HED, satisfactory in form and substance to HED, with respect to current employment matters, and such additional matters that HED may request.

5.13 Environmental. The Developer has provided HED with copies of that certain phase I environmental audit completed with respect to the Property. The Developer has provided the City with a letter from the environmental engineer(s) who completed such audit, authorizing the City to rely on such audit.

5.14 Organizational Documents; Economic Disclosure Statement. The Developer has provided a copy of its applicable organizational certifications, a secretary's certificate in such form and substance as the Corporation Counsel may require; and such other organizational documentation or charters as the City has requested. The Developer has provided to the City an Economic Disclosure Statement, in the City's then current form, dated as of the Closing Date.

5.15 Litigation. The Developer has provided to Corporation Counsel and HED, a description of all

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

SECTION 6. AGREEMENTS WITH CONTRACTORS

6.01 Bid Requirement for General Contractor and Subcontractors. (a) HED has approved Krahl Construction as the general contractor (the "General Contractor") for construction of the Project. The General contractor has solicited bids from qualified contractors eligible to do business with the City of Chicago. Photocopies of all subcontracts entered into in connection with the TIF-Funded Improvements shall be provided to HED upon HED's request;

(b) If, prior to entering into an agreement with a General Contractor for construction of the Project, the Developer did not solicit bids pursuant to Section 6.01(a) hereof, then the fee of the General Contractor proposed to be paid out of City Funds shall not exceed 10% of the total amount of the Construction Contract.

6.02 Construction Contract. The Developer has delivered to HED and Corporation Counsel a certified copy of the final executed Construction Contract with the General Contractor selected to handle the Project.

6.03 Performance and Payment Bonds. Intentionally Deleted.

6.04 Employment Opportunity. The Developer has contractually obligated and caused the General Contractor and each subcontractor to agree to the provisions of Section 10 hereof.

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

SECTION 7. COMPLETION OF CONSTRUCTION OR REHABILITATION

7.01 Certificate of Completion of Construction or Rehabilitation. Upon completion of the construction of the Project in accordance with the terms of this Agreement and upon the Developer's written request, HED shall issue to the Developer a Certificate in recordable form certifying that the Developer has fulfilled its obligation to complete the Project in accordance with the terms of this Agreement. HED shall respond to the Developer's written request for a Certificate within forty-five (45) days by issuing either a Certificate or a written statement detailing the ways in which the Project does not conform to this Agreement or has not been satisfactorily completed, and the measures which must be taken by the Developer in order to obtain the Certificate. The Developer may resubmit a written request for a Certificate upon completion of such measures.

7.02 Effect of Issuance of Certificate; Continuing Obligations. The Certificate relates only to the construction of the Project, and upon its issuance, the City will certify that the terms of the Agreement specifically related to the Developer's obligation to complete such activities have been satisfied. After the issuance of a Certificate, however, all executory terms and conditions of this Agreement and all

representations and covenants contained herein will continue to remain in full force and effect throughout the Term of the Agreement as to the parties described in the following paragraph, and the issuance of the Certificate shall not be construed as a waiver by the City of any of its rights and remedies pursuant to such executory terms.

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

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

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

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

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

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

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

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

(a) the Developer, regulated by the Office of Thrift Supervision, which is a division of the Department of Treasury, is validly existing, qualified to do business in Illinois, and licensed to do business in any other state where, due to the nature of its activities or properties, such qualification or license is required;

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

(c) the execution, delivery and performance by the Developer of this Agreement has been duly authorized by all necessary action, and does not and will not violate its Federal Stock Charter, by-laws as

amended and supplemented, any applicable provision of law, or constitute a breach of, default under or require any consent under any agreement, instrument or document to which the Developer is now a party or by which the Developer is now or may become bound;

(d) unless otherwise permitted or not prohibited pursuant to or under the terms of this Agreement, the Developer shall 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 the Developer is contesting in good faith pursuant to Section 8.15 hereof);

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

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

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

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

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

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

(k) the Developer has not incurred, and, prior to the issuance of a Certificate, shall not, without the prior written consent of the Commissioner of HED, 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; and

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

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

8.02 Covenant to Redevelop. Upon HED's approval of the Project Budget, the Scope Drawings and Plans and Specifications as provided in Sections 3.02 and 3.03 hereof, and the Developer's receipt of all required building permits and governmental approvals, the Developer shall redevelop the Property in accordance with this Agreement and all Exhibits attached hereto, the TIF Ordinances, the Scope Drawings, Plans and Specifications, Project Budget and all amendments thereto, and all federal, state and local laws, ordinances, rules, regulations, executive orders and codes applicable to the Project, the Property and/or the Developer. The covenants set forth in this Section shall run with the land and be binding upon any transferee, but shall be deemed satisfied upon issuance by the City of a Certificate with respect thereto.

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

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

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

8.06 Job Creation and Retention; Covenant to Remain in the City. It is anticipated that not less than eight - ten (8-10) full-time equivalent, permanent jobs shall be retained by the Developer at the Project within 3 months of the completion thereof; at the Facilities through the Term of the Agreement. The Developer hereby covenants and agrees to maintain its operations within the City of Chicago at the site described above through Term of the Agreement

8.07 Employment Opportunity; Progress Reports. The Developer covenants and agrees to abide by, and contractually obligate and use reasonable efforts to cause the General Contractor and each subcontractor to abide by the terms set forth in Section 10 hereof. The Developer has delivered to the City written progress

reports detailing compliance with the requirements of Sections 8.09, 10.02 and 10.03 of this Agreement. If any such reports indicate a shortfall in compliance, the Developer shall also deliver a plan to HED which shall outline, to HED's satisfaction, the manner in which the Developer shall correct any shortfall.

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

8.09 Prevailing Wage. The Developer covenants and agrees to pay, and has contractually obligated and caused the General Contractor and each subcontractor to pay, the prevailing wage rate as ascertained by the Illinois Department of Labor (the "Department"), to all Project employees. All such contracts shall list the specified rates to be paid to all laborers, workers and mechanics for each craft or type of worker or mechanic employed pursuant to such contract. If the Department revises such prevailing wage rates, the revised rates shall apply to all such contracts. Upon the City's request, the Developer shall provide the City with copies of all such contracts entered into by the Developer or the General Contractor to evidence compliance with this Section 8.09.

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

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

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

8.13 Financial Statements. The Developer has provided to HED Financial Statements for the Developer's fiscal year ending December 31, 2010 and shall provide such statements each year thereafter for the Term of the Agreement. In addition, the Developer shall submit unaudited financial statements as soon as reasonably practical following the close of each fiscal year and for such other periods as HED may request.

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

8.15 Non-Governmental Charges. (a) Payment of Non-Governmental Charges. Except for the Permitted Liens, the Developer agrees to pay or cause to be paid when due any Non-Governmental Charge assessed or imposed upon the Project, the Property or any fixtures that are or may become attached thereto, which creates, may create, or appears to create a lien upon all or any portion of the Property or Project;

provided however, that if such Non-Governmental Charge may be paid in installments, the Developer may pay the same together with any accrued interest thereon in installments as they become due and before any fine, penalty, interest, or cost may be added thereto for nonpayment. The Developer shall furnish to HED, within thirty (30) days of HED's request, official receipts from the appropriate entity, or other proof satisfactory to HED, evidencing payment of the Non-Governmental Charge in question.

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

- (i) to contest or object in good faith to the amount or validity of any Non-Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted, in such manner as shall stay the collection of the contested Non-Governmental Charge, prevent the imposition of a lien or remove such lien, or prevent the sale or forfeiture of the Property (so long as no such contest or objection shall be deemed or construed to relieve, modify or extend the Developer's covenants to pay any such Non-Governmental Charge at the time and in the manner provided in this Section 8.15); or
- (ii) at HED's sole option, to furnish a good and sufficient bond or other security satisfactory to HED in such form and amounts as HED shall require, or a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of any such sale or forfeiture of the Property or any portion thereof or any fixtures that are or may be attached thereto, during the pendency of such contest, adequate to pay fully any such contested Non-Governmental Charge and all interest and penalties upon the adverse determination of such contest.

8.16 Developer's Liabilities. The Developer shall not enter into any transaction that would materially and adversely affect its ability to perform its obligations hereunder or to repay any material liabilities or perform any material obligations of the Developer to any other person or entity. The Developer shall immediately notify HED of any and all events or actions which may materially affect the Developer's ability to carry on its business operations or perform its obligations under this Agreement or any other documents and agreements.

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

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

8.19 Real Estate Provisions.

- (a) Governmental Charges.

- (i) Payment of Governmental Charges. The Developer agrees to pay or cause to be paid when due all Governmental Charges (as defined below) which are assessed or imposed upon the Developer, the Property or the Project, or become due and payable, and which create, may create, or appear to create a lien upon the Developer or all or any portion of the Property or the Project. "Governmental Charge" shall mean all federal, State, county, the City, or other governmental (or any instrumentality, division, agency, body, or department thereof) taxes, levies, assessments, charges, liens, claims or encumbrances (except for those assessed by foreign nations, states other than the State of Illinois, counties of the State other than Cook County, and municipalities other than the City) relating to the Developer, the Property or the Project including but not limited to real estate taxes.
- (ii) Right to Contest. The Developer has the right before any delinquency occurs to contest or object in good faith to the amount or validity of any Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted in such manner as shall stay the collection of the contested Governmental Charge and prevent the imposition of a lien or the sale or forfeiture of the Property. The Developer's right to challenge real estate taxes applicable to the Property is limited as provided for in Section 8.19(c) below; provided, that such real estate taxes must be paid in full when due and may be disputed only after such payment is made. No such contest or objection shall be deemed or construed in any way as relieving, modifying or extending the Developer's covenants to pay any such Governmental Charge at the time and in the manner provided in this Agreement unless the Developer has given prior written notice to HED of the Developer's intent to contest or object to a Governmental Charge and, unless, at HED's sole option,
- (iii) the Developer shall demonstrate to HED's satisfaction that legal proceedings instituted by the Developer contesting or objecting to a Governmental Charge shall conclusively operate to prevent or remove a lien against, or the sale or forfeiture of, all or any part of the Property to satisfy such Governmental Charge prior to final determination of such proceedings; and/or
- (iv) the Developer shall furnish a good and sufficient bond or other security satisfactory to HED in such form and amounts as HED shall require, or a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of any such sale or forfeiture of the Property during the pendency of such contest, adequate to pay fully any such contested Governmental Charge and all interest and penalties upon the adverse determination of such contest.

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

(c) Real Estate Taxes.

- (i) Acknowledgment of Real Estate Taxes. The Developer agrees that (A) for the purpose of this Agreement, the total projected minimum assessed value of the Property ("Minimum Assessed Value") is shown on Exhibit K attached hereto and incorporated herein by reference for the years noted on Exhibit K; (B) Exhibit K sets forth the specific improvements which will generate the fair market values, assessments, equalized assessed values and taxes shown thereon; and (C) the real estate taxes anticipated to be generated and derived from the respective portions of the Property and the Project for the years shown are fairly and accurately indicated in Exhibit K.
- (ii) Real Estate Tax Exemption. With respect to the Property or the Project, neither the Developer nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to the Developer shall, during the Term of this Agreement, seek, or authorize any exemption (as such term is used and defined in the Illinois Constitution, Article IX, Section 6 (1970)) for any year that the Redevelopment Plan is in effect.
- (iii) No Reduction in Real Estate Taxes. Neither the Developer nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to the Developer shall, during the Term of this Agreement, directly or indirectly, initiate, seek or apply for proceedings in order to lower the assessed value of all or any portion of the Property or the Project below the amount of the Minimum Assessed Value as shown in Exhibit K for the applicable year.
- (iv) No Objections. Neither the Developer nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to the Developer, shall object to or in any way seek to interfere with, on procedural or any other grounds, the filing of any Underassessment Complaint or subsequent proceedings related thereto with the Cook County Assessor or with the Cook County Board of Appeals, by either the City or any taxpayer. The term "Underassessment Complaint" as used in this Agreement shall mean any complaint seeking to increase the assessed value of the Property up to (but not above) the Minimum Assessed Value as shown in Exhibit K.
- (v) Covenants Running with the Land. The parties agree that the restrictions contained in this Section 8.19(c) are covenants running with the land and this Agreement shall be recorded by the Developer as a memorandum thereof, at the Developer's expense, with the Cook County Recorder of Deeds on the Closing Date. These restrictions shall be binding upon the Developer and its agents, representatives, lessees, successors, assigns and transferees from and after the date hereof, provided however, that the covenants shall be released when the Redevelopment Area is no longer in effect. The Developer agrees that any sale, lease, conveyance, or transfer of title to all or any portion of the Property or Redevelopment Area from and after the date hereof shall be made explicitly subject to such covenants and restrictions. Notwithstanding anything contained in this Section 8.19(c) to the contrary, the City, in its sole discretion and by its sole action, without the joinder or concurrence of the Developer, its successors or assigns, may waive and terminate the Developer's covenants and agreements set forth in this Section 8.19(c).

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

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

8.22 Cooperation with Inspector General. It is the duty of the Developer and any bidder, proposer, contractor and every applicant for certification of eligibility for a City contract or program, and all officers, directors, agents, partners, and employees of the Developer and any such bidder, proposer, contractor, subcontractor or such applicant to cooperate with the Inspector General in any investigation or hearing undertaken pursuant to Chapter 2-56 of the Municipal Code and that it will inform subcontractors of this provision and require their compliance.

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

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

SECTION 9. COVENANTS/REPRESENTATIONS/WARRANTIES OF CITY

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

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

SECTION 10. DEVELOPER'S EMPLOYMENT OBLIGATIONS

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

(a) No Employer shall discriminate against any employee or applicant for employment based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income as defined in the City of Chicago Human Rights Ordinance, Chapter 2-160, Section 2-160-010 et seq., Municipal Code, except as otherwise provided by said ordinance and as amended from time to time (the "Human Rights Ordinance"). Each Employer shall take affirmative action to ensure that applicants are hired and employed without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income and are treated in a non-discriminatory manner with regard to all job-related matters, including without limitation: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Each Employer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this nondiscrimination clause. In addition, the Employers, in all solicitations or advertisements for employees, shall state that all qualified applicants shall receive consideration for employment without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income.

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

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

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

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

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

10.02 City Resident Construction Worker Employment Requirement. The Developer agrees for itself and its successors and assigns, and represents that it contractually obligated its General Contractor and caused the General Contractor to contractually obligate its subcontractors, as applicable, to agree, that during the construction of the Project they shall comply with the minimum percentage of total worker hours performed by actual residents of the City as specified in Section 2-92-330 of the Municipal Code of Chicago (at least 50 percent of the total worker hours worked by persons on the site of the Project shall be performed by actual residents of the City); provided, however, that in addition to complying with this percentage, the

Developer, its General Contractor and each subcontractor made good faith efforts to utilize qualified residents of the City in both unskilled and skilled labor positions.

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

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

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

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

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

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

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

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

determination as to whether the Developer must surrender damages as provided in this paragraph.

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

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

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

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

- i. At least 24 percent by MBEs.
- ii. At least 4 percent by WBEs.

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

c. Consistent with Section 2-92-440, Municipal Code of Chicago, the Developer's MBE/WBE commitment may be achieved in part by the Developer's status as an MBE or WBE (but only to the extent of any actual work performed on the Project by the Developer), or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of (i) the MBE or WBE participation in such joint venture or (ii) the amount of any actual work performed on the Project by the MBE or WBE), by the Developer utilizing a MBE or a WBE as a General Contractor (but only to the extent of any actual work performed on the Project by the General Contractor), by subcontracting or causing the General Contractor to subcontract a portion of the Project to one or more MBEs or WBEs, or by the purchase of materials used in the Project from one or more MBEs or WBEs, or by any combination of the foregoing. Those entities which constitute both a MBE and a WBE shall not be credited more than once with regard to the Developer's MBE/WBE commitment as described in this Section 10.03. The Developer or the General Contractor may meet all or part of this commitment through credits received pursuant to Section 2-92-530 of the Municipal Code of Chicago for the voluntary use of MBEs or WBEs in its activities and operations other than the Project.

d. The Developer shall deliver quarterly reports to HED during the Project describing its efforts to achieve compliance with this MBE/WBE commitment. Such reports shall include inter alia the name and business address of each MBE and WBE solicited by the Developer or the General Contractor to work on the Project, and the responses received from such solicitation, the name and business address of each MBE or WBE actually involved in the Project, a description of the work performed or products or services supplied, the date and amount of such work, product or service, and such other information as may assist HED in

determining the Developer's compliance with this MBE/WBE commitment. HED has access to the Developer's books and records, including, without limitation, payroll records, books of account and tax returns, and records and books of account in accordance with Section 14 of this Agreement, on five (5) business days' notice, to allow the City to review the Developer's compliance with its commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the Project.

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

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

g. Developer represents that prior to the commencement of the Project, the Developer, the General Contractor and all major subcontractors met with the monitoring staff of HED with regard to the Developer's compliance with its obligations under this Section 10.03. During this meeting, the Developer demonstrated to HED its plan to achieve its obligations under this Section 10.03, the sufficiency of which shall be approved by HED. During the Project, the Developer shall submit the documentation required by this Section 10.03 to the monitoring staff of HED, 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 as a determination by HED, upon analysis of the documentation, that the Developer is not complying with its obligations hereunder shall, upon the delivery of written notice to the Developer, be deemed an Event of Default hereunder. Upon the occurrence of any such Event of Default, in addition to any other remedies provided in this Agreement, the City may (1) withhold any further payment of any City Funds to the Developer or the General Contractor, or (2) seek any other remedies against the Developer available at law or in equity.

SECTION 11. ENVIRONMENTAL MATTERS

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

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

by any Environmental Laws, or any actual or asserted liability or obligation of the City or the Developer or any of its Affiliates under any Environmental Laws relating to the Property.

SECTION 12. INSURANCE

The Developer shall provide and maintain, or cause to be provided, at the Developer's own expense, during the Term of the Agreement (or as otherwise specified below), the insurance coverages and requirements specified below, insuring all operations related to the Agreement.

(a) Prior to Execution and Delivery of this Agreement and Throughout the Term of the Agreement

(i) Workers Compensation and Employers Liability Insurance

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

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

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

(b) Construction

(i) Workers Compensation and Employers Liability Insurance

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

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

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

(iii) Automobile Liability Insurance (Primary and Umbrella)

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

(iv) Railroad Protective Liability Insurance

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

(v) Builders Risk Insurance

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

(vi) Professional Liability

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

(vii) Valuable Papers Insurance

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

(viii) Contractor's Pollution Liability

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

(c) Term of the Agreement

- (i) Prior to the execution and delivery of this Agreement and during construction of the Project, All Risk Property Insurance in the amount of the full replacement value of the Property. The City of Chicago is to be named an additional insured on a primary, non-contributory basis.
- (ii) Post-construction, throughout the Term of the Agreement, All Risk Property Insurance, including improvements and betterments in the amount of full replacement value of the Property. Coverage extensions shall include business interruption/loss of rents, flood and boiler and machinery, if applicable. The City of Chicago is to be named an additional insured on a primary, non-contributory basis.

(d) Other Requirements

The Developer will furnish the City of Chicago, Department of Housing and Economic Development, City Hall, Room 1000, 121 North LaSalle Street 60602, original Certificates of Insurance evidencing the required coverage to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. The failure of the City to obtain certificates or other insurance evidence from the Developer shall not be deemed to be a waiver by the City. The Developer shall advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance shall not relieve the Developer of the obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to terminate this Agreement until proper evidence of insurance is provided.

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

Any and all deductibles or self insured retentions on referenced insurance coverages shall be borne by the Developer.

The Developer agrees that insurers shall waive rights of subrogation against the City of Chicago, its employees, elected officials, agents, or representatives.

The Developer expressly understands and agrees that any coverages and limits furnished by the Developer shall in no way limit the Developer's liabilities and responsibilities specified within the Agreement documents or by law.

The Developer expressly understands and agrees that the Developer's insurance is primary and any insurance or self insurance programs maintained by the City of Chicago shall not contribute with insurance provided by the Developer under the Agreement.

The required insurance shall not be limited by any limitations expressed in the indemnification language herein or any limitation placed on the indemnity therein given as a matter of law.

The Developer shall require the General Contractor, and all subcontractors to provide the insurance required herein or Developer may provide the coverages for the General Contractor, or subcontractors. All General Contractors and subcontractors shall be subject to the same requirements (Section (d)) of Developer unless otherwise specified herein.

If the Developer, General Contractor or any subcontractor desires additional coverages, the Developer, General Contractor and any subcontractor shall be responsible for the acquisition and cost of such additional protection.

The City of Chicago Risk Management Department maintains the right to modify, delete, alter or change these requirements, so long as any such change does not increase these requirements.

SECTION 13. INDEMNIFICATION

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

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

provided, however, that Developer shall have no obligation to an Indemnitee arising from the wanton or willful misconduct of that Indemnitee. To the extent that the preceding sentence may be unenforceable because it is violative of any law or public policy, Developer shall contribute the maximum portion that it

is permitted to pay and satisfy under the applicable law, to the payment and satisfaction of all indemnified liabilities incurred by the Indemnitees or any of them. The provisions of the undertakings and indemnification set out in this Section 13.01 shall survive the termination of this Agreement.

SECTION 14. MAINTAINING RECORDS/RIGHT TO INSPECT

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

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

SECTION 15. DEFAULT AND REMEDIES

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

(a) the failure of the Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Developer under this Agreement or any related agreement, including without limitation the Agreement for the Sale and Redevelopment of Land dated as of June 11, 2007;

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

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

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

(e) the commencement of any proceedings in bankruptcy by or against the Developer or for the liquidation or reorganization of the Developer, or alleging that the Developer is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of the Developer's debts, whether under the United States Bankruptcy Code or under any other state or federal law, now or hereafter existing for the relief of debtors, or the commencement of any analogous statutory or non-statutory proceedings involving the Developer; provided, however, that if such commencement of proceedings is involuntary, such action shall

not constitute an Event of Default unless such proceedings are not dismissed within sixty (60) days after the commencement of such proceedings;

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

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

(h) Intentionally Omitted;

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

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

(k) prior to the expiration of the Term of the Agreement, the sale or transfer of any of the ownership interests of the Developer without the prior written consent of the City.

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

15.02 Remedies. Upon the occurrence of an Event of Default, the City may terminate this Agreement and all related agreements, seek reimbursement of City Funds, and/or may suspend disbursement of City Funds. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to injunctive relief or the specific performance of the agreements contained herein.

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

SECTION 16. MORTGAGING OF THE PROJECT

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

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

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

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

SECTION 17. NOTICE

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

If to the City:

City of Chicago
Department of Housing and Economic Development
121 North LaSalle Street, Room 1000
Chicago, IL 60602

Attention: Commissioner

With Copies To: City of Chicago
 Department of Law
 Finance and Economic Development Division
 121 North LaSalle Street, Room 600
 Chicago, IL 60602

If to the Developer: Park Federal Savings Bank
 5400 S. Pulaski Road
 Chicago, Illinois 60609
 Attn: Richard J. Remijas, Jr.

With Copies To: Law Office of Amy C. Kurson
 1259 Walters
 Northbrook, Illinois 60062

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

SECTION 18. MISCELLANEOUS

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

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

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

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

18.05 Waiver. Waiver by the City or the Developer with respect to any breach of this Agreement shall not be considered or treated as a waiver of the rights of the respective party with respect to any other default or with respect to any particular default, except to the extent specifically waived by the City or the Developer in writing. No delay or omission on the part of a party in exercising any right shall operate as a waiver of such right or any other right unless pursuant to the specific terms hereof. A waiver by a party of a provision of this Agreement shall not prejudice or constitute a waiver of such party's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by a party, nor any course of dealing between the parties hereto, shall constitute a waiver of any such parties' rights or of any obligations of any other party hereto as to any future transactions.

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

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

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

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

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

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

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

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

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

18.15 Assignment. The Developer may not sell, assign or otherwise transfer its interest in this Agreement in whole or in part without the written consent of the City. Any successor in interest to the Developer under this Agreement shall certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, including but not limited to Sections 8.19 (Real Estate Provisions) and 8.20 (Survival of Covenants) hereof, for the Term of the Agreement. The Developer consents to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part.

18.16 Binding Effect. This Agreement shall be binding upon the Developer, the City and their respective successors and permitted assigns (as provided herein) and shall inure to the benefit of the Developer, the City and their respective successors and permitted assigns (as provided herein). Except as otherwise provided herein, this Agreement shall not run to the benefit of, or be enforceable by, any person or entity other than a party to this Agreement and its successors and permitted assigns. This Agreement should not be deemed to confer upon third parties any remedy, claim, right of reimbursement or other right.

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

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

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

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

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

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

18.23 Waste. The Developer, in accordance with Section 11-4-1600(e) of the Municipal Code of Chicago, warrants and represents that it, and to the best of its knowledge, its Contractors and Subcontractors have not violated and are not in violation of the following sections of the Code (collectively, the Waste Sections): 7-28-390 Dumping on public way; 7-28-440 Dumping on real estate without permit; 11-4-1410 Disposal in waters prohibited; 11-4-1420 Ballast tank, bilge tank and other discharge; 11-4-1450 Gas manufacturing residue; 11-4-1500 Treatment and disposal of solid or liquid waste; 11-4-1530 Compliance with rules and regulations required; 11-4-1550 Operational requirements; and 11-4-1560 Screening requirements. During the period while this Agreement is executory, Developer, and Developer Contractors' and Subcontractors' violation of the Waste Sections, whether or not relating to the performance of this Agreement, constitutes a breach of and an event of default under this Agreement, for which the opportunity to cure, if curable, will be granted only at the sole designation of the Chief Procurement Officer. Such breach and default entitles the City to all remedies under this Agreement, at law or in equity. This section does not limit the Developer, and/or its Contractors' and its Subcontractors' duty to comply with all applicable federal, state, county and municipal laws, statutes, ordinances and executive orders, in effect now or later, and whether or not they appear in this Agreement. Non-compliance with these terms and conditions may be used by the City as ground for the termination of this Agreement, and may further affect the Developer's eligibility for future contract awards with the City.

18.24 Prohibition on Certain Contributions - Mayoral Executive Order No. 05-1. Developer agrees that Developer, any person or entity who directly or indirectly has an ownership or beneficial interest in Developer of more than 7.5 percent ("Owners"), spouses and domestic partners of such Owners, Developer's contractors (i.e., any person or entity in direct contractual privity with Developer regarding the subject matter of this Agreement) ("Contractors"), any person or entity who directly or indirectly has an ownership or beneficial interest in any Contractor of more than 7.5 percent ("Sub-owners") and spouses and domestic partners of such Sub-owners (Developer and all the other preceding classes of persons and entities are together, the "Identified Parties"), shall not make a contribution of any amount to the Mayor of the City of Chicago (the "Mayor") or to his political fund-raising committee (i) after execution of this Agreement by Developer, (ii) while this Agreement or any Other Contract is executory, (iii) during the term of this Agreement or any Other Contract between Developer and the City, or (iv) during any period while an extension of this Agreement or any Other Contract is being sought or negotiated.

Developer represents and warrants that from the later of (i) February 10, 2005, or (ii) the date the City approached the Developer or the date the Developer approached the City, as applicable, regarding the

formulation of this Agreement, no Identified Parties have made a contribution of any amount to the Mayor or to his political fund-raising committee.

Developer agrees that it shall not: (a) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fund-raising committee; (b) reimburse its employees for a contribution of any amount made to the Mayor or to the Mayor's political fund-raising committee; or (c) bundle or solicit others to bundle contributions to the Mayor or to his political fund-raising committee.

Developer agrees that the Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 05-1 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 05-1.

Developer agrees that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 05-1 constitutes a breach and default under this Agreement, and under any Other Contract for which no opportunity to cure will be granted, unless the City, in its sole discretion, elects to grant such an opportunity to cure. Such breach and default entitles the City to all remedies (including without limitation termination for default) under this Agreement, under any Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

If Developer intentionally violates this provision or Mayoral Executive Order No. 05-1 prior to the closing of this Agreement, the City may elect to decline to close the transaction contemplated by this Agreement.

For purposes of this provision:

"Bundle" means to collect contributions from more than one source which are then delivered by one person to the Mayor or to his political fund-raising committee.

"Other Contract" means any other agreement with the City of Chicago to which Developer is a party that is (i) formed under the authority of chapter 2-92 of the Municipal Code of Chicago; (ii) entered into for the purchase or lease of real or personal property; or (iii) for materials, supplies, equipment or services which are approved or authorized by the City Council of the City of Chicago.

"Contribution" means a "political contribution" as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

Individuals are "Domestic Partners" if they satisfy the following criteria:

- (A) they are each other's sole domestic partner, responsible for each other's common welfare; and
- (B) neither party is married; and
- (C) the partners are not related by blood closer than would bar marriage in the State of Illinois; and
- (D) each partner is at least 18 years of age, and the partners are the same sex, and the partners reside at the same residence; and
- (E) two of the following four conditions exist for the partners:

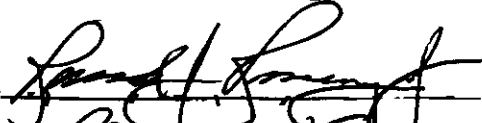
1. The partners have been residing together for at least 12 months.
2. The partners have common or joint ownership of a residence.
3. The partners have at least two of the following arrangements:
 - a. joint ownership of a motor vehicle;
 - b. a joint credit account;
 - c. a joint checking account;
 - d. a lease for a residence identifying both domestic partners as tenants.
4. Each partner identifies the other partner as a primary beneficiary in a will.

"Political fund-raising committee" means a "political fund-raising committee" as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

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

PARK FEDERAL SAVINGS BANK

By: 
Its: PRESIDENT

CITY OF CHICAGO

By: _____
Commissioner
Department Housing and Economic 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.

PARK FEDERAL SAVINGS BANK

By: _____

Its: _____

CITY OF CHICAGO

By: _____ 

Andrew J. Mooney
Commissioner,
Department of Housing and Economic Development

EXHIBIT A
REDEVELOPMENT AREA

COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____

COOK COUNTY
RECORDER OF DEEDS
SCANNED BY _____

47TH / ASHLAND REDEVELOPMENT AREA

ALL THAT PART OF SECTIONS 5, 6, 7 AND 8 IN TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE EAST LINE OF SOUTH JUSTINE STREET WITH THE NORTH LINE OF WEST 49TH STREET;

THENCE EAST ALONG SAID NORTH LINE OF WEST 49TH STREET TO THE EAST LINE OF SOUTH LOOMIS STREET;

THENCE SOUTH ALONG SAID EAST LINE OF SOUTH LOOMIS STREET TO THE EASTERLY EXTENSION OF THE NORTH LINE OF LOT 47 IN BLOCK 1 OF P. S. BARBER'S SUBDIVISION OF THE EAST HALF OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 8, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID NORTH LINE OF LOT 47 BEING ALSO THE SOUTH LINE OF THE ALLEY SOUTH OF WEST 51ST STREET;

THENCE WEST ALONG SAID EASTERLY EXTENSION AND THE SOUTH LINE OF THE ALLEY SOUTH OF WEST 51ST STREET TO THE WEST LINE OF LOT 55 IN BALLIN'S SUBDIVISION OF THE NORTH HALF OF THE WEST HALF OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 8, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID WEST LINE OF LOT 55 BEING ALSO THE EAST LINE OF THE ALLEY EAST OF SOUTH ASHLAND AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF THE ALLEY EAST OF SOUTH ASHLAND AVENUE TO THE SOUTH LINE OF WEST 53RD ST;

THENCE WEST ALONG SAID SOUTH LINE OF WEST 53RD ST TO THE SOUTHERLY EXTENSION OF THE EAST LINE OF LOT 25 IN BLOCK 8 OF THE SUBDIVISION OF BLOCKS 3, 7 AND 8 OF THE ORVIS SUBDIVISION OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 7, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID EAST LINE OF LOT 25 BEING ALSO THE WEST LINE OF THE ALLEY WEST OF SOUTH ASHLAND AVENUE;

THENCE NORTH ALONG SAID SOUTHERLY EXTENSION AND THE WEST LINE OF THE ALLEY WEST OF SOUTH ASHLAND AVENUE TO THE NORTH LINE OF LOT 43 IN BLOCK 1 OF SAID ORVIS SUBDIVISION OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 7, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

Chicago Guarantee Survey Co.
601 S. LaSalle St., Suite 400, Chicago, Il., 60605
Ordered by: Peckham Guyton Albers & Viets, Inc

September 26, 2001
Order No. 0006002.r5

NORTHEAST QUARTER OF SECTION 7, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID EAST LINE OF LOT 6 BEING ALSO THE WEST LINE OF THE ALLEY WEST OF SOUTH HONORE STREET;

THENCE NORTH ALONG SAID WEST LINE OF THE ALLEY WEST OF SOUTH HONORE STREET TO THE SOUTH LINE OF LOT 2 IN SAID B. F. JACOB'S SUBDIVISION;

THENCE WEST ALONG SAID SOUTH LINE OF LOT 2 IN B. F. JACOB'S SUBDIVISION TO THE EAST LINE OF SOUTH WOLCOTT STREET;

THENCE SOUTH ALONG SAID EAST LINE OF SOUTH WOLCOTT STREET TO THE EASTERLY EXTENSION OF THE NORTH LINE OF LOT 6 IN THE STONE ESTATE SUBDIVISION OF THE EAST HALF OF BLOCK 10 OF AFORESAID CHICAGO UNIVERSITY SUBDIVISION IN THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 7, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID NORTH LINE OF LOT 6 BEING ALSO THE SOUTH LINE OF THE ALLEY SOUTH OF WEST 47TH STREET;

THENCE WEST ALONG SAID EASTERLY EXTENSION AND THE NORTH LINE OF LOT 6 IN THE STONE ESTATE SUBDIVISION TO THE WEST LINE OF SAID LOT 6, SAID WEST LINE OF LOT 6 BEING ALSO THE EAST LINE OF THE ALLEY EAST OF SOUTH WINCHESTER AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF THE ALLEY EAST OF SOUTH WINCHESTER AVENUE TO THE EASTERLY EXTENSION OF THE NORTH LINE OF LOT 6 IN WINTER'S RESUBDIVISION OF THE WEST HALF OF BLOCK 10 OF AFORESAID CHICAGO UNIVERSITY SUBDIVISION, SAID NORTH LINE OF LOT 6 BEING ALSO THE SOUTH LINE OF THE ALLEY SOUTH OF WEST 47TH STREET;

THENCE WEST ALONG SAID EASTERLY EXTENSION AND THE NORTH LINE OF LOT 6 IN SAID WINTER'S RESUBDIVISION AND ALONG THE WESTERLY EXTENSION THEREOF TO THE WEST LINE OF SOUTH WINCHESTER AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF SOUTH WINCHESTER AVENUE TO THE NORTH LINE OF LOT 6 IN BENTLEY'S SUBDIVISION OF THE EAST HALF OF BLOCK 9 IN AFORESAID CHICAGO UNIVERSITY SUBDIVISION IN THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 7, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID NORTH LINE OF LOT 6 BEING ALSO THE SOUTH LINE OF THE ALLEY SOUTH OF WEST 47TH STREET;

THENCE WEST ALONG SAID NORTH LINE OF LOT 6 IN BENTLEY'S SUBDIVISION AND ALONG THE WESTERLY EXTENSION THEREOF TO THE EAST LINE OF LOT 45 IN BLOCK 9 IN AFORESAID CHICAGO UNIVERSITY SUBDIVISION, SAID

EAST LINE OF LOT 45 BEING ALSO THE WEST LINE OF THE ALLEY EAST OF SOUTH DAMEN AVENUE;

THENCE NORTH ALONG SAID EAST LINE OF LOT 45 IN BLOCK 9 IN CHICAGO UNIVERSITY SUBDIVISION TO THE NORTH LINE THEREOF;

THENCE WEST ALONG SAID NORTH LINE OF LOT 45 IN BLOCK 9 IN CHICAGO UNIVERSITY SUBDIVISION TO THE WEST LINE THEREOF, SAID WEST LINE OF LOT 45 BEING ALSO THE EAST LINE OF SOUTH DAMEN AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF SOUTH DAMEN AVENUE TO THE EASTERLY EXTENSION OF THE NORTH LINE OF LOT 12 IN BLOCK 1 IN HULING AND JOHNSON'S SUBDIVISION OF BLOCK 13 IN AFORESAID STONE AND WHITNEY'S SUBDIVISION IN THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 7, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID NORTH LINE OF LOT 12 BEING ALSO THE SOUTH LINE OF THE ALLEY SOUTH OF WEST 47TH STREET;

THENCE WEST ALONG SAID EASTERLY EXTENSION AND THE SOUTH LINE OF THE ALLEY SOUTH OF WEST 47TH STREET TO THE EAST LINE OF SOUTH HOYNE AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF SOUTH HOYNE AVENUE TO THE SOUTH LINE OF LOT 33 IN BLOCK 2 IN AFORESAID HULING AND JOHNSON'S SUBDIVISION;

THENCE EAST ALONG SAID SOUTH LINE OF LOT 33 IN BLOCK 2 IN HULING AND JOHNSON'S SUBDIVISION AND ALONG THE EASTERLY EXTENSION THEREOF AND ALONG THE SOUTH LINE OF LOT 28 IN SAID BLOCK 2 IN HULING AND JOHNSON'S SUBDIVISION AND ALONG THE EASTERLY EXTENSION THEREOF TO THE EAST LINE OF SOUTH SEELEY AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF SOUTH SEELEY AVENUE TO THE SOUTH LINE OF WEST 48TH STREET;

THENCE WEST ALONG SAID SOUTH LINE OF WEST 48TH STREET TO THE EAST LINE OF SOUTH HOYNE AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF SOUTH HOYNE AVENUE TO THE SOUTH LINE OF WEST 49TH STREET;

THENCE WEST ALONG SAID SOUTH LINE OF WEST 49TH STREET TO THE SOUTHERLY EXTENSION OF THE EAST LINE OF LOT 48 IN BLOCK 2 IN E. C. HULING'S

SUBDIVISION OF BLOCK 19 (EXCEPT THE WEST 17 FEET) OF AFORESAID STONE AND WHITNEY'S SUBDIVISION, SAID SOUTHERLY EXTENSION BEING ALSO THE EAST LINE OF VACATED 49TH STREET;

THENCE NORTH ALONG SAID EAST LINE OF VACATED 49TH STREET TO THE SOUTHWEST CORNER OF THE PARCEL OF PROPERTY BEARING PIN 20-07-107-030;

THENCE NORTH ALONG THE WEST LINE OF SAID PARCEL OF PROPERTY BEARING PIN 20-07-107-030 AND ALONG THE WEST LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-07-107-031 AND ALONG THE WEST LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-07-107-025 AND ALONG THE WEST LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-07-107-035 AND ALONG THE WEST LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-07-107-034 AND ALONG THE WEST LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-07-107-029 AND ALONG THE WEST LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-07-107-036 AND ALONG THE WEST LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-07-107-037 AND ALONG THE WEST LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-07-107-016 AND ALONG THE WEST LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-07-107-002 AND ALONG THE NORTHERLY EXTENSION THEREOF TO THE CENTER LINE OF WEST 47TH STREET;

THENCE EAST ALONG SAID CENTER LINE OF WEST 47TH STREET TO THE SOUTHERLY EXTENSION OF THE WEST LINE OF LOT 79 IN F. B. CLARKE'S SUBDIVISION OF BLOCK 7 OF STONE AND WHITNEY'S SUBDIVISION OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 6 AND THE NORTH HALF AND THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 7, ALL IN TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID WEST LINE OF LOT 79 BEING ALSO THE EAST LINE OF SOUTH DAMEN AVENUE;

THENCE NORTH ALONG SAID SOUTHERLY EXTENSION AND THE EAST LINE OF SOUTH DAMEN AVENUE TO THE SOUTH LINE OF LOT 80 IN F. B. CLARKE'S SUBDIVISION OF BLOCK 7 OF STONE AND WHITNEY'S SUBDIVISION OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 6 AND THE NORTH HALF AND THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 7, ALL IN TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID SOUTH LINE OF LOT 80 BEING ALSO THE NORTH LINE OF THE ALLEY NORTH OF WEST 47TH STREET;

THENCE EAST ALONG SAID NORTH LINE OF THE ALLEY NORTH OF WEST 47TH STREET TO WEST LINE OF SOUTH WOOD STREET;

THENCE NORTH ALONG SAID WEST LINE OF SOUTH WOOD STREET TO THE NORTH LINE OF WEST 46TH STREET;

THENCE EAST ALONG SAID NORTH LINE OF WEST 46TH STREET TO THE EAST LINE OF SOUTH HERMITAGE AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF SOUTH HERMITAGE AVENUE TO THE SOUTH LINE OF LOT 31 IN BLOCK 1 OF SCHLESINGER'S SUBDIVISION OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 6, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID SOUTH LINE OF LOT 31 BEING ALSO THE NORTH LINE OF THE ALLEY NORTH OF WEST 47TH STREET;

THENCE EAST ALONG SAID NORTH LINE OF THE ALLEY NORTH OF WEST 47TH STREET TO THE WEST LINE OF SOUTH MARSHFIELD AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF SOUTH MARSHFIELD AVENUE TO THE WESTERLY EXTENSION OF THE SOUTH LINE OF LOT 6 IN COUNSELMAN'S SUBDIVISION OF THE EAST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 6, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE EAST ALONG SAID WESTERLY EXTENSION AND THE SOUTH LINE OF LOT 6 IN COUNSELMAN'S SUBDIVISION TO THE EAST LINE OF SAID LOT 6, SAID EAST LINE OF LOT 6 BEING ALSO THE WEST LINE OF THE ALLEY WEST OF SOUTH ASHLAND AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF THE ALLEY WEST OF SOUTH ASHLAND AVENUE TO THE SOUTH LINE OF WEST 46TH STREET;

THENCE WEST ALONG SAID SOUTH LINE OF WEST 46TH STREET TO THE EAST LINE OF SOUTH MARSHFIELD AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF SOUTH MARSHFIELD AVENUE TO THE EASTERLY EXTENSION OF THE SOUTH LINE OF LOT 31 IN EMERY'S SUBDIVISION OF THE WEST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 6, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE WEST ALONG SAID EASTERLY EXTENSION AND THE SOUTH LINE OF LOT 31 IN EMERY'S SUBDIVISION AND ALONG THE WESTERLY EXTENSION THEREOF TO THE EAST LINE OF LOT 30 IN SAID EMERY'S SUBDIVISION, SAID EAST LINE OF LOT 30 BEING ALSO THE WEST LINE OF THE ALLEY WEST OF SOUTH MARSHFIELD AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF THE ALLEY WEST OF SOUTH MARSHFIELD AVENUE TO THE WESTERLY EXTENSION OF THE SOUTH LINE OF LOT 24 IN BLOCK 1 OF JASSOY'S RESUBDIVISION OF THAT PART OF THE EAST 10 ACRES OF THE NORTH 15 ACRES OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 6, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING EAST OF THE CENTER LINE OF PAULINA STREET;

THENCE EAST ALONG SAID WESTERLY EXTENSION AND THE SOUTH LINE OF LOT 24 IN BLOCK 1 OF JASSOY'S RESUBDIVISION AND ALONG THE EASTERLY EXTENSION THEREOF TO THE EAST LINE OF SOUTH MARSHFIELD AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF SOUTH MARSHFIELD AVENUE TO THE SOUTH LINE OF LOT 2 IN BLOCK 1 OF DEARLOVE'S SUBDIVISION OF THE SOUTH 5 ACRES OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 6, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE EAST ALONG SAID SOUTH LINE OF LOT 2 IN BLOCK 1 OF DEARLOVE'S SUBDIVISION TO THE EAST LINE OF SAID LOT 2, SAID EAST LINE OF LOT 2 BEING ALSO THE WEST LINE OF THE ALLEY WEST OF SOUTH ASHLAND AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF THE ALLEY WEST OF SOUTH ASHLAND AVENUE TO THE NORTH LINE OF LOT 42 IN W. L. SAMPSON'S SUBDIVISION OF THE EAST HALF OF BLOCK 1 IN W. L. SAMPSON'S SUBDIVISION OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 6, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID NORTH LINE OF LOT 42 BEING ALSO THE SOUTH LINE OF THE ALLEY SOUTH OF WEST 43RD STREET;

THENCE WEST ALONG SAID NORTH LINE OF LOT 42 IN W. L. SAMPSON'S SUBDIVISION AND ALONG THE WESTERLY EXTENSION THEREOF TO THE WEST LINE OF SOUTH MARSHFIELD AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF SOUTH MARSHFIELD AVENUE TO THE NORTH LINE OF LOT 77 IN DAVIS SQUARE ADDITION TO CHICAGO IN W. L. SAMPSON'S SUBDIVISION OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 6, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID NORTH LINE OF LOT 77 BEING ALSO THE SOUTH LINE OF THE ALLEY SOUTH OF WEST 43RD STREET;

THENCE WEST ALONG SAID NORTH LINE OF LOT 77 IN DAVIS SQUARE ADDITION TO CHICAGO TO THE WEST LINE THEREOF, SAID WEST LINE OF LOT 77 BEING ALSO THE EAST LINE OF THE ALLEY EAST OF SOUTH PAULINA STREET;

THENCE SOUTH ALONG SAID EAST LINE OF THE ALLEY EAST OF SOUTH PAULINA STREET TO THE WESTERLY EXTENSION OF THE SOUTH LINE OF LOT 79 IN SAID DAVIS SQUARE ADDITION TO CHICAGO;

THENCE WEST ALONG SAID WESTERLY EXTENSION AND THE SOUTH LINE OF LOT 79 IN DAVIS SQUARE ADDITION TO CHICAGO TO THE EAST LINE OF SOUTH PAULINA STREET;

THENCE SOUTH ALONG SAID EAST LINE OF SOUTH PAULINA STREET TO THE EASTERLY EXTENSION OF THE SOUTH LINE OF LOT 101 IN AFORESAID DAVIS SQUARE ADDITION TO CHICAGO;

THENCE WEST ALONG SAID EASTERLY EXTENSION AND THE SOUTH LINE OF LOT 101 IN DAVIS SQUARE ADDITION TO CHICAGO AND ALONG THE WESTERLY EXTENSION THEREOF TO THE EAST LINE OF LOT 106 IN SAID DAVIS SQUARE ADDITION TO CHICAGO, SAID EAST LINE OF LOT 106 BEING ALSO THE WEST LINE OF THE ALLEY WEST OF SOUTH PAULINA STREET;

THENCE NORTH ALONG SAID WEST LINE OF THE ALLEY WEST OF SOUTH PAULINA STREET AND ALONG THE NORTHERLY EXTENSION THEREOF TO THE SOUTH LINE OF LOT 16 IN SAID DAVIS SQUARE ADDITION TO CHICAGO, SAID SOUTH LINE OF LOT 16 BEING ALSO THE NORTH LINE OF THE ALLEY SOUTH OF WEST 43RD STREET;

THENCE EAST ALONG SAID NORTH LINE OF THE ALLEY SOUTH OF WEST 43RD STREET TO THE WEST LINE OF SOUTH PAULINA STREET;

THENCE NORTH ALONG SAID WEST LINE OF SOUTH PAULINA STREET TO THE SOUTH LINE OF WEST 43RD STREET;

THENCE WEST ALONG SAID SOUTH LINE OF WEST 43RD STREET TO THE SOUTHERLY EXTENSION OF THE EAST LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-06-200-046;

THENCE NORTH ALONG SAID SOUTHERLY EXTENSION AND THE EAST LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-06-200-046 TO THE SOUTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-06-200-072;

THENCE EAST ALONG SAID SOUTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-06-200-072 TO THE EAST LINE THEREOF;

THENCE NORTH ALONG SAID EAST LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-06-200-072 TO THE NORTH LINE THEREOF;

THENCE EAST ALONG THE NORTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-06-200-016 AND ALONG THE NORTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-06-200-067 TO THE WEST LINE OF SOUTH ASHLAND AVENUE;

THENCE SOUTH ALONG SAID WEST LINE OF SOUTH ASHLAND AVENUE TO THE SOUTH LINE OF WEST 43RD STREET;

THENCE EAST ALONG SAID SOUTH LINE OF WEST 43RD STREET TO A LINE 17 FEET EAST OF AND PARALLEL WITH THE EAST LINE OF LOT 7 IN PACKERS SUBDIVISION OF THE NORTHEAST OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID LINE 17 FEET EAST OF AND PARALLEL WITH THE EAST LINE OF LOT 7 IN PACKERS SUBDIVISION BEING ALSO THE NORTHERLY EXTENSION OF THE WEST LINE OF PACKERS AVENUE AS OPENED 150.10 FEET, MORE OR LESS, SOUTH OF THE NORTH LINE OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, AND SAID LINE 17 FEET EAST OF AND PARALLEL WITH THE EAST LINE OF LOT 7 IN PACKERS SUBDIVISION BEING ALSO A BOUNDARY LINE OF "THE STOCKYARDS SOUTHEAST QUADRANT INDUSTRIAL REDEVELOPMENT PROJECT"

THENCE SOUTH ALONG SAID LINE 17 FEET EAST OF AND PARALLEL WITH THE EAST LINE OF LOT 7 IN PACKERS SUBDIVISION AND ALONG THE WEST LINE OF SOUTH PACKERS AVENUE TO THE NORTH LINE OF THE SOUTH HALF OF SAID EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 5, SAID NORTH LINE BEING ALSO THE SOUTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-05-301-004;

THENCE EAST ALONG SAID NORTH LINE OF THE SOUTH HALF OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN TO THE EAST LINE OF SAID EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 5;

THENCE SOUTH ALONG SAID EAST LINE OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN TO THE SOUTH LINE OF SAID EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 5, SAID SOUTH LINE BEING ALSO THE CENTER LINE OF WEST 47TH STREET;

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September 26, 2001
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THENCE WEST ALONG SAID SOUTH LINE OF SAID EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 5 TO THE EAST LINE OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 8, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID EAST LINE BEING ALSO THE CENTER LINE OF SOUTH LOOMIS STREET;

THENCE SOUTH ALONG SAID CENTER LINE OF SOUTH LOOMIS STREET TO THE EASTERLY EXTENSION OF THE NORTH LINE OF LOT 1 IN KAY'S SUBDIVISION OF THE EAST HALF OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 8, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID NORTH LINE OF LOT 1 BEING ALSO THE SOUTH LINE OF THE ALLEY SOUTH OF WEST 47TH STREET;

THENCE WEST ALONG SAID NORTH LINE OF LOT 1 IN KAY'S SUBDIVISION TO THE WEST LINE THEREOF, SAID WEST LINE OF LOT 1 IN KAY'S SUBDIVISION BEING ALSO THE EAST LINE OF THE ALLEY WEST OF SOUTH LOOMIS STREET;

THENCE SOUTH ALONG SAID EAST LINE OF THE ALLEY WEST OF SOUTH LOOMIS STREET TO THE SOUTH LINE OF WEST 48TH STREET;

THENCE WEST ALONG SAID SOUTH LINE OF WEST 48TH STREET TO THE WEST LINE OF SOUTH BISHOP STREET;

THENCE NORTH ALONG SAID WEST LINE OF SOUTH BISHOP STREET TO THE NORTH LINE OF LOT 1 IN COUNSELMAN'S SUBDIVISION OF THE WEST HALF OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 8, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID NORTH LINE OF LOT 1 BEING ALSO THE SOUTH LINE OF THE ALLEY SOUTH OF WEST 47TH STREET;

THENCE WEST ALONG SAID SOUTH LINE OF THE ALLEY SOUTH OF WEST 47TH STREET TO THE WEST LINE OF LOT 44 IN BLOCK 5 OF KAY'S ADDITION TO CHICAGO, BEING A SUBDIVISION OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER AND THE SOUTH HALF OF THE NORTHWEST QUARTER OF SECTION 8, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID WEST LINE OF LOT 44 IN BLOCK 5 OF KAY'S SUBDIVISION BEING ALSO THE EAST LINE OF THE ALLEY EAST OF SOUTH ASHLAND AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF THE ALLEY EAST OF SOUTH ASHLAND AVENUE TO THE NORTH LINE OF WEST 48TH STREET;

THENCE EAST ALONG SAID NORTH LINE OF WEST 48TH STREET TO THE EAST LINE OF SOUTH JUSTINE STREET;

THENCE SOUTH ALONG SAID EAST LINE OF SOUTH JUSTINE STREET TO THE EASTERLY EXTENSION OF THE NORTH LINE OF LOT 41 IN BLOCK 4 OF THE RESUBDIVISION OF BLOCKS 3 AND 4 IN AFORESAID KAY'S ADDITION TO CHICAGO;

THENCE WEST ALONG SAID EASTERLY EXTENSION AND THE NORTH LINE OF LOT 41 IN BLOCK 4 OF THE RESUBDIVISION OF BLOCKS 3 AND 4 IN KAY'S ADDITION TO CHICAGO TO THE WEST LINE OF SAID LOT 41, SAID WEST LINE OF LOT 41 BEING ALSO THE EAST LINE OF THE ALLEY EAST OF SOUTH ASHLAND AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF THE ALLEY EAST OF SOUTH ASHLAND AVENUE TO THE NORTH LINE OF WEST 49TH STREET;

THENCE EAST ALONG SAID NORTH LINE OF WEST 49TH STREET TO THE POINT OF BEGINNING AT THE EAST LINE OF SOUTH JUSTINE STREET;

EXCEPTING FROM THE FOREGOING THE FOLLOWING TWO PARCELS OF LAND:

EXCEPTION PARCEL 1,

BEING ALL THAT PART OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE NORTH LINE OF WEST 46TH STREET WITH THE WEST LINE OF SOUTH JUSTINE STREET;

THENCE WEST ALONG SAID NORTH LINE OF WEST 46TH STREET TO THE WEST LINE OF LOT 24 IN BLOCK 4 OF S. E. GROSS' SUBDIVISION OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID WEST LINE OF LOT 24 BEING ALSO THE EAST LINE OF THE ALLEY WEST OF SOUTH JUSTINE STREET;

THENCE NORTH ALONG SAID EAST LINE OF THE ALLEY WEST OF SOUTH JUSTINE STREET TO THE SOUTH LINE OF WEST 45TH STREET;

THENCE EAST ALONG SAID SOUTH LINE OF WEST 45TH STREET TO THE EAST LINE OF LOT 44 IN BLOCK 2 OF AFORESAID S. E. GROSS' SUBDIVISION, SAID EAST LINE OF LOT 44 BEING ALSO THE WEST LINE OF THE ALLEY EAST SOUTH LAFLIN STREET;

THENCE SOUTH ALONG SAID WEST LINE OF THE ALLEY EAST OF SOUTH LAFLIN STREET TO THE NORTHEASTERLY LINE OF LOT 30 IN SAID BLOCK 2 OF S. E. GROSS' SUBDIVISION, SAID NORTHEASTERLY LINE OF LOT 30 BEING ALSO THE SOUTHWESTERLY LINE OF THE ALLEY EAST OF SOUTH LAFLIN STREET;

THENCE SOUTHEAST ALONG SAID NORTHEASTERLY LINE OF LOT 30 IN BLOCK 2 OF S. E. GROSS' SUBDIVISION AND ALONG THE NORTHEASTERLY LINE OF LOT 22 IN SAID BLOCK 2 OF S. E. GROSS' SUBDIVISION TO THE NORTHWESTERLY LINE OF MC DOWELL STREET;

THENCE SOUTHWEST ALONG SAID NORTHWESTERLY LINE OF MC DOWELL STREET TO THE EAST LINE OF SOUTH LAFLIN STREET;

THENCE NORTH ALONG SAID EAST OF SOUTH LAFLIN STREET TO THE EASTERLY EXTENSION OF THE SOUTH LINE OF LOT 21 IN BLOCK 3 IN SAID S. E. GROSS' SUBDIVISION;

THENCE WEST ALONG SAID EASTERLY EXTENSION AND THE SOUTH LINE OF LOT 21 IN BLOCK 3 IN S. E. GROSS' SUBDIVISION AND ALONG THE WESTERLY EXTENSION THEREOF TO THE EAST LINE OF LOT 27 IN SAID BLOCK 3 IN S. E. GROSS' SUBDIVISION, SAID EAST LINE OF LOT 27 BEING ALSO THE WEST LINE OF THE ALLEY WEST OF SOUTH LAFLIN STREET;

THENCE SOUTH ALONG SAID WEST LINE OF THE ALLEY WEST OF SOUTH LAFLIN STREET TO THE NORTH LINE OF WEST 46TH STREET;

THENCE WEST ALONG SAID NORTH LINE OF WEST 46TH STREET TO THE POINT OF BEGINNING AT THE WEST LINE OF SOUTH JUSTINE STREET;

EXCEPTION PARCEL 2,

BEING ALL THAT PART OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTH LINE OF WEST 46TH STREET WITH THE EAST LINE OF SOUTH LAFLIN STREET;

THENCE EAST ALONG SAID SOUTH LINE OF WEST 46TH STREET TO THE WEST LINE OF SOUTH BISHOP STREET;

THENCE SOUTH ALONG SAID WEST LINE OF SOUTH BISHOP STREET TO THE SOUTH LINE OF LOT 46 IN BLOCK 2 OF S. E. GROSS' SUBDIVISION OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 8, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE WEST ALONG SAID SOUTH LINE OF LOT 46 IN BLOCK 2 OF S. E. GROSS' SUBDIVISION AND ALONG THE WESTERLY EXTENSION THEREOF TO THE EAST LINE OF LOT 5 IN SAID BLOCK 2 OF S. E. GROSS' SUBDIVISION, SAID EAST LINE OF LOT 5 BEING ALSO THE WEST LINE OF THE ALLEY EAST OF SOUTH LAFLIN STREET;

THENCE SOUTH ALONG SAID WEST LINE OF THE ALLEY EAST OF SOUTH LAFLIN STREET TO THE NORTH LINE OF LOT 15 IN SAID BLOCK 2 OF S. E. GROSS' SUBDIVISION;

THENCE WEST ALONG SAID NORTH LINE OF LOT 15 IN SAID BLOCK 2 OF S. E. GROSS' SUBDIVISION TO THE EAST LINE OF SOUTH LAFLIN STREET;

THENCE NORTH ALONG SAID EAST LINE OF SOUTH LAFLIN STREET TO THE POINT OF BEGINNING AT THE SOUTH LINE OF WEST 46TH STREET;

ALL IN THE CITY OF CHICAGO, COOK COUNTY, ILLINOIS.

Location Map 47th / Ashland Redevelopment Project Area City of Chicago, Illinois

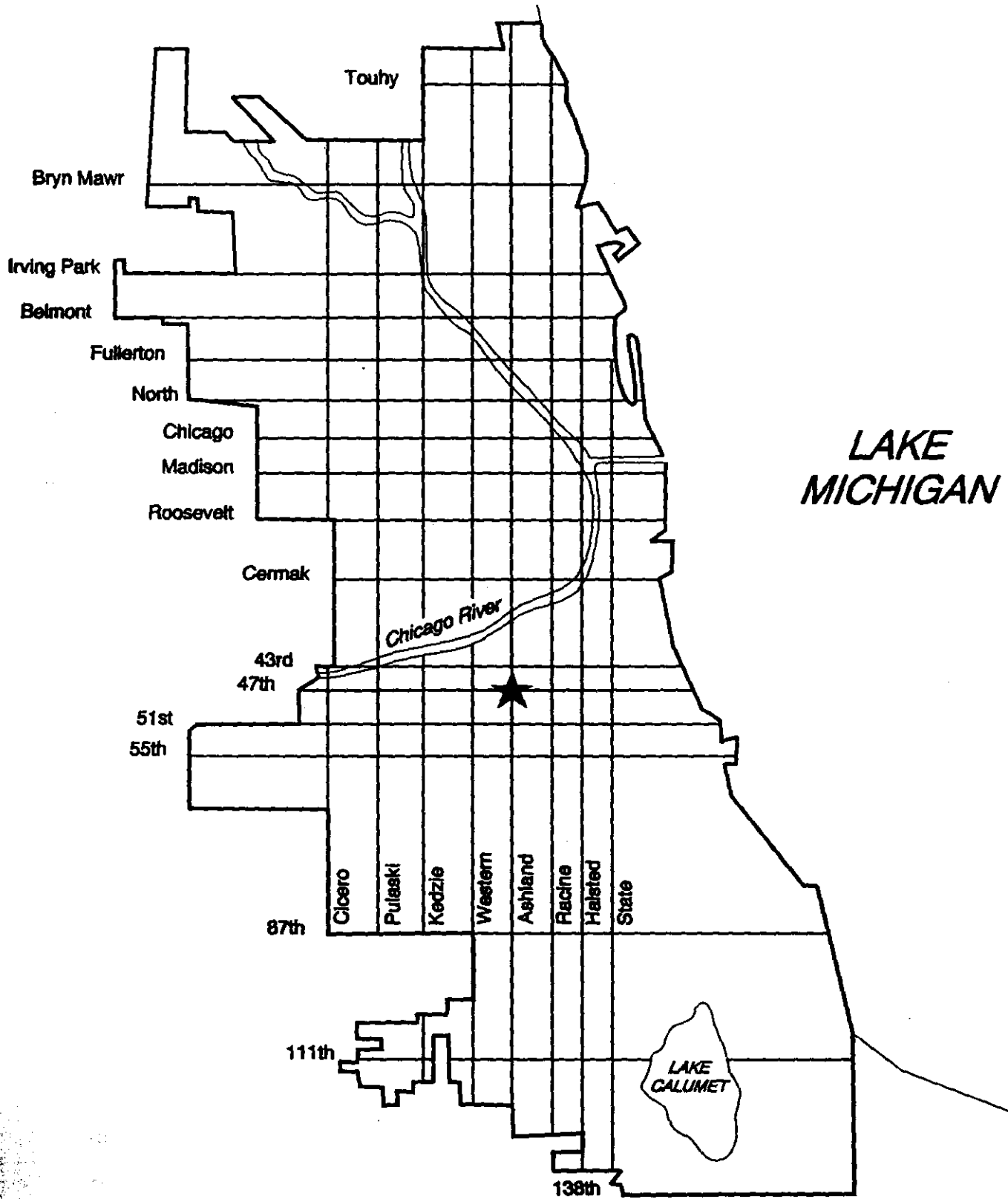


EXHIBIT B**OWNED LOTS & ACQUISITION****Owned Lots:**

LOT 7 IN RILEY'S SUBDIVISION OF THE EAST ½ (ONE HALF) OF BLOCK 11 IN STONE AND WHITNEY'S SUBDIVISION OF THE WEST ½ (ONE HALF) OF THE SOUTHEAST 1/4 (ONE QUARTER) OF SECTION 6 AND THE NORTH ½ (ONE HALF) OF THE WEST ½ (ONE HALF) OF THE SOUTHEAST 1/4 (ONE QUARTER) OF SECTION 7, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PERMANENT INDEX NUMBER: 20-07-203-004-0000
 ADDRESS OF REAL ESTATE: 1817 W. 47th St., Chicago, IL 60609

LOT 8 IN RILEY'S SUBDIVISION OF THE EAST ½ OF BLOCK 11 IN STONE AND WHITNEY'S SUBDIVISION OF THE WEST ½ OF THE SOUTH EAST 1/4 OF SECTION 6 AND THE NORTH ½ AND THE WEST ½ OF THE SOUTH EAST 1/4 OF SECTION 7, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

P.I.N.: 20-07-203-003-0000
 COMMONLY KNOWN AS: 1819 W. 47th Street, Chicago, IL 60609

Acquisition:

LOTS 9, 10, AND 11 IN RILEY'S SUBDIVISION OF THE EAST ½ OF BLOCK 11 IN STONE AND WHITNEY'S SUBDIVISION OF THE WEST ½ OF THE SOUTHEAST 1/4 OF SECTION 6 AND THE NORTH ½ AND THE WEST ½ OF THE SOUTHEAST 1/4 OF SECTION 7, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN:
 COMMONLY KNOWN AS: 1821 - 23 W. 47th Street, Chicago, IL 60609
 4709 W. Honore Street, Chicago, IL 60609

20-07-203-001-0000
 20-07-203-002-0000

EXHIBIT C**TIF-FUNDED IMPROVEMENTS**

<u>Line Item</u>		<u>Cost</u>
Land Acquisition		\$1,000,000
Demolition		\$ 86,090
Site Clearance and Preparation		\$ 153,582
Infrastructure	\$ 51,869	
Utilities - Removal	\$ 34,775	
Utilities - Relocation	\$ 5,885	
Utilities - Installation	\$ 21,400	
Hazardous Materials Removal	\$ 29,653	
Other (Supervisor)	\$ 10,000	
Legal Fees (attributable to Land Acquisition)		\$ 5,000
Environmental Testing		<u>\$ 5,350</u>
TOTAL		<u>\$1,250,022</u>

Notwithstanding the total of TIF-Funded Improvements, the maximum amount of assistance (\$850,000) to be provided by the City is limited to the City Funds as described in Section 4.03.

EXHIBIT G

PERMITTED LIENS

1. Liens or encumbrances against the Property:

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

2. Liens or encumbrances against the Developer or the Project, other than liens against the Property, if any:

NONE

EXHIBIT H-1**PROJECT BUDGET****Sources and Uses of Funds**

Sources	Amount	% of total	
Equity (Park Federal Savings Bank)**	\$5,002,670		100%
Total Sources	\$5,002,670		100%
Uses	Amount		\$/sf of Building*
Land Acquisition (\$65 per sf of land)	\$1,000,000		\$ 98.19 psf
Demolition	\$ 86,090		\$ 8.45 psf
Site Clearance and Preparation			
Infrastructure	\$ 51,869		
Utilities - Removal	\$ 34,775		
Utilities - Relocation	\$ 5,885		
Utilities - Installation	\$ 21,400		
Hazardous Materials Removal	\$ 29,653		
Other (Supervisor)	\$ 10,000		
Total Site Clearance and Preparation	\$ 153,582		\$ 15.08 psf
Hard Costs	\$2,882,777		\$283.07 psf
Furniture Fixtures and Equipment	\$ 299,250		
Soft Costs			
Architect's Fee (7.5% of hard costs)	\$216,400		
General Contractor (7.2% of hard costs)	\$208,650		
Legal Fees (0.2% of total costs)	\$ 12,000		
Environmental Testing	\$ 5,350		
Other soft costs (3.2% of total costs)	\$150,571		
Total Soft Costs (11.6% of total costs)	<u>\$ 580,971</u>		<u>\$ 57.04 psf</u>
Total Uses	\$5,002,670		\$491.23 psf

*Gross building area is 10,184 square feet

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

	Amount	Sub Totals
SOURCES		
Equity (Park Federal Savings Bank)	\$ 5,002,670	
Total Sources		\$ 5,002,670
USES		
Land Acquisition	\$ 1,000,000	
Demolition	\$ 86,090	
Site Clearance and Preparation		
Infrastructure	\$ 51,869	
Utilities - Removal	\$ 34,775	
• Utilities - Relocation	\$ 5,885	
• Utilities - Installation	\$ 21,400	
Hazardous Materials Removal	\$ 29,653	
Other (Supervisor)	\$ 10,000	
Total Site Clearance and Preparation		\$ 3,575,281
Architect's Fee	\$ 216,400	
		\$ 3,791,681