Chicago Loop Parking, LLC

(A Delaware Limited Liability Company)

Financial Statements as of and for the Years Ended December 31, 2011 and 2010, and Independent Auditors' Report

CHICAGO LOOP PARKING, LLC
(A Delaware Limited Liability Company)

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INDEPENDENT AUDITORS' REPORT

To the Members of
Chicago Loop Parking, LLC:

We have audited the accompanying balance sheets of Chicago Loop Parking, LLC (a Delaware limited liability company) (the "Company") as of December 31, 2011 and 2010, and the related statements of operations, changes in members' equity and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2011 and 2010, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP

April 30, 2012

CHICAGO LOOP PARKING, LLC
(A Delaware Limited Liability Company)

BALANCE SHEETS
AS OF DECEMBER 31, 2011 AND 2010

	2011	2010
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 3,453,304	$ 6,138,760
Restricted cash	8,478,114	-
Accounts receivable	93,164	106,646
Other current assets	129,028	26,496
Total current assets	12,153,610	6,271,902
FIXED ASSETS (Net of accumulated depreciation and amortization of $34,217,553 and $27,238,197, respectively)	361,284,088	333,508,142
INTANGIBLE AND OTHER ASSETS (Net of accumulated amortization of $13,115,318 and $10,511,900, respectively)	201,042,525	202,702,130
TOTAL	$ 574,480,223	$ 542,482,174
LIABILITIES AND MEMBERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 229,322	$ 368,601
Accrued construction costs	17,320,529	-
Other current liabilities	3,832,987	3,204,421
Total current liabilities	21,382,838	3,573,022
LONG-TERM LIABILITIES:		
Credit facility	364,148,806	340,688,747
Interest rate swaps	108,673,837	67,389,349
Other long-term liabilities	3,237,125	3,774,615
Total long-term liabilities	476,059,768	411,852,711
Total liabilities	497,442,606	415,425,733
MEMBERS' EQUITY	77,037,617	127,056,441
TOTAL	$ 574,480,223	$ 542,482,174

See notes to financial statements.

CHICAGO LOOP PARKING, LLC
(A Delaware Limited Liability Company)

STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011	2010
INCOME:		
Transient parkers	$ 21,173,465	$ 22,685,034
Monthly parking	6,627,507	7,238,165
Subtenant revenue	1,691,111	1,595,681
Other	32,683	38,762
Total income	29,524,766	31,557,642
COST OF PARKING SERVICES:		
Parking tax	5,445,854	5,707,136
Credit card fees	482,845	543,153
Total cost of parking services	5,928,699	6,250,289
GROSS PROFIT	23,596,067	25,307,353
EXPENSES:		
Operating	4,460,824	5,517,648
Salaries and benefits	2,089,868	2,572,852
Management fees	910,115	739,285
General and administrative	2,668,190	1,887,039
Depreciation	6,979,356	6,960,188
Amortization	2,109,675	2,109,675
Total expenses	19,218,028	19,786,687
OPERATING INCOME	4,378,039	5,520,666
OTHER INCOME (EXPENSES):		
Dividend income	230	2,875
Interest income	1,359	1,723
Interest expense	(5,167,329)	(5,349,503)
Swap-related losses	(48,031,123)	(41,451,422)
Total other expenses	(53,196,863)	(46,796,327)
NET LOSS	$ (48,818,824)	$ (41,275,661)

See notes to financial statements.

CHICAGO LOOP PARKING, LLC
(A Delaware Limited Liability Company)

STATEMENTS OF CHANGES IN MEMBERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	CMP A Holdings, LLC	CMP B Holdings, LLC	Total
MEMBERS' EQUITY — January 1, 2010	$85,166,051	$85,166,051	$170,332,102
Distributions	(1,000,000)	(1,000,000)	(2,000,000)
Net loss	(20,637,831)	(20,637,830)	(41,275,661)
MEMBERS' EQUITY — December 31, 2010	63,528,220	63,528,221	127,056,441
Distributions	(600,000)	(600,000)	(1,200,000)
Net loss	(24,409,412)	(24,409,412)	(48,818,824)
MEMBERS' EQUITY — December 31, 2011	$38,518,808	$38,518,809	$ 77,037,617

See notes to financial statements.

CHICAGO LOOP PARKING, LLC
(A Delaware Limited Liability Company)

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011	2010
OPERATING ACTIVITIES:		
Net loss	$ (48,818,824)	$ (41,275,661)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation	6,979,356	6,960,188
Amortization of intangible and other assets	2,109,675	2,109,675
Amortization of deferred financing fees	493,743	493,743
Change in fair value of interest rate swaps	41,284,488	32,379,922
Deferred rent - long-term portion	(537,490)	1,947,562
Changes in assets and liabilities:		
Accounts receivable	13,482	9,140
Other current assets	(102,532)	90,878
Accounts payable	(139,279)	22,904
Other current liabilities	628,566	1,329,335
Net cash provided by operating activities	1,911,185	4,067,686
INVESTING ACTIVITIES:		
Restricted cash	(8,478,114)	-
Additions to fixed assets	(17,434,773)	(811,417)
Cash used in investing activities	(25,912,887)	(811,417)
FINANCING ACTIVITIES		
Contributions	-	-
Borrowings on credit facility	27,136,663	-
Principal payments on credit facility	(3,676,604)	(4,067,285)
Financing costs	(943,813)	-
Distributions	(1,200,000)	(2,000,000)
Net cash provided by (used in) financing activities	21,316,246	(6,067,285)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(2,685,456)	(2,811,016)
CASH AND CASH EQUIVALENTS — Beginning of year	6,138,760	8,949,776
CASH AND CASH EQUIVALENTS — End of year	$ 3,453,304	$ 6,138,760
SUPPLEMENTAL DISCLOSURE OF CASH FLOW ACTIVITY — Cash paid for interest	$ 4,673,586	$ 4,855,760
NONCASH INVESTING ACTIVITY — Capital expenditures incurred but not yet paid	$ 17,320,529	$ -

See notes to financial statements.

1. ORGANIZATION

Chicago Loop Parking, LLC (the "Company") was formed on September 29, 2006, for the purpose of operating four underground parking facilities, which comprise the Chicago Downtown Parking System (the "System") in Chicago, Illinois. On December 15, 2006, the Company entered into a concession and lease agreement (the "C&L Agreement") pursuant to which it leased the System for a 99-year term from the City of Chicago for a purchase price of $563,000,000. The Company has an exclusive right and franchise for and during the lease term to use, possess, operate, manage, maintain, rehabilitate, and charge and collect parking fee revenues and other revenues in connection with using the assets of the System for parking garage purposes.

The members of the Company are CMP A Holdings, LLC ("CMP A") and CMP B Holdings, LLC ("CMP B"), both of which own a 50% member interest in the Company. CMP A and CMP B are wholly owned by Morgan Stanley Infrastructure Partners LP, Morgan Stanley Infrastructure Partners A Sub LP and Morgan Stanley Infrastructure Investors LP (collectively, the "MSIP Partnerships"). The general partner of the MSIP Partnerships is Morgan Stanley Infrastructure GP LP, an affiliate of Morgan Stanley & Co. Inc. ("Morgan Stanley").

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation — The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates — The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates and assumptions have been made with respect to the initial purchase price allocation, useful lives of assets and fair values of financial instruments, including credit valuation adjustments. Actual results could differ from those estimates.

Cash and Cash Equivalents — Cash and cash equivalents include all cash and liquid investments with an initial maturity of three months or less. Throughout the year, the Company may have cash balances in excess of federally insured amounts on deposit with various financial institutions.

Restricted Cash — Restricted cash includes an amount on deposit with a third-party lender borrowed under the Credit Facility (see Note 3) for the payment of construction costs and was disbursed subsequent to December 31, 2011 to the contractor, architect, and construction manager, as well as to the Company for reimbursement of construction costs.

Fixed Assets — Fixed assets are recorded at cost less accumulated depreciation.

Depreciation is provided on a straight-line basis over 99 years for the ground lease, 40 years for buildings and improvements, and up to five years for furniture, fixtures and equipment. Maintenance and repairs are charged to expense when incurred. Expenditures for significant betterments and improvements that extend the economic lives of the fixed assets are capitalized.

As of December 31, 2011 and 2010, fixed asset balances consist of the following:

	2011	2010
Ground lease	$ 159,800,492	$ 159,800,492
Buildings and improvements	196,325,749	196,325,749
Furniture, fixtures, and equipment	2,494,733	2,345,719
Construction in progress	36,880,667	2,274,379
	395,501,641	360,746,339
Accumulated depreciation	(34,217,553)	(27,238,197)
Total fixed assets - net	$ 361,284,088	$ 333,508,142

The System's fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying values of such assets may not be recoverable. The System's fixed assets are considered impaired when their estimated future undiscounted operating cash flows are less than the carrying values of such assets. To the extent impairment has occurred, the excess of carrying values of the System's fixed assets over their estimated fair values will be charged to operations. During the years presented, no such impairment was recorded.

Under the terms of the C&L Agreement, the Company is required to rehabilitate the East Monroe Street Garage (the "Required Capital Improvements"). Under the terms of an amendment to the C&L Agreement, dated April 29, 2008, the Required Capital Improvements are to be substantially completed by June 30, 2012. On April 4, 2011, as a condition precedent to begin drawing on Tranche B (see Note 3), the Company submitted a draft construction contract for the Required Capital Improvements to the Lender for review and approval. The draft construction contract was approved by the Lender on April 29, 2011. The contractor was given a notice to proceed with the Required Capital Improvements on May 3, 2011. At December 31, 2011, the Company had incurred costs of $36,518,350 million for the rehabilitation. The Company expects to incur an additional $23,711,257 million of costs to complete the Required Capital Improvements.

Intangible and Other Assets — Intangible and other assets are stated at cost less accumulated amortization and consist of the C&L Agreement which is amortized on a straight-line basis over 99 years and deferred financing fees which are amortized on a straight-line basis over 10 years, the life of the credit facility (the "Credit Facility") included in long-term liabilities on the balance sheets (Note 3). The Company expects the annual amortization of the C&L Agreement for the next five years to be $2,103,397. The straight-line amortization of deferred financing fees is recorded as a component of interest expense and approximates the effective interest method.

As of December 31, 2011 and 2010, intangible and other assets balances consist of the following:

	2011	2010
C&L Agreement	$ 208,236,325	$ 208,236,325
Deferred financing fees	5,881,244	4,937,431
Other	40,274	40,274
	214,157,843	213,214,030
Accumulated amortization	(13,115,318)	(10,511,900)
Total intangible and other assets - net	$ 201,042,525	$ 202,702,130

Derivatives — The Company holds derivative contracts for the benefit of the Company to minimize the effect of fluctuations in interest rates. By entering into these transactions, the Company intends to economically hedge a significant portion of the Company's exposure to adverse movements in interest rates.

The counterparties to these contracts are major financial institutions. The exposure to each counterparty is reported as either an asset or liability on the balance sheets. At December 31, 2011 and 2010, the Company's exposure was a liability to three major financial institutions. Derivative transactions give rise to varying degrees of market and credit risk dependent upon the counterparties used, strategies employed and fluctuations in the underlying market conditions. The credit risk associated with derivative instruments arises from possible counterparty non-performance and is limited to the aggregate unrealized loss of instruments in an unrealized loss position. The Company seeks to mitigate these risks by executing these transactions with major financial institutions.

An interest rate swap involves an agreement to pay the counterparty to the agreement a fixed or floating interest rate on a predetermined notional amount and to receive a fixed or floating interest rate on the same notional amount. Net cash payments are made at certain agreed-upon points during the life of the swap agreement and at termination, with the difference between the two interest calculations being paid by one party to the other on each payment date. Unrealized gains or losses on the swap contract are calculated as the difference between the present value of the future cash flows to be received and to be paid pursuant to the agreement. Such unrealized gains and losses are reported as an asset or liability on the balance sheets. As cash is received and paid under the swap, the net differential in cash flows is recognized over the life of the agreement as a gain or loss on derivative instruments.

Fair Value of Financial Instruments — At December 31, 2011 and 2010, the Company's interest rate swaps were valued using Level 3 inputs because there is minimal market data and other observable activity available to price these swaps. Management of the Company determined the value of the swaps using assumptions about the appropriate credit rating for the Company and the swaps' counterparties and the interest rate spread to be applied to the discount factors associated with the credit ratings calculated. These discount factors were then applied to published interest rate tables that management deemed most appropriate to the terms of the swaps.

The following fair value hierarchy table presents information about the Company's interest rate swaps measured at fair value on a recurring basis as of December 31, 2011 and 2010:

Description	Year	Balance as of December 31	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Interest rate swaps	2011	$ 108,673,837	$ -	$ -	$ 108,673,837
	2010	67,389,349	-	-	67,389,349

Changes in the fair market value of the interest rate swaps for the years ended December 31, 2011 and 2010, and additional interest rate swap disclosures, consist of the following:

	2011	2010
Beginning of year balance	$ 67,389,349	$ 35,009,427
Unrealized loss on interest rate swaps	41,284,488	32,379,922
End of year balance	$ 108,673,837	$ 67,389,349
Interest rate swap payments	$ 6,746,635	$ 9,071,500
Unrealized loss on interest rate swaps	41,284,488	32,379,922
Swap-related losses	$ 48,031,123	$ 41,451,422

The interest rate swaps do not qualify as cash flow hedges for accounting purposes. However, the Company did not enter into these derivative instruments for any purpose other than cash flow hedging purposes. The unrealized gains or losses on interest rate swaps are included in swap-related losses in the statements of operations.

The carrying values of cash and cash equivalents, accounts receivable and accounts payable approximate their fair values due to the short-term nature of these financial instruments. Based on borrowing rates available to the Company at the end of 2011 and 2010 and for notes with similar terms, collateral, maturities, and credit risk, the estimated fair value of the Credit Facility was approximately $381,909,000 and $347,727,000 at December 31, 2011 and 2010, respectively

The Company has utilized market information as available or present value techniques to estimate the fair values of financial instruments required to be disclosed. Since such values are estimates, there can be no assurance the fair value of any financial instrument would be realized upon immediate settlement of the instrument.

Other Long-Term Liabilities — Rent collected from subtenants in excess of subtenant revenue recognized is recorded as deferred rent; the portion of deferred rent that will not be recognized in subtenant revenue in the next twelve months is recorded within other long-term liabilities. The long-term portion of deferred rent recorded as other long-term liabilities was $3,237,125 and $3,774,615 at December 31, 2011 and 2010, respectively (see Note 5).

Revenue Recognition — Parking revenues from transient parking are recognized as cash is received. Parking revenues from monthly parking customers are recognized on a monthly basis based on the terms of the underlying contracts. To the extent that the Company has received cash from customers during the year for parking periods in subsequent fiscal periods, the Company classifies such receipts as deferred revenues. Recoveries from customers for parking taxes are recognized as income in the periods the related costs are incurred and aggregated $5,445,854 and $5,707,136 during the years ended December 31, 2011 and 2010, respectively.

Subtenant Revenue — Rent from subtenants is recognized as subtenant revenue on a monthly basis based on the terms of the underlying contracts for those subtenants that do not have long-term sublease obligations to the Company. For subtenants with long-term sublease obligations to the Company, the Company recognizes as monthly subtenant revenue the total amount of rent due under the sublease agreement, including minimum rent escalation, divided by the number of months of the sublease agreement.

Income Taxes — No provision has been made for federal or state income taxes, as the liability for such taxes, if any, is that of the members rather than the Company. Open tax years under the applicable statutory limitations for federal and all state jurisdictions include tax years for 2008, 2009, 2010, and 2011.

Recent Pronouncement — In May 2011, the FASB issued new guidance which expands the qualitative and quantitative fair value disclosure requirements for Level 3 fair value measurements. The new guidance is effective for the year ending December 31, 2012. The Company is currently assessing the impact that the adoption of the guidance will have on the Company's financial statement disclosures.

3. LONG-TERM LIABILITIES

Credit Facility — On December 15, 2006, the Company entered into a 10-year term loan agreement with a third-party lender (the "Lender") consisting of two tranches ("Tranche A" and "Tranche B"). The total principal amounts available for borrowing under Tranche A and Tranche B are $350,000,000 and $53,119,263, respectively. On December 15, 2006, the Company borrowed the entire Tranche A principal amount.

Under the terms of the C&L Agreement, the Company is required to rehabilitate the East Monroe Street Garage (the "Required Capital Improvements"). The Tranche B portion of the Credit Facility is available to fund the Required Capital Improvements through February 29, 2012, the end of the Tranche B commitment period. On July 11, 2011, the Lender funded the Company's initial loan advance request under Tranche B, in the amount of $5,000,000. As of December 31, 2011, the Lender had funded total loan advance requests under Tranche B in the amount of $27,136,663.

The Credit Facility interest rate is based on a British Bankers Association LIBOR Rate plus an applicable margin of 1.05% through December 14, 2011 and an applicable margin of 1.15% from December 15, 2011, to maturity on December 15, 2016. With the funding of each loan advance, the Company has the option of choosing an interest payment due date of one, two, three or six months. The interest payment period chosen determines the LIBOR rate on which the interest rate is based. The Tranche A interest rate in effect at December 31, 2011 and 2010, was approximately 1.729% and 1.438%, respectively. The weighted average Tranche B interest rate in effect at December 31, 2011 was approximately 1.445%.

On June 25, 2009, the Credit Facility was amended so that, effective July 1, 2009, 90% of Applicable Cash Flow, as defined, would be used to pay down principal. During the years ended December 31, 2011 and 2010, the Company paid Tranche A principal of $3,554,563 and $4,067,285, and Tranche B principal of $122,041 and $0, respectively.

The remaining balance of unpaid Tranche A principal as of December 31, 2011 and 2010 was $337,134,184 and $340,688,747, respectively. As of December 31, 2011 and 2010, the outstanding Tranche B principal balance was $27,014,622 and $0, respectively. The balance of the Credit Facility is payable in full at maturity on December 15, 2016.

The Credit Facility is secured by the Company's (i) rights, title and interests in, to and under the C&L Agreement, (ii) CMP A's and CMP B's interests in the Company and (iii) the leasehold interests in the System and the improvements thereto. There are restrictive covenants on the Credit Facility and management believes that the Company was in compliance with such covenants as of December 31, 2011 and 2010.

Derivative Financial Instruments — As required by the Credit Facility, on December 15, 2006, the Company entered into a 20-year interest rate swap with the Lender to manage fluctuations in cash flows resulting from interest rate risk related to the Credit Facility. Interest rate swaps involve an agreement to exchange periodic interest payment streams calculated on predetermined notional principal amounts. Under these interest rate swaps, the Company will receive or make quarterly payments under the swaps in order to convert its Credit Facility variable interest payments to a fixed rate payment schedule. On June 30, 2009, the Company restructured the fixed rate payment schedule of the interest rate swap. The swap still matures on December 15, 2026, but effective June 30, 2009, the quarterly scheduled notional amounts and agreed upon interest rates were changed over the remaining term of the swap. At December 31, 2011 and 2010, the Company's combined notional amount under the swap was $382,841,450 and $365,365,089, respectively. Under the swap agreements, the Company paid $6,746,635 and $9,071,500 during the years ended December 31, 2011 and 2010, respectively. Both of these amounts were included in swap-related losses in the statements of operations.

4. OPERATING AGREEMENT

The parking facilities are managed by LAZ Parking Chicago, LLC ("LAZ") pursuant to the terms of a management agreement. LAZ is paid a base management fee equal to 2.5% of net operating income, as defined in the Operations and Maintenance Agreement between LAZ and the Company. The base management fee for the years ended December 31, 2011 and 2010 was $381,345 and $398,249, respectively.

5. TRANSACTIONS WITH RELATED PARTIES

Effective June 1, 2009, the Company entered into a services agreement with AMI Group, LLC f/k/a Chicago Parking Services, LLC ("AMI"), an entity which is also owned by the MSIP Partnerships, for the provision of management personnel and related services. AMI charges the Company for the costs of its services plus a fee equal to 10% of such costs. The costs and fees during the years ended December 31, 2011 and 2010 were $528,770 and $341,036, respectively. At December 31, 2011 and 2010, the Company owed AMI $127,965 and $174,972, respectively. Also, at December 31, 2011 and 2010, the Company owed Morgan Stanley $101,066 and $49,589, respectively, for costs Morgan Stanley paid on behalf of the Company. These balances are included as components of other current liabilities on the balance sheets.

On July 17, 2009, the Company entered into a sublease (the "Sublease") with Chicago Parking Meters, LLC ("Meters"), a company which is 50.1% owned by the MSIP Partnerships, in which Meters rents a warehouse with related office space on 17,417 square feet (unaudited) of the System's property (the "Rental Space") for a 10-year period beginning with Meters' initial occupancy of the Rental Space (the "Commencement Date"). The construction of the Rental Space was paid by the Company; the total cost of construction of the Rental Space was $1,422,528; the construction cost was recorded as buildings and improvements, a component of fixed assets, on the balance sheets and is depreciated over 40 years.

The sublease is for a 10-year term subject to two extension options of five years each. Rent is payable as follows: i) $2,500,000 in additional sublease rent is payable by Meters upon execution of the Sublease, ii) $481,390 of annual basic rent is payable by Meters in monthly installments starting on the Commencement Date, iii) $2,500,000 of additional sublease rent is payable by Meters upon the first anniversary of the Commencement Date, and iv) starting upon the first anniversary of the Commencement Date, the annual basic rent (including basic rent during the extended lease term, if the options are exercised) increases in accordance with the United States Consumer Price Index, but in no event by less than 3%. On November 1, 2009, the Company notified Meters that the Rental Space was available for Meters' use thereby establishing the Commencement Date as of November 1, 2009. Rental income from Meters, reported as subtenant revenue, for both the years ended December 31, 2011 and 2010 was $1,050,750. Rent received from Meters and deferred until 2012 is $537,490 and included as a component of other current liabilities on the balance sheets. Rent received from Meters and deferred for future years past 2012 is $3,237,125 and included as a component of long-term liabilities on the balance sheets.

As of December 31, 2011, the deferred rent to be recognized by the Company in the future on a straight-line basis is as follows:

2012	$537,490
2013	522,091
2014	506,232
2015	489,896
2016	473,071
Subsequent to 2016	1,245,835
Total	$3,774,615

6. COMMITMENTS AND CONTINGENCIES

Litigation — The Company may be subject to litigation in the normal course of business. Management uses guidance from legal counsel relating to the potential outcome of any litigation when determining the need to record liabilities for potential losses and the disclosure of pending legal claims. In management's opinion, the liabilities, if any, that may ultimately result from such legal actions are not expected to have a material effect on the Company's financial position, results of operations, or liquidity.

In May 2009, the City of Chicago (the "City") granted a public garage license to the garage in the Aqua building, a commercial and residential building located within one-half mile of the System ("Aqua"). On August 20, 2009, the Company provided a notice and claim to the City of a competing parking action pursuant to the C&L Agreement with respect to the City's grant of the public license to Aqua and the operation of Aqua. In February 2010, the City notified the Company that it had revoked Aqua's public garage license and replaced it with an accessory garage license; however, Aqua continued to operate as a public garage despite the revocation of its public garage license. On March 15, 2010, the Company provided notice to the City formally declaring a dispute with respect to Aqua and commencing the dispute resolution procedures under the C&L Agreement. The dispute remained unresolved subsequent to the informal dispute resolution measures under the C&L Agreement. On April 28, 2010, the Company provided notice to the City that it would proceed with non-binding mediation, as provided in the C&L Agreement. Following such non-binding mediation on September 28, 2010, the dispute remained unresolved. On March 1, 2011, the Company submitted the Aqua dispute for binding arbitration and provided notice to the City. The arbitration hearing is currently scheduled for October 2012.

Insurance Reserves — The Company purchases property insurance for claims that may occur at the garages the Company operates. The Company's property insurance policy has deductibles that must be met before the insurance companies are required to reimburse the Company for costs incurred relating to covered claims. As a result, the Company is, in effect, self-insured for all claims up to the deductible levels.

The Company estimates the timing and amount of expense recognition associated with any claims that may be filed against the Company. The expense recognition is based upon the Company's determination of an unfavorable outcome of a claim being deemed as probable and capable of being reasonably estimated. This determination requires the use of judgment in both the estimation of probability and the amount to be recognized as an expense. The Company utilizes regular input from third-party insurance advisors in determining the required level of insurance reserves, if any. Management is not aware of any outstanding or potential liability against the Company as of December 31, 2011 or 2010.

Construction — The Company has contracts with various parties for construction services related to the East Monroe Street Garage rehabilitation. At December 31, 2011, the Company has approximately $23.7 million in future commitments related to these contracts.

7. SUBSEQUENT EVENTS

The Company evaluated activity through April 30, 2012, the date the financial statements were available to be issued.

Restricted cash on deposit with the Lender at December 31, 2011 that was borrowed under the Credit Facility for the payment of construction costs was disbursed on January 11, 2012 to the contractor, architect, and construction manager, as well as to the Company for reimbursement of construction costs.

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