

TRIPPE MANUFACTURING COMPANY REDEVELOPMENT AGREEMENT

BY AND BETWEEN

THE CITY OF CHICAGO

AND

TRIPPE MANUFACTURING COMPANY

This agreement was prepared by
and after recording return to:
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Exhibit K	*Preliminary TIF Projection -- Real Estate Taxes
Exhibit L	Requisition Form
Exhibit M	*Core Property

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

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

TRIPPE MANUFACTURING COMPANY REDEVELOPMENT AGREEMENT

This Trippe Manufacturing Company Redevelopment Agreement (this "Agreement") is made as of this 29th day of December, 1998, by and between the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Planning and Development ("DPD"), and Trippe Manufacturing Company, an Illinois corporation (the "Developer").

RECITALS

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

B. Statutory Authority: The City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq. (1992 State Bar Edition), as amended from time to time (the "Act"), to finance projects that eradicate blighted conditions through the use of tax increment allocation financing for redevelopment projects, including the utilization of revenues, other than State sales tax revenues, received under the Act from one redevelopment project area for eligible costs in another redevelopment project that is either contiguous to, or is separated only by a public right of way from, the redevelopment project area from which the revenues are received.

C. City Council Authority: To induce redevelopment pursuant to the Act, the City Council of the City (the "the City Council") adopted the following ordinances: (1) On March 8, 1989, "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the Stockyards Industrial-Commercial Redevelopment Project Area"; (2) On March 8, 1989, "An Ordinance of the City of Chicago, Illinois Designating the Stockyards Industrial-Commercial Redevelopment Project Area as a Redevelopment Project Area Pursuant to Tax Increment Allocation Act"; (3) On March 8, 1989, "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Allocation Financing for the Stockyards Industrial-Commercial Redevelopment Area" (the "Stockyards TIF Financing Ordinance"); (4) On September 14, 1994, "An Ordinance of the City of Chicago, Illinois Amending the Stockyards Industrial-Commercial Redevelopment Plan"; (5) On January 10, 1996, "An Ordinance of the City of Chicago, Illinois Approving Amendment No. 2 to the Stockyards Industrial-Commercial Redevelopment Plan" (such Ordinances referred to in clauses (1) through (5) being hereinafter called the "Stockyard TIF Ordinances"); (6) On January 14, 1997, "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the 35th/Halsted Redevelopment Project Area"; (7) On January 14, 1997, "An Ordinance of the City of Chicago, Illinois Designating the 35th/Halsted Redevelopment Project Area as a Redevelopment Project Area Pursuant to Tax Increment Allocation Redevelopment Act"; and (8) On January 14, 1997, "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Allocation Financing for the 35th/Halsted Redevelopment Project Area" (the Ordinances referred to in clauses (6) through (8) being hereinafter called the "35th/Halsted TIF Ordinances" and together with the Stockyard TIF Ordinances, being hereinafter called the "TIF Ordinances"). The redevelopment project area

described in 35th/Halsted TIF Ordinances (the "Redevelopment Area") is legally described in Exhibit A hereto.

D. The Project: On March 18, 1997, the Developer purchased (the "Acquisition") certain property located within the Redevelopment Area at 1101 West 35th Street, Chicago, Illinois 60609 and legally described on Exhibit B hereto (the "Property"). The Property is located within the Redevelopment Area and the Redevelopment Area is contiguous to, or is separated only by a public right of way from, the redevelopment area referred to in and covered by the Stockyards TIF Ordinances. The Developer, within the time frames set forth in Section 3.01 hereof, shall demolish certain existing improvements and renovate and rehabilitate certain improvements with an approximate square footage of 920,000 square feet for use as manufacturing, distribution and office facilities (such remaining improvements are collectively referred to herein as the "Facility") thereon. The demolition of existing improvements and the renovation and rehabilitation of 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 35th/Halsted Redevelopment Project Area Tax Increment Finance Program Redevelopment Plan and Project (the "Redevelopment Plan") attached hereto as Exhibit D, as amended from time to time.

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

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

SECTION 1. RECITALS

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

SECTION 2. DEFINITIONS

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

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

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

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

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

"City 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.

"Construction Contract" shall mean that certain contract, substantially in the form attached hereto as Exhibit E-1, to be entered into between the Developer and the General Contractor providing for the rehabilitation and renovation of the Project, but not including the demolition portions of such Project.

"Core Property" shall mean that portion of the Property as set forth in Exhibit M.

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

"Demolition Contract" shall mean that certain contract, substantially in the form attached hereto as Exhibit E-2, to be entered into between the Developer and the General Contractor providing for the demolition portion of the Project.

"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 irrevocably available for the Project, in the amount set forth in Section 4.01 hereof, which amount may be increased pursuant to Section 4.04 (Cost Overruns) or Section 4.03(b).

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

"Financial Statements" shall mean the unaudited certificates of the chief executive officer of the Developer or other evidence satisfactory to the Commissioner of DPD as to the Developer's net worth.

"General Contractor" shall mean the general contractor(s) hired by the Developer pursuant to Section 6.01 with respect to the demolition, rehabilitation and/or renovation portions of the Project.

"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 Ordinances and Section 5/11-74.4-4(q) of the Act, have been collected and paid into a special tax allocation fund established pursuant to the Stockyards TIF Financing Ordinance, and have been allocated by the City to pay Redevelopment Project Costs incurred in the Redevelopment Project Area.

"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 Shortfall Amount" shall have the meaning set forth in Section 10.03(c) hereof.

"MBE/WBE Draw" shall have the meaning set forth in Section 8.22 hereof.

"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 Property or the Project.

"Out-Lots" shall mean that portion of the Property described on Exhibit F hereto.

"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.

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

"Project Budget" shall mean the budget attached hereto as Exhibit H, showing the total cost of the Project by line item, furnished by the Developer to DPD, in accordance with Section 3.03 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 DPD pursuant to 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 Class A plat of survey in the most recently revised form of ALTA/ACSM land title survey of the Property dated within 45 days prior to the Closing Date, acceptable in form and content to the City and the Title Company, prepared by a surveyor registered in the State of Illinois, certified to the City and the Title Company, and indicating whether the Property is in a flood hazard area as identified by the United States Federal Emergency Management Agency (and updates thereof to reflect improvements to the Property in connection with the construction of the Facility and related improvements as required by the City).

"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 January 14, 2020).

"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.

"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 and noting the recording of this Agreement as an encumbrance against the Property, issued by the Title Company.

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

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

SECTION 3. THE PROJECT

3.01 The Project. The Developer has, pursuant to the Plans and Specifications, commenced demolition of existing improvements on the Property and commenced the renovation and rehabilitation of the Facility no later than March 1, 1997. The Developer shall, pursuant to the Plans and Specifications and subject to the provisions of Section 18.17 hereof, complete the demolition described above and substantially complete the rehabilitation and renovation of the Facility and conduct business operations therein no later than April 30, 1998.

3.02 Scope Drawings and Plans and Specifications. The Developer has delivered the Scope Drawings and Plans and Specifications to DPD and DPD has approved same. After such initial approval, subsequent proposed changes to the Scope Drawings or Plans and Specifications shall be submitted to DPD as a Change Order to the extent required pursuant to Section 3.04 hereof. The

Scope Drawings and Plans and Specifications shall at all times conform to the Redevelopment Plan as amended from time to time and all applicable federal, state and local laws, ordinances and regulations. The Developer shall submit all necessary documents to the City's Building Department 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 DPD, and DPD has approved, a Project Budget showing total costs for the Project in an amount not less than Eight Million Seven Hundred Twenty-Nine Thousand Three Hundred Sixty-One Dollars (\$8,729,361). The Developer hereby certifies to the City that (a) the City Funds, together with the Equity described in Section 4.02 hereof, shall be sufficient to complete the Project, and (b) the Project Budget is true, correct and complete in all material respects. The Developer shall promptly deliver to DPD certified copies of any Change Orders with respect to the Project Budget for approval pursuant to Section 3.04 hereof.

3.04 Change Orders. Except as provided below, all Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to material changes to the Project must be delivered by the Developer to DPD concurrently with the delivery of the progress reports described in Section 3.07 hereof; provided, that any Change Orders that would authorize or cause any of the following to occur must be submitted by the Developer to DPD for DPD's prior written approval: (a) a reduction in the total square footage of the Facility, (b) a change in the proposed use of the Facility, or (c) a delay in the completion of the Project. The Developer shall not authorize or permit the performance of any work relating to a Change Order or the furnishing of materials in connection therewith prior to the receipt by the Developer of DPD's written approval as required above. The Construction Contract, the Demolition Contract, and each contract between the General Contractor and any subcontractor, shall contain a provision to this effect. An approved Change Order shall not be deemed to imply any obligation on the part of the City to increase the amount of Incremental Taxes which the City has pledged pursuant to this Agreement or provide any other additional assistance to the Developer. No Change Orders shall be required to be delivered to DPD or approved by DPD for work relating to the Project which is completed prior to the Closing Date.

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

3.06 Other Approvals. Any DPD approval under this Agreement shall have no effect upon, nor shall it operate as a waiver of, the Developer's obligations to comply with the provisions of Section 5.03 (Other Governmental Approvals) hereof. The Developer shall not commence construction of the Project until the Developer has obtained all necessary permits and approvals (including but not limited to DPD's approval of the Scope Drawings and Plans and Specifications) and proof of the General Contractor's and each subcontractor's bonding.

3.07 Progress Reports and Survey Updates. The Developer shall provide DPD with written monthly progress reports detailing the status of the Project, including a revised completion date, if necessary (with any change in completion date being considered a Change Order, requiring DPD's written approval pursuant to Section 3.04). No such progress reports shall be required to be delivered to DPD for work relating to the Project performed prior to the Closing Date. Upon completion of the Project, the Developer shall provide three (3) copies of an updated Survey to DPD upon the request of DPD, 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 DPD 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 DPD, prior to requests for disbursement for costs related to the Project.

3.09 Barricades. Prior to commencing any construction requiring barricades, the Developer shall install a construction barricade of a type and appearance satisfactory to the City and constructed in compliance with all applicable federal, state or

City laws, ordinances and regulations. DPD retains the right to approve the maintenance, appearance, color scheme, painting, nature, type, content and design of all barricades.

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

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

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

SECTION 4. FINANCING

4.01 Total Project Cost and Sources of Funds. The cost of the Project is estimated to be not less than \$8,399,000, to be applied in the manner set forth in the Project Budget. Such costs shall be initially funded from Equity, but a portion of such costs may be reimbursed with City Funds subject to the terms and conditions hereof.

4.02 Developer Funds. Equity shall be used to pay all Project costs, including but not limited to Redevelopment Project Costs.

4.03 City Funds.

(a) Uses of City Funds. City Funds shall be used hereunder to reimburse the Developer for costs of TIF-Funded Improvements only 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 reimbursed from City Funds for each line item therein, contingent upon receipt by the City of documentation satisfactory in form and substance to DPD evidencing such cost and its eligibility as a Redevelopment Project Cost.

(b) Sources of City Funds. Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03 and Section 5 hereof, the City hereby agrees to provide City funds from Incremental Taxes (the "City Funds") to reimburse the Developer for the costs of the TIF-Funded Improvements; provided, however, that the total amount of City Funds reimbursed to the Developer for TIF-Funded Improvements shall be an amount not to exceed, in the aggregate, at any time the lesser of One Million, Six Hundred Thousand Dollars (\$1,600,000) or Nineteen and five-hundredths percent (19.05%) of the actual total Project costs that have been incurred at the time of any such reimbursement; and provided further, that the City Funds shall be available to pay costs related to TIF-Funded Improvements only so long as no Event of Default, or condition or event that with notice or the passage of time or both would constitute an Event of Default, has occurred and has not been cured.

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 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. DPD shall retain the right to approve or reject, in its reasonable discretion, the designation of any cost in the Project Budget as (i) a TIF-Funded Improvement or (ii) a part of the actual total Project costs. TIF-Funded Improvements shall include costs which are incurred prior to the Closing Date.

4.04 Cost Overruns. If the aggregate cost of the TIF-Funded Improvements exceeds City Funds available pursuant to Section 4.03 hereof, the Developer shall be solely responsible for such excess

costs, and shall hold the City harmless from any and all costs and expenses of completing the TIF-Funded Improvements in excess of City Funds.

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 DPD and approved by DPD as satisfying costs covered in the Project Budget, shall be considered previously contributed Equity hereunder (the "Prior Expenditures"). DPD shall have the right, in its sole discretion, to disallow any such expenditure as a Prior Expenditure. Exhibit I hereto sets forth the prior expenditures approved by DPD as 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 required to be contributed by the Developer pursuant to Section 4.01 hereof.

(b) Allocation Among Line Items. Subject to Section 3.04 hereof, Developer's expenditures related to TIF-Funded Improvements may be reallocated between or among the line items of costs of TIF-Funded Improvements, and Developer's expenditures related to other Project costs may be reallocated between or among the line items of such costs in the Project Budget, in each case without the prior written consent of DPD: provided, that the Developer shall give DPD notice of any such reallocation concurrently with the delivery of the progress reports described in Section 3.07 hereof.

4.06 Requisition Form. On the Closing Date and prior to each January 1, April 1, July 1 and October 1 (or such other date as the parties may agree to) thereafter, beginning in 1999 and continuing throughout the earlier of (i) the Term of the Agreement or (ii) the date that the Developer has been reimbursed in full under this Agreement, the Developer shall provide DPD with a Requisition Form, along with the documentation described therein. Requisition for reimbursement of TIF-Funded Improvements shall be made not more than one time per calendar quarter (or as otherwise permitted by DPD). On each December 1 (or such other date as may be acceptable to the parties), beginning in 1998 and continuing throughout the Term of the Agreement, the Developer shall meet with DPD at the

request of DPD to discuss the Requisition Form(s) previously delivered.

SECTION 5. CONDITIONS PRECEDENT

The following conditions shall be complied with to the City's satisfaction within the time periods set forth below or, if no time period is specified, on or prior to the Closing Date:

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

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

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

5.04 Financing. The Developer shall have 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. Any liens against the Property in existence at the Closing Date shall, if required by DPD, be subordinated to certain encumbrances of the City set forth herein pursuant to a Subordination Agreement, in a form acceptable to the City, executed on or prior to the Closing Date.

5.05 Acquisition and Title. On the Closing Date, the Developer shall furnish 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 shall be dated the Closing Date, shall contain only those title exceptions listed as Permitted Liens on Exhibit G hereto and shall evidence the recording of this Agreement pursuant to the provisions of Section 8.18 hereof. The Title Policy shall also contain 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 shall provide to DPD, 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 DPD's satisfaction, by the Title Policy and any endorsements thereto.

5.06 Evidence of Clean Title. Not less than five (5) business days prior to the Closing Date, the Developer, at its own expense, shall have provided the City with current 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. Not less than five (5) business days prior to the Closing Date, the Developer shall have furnished the City with three (3) copies of the Survey.

5.08 Insurance. The Developer, at its own expense, shall have insured the Property in accordance with Section 12 hereof. At least five (5) business days prior to the Closing Date, certificates required pursuant to Section 12 hereof evidencing the required coverages shall have been delivered to DPD.

5.09 Opinion of the Developer's Counsel. On the Closing Date, the Developer shall furnish the City with an opinion of counsel, substantially in the form attached hereto as Exhibit J, with such changes as may be 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 shall be obtained by the Developer from its general corporate counsel.

5.10 Evidence of Prior Expenditures. Not less than twenty (20) business days prior to the Closing Date, the Developer shall have provided evidence satisfactory to DPD in its sole discretion of the Prior Expenditures in accordance with the provisions of Section 4.05(a) hereof.

5.11 Financial Statements. Not less than thirty (30) days prior to the Closing Date, the Developer shall have provided Financial Statements to DPD for its three most recent fiscal years, and an interim financial statement as of the end of the calendar month immediately preceding the Closing Date, each of which Financial Statements shall certify the net worth of the Developer as not less than \$50 million.

5.12 Documentation. The Developer shall have provided documentation to DPD, satisfactory in form and substance to DPD, with respect to current employment matters, including the information required by the last sentence of Section 8.08 hereof.

5.13 Environmental. Not less than thirty (30) days prior to the Closing Date, the Developer shall have provided DPD with copies of that certain phase I environmental audit completed with respect to the Property. Based on the City's review thereof, the City may, in its sole discretion, require the completion of a phase II environmental audit with respect to the Property prior to the Closing Date. The City reserves the right to terminate negotiations with respect to this Agreement if, in the City's view, such audits reveal the existence of material environmental problems. Prior to the Closing Date, the Developer shall provide the City with a letter from the environmental engineer(s) who completed such audit(s), authorizing the City to rely on such audits.

5.14 Corporate Documents. The Developer shall provide a copy of its Articles or Certificate of Incorporation containing the original certification of the Secretary of State of its state of incorporation; certificates of good standing from the Secretary of State of its state of incorporation and all other states in which

the Developer is qualified to do business; a secretary's certificate in such form and substance as the Corporation Counsel may require; and such other corporate documentation as the City may request.

5.15 Litigation. The Developer shall provide to Corporation Counsel and DPD, at least ten (10) business days prior to the Closing Date, 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.

5.16 Preconditions of Disbursement. Prior to each disbursement of City Funds hereunder, the Developer shall submit documentation of such expenditures to DPD, which shall be satisfactory to DPD in its sole discretion. Delivery by the Developer to DPD of any request of 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 costs of the Acquisition that have been incurred by the Developer, and/or the actual amount payable to (or paid to) the General Contractor, the Demolition Contractor and/or subcontractors who have performed work on the Project, and/or their payees;

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

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

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

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

(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.

The Developer shall have satisfied all other preconditions of disbursement of City Funds for each disbursement, including but not limited to requirements set forth in the TIF Ordinances and/or this Agreement. 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.

5.17 Class 6(b) Application. On the Closing Date, the Developer shall provide to the City, in a form satisfactory to DPD and the Corporation Counsel, documentation evidencing the Developer's withdrawal of its application for a Class 6(b) real estate tax reduction under the Cook County Real Property Classification Ordinance with respect to the Property.

SECTION 6. AGREEMENTS WITH CONTRACTORS

6.01 Bid Requirement for General Contractor and Subcontractors. (a) Except as set forth in Section 6.01(b) below, or as otherwise approved by DPD, prior to entering into an agreement with a General Contractor or any subcontractor for the demolition, remediation, rehabilitation or renovation portions of the Project, the Developer shall solicit, or shall cause the General Contractor to solicit, bids from qualified contractors eligible to do business with, and having an office located in, the City of Chicago, and shall submit all bids received to DPD for its inspection and written approval. (i) For the TIF-Funded Improvements, the Developer shall select the General Contractor (or shall cause the General Contractor to select the subcontractor) submitting the lowest responsible bid who can complete the Project

in a timely manner. If the Developer selects a General Contractor (or the General Contractor selects any subcontractor) submitting other than the lowest responsible bid for the TIF-Funded Improvements, the difference between the lowest responsible bid and the bid selected may not be paid out of City Funds. (ii) For Project work other than the TIF-Funded Improvements, if the Developer selects a General Contractor (or the General Contractor selects any subcontractor) who has not submitted the lowest responsible bid, the difference between the lowest responsible bid and the higher bid selected shall be subtracted from the actual total Project costs for purposes of the calculation of the amount of City Funds to be contributed to the Project pursuant to Section 4.03(b) hereof. Prior to the Closing Date, the Developer shall submit copies of the Construction Contract and the Demolition Contract to DPD in accordance with Section 6.02 below. Photocopies of all subcontracts entered into after the Closing Date in connection with the TIF-Funded Improvements shall be provided to DPD within five (5) business days of the execution thereof. The Developer shall ensure that the General Contractor shall not (and shall cause the General Contractor to ensure that the subcontractors shall not) begin work on the Project until the Plans and Specifications have been approved by DPD and all requisite permits have been obtained.

(b) If, prior to entering into an agreement with a General Contractor for the demolition, rehabilitation or renovation portions of the Project, the Developer does not solicit bids pursuant to Section 6.01(a) hereof, then the fee of the General Contractor for any such contract proposed to be paid out of City Funds shall be limited to 10% of the total amount of the Construction Contract or Demolition Contract, as applicable. Except as explicitly stated in this paragraph, all other provisions of Section 6.01(a) shall apply, including but not limited to the requirement that the General Contractor shall solicit competitive bids from all subcontractors and for divisions of work to be performed by such General Contractor.

6.02 Construction and Demolition Contracts. Prior to the Closing Date, the Developer shall deliver to DPD a copy of the Construction Contract with the General Contractor and the Demolition Contract with the General Contractor, each as selected to handle their respective portions of the Project in accordance with Section 6.01 above, for DPD's prior written approval (which

approval shall be evidenced by the City's execution and delivery of this Agreement). Prior to the execution of any such contract (or a modification, amendment or supplement thereto) by the Developer, the General Contractor and any other parties thereto after the Closing Date, the Developer shall deliver to DPD and Corporation Counsel a copy of such contract for DPD's written approval. After the execution of any contracts (or any modifications, amendments or supplements thereto) referred to in the preceding sentence, the Developer shall deliver to DPD a certified copy of any such contract within ten (10) days of the execution thereof.

6.03 Performance and Payment Bonds. Prior to commencement of construction for any work for the Project relating to construction in the public way, the Developer shall require that the General Contractor be bonded for its performance and payment by sureties having an AA rating or better using American Institute of Architect's Form No. A311 or its equivalent. The City shall be named as obligee or co-obligee on such bond.

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

6.05 Other Provisions. In addition to the requirements of this Section 6, the Construction Contract, the Demolition 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 12 (Insurance) and Section 14.01 (Books and Records) hereof. Except for any agreement with a contractor or subcontractor which has been entered into by the Developer prior to the date hereof and of which DPD has approved and received a copy as provided in Section 6.02, photocopies of all contracts or subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to DPD within five (5) business days of the execution thereof.

SECTION 7. COMPLETION OF REHABILITATION

7.01 Certificate of Completion of Rehabilitation. Upon completion of the demolition, renovation and rehabilitation

portions of the Project in accordance with the terms of this Agreement, and upon the Developer's written request, DPD 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. DPD shall respond to the Developer's written request for a Certificate within thirty (30) 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 demolition, renovation and rehabilitation portions 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 (except as otherwise specifically provided herein) 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 Section 8.02, 8.06 and 8.19 as covenants that run with the land are the only covenants in this Agreement intended to be binding upon any transferee of the Property (including an assignee as described in the following sentence) throughout the Term of the Agreement (except as otherwise specifically provided here) notwithstanding the issuance of a Certificate. 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 shall have, 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.

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

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

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

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

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

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

(d) the Developer has good and marketable title to the Property free and clear of all liens (except for the Permitted Liens and non-governmental charges that the Developer is contesting in good faith pursuant to Section 8.15 hereof). Unless otherwise permitted below or pursuant to the terms of Section 16 of this Agreement, for a ten year period after the Closing Date, the Developer shall maintain good and marketable title to the Property free and clear of all liens (except for the Permitted Liens and non-governmental charges that the Developer is contesting in good faith pursuant to Section 8.15 hereof); provided, that during the first ten years after the Closing Date, the Developer shall not sell, transfer, lease, convey or otherwise dispose of all or a portion of the Property without the prior written consent of the City, with the City's determination regarding its consent to be limited to its review of the proposed use of the Property (or portion thereof) by the proposed transferee; provided, further, that notwithstanding the above, the City's consent to a sale, transfer or disposition of all or any portion of the Out-lots shall only be directed toward considering whether the proposed use by the transferee is consistent with the Redevelopment Plan;

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

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

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

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

(i) the Financial Statements are complete and correct in all material respects and accurately present the net worth of the Developer, and there has been no material adverse change in the net worth of the Developer since the date of the Developer's most recent Financial Statements;

(j) prior to the issuance of a Certificate, the Developer shall not do any of the following without the prior written consent of DPD: (1) be a party to any merger, liquidation or consolidation; (2) subject to the provisions of Section 8.01(d) hereof restricting transfers of the Property, 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 DPD, allow the existence of any liens against the Property other than the Permitted Liens; or incur any indebtedness, secured or to be secured by the Property 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.

8.02 Covenant to Redevelop. Upon DPD'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.

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 reimburse the Developer for its payment of 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 Project or the redevelopment of the Redevelopment Area, the proceeds of which may be used in full or in part to reimburse the City for expenditures made in connection with 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; provided, however, nothing herein shall require the Developer to deliver financial statements prepared, reviewed or certified by its accountants or other internally prepared or generated financial statements.

8.06 Job Creation and Retention; Covenant to Remain in the City. Not less than three hundred seventy (370) full-time equivalent, permanent jobs shall be retained by the Developer at the Facility for a period of ten (10) years after the Closing Date.

The Developer hereby covenants and agrees to maintain its operations at the Facility for a period of 10 years from and after the Closing Date. Subject to the provisions of Section 8.01(d) hereof, for a period of ten years after the Closing Date, the Developer may not sell, transfer, convey, lease or otherwise dispose of the Property or the Facility without the consent of the City. The covenants set forth in this Section shall run with the land and be binding upon any transferee.

8.07 Employment Opportunity. 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.

8.08 Employment Profile. The Developer shall submit, and contractually obligate and cause the General Contractor or any subcontractor to submit, to DPD, from time to time, statements of its employment profile upon DPD's request. In addition to any other reports required hereunder, the Developer shall provide to DPD, in a form acceptable to DPD, reports regarding the Developer's compliance with Sections 8.09, 10.02 and 10.03 hereof on or prior to the Closing Date and when the Project is fully completed. Such reports shall contain a description of the plan of the Developer to address and make up for any shortfalls that may exist, and any such plan shall be subject to the approval of DPD.

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

8.10 Arms-Length Transactions. Unless DPD shall have given its prior written consent with respect thereto, no Affiliate of the Developer may receive any portion of City Funds, directly or indirectly, in payment for work done, services provided or

materials supplied in connection with any TIF-Funded Improvement. The Developer shall provide information with respect to any entity to receive City Funds directly or indirectly (whether through payment to the Affiliate by the Developer and reimbursement to the Developer for such costs using City Funds, or otherwise), upon DPD's request, prior to any such disbursement.

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

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

8.13 Financial Statements. The Developer shall obtain and provide to DPD Financial Statements for the Developer's fiscal year ended December 31, 1997 and for each fiscal year thereafter until a Certificate has been issued hereunder.

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 Core 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 Core 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 DPD, within thirty (30) days of DPD's request, official receipts from the appropriate entity, or other proof satisfactory to DPD, evidencing payment of the Non-Governmental Charge in question.

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

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 DPD 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 on the date hereof in the conveyance and real property records of the county in which the Project is located. The Developer shall pay all fees and charges incurred in connection with any such recording. Upon recording, the Developer shall immediately transmit to the City an executed original of this Agreement showing the date and recording number of record.

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 relating to the Developer, the Property (except for Governmental Charges which are assessed or imposed upon all or any portion of the Out-Lots after the Out-Lots or any such portion thereof have been transferred by the Developer such that the Developer is no longer responsible for the payment of such Governmental Charges) or the Project including but not limited to real estate taxes.

(ii) Right to Contest. The Developer shall have 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 Core 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 DPD of the Developer's intent to contest or object to a Governmental Charge and, unless, at DPD's sole option,

(i) the Developer shall demonstrate to DPD'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

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

(b) 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 DPD thereof in writing, at which time DPD may, but shall not be obligated to, and without waiving or releasing any obligation or liability of the Developer under this Agreement, in DPD's sole discretion, make such payment, or any part thereof, or obtain such discharge and take any other action with respect thereto which DPD deems advisable. All sums so paid by DPD, if any, and any expenses, if any, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto, shall be promptly disbursed to DPD by 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 Financial Statements at the Developer's own expense.

(c) Real Estate Taxes.

(i) Acknowledgement of Real Estate Taxes. The Developer agrees that (A) for the purpose of this Agreement, the total projected minimum assessed value of the Core Property ("Minimum Assessed Value") is shown on Exhibit K attached hereto and incorporated herein by reference for the years noted on Exhibit K; and (B) the real estate taxes anticipated to be generated and derived from the Core Property and the rehabilitation and renovation portions of the Project for the years shown are fairly and accurately indicated in Exhibit K.

(ii) Real Estate Tax Exemption. With respect to the Core Property or the rehabilitation or renovation portions of 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 Core Property or the rehabilitation or renovation portions of 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

rehabilitation or renovations portions of the Project 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 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 Core 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).

(d) Insurance. In addition to the insurance required pursuant to Section 12 hereof, the Developer shall procure and maintain the following insurance:

- (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.
- (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 Core Property. Coverage extensions shall include business interruption/loss of rents, flood and boiler and machinery, if applicable.

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 except otherwise specifically provided herein.

8.21 Job Training. The Developer hereby agrees to use its best efforts to participate in any job training and job readiness programs established by the City to help prepare individuals to work for businesses located within the Redevelopment Area.

8.22 Letter of Credit. The Developer shall deliver to the City, on or prior to the Closing Date, a letter of credit in favor of the City in the amount of \$1,600,000 (subject to reduction as provided below). The letter of credit shall have a term which begins on the Closing Date and extends until ten years from the Closing Date; provided, that instead of the letter of credit having a ten year term, the letter of credit may have a one-year term which is to be automatically renewed annually (at least 30 days in advance of its expiry date) for nine successive years by the issuing institution, unless the issuer notifies the City at least 60 days prior to the expiration of the issuer's intent not to renew the letter of credit. If the issuing institution does not issue a notice of renewal to DPD at least 30 days prior to the expiration date of the letter of credit, then the City shall be permitted to draw on the letter of credit in its full amount. The financial institution issuing the letter of credit and the form of the letter of credit shall be acceptable to DPD. The letter of credit shall state that it may be drawn upon by the delivery of a certificate from DPD stating that the letter of credit is available to be drawn upon pursuant to the terms of this Agreement, and DPD shall not be required to provide any other documentation or evidence to the issuing bank prior to drawing on the letter of credit. The letter of credit shall be available to be drawn upon by the City at any time upon the Developer's failure to comply with its obligations regarding job creation and operation as set forth in Section 8.06 hereunder. The letter of credit shall also be available to be drawn upon by the City upon the Developer's failure to comply with its obligations regarding contracting with MBEs/WBEs set forth in Section 10.03 hereof (an "MBE/WBE Draw"). The City shall have the right to make an MBE/WBE Draw only on the fifth and the tenth anniversary of the Closing Date; provided, that the amount available to be drawn by the City pursuant to an MBE/WBE Draw on

either anniversary date shall not be reduced by the amount of the annual reduction which is to be made on such anniversary date as provided below. The amount that the City can draw under the letter of credit under an MBE/WBE Draw on the fifth anniversary of the Closing Date shall not exceed fifty percent (50%) of the MBE Shortfall Amount outstanding at such time. On the tenth anniversary of the Closing Date, the amount that the City can draw under the letter of credit under an MBE/WBE Draw shall not exceed the MBE Shortfall Amount outstanding at such time. The amount of the letter of credit shall remain \$1,600,000 after issuance until the fifth anniversary of the Closing Date (unless reduced by City draws hereunder), and thereafter shall be reduced by twenty percent (20%) each anniversary of the Closing Date thereafter; provided, that, notwithstanding the reduction described in this sentence, in no event shall the amount of the letter of credit be reduced to an amount less than the MBE Shortfall Amount outstanding at the time of such reduction.

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

The Developer may request a reduction or waiver of this minimum percentage level of Chicagoans as provided for in Section 2-92-330 of the Municipal Code of Chicago in accordance with

standards and procedures developed by the Purchasing Agent 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 DPD in triplicate, which shall identify clearly the actual residence of every employee on each submitted certified payroll. The first time that an employee's name appears on a payroll, the date that the Employer hired the employee should be written in after the employee's name.

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

At the direction of DPD, 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 Purchasing Agent) 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 Purchasing Agent's determination as to whether the Developer must surrender damages as provided in this paragraph.

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

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

10.03 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 each General Contractor to agree that, until the 10th anniversary of the Closing Date.

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, at least the following percentages of the total Project Budget (less the acquisition price of the Property or any portion thereof, if any, and costs related to acquisition, resulting in an amount currently estimated to be \$5,974,333 which is subject to the provisions of this Section) shall be expended for contract participation by MBEs or WBEs:

- i. At least 25 percent by MBEs.
- ii. At least 5 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. The parties hereto agree that, to the

extent that the Developer (along with the General Contractors) has not expended the amount as required under subsection (a) above with respect to contract participation by MBEs in connection with the Project, as such amount may be reduced from time to time hereunder by the Developer's action to remedy such condition (such amount, the "MBE Shortfall Amount") (which MBE Shortfall Amount is currently estimated to be \$1,651,100.75), the Developer shall be entitled to remedy such condition, and hereby agrees to remedy such condition, by entering into contracts in connection with its operation of the Facility with MBEs during the period beginning on the Closing Date and ending on the tenth anniversary of the Closing Date, subject to the following: (i) the Developer shall remedy its MBE shortfall on the basis of the following ratio - \$1.52 of amounts actually paid under an Eligible Contract (defined below) for each \$1.00 of the MBE Shortfall Amount, which ratio shall only apply to Eligible Contracts (or portions thereof) which do not involve the construction or rehabilitation of the Facility; (ii) the Developer shall remedy its MBE shortfall on the basis of the following ratio - \$1.00 of amounts actually paid under an Eligible Contract (defined below) for each \$1.00 of the MBE Shortfall Amount, which ratio shall only apply to Eligible Contracts (or portions thereof) which involve the construction or rehabilitation of the Facility; and (iii) an "Eligible Contract" is a contract entered into by the Developer with an MBE regarding the operation of the Facility which the Developer is not otherwise required to enter into to meet affirmative action goals mandated by law or contract. For the first ten years after the Closing Date, the Developer shall deliver to DPD, no later than 60 days prior to each anniversary of the Closing Date, for DPD's approval a statement of the MBE Shortfall Amount to be in effect upon such anniversary. Once the statement has been approved by DPD, the MBE Shortfall Amount reflected in such statement shall be the MBE Shortfall Amount for such anniversary for the purposes of this Agreement.

d. In addition to the reports required by Section 8.08 hereof, the Developer shall deliver quarterly reports to DPD during the Project and thereafter until the tenth anniversary of the Closing Date 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 vendor arrangements hereunder, 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 DPD in determining the Developer's compliance with this MBE/WBE commitment. DPD shall have 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. Except as otherwise provided in subparagraph (c) of this Section 10.03, 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. Prior to execution of the Agreement, but only with respect to contracts for the Project not yet completed, the Developer, the General Contractor and all major subcontractors shall be required to meet with the monitoring staff of DPD with regard to the Developer's compliance with its obligations under this Section 10.03. During this meeting, the Developer shall demonstrate to DPD its plan to achieve its obligations under this Section 10.03, the sufficiency of which shall be approved by DPD. During the Project, the Developer shall submit the documentation required by this Section 10.03 to the monitoring staff of DPD. Failure to submit such documentation on a timely basis, or a determination by DPD, 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) issue a written demand to the Developer to halt the

Project, (2) withhold any further payment of any City Funds to the Developer or the General Contractor, or (3) seek any other remedies against the Developer available at law or in equity.

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 this Agreement, the insurance coverages and requirements specified below, insuring all operations related to the Agreement.

(a) Prior to Execution and Delivery of this Agreement

(i) Workers Compensation and Employers Liability Insurance

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

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

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

(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 \$500,00 each accident or illness.

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

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

(iii) Automobile Liability Insurance (Primary and Umbrella)

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

(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 shall have limits of not less than \$2,000,000 per occurrence and \$6,000,000 in the aggregate for losses arising out of injuries to or death of all persons, and for damage to or destruction of property, including the loss of use thereof.

(v) 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 \$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 shall have 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 \$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) Other Requirements

The Developer will furnish the City of Chicago, Department of Planning and 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 Developer shall submit evidence of insurance on the City of Chicago Insurance Certificate Form (copy attached) or equivalent prior to Agreement award. 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 contractor, and all subcontractors to provide the insurance required herein or Developer may provide the coverages for the Contractor, or subcontractors. All Contractors and subcontractors shall be subject to the same requirements (Section C) of Developer unless otherwise specified herein.

If the Developer, Contractor or subcontractor desires additional coverages, the Developer, Contractor and each 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.

SECTION 13. INDEMNIFICATION

The Developer agrees to indemnify, defend and hold the City harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses (including, without limitation, reasonable attorneys' fees and court costs) suffered or incurred by the City arising from or in connection with (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 the Redevelopment Plan or any other document related to this Agreement that is the result of information supplied or omitted by the Developer or its agents, employees, contractors or persons acting under the control or at the request of the Developer or (iv) the Developer's failure to cure any misrepresentation made by it in this Agreement or any other agreement relating hereto.

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 shall have access to all portions of the Project and the Property during normal business hours for the Term of the Agreement.

SECTION 15. DEFAULT AND REMEDIES

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

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

(b) the failure of the Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Developer under any other agreement with any person or entity if such failure may have a material adverse effect on the Developer's ability to perform its obligations under this Agreement;

(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 when made (which shall include those made as of the Closing Date hereunder and those which are certified after the Closing Date hereunder);

(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, the effect of which would have a material adverse affect on the ability of the Developer to perform its obligations under this Agreement;

(h) the dissolution of the Developer; or

(i) 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).

For purposes of Section 15.01(i) hereof, a person with a material interest in the Developer shall be one owning in excess of fifty percent (50%) 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, and may suspend disbursement of City Funds. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, 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 shall have 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 shall have 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

Any and 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 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 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 which secures a principal amount of indebtedness not in excess of 100% of its fair market value or which has received 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 mortgage or deed of trust (other than 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 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 shall have 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 DPD.

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

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

If to the Developer: Trippe Manufacturing Company
1111 West 35th Street
Chicago, IL 60609

With Copies To: Rosenthal and Schanfield
55 East Monroe, Suite 4600
Chicago, IL 60603
Attention: Walter Deitch, Esq.

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 without the prior written consent of the City.

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.

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

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

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

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

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

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

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

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

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

18.15 Assignment. Prior to the issuance by the City to the Developer of a Certificate, 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. Notwithstanding the issuance of such Certificate, any permitted 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 except as otherwise specifically provided herein. 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 permitted 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).

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 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 reimbursement obligations of the City set forth herein.

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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.

TRIPPE MANUFACTURING COMPANY, an
Illinois corporation

By: 

Its: President

CITY OF CHICAGO

By: _____

Commissioner, Department
of Planning and Development

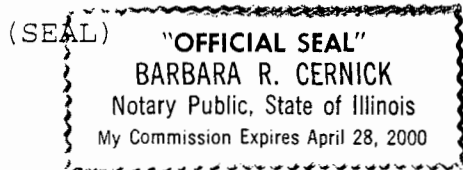
STATE OF ILLINOIS)
) ss
COUNTY OF COOK)

I, Barbara R. Cernick, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Barre Seid, personally known to me to be the President of Trippe Manufacturing Company, an Illinois corporation (the "Corporation"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed, and delivered said instrument, pursuant to the authority given to him by the Board of Directors of the Corporation, as his free and voluntary act and as the free and voluntary act of the Corporation, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 29th day of December, 1998

Barbara R. Cernick
Notary Public

My Commission Expires 4/28/2000



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.

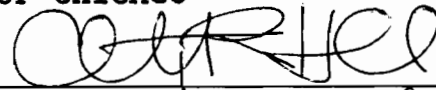
TRIPPE MANUFACTURING COMPANY, an
Illinois corporation

By: _____

Its: President

CITY OF CHICAGO

By: _____



_____, *STH*
Commissioner, Department
of Planning and Development

STATE OF ILLINOIS)
) ss
COUNTY OF COOK)

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

GIVEN under my hand and official seal this 29th day of December, 1998.

Patricia M. Ryan
Notary Public

My Commission Expires 5/06/2002

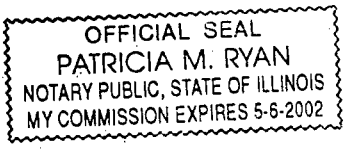


EXHIBIT A
LEGAL DESCRIPTION

THAT PART OF SECTION 5 AND SECTION 6, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN AND SECTION 32 AND SECTION 33, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 32, BEING THE INTERSECTION OF THE CENTERLINE OF PERSHING ROAD AND THE CENTERLINE OF ASHLAND AVENUE; THENCE NORTH ALONG THE WEST LINE OF SAID SECTION 32, BEING THE CENTERLINE OF ASHLAND AVENUE TO THE CENTERLINE OF 33RD STREET; THENCE EAST, ALONG THE CENTERLINE OF SAID 33RD STREET AND ITS EASTERLY EXTENSION, TO THE WEST LINE OF THE SOUTH FORK OF THE SOUTH BRANCH OF THE CHICAGO RIVER; THENCE NORTHWESTERLY, ALONG SAID WESTERLY LINE OF THE SOUTH FORK OF THE SOUTH BRANCH OF THE CHICAGO RIVER TO THE WESTERLY EXTENSION OF THE NORTH LINE OF LOT 28 IN ASSESSOR'S DIVISION OF THE NORTHWEST QUARTER AND THE WEST HALF OF THE NORTHEAST QUARTER OF SAID SECTION 32, RECORDED JULY 16, 1857 (ANTE-FIRE); THENCE EAST, ALONG THE AFOREDESCRIBED LINE AND ITS EASTERLY EXTENSION, TO THE EAST LINE OF BENSON STREET; THENCE SOUTH AND SOUTH EAST, ALONG SAID EAST LINE OF BENSON STREET, TO THE NORTH LINE OF 32ND PLACE; THENCE EAST, ALONG SAID NORTH LINE OF 32ND PLACE, TO THE EAST LINE OF TROOP STREET; THENCE SOUTH, ALONG SAID EAST LINE OF TROOP STREET, TO THE NORTH LINE OF 33RD STREET; THENCE EAST, ALONG SAID NORTH LINE OF 33RD STREET, TO THE EAST LINE OF RACINE AVENUE; THENCE SOUTH, ALONG SAID EAST LINE OF RACINE AVENUE, TO THE NORTH LINE OF 34TH PLACE; THENCE EAST, ALONG SAID NORTH LINE OF 34TH PLACE, TO THE WEST LINE OF AN ALLEY LOCATED BETWEEN CARPENTER STREET AND MORGAN STREET; THENCE NORTH, ALONG SAID WEST LINE OF AN ALLEY, TO THE NORTH LINE OF 32ND PLACE; THENCE EAST, ALONG SAID NORTH LINE OF 32ND PLACE, TO THE WEST LINE OF AN ALLEY LOCATED 117.37 FEET (MORE OR LESS) WEST OF THE WEST LINE OF MORGAN STREET; THENCE NORTH, ALONG SAID WEST LINE OF AN ALLEY, TO A POINT ON THE NORTH LINE OF AN ALLEY LOCATED 140.25 FEET (MORE OR LESS) NORTH OF THE NORTH LINE OF 32ND PLACE, SAID POINT ALSO BEING THE SOUTHWEST CORNER OF LOT 5 IN CATHOLIC BISHOP'S SUB OF BLOCK 4 IN ASSESSOR'S DIVISION OF THE NORTHWEST QUARTER AND THE WEST HALF OF THE NORTHEAST QUARTER OF SAID SECTION 32, RECORDED OCTOBER 25, 1884, AS DOCUMENT NUMBER 583560; THENCE EAST, ALONG THE NORTH LINE OF SAID ALLEY, ALSO BEING ALONG THE SOUTH LINE OF LOTS 3 THROUGH 5 (INCLUSIVE) IN SAID CATHOLIC BISHOP'S SUBDIVISION, TO THE SOUTHEAST CORNER OF SAID LOT 3; THENCE NORTH, ALONG THE EAST LINE OF SAID LOT 3, TO THE NORTHEAST CORNER

THEREOF; THENCE WEST, ALONG THE NORTH LINE OF SAID LOTS 3 THROUGH 5 (INCLUSIVE) *IN SAID* CATHOLIC BISHOP'S SUBDIVISION, ALSO BEING THE SOUTH LINE OF 32ND STREET, TO THE NORTHWEST CORNER OF SAID LOT 5; THENCE NORTH TO THE NORTH LINE OF SAID 32ND STREET TO A POINT ON THE WEST LINE OF AN ALLEY LOCATED 118.2 FEET (MORE OR LESS) WEST OF THE WEST LINE OF MORGAN STREET; THENCE NORTH, ALONG THE WEST LINE OF SAID ALLEY, TO THE SOUTH LINE OF 31 ST PLACE; THENCE NORTH, TO THE NORTH LINE OF SAID 31 ST PLACE AT A POINT ON THE WEST LINE OF AN ALLEY LOCATED 11 7.25 FEET (MORE OR LESS) WEST OF THE WEST LINE OF MORGAN STREET; THENCE NORTH, ALONG SAID WEST LINE OF AN ALLEY, TO A POINT ON THE NORTH LINE OF AN ALLEY LOCATED 140.25 FEET (MORE OR LESS) NORTH OF THE NORTH LINE OF 31ST PLACE, SAID POINT ALSO BEING THE SOUTHWEST CORNER OF LOT 5 IN WILDER'S SUB OF BLOCKS 1 AND 4 OF ASSESSOR'S DIVISION OF THE WEST HALF OF THE NORTHEAST QUARTER OF SAID SECTION 32 RE-RECORDED DECEMBER 16, 1872 AS DOCUMENT 72259; THENCE EAST, ALONG THE NORTH LINE OF SAID ALLEY, ALSO BEING ALONG THE SOUTH LINE OF LOTS 2 THROUGH 5 (INCLUSIVE) *IN SAID* WILDER'S SUBDIVISION, TO THE SOUTHEAST CORNER OF SAID LOT 2; THENCE NORTH, ALONG THE EAST LINE OF SAID LOT 2 AND ITS NORTHERLY EXTENSION, TO THE CENTERLINE OF 31 ST STREET; THENCE EAST, ALONG SAID CENTERLINE OF 31 ST STREET, TO A POINT 126.2 FEET EAST OF THE CENTERLINE OF MORGAN STREET; THENCE SOUTH, ALONG A LINE 126.2 FEET EAST OF AND PARALLEL TO THE CENTERLINE OF MORGAN STREET, TO THE SOUTH LINE OF 32ND STREET; THENCE EAST, ALONG SAID SOUTH LINE OF 32ND STREET, TO A POINT 151.8 FEET EAST OF THE CENTERLINE OF MORGAN STREET; THENCE SOUTH, ALONG A LINE 151.8 FEET EAST OF AND PARALLEL TO THE CENTERLINE OF MORGAN STREET, TO THE NORTH LINE OF 33RD STREET; THENCE EAST, ALONG SAID NORTH LINE OF 33RD STREET, TO A POINT ON THE NORTHERLY EXTENSION OF THE EAST LINE OF AN ALLEY LOCATED 179 FEET (MORE OR LESS) EAST OF THE CENTERLINE OF MORGAN STREET; THENCE SOUTH, ALONG THE EAST LINE OF SAID ALLEY, TO THE NORTH LINE OF 35TH STREET; THENCE EAST, ALONG SAID NORTH LINE OF 35TH STREET, TO THE WEST LINE OF AN ALLEY LOCATED 179 FEET (MORE OR LESS) WEST OF THE CENTERLINE OF HALSTED STREET; THENCE NORTH, ALONG THE WEST LINE OF SAID ALLEY, TO THE SOUTH LINE OF 33RD STREET; THENCE WEST, ALONG THE SOUTH LINE OF SAID 33RD STREET, TO THE SOUTHERLY EXTENSION OF THE WEST LINE OF AN ALLEY LOCATED 188 FEET (MORE OR LESS) WEST OF THE CENTERLINE OF HALSTED STREET; THENCE NORTH ALONG THE WEST LINE OF SAID ALLEY, TO THE CENTERLINE OF 31 ST STREET; THENCE EAST, ALONG SAID CENTERLINE OF 31ST STREET, TO THE NORTHERLY EXTENSION OF THE EAST LINE OF AN ALLEY LOCATED 174 FEET MORE OR LESS) EAST OF THE CENTERLINE HALSTED STREET; THENCE SOUTH ALONG THE EAST LINE OF SAID ALLEY, TO THE SOUTH LINE OF SAID SECTION 33, ALSO BEING THE CENTERLINE OF PERSHING ROAD; THENCE WEST, ALONG THE SOUTH LINE OF SAID SECTION 33 AND THE SOUTH LINE OF SAID SECTION 32, TO THE EAST LINE OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID

SECTION 5; THENCE SOUTH, ALONG THE AFORESAID EAST LINE, TO THE NORTH RIGHT-OF-WAY LINE OF THE PENN CENTRAL RAILROAD MAIN RIGHT-OF-WAY; THENCE SOUTHWEST, ALONG THE AFORESAID NORTH RIGHT-OF-WAY LINE, TO THE NORTH LINE OF LOT 4 IN CIRCUIT COURT PARTITION OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 5, RECORDED APRIL 23, 1874 AS CASE NO. 6432; THENCE WEST, NORTHWEST, AND SOUTHWEST, ALONG THE NORTHERLY LINE OF SAID LOT 4, TO THE EAST LINE OF ASHLAND AVENUE; THENCE NORTH, ALONG THE EAST LINE OF SAID ASHLAND AVENUE, TO THE INTERSECTION WITH THE EASTERLY EXTENSION OF A LINE THAT IS 548.58 FEET SOUTH OF AND PARALLEL WITH THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 6; THENCE WEST, ALONG THE AFOREDESCRIBED PARALLEL LINE, TO THE INTERSECTION WITH A LINE THAT IS 1039.34 FEET WEST OF THE EAST LINE OF SAID SECTION 6; THENCE NORTH, ALONG THE AFOREDESCRIBED 1039.34 FOOT LINE, 15.58 FEET; THENCE WESTERLY, ALONG A LINE THAT INTERSECTS A LINE 2013.04 FEET WEST OF THE EAST LINE OF SAID SECTION 6, 520.95 FEET SOUTH OF THE NORTH LINE OF SAID NORTHEAST QUARTER; THENCE SOUTH, ALONG THE AFOREDESCRIBED 2013.04 FOOT LINE, 12.05 FEET; THENCE SOUTHWESTERLY, ON A CURVE, CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 418.5 FEET, AN ARC DISTANCE OF 276.72 FEET, TO A POINT OF TANGENCY; THENCE WESTERLY, ALONG A LINE THAT INTERSECTS THE EAST LINE OF THE NORTHWEST QUARTER, 633.25 FEET SOUTH OF THE NORTH LINE OF SAID NORTHWEST QUARTER; THENCE CONTINUING WESTERLY, ALONG THE AFOREDESCRIBED COURSE, 306.00 FEET; THENCE NORTHERLY, 52.25 FEET; THENCE WESTERLY, 1.83 FEET; THENCE NORTHERLY, 308.00 FEET; THENCE WESTERLY, 5.00 FEET; THENCE NORTHERLY, 66.00 FEET; THENCE WESTERLY, 14.00 FEET; THENCE NORTHERLY, TO THE INTERSECTION WITH SAID NORTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 6, SAID LINE ALSO BEING THE CENTERLINE OF SAID PERSHING ROAD; THENCE EASTERLY, ALONG SAID NORTH LINE OF THE NORTHWEST AND NORTHEAST QUARTER OF SECTION 6, ALSO BEING THE CENTERLINE OF PERSHING AVENUE, TO THE POINT OF BEGINNING; EXCEPTING THEREFROM THAT PART OF THE EAST HALF OF THE SOUTHEAST QUARTER OF SAID SECTION 32, DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHEAST CORNER OF 37TH PLACE AND SANGAMON STREET; THENCE NORTH, ALONG THE EAST LINE OF SAID SANGAMON STREET, TO THE NORTH LINE OF 36TH STREET; THENCE WEST, ALONG SAID NORTH LINE OF 36TH STREET, TO THE EAST LINE OF AN ALLEY LOCATED 206 FEET (MORE OR LESS) WEST OF THE WEST LINE OF SAID SANGAMON STREET; THENCE NORTH, ALONG THE EAST LINE OF SAID ALLEY, TO THE SOUTH LINE OF AN ALLEY LOCATED 147 FEET (MORE OR LESS) NORTH OF THE NORTH LINE OF 35TH STREET; THENCE EAST, ALONG THE SOUTH LINE OF SAID ALLEY, TO THE WEST LINE OF AN ALLEY LOCATED 168 FEET (MORE OR LESS) WEST OF THE WEST LINE OF HALSTED STREET; THENCE SOUTH, ALONG THE WEST LINE OF SAID ALLEY, TO THE NORTH LINE OF SAID 37TH PLACE; THENCE WEST, ALONG THE NORTH LINE OF SAID

37TH PLACE, TO THE POINT OF BEGINNING, ALL IN THE CITY OF CHICAGO, COOK COUNTY, ILLINOIS.

EXHIBIT B

PROPERTY

PARCEL 1:

SUB PARCEL A

LOT 4 IN BLOCK 6 IN TRACY'S SUBDIVISION AND PARTITION OF BLOCK 14 IN ASSESSOR'S DIVISION OF THE NORTHWEST 1/4 AND THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

SUB PARCEL B

LOTS 1, 2 AND 3 IN BLOCK 6 IN TRACY'S PARTITION AND SUBDIVISION OF BLOCK 14 IN ASSESSOR'S DIVISION OF THE NORTHWEST 1/4 AND THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

SUB PARCEL C

LOT 12 (EXCEPT THE EAST 3 FEET) OF BLOCK 3 IN TRACY'S SUBDIVISION OF BLOCK 14 IN ASSESSOR'S DIVISION OF THE NORTHWEST 1/4 AND THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2

SUB PARCEL D

LOTS 13 THROUGH 19 INCLUSIVE AND LOT 20 (EXCEPT THE WEST 19 FEET THEREOF) IN BLOCK 3 IN TRACY'S PARTITION AND SUBDIVISION OF BLOCK 14 IN ASSESSOR'S DIVISION OF THE NORTHWEST 1/4 AND THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

SUB PARCEL E

LOTS 9 THROUGH 20 INCLUSIVE IN BLOCK 2 IN TRACY'S PARTITION AND SUBDIVISION OF BLOCK 14 IN ASSESSOR'S DIVISION OF THE NORTHWEST 1/4 AND THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

LOT 2 IN THE SPIEGEL INC. INDUSTRIAL SUBDIVISION IN THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ALSO THAT PART OF THE NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 32 DESCRIBED AS FOLLOWS:

BEGINNING AT A NORTHWEST CORNER OF SAID LOT 2 (SAID NORTHWEST CORNER BEING A POINT ON THE EAST LINE OF THE WEST 466.50 FEET OF SAID SOUTHEAST 1/4); THENCE SOUTH ALONG A WEST LINE OF SAID LOT 2 A DISTANCE OF 51.07 FEET TO A CORNER OF SAID LOT; THENCE WEST ALONG A NORTH LINE OF SAID LOT 2 A DISTANCE OF 0.43 FEET; THENCE NORTH A DISTANCE OF 51.08 FEET TO AN INTERSECTION WITH THE WESTWARD EXTENSION OF THAT CERTAIN NORTH LINE OF SAID LOT 2 WHICH TERMINATES AT THE AFOREMENTIONED NORTHWEST CORNER THEREOF, SAID INTERSECTION BEING 0.53 FEET WEST OF THE POINT OF BEGINNING AS MEASURED ALONG SAID WESTWARD EXTENSION; THENCE EAST ALONG SAID WESTWARD EXTENSION A DISTANCE OF 0.53 FEET TO THE POINT OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS.

PARCEL 4:

LOT 8 IN THE SPIEGEL INC. INDUSTRIAL SUBDIVISION IN THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED FEBRUARY 14, 1961 AS DOCUMENT NUMBER 18084566, IN COOK COUNTY, ILLINOIS.

PARCEL 5:

LOTS 3, 4, 5 AND 7 IN THE SPIEGEL INC. INDUSTRIAL SUBDIVISION IN THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, EXCEPTING THEREFROM THAT PART OF THE NORTH 88.94 FEET OF SAID LOT 7 WHICH LIES EAST OF THE WEST LINE, EXTENDED SOUTHERLY, OF LOT 6 IN SAID SUBDIVISION, ACCORDING TO THE PLAT THEREOF RECORDED FEBRUARY 14, 1961 AS DOCUMENT NUMBER 18084566, IN COOK COUNTY, ILLINOIS.

PARCEL 6:

THE SOUTH 503.00 FEET OF THE NORTH 536.00 FEET OF THE WEST 110.00 FEET OF THE EAST 413.00 FEET OF THE NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN,

ALSO

LOT 6 AND THAT PART OF THE NORTH 88.94 FEET OF LOT 7 WHICH LIES EAST OF THE WEST LINE OF SAID LOT 6, EXTENDED SOUTH, IN THE SPIEGEL, INC. INDUSTRIAL SUBDIVISION IN THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 32, AFORESAID, ACCORDING TO THE PLAT THEREOF RECORDED FEBRUARY 14, 1961 AS DOCUMENT NUMBER 18084566, IN COOK COUNTY, ILLINOIS.

PARCEL 7:

LOT 1 (EXCEPT THAT PART THEREOF LYING WEST OF THE WEST LINE OF THE EAST 841 FEET OF THE WEST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 32) IN THE SPIEGEL INC. INDUSTRIAL SUBDIVISION IN THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED FEBRUARY 14, 1961 AS DOCUMENT NUMBER 18084566, IN COOK COUNTY, ILLINOIS.

PARCEL 8:

THAT PART OF THE SOUTH 33.00 FEET OF THE NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING WEST OF THE WEST LINE OF THE EAST 413.00 FEET OF SAID NORTH 1/2 AND LYING EAST OF THE MOST SOUTHERLY EAST LINE OF LOT 7 IN THE SPIEGEL INC. INDUSTRIAL SUBDIVISION IN SAID NORTH 1/2, ALL IN COOK COUNTY, ILLINOIS.

PARCEL 9:

THE SOUTH 33.00 FEET OF THE WEST 110.00 FEET OF THE EAST 413.00 FEET OF THE NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

PARCEL 10:

LOT 9 IN SPIEGEL, INC., INDUSTRIAL SUBDIVISION IN THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, ALL IN COOK COUNTY, ILLINOIS.

PARCEL 11:

A PERPETUAL NON-EXCLUSIVE EASEMENT FOR THE BENEFIT OF PARCELS 3 THROUGH 10, BOTH INCLUSIVE, AND 15 AS CREATED BY THE AGREEMENT DATED JUNE 25, 1880 AND RECORDED AS DOCUMENT NUMBER 644844 FOR THE PURPOSE OF INGRESS AND EGRESS OVER THE PRIVATE ROADWAY KNOWN AS 36TH STREET, SAID PRIVATE ROADWAY'S TERMINUS ON THE WEST BEING THE EAST LINE OF THE PUBLIC STREET KNOWN AS RACINE AVENUE AND ITS TERMINUS ON THE EAST BEING THE WEST LINE OF THE PUBLIC STREET KNOWN AS MORGAN AVENUE (EXCEPTING THEREFROM THOSE PORTIONS OF THE PRIVATE ROADWAY KNOWN AS 36TH STREET FALLING WITHIN PARCELS 8 AND 9).

PARCEL 12:

A PERPETUAL NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS TO THE PRIVATE ALLEY FOR THE BENEFIT OF PARCELS 6 AND 15 AS CREATED BY THE INSTRUMENT DATED JANUARY 14, 1920 AND RECORDED JANUARY 21, 1920 AS DOCUMENT 6719849 OVER THE FOLLOWING DESCRIBED LAND:

THE WEST 10 FEET OF THE WEST 110 FEET OF THE EAST 303 FEET OF THE SOUTH 245.6 FEET OF THE NORTH 631.6 FEET OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

PARCEL 13:

A PERPETUAL NON-EXCLUSIVE EASEMENT FOR THE INGRESS AND EGRESS TO THE PRIVATE ALLEY FOR THE BENEFIT OF PARCELS 6 AND 15 AS CREATED BY THE INSTRUMENT DATED AUGUST 23, 1966 AND RECORDED AUGUST 30, 1966 AS DOCUMENT 19930306 OVER THE FOLLOWING DESCRIBED LAND:

THE WEST 10 FEET OF THE SOUTH 103.3 FEET OF THE NORTH 383 FEET OF THE WEST 110 FEET OF THE EAST 303 FEET OF THE NORTH HALF OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN.

PARCEL 14:

THE RIGHT TO USE THE PRIVATE ALLEY FOR THE BENEFIT OF PARCEL 6 AS IT EXTENDS OVER THE FOLLOWING DESCRIBED LAND:

THE WEST 10 FEET OF THE NORTH 246 FEET OF THE WEST 110 FEET OF THE EAST 303 FEET OF THE NORTH HALF OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN (EXCEPTING THEREFROM THE NORTH 33 FEET TAKEN FOR 35TH STREET).

PARCEL 15:

THE SOUTH 95.60 FEET OF THE NORTH 631.60 FEET OF THE WEST 110.00 FEET OF THE EAST 431.00 FEET OF THE NORTH HALF OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

Exhibit C

TIF-FUNDED IMPROVEMENTS

<u>Line Item</u>	<u>Cost</u>
Acquisition	\$800,000
Demolition	\$800,000
Total	<u>\$1,600,000</u>



AIA Document A101

Standard Form of Agreement Between Owner and Contractor

where the basis of payment is a

STIPULATED SUM

1987 EDITION

THIS DOCUMENT HAS IMPORTANT LEGAL CONSEQUENCES; CONSULTATION WITH AN ATTORNEY IS ENCOURAGED WITH RESPECT TO ITS COMPLETION OR MODIFICATION.

The 1987 Edition of AIA Document A201, General Conditions of the Contract for Construction, is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

This document has been approved and endorsed by The Associated General Contractors of America.

AGREEMENT

made as of the 25th day of July in the year of
Nineteen Hundred and Ninety Seven

BETWEEN the Owner:

(Name and address)

Trippe Manufacturing Company
500 N. Orleans
Chicago, IL 60610

and the Contractor:

(Name and address)

E.W. Corrigan Construction Co.
1900 Spring Road
Suite 201
Oak Brook, IL 60523

The Project is:

(Name and location)

Trippe Manufacturing Company
Headquarters
1061 W. 35th Street
Chicago, IL 60609

The Architect is:

(Name and address)

David Swan/Architect
410 S. Michigan Avenue
Chicago, IL 60605

The Owner and Contractor agree as set forth below.

Copyright 1915, 1918, 1925, 1937, 1951, 1953, 1961, 1964, 1967, 1974, 1977, ©1987 by The American Institute of Architects, 1735 New York Avenue, N.W., Washington, D.C. 20006. Reproduction of the material herein or substantial quotation of its provisions without written permission of the AIA violates the copyright laws of the United States and will be subject to legal prosecution.

ARTICLE 1
THE CONTRACT DOCUMENTS

The Contract Documents consist of this Agreement, Conditions of the Contract (General, Supplementary, and other Conditions), Drawings, Specifications, Addenda issued prior to execution of this Agreement, other documents listed in this Agreement and Modifications issued after execution of this Agreement; these form the Contract, and are as fully a part of the Contract as if attached to this Agreement or repeated herein. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations or agreements, either written or oral. An enumeration of the Contract Documents, other than Modifications, appears in Article 9.

ARTICLE 2
THE WORK OF THIS CONTRACT

The Contractor shall execute the entire Work described in the Contract Documents, except to the extent specifically indicated in the Contract Documents to be the responsibility of others, or as follows:

ARTICLE 3
DATE OF COMMENCEMENT AND SUBSTANTIAL COMPLETION

3.1 The date of commencement is the date from which the Contract Time of Paragraph 3.2 is measured, and shall be the date of this Agreement, as first written above, unless a different date is stated below or provision is made for the date to be fixed in a notice to proceed issued by the Owner.

(Insert the date of commencement, if it differs from the date of this Agreement or, if applicable, state that the date will be fixed in a notice to proceed.)
The work shall commence within five (5) business days after the building permit and a Notice To Proceed has been issued.

Unless the date of commencement is established by a notice to proceed issued by the Owner, the Contractor shall notify the Owner in writing not less than five days before commencing the Work to permit the timely filing of mortgages, mechanics liens and other security interests.

3.2 The Contractor shall achieve Substantial Completion of the entire Work not later than 210 days after commencement.

(Insert the calendar date or number of calendar days after the date of commencement. Also insert any requirements for earlier substantial completion, if any, in portions of the Work if not stated elsewhere in the Contract Documents.)

, subject to adjustments of this Contract Time as provided in the Contract Documents.
(Insert provisions, if any, for adjusted dates relating to failure to complete on time.)

ARTICLE 4
CONTRACT SUM

4.1 The Owner shall pay the Contractor in current funds for the Contractor's performance of the Contract the Contract Sum of four million, seventeen thousand, one hundred thirty three Dollars (\$4,017,133.), subject to additions and deductions as provided in the Contract Documents.

4.2 The Contract Sum is based upon the following alternates, if any, which are described in the Contract Documents and are hereby accepted by the Owner:

(State the numbers or other identification of accepted alternates. If decisions on other alternates are to be made by the Owner subsequent to the execution of this Agreement, attach a schedule of such other alternates showing the amount for each and the date until which that amount is valid.)

4.3 Unit prices, if any, are as follows.

Changes in the Work:

- a. Additions - Add all costs plus 10% Fee
- b. Deletions - Deduct all costs plus 0% Fee

ARTICLE 5

PROGRESS PAYMENTS

- 5.1 Based upon Applications for Payment submitted to the Architect by the Contractor and Certificates for Payment issued by the Architect, the Owner shall make progress payments on account of the Contract Sum to the Contractor as provided below and elsewhere in the Contract Documents.
- 5.2 The period covered by each Application for Payment shall be one calendar month ending on the last day of the month, or as follows:
- 5.3 Provided an Application for Payment is received by the Architect not later than the twenty-fifth day of a month, the Owner shall make payment to the Contractor not later than the fifteenth day of the following month. If an Application for Payment is received by the Architect after the application date fixed above, payment shall be made by the Owner not later than fourteen days after the Architect receives the Application for Payment.
- 5.4 Each Application for Payment shall be based upon the Schedule of Values submitted by the Contractor in accordance with the Contract Documents. The Schedule of Values shall allocate the entire Contract Sum among the various portions of the Work and be prepared in such form and supported by such data to substantiate its accuracy as the Architect may require. This Schedule, unless objected to by the Architect, shall be used as a basis for reviewing the Contractor's Applications for Payment.
- 5.5 Applications for Payment shall indicate the percentage of completion of each portion of the Work as of the end of the period covered by the Application for Payment.
- 5.6 Subject to the provisions of the Contract Documents, the amount of each progress payment shall be computed as follows.
- 5.6.1 Take that portion of the Contract Sum properly allocable to completed Work as determined by multiplying the percentage completion of each portion of the Work by the share of the total Contract Sum allocated to that portion of the Work in the Schedule of Values, less retainage of ten percent (10 %). Pending final determination of cost to the Owner of changes in the Work, amounts not in dispute may be included as provided in subparagraph " 3 " of the General Conditions even though the Contract Sum has not yet been adjusted by Change Order.
- 5.6.2 Add that portion of the Contract Sum properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation in the completed construction (or, if approved in advance by the Owner, suitably stored off the site at a location agreed upon in writing), less retainage of ten percent (10 %).
- 5.6.3 Subtract the aggregate of previous payments made by the Owner; and
- 5.6.4 Subtract amounts, if any, for which the Architect has withheld or nullified a Certificate for Payment as provided in Paragraph 9.5 of the General Conditions.
- 5.7 The progress payment amount determined in accordance with Paragraph 5.6 shall be further modified under the following circumstances:
- 5.7.1 Add, upon Substantial Completion of the Work, a sum sufficient to increase the total payments to ninety-nine percent; 99 % of the Contract Sum, less such amounts as the Architect shall determine for incomplete Work and unsecured claims; and
- 5.7.2 Add, if final completion of the Work is materially delayed through no fault of the Contractor, any additional amounts payable in accordance with subparagraph 9.10.3 of the General Conditions.
- 5.8 Reduction or limitation of retainage, if any, shall be as follows:

(If it is intended prior to Substantial Completion of the entire Work to reduce or limit the retainage resulting from the percentages specified in Paragraphs 5.6.1 and 5.6.2 above, and this is not explained elsewhere in the Contract Documents, insert here provisions for the reduction or limitation.)

After 50% completion has been achieved, no further retainage shall be withheld. Provided, however, that the Architect determines that satisfactory progress is being made in the Work.

ARTICLE 6
FINAL PAYMENT

Final payment, constituting the entire unpaid balance of the Contract Sum, shall be made by the Owner to the Contractor when (1) the Contract has been fully performed by the Contractor except for the Contractor's responsibility to correct nonconforming Work as provided in Subparagraph 12.2.2 of the General Conditions and to satisfy other requirements, if any, which necessarily survive final payment; and (2) a final Certificate for Payment has been issued by the Architect; such final payment shall be made by the Owner not more than 30 days after the issuance of the Architect's final Certificate for Payment, or as follows:

ARTICLE 7
MISCELLANEOUS PROVISIONS

7.1 Where reference is made in this Agreement to a provision of the General Conditions or another Contract Document, the reference refers to that provision as amended or supplemented by other provisions of the Contract Documents.

7.2 Payments due and unpaid under the Contract shall bear interest from the date payment is due at the rate stated below or in the absence thereof, at the legal rate prevailing from time to time at the place where the Project is located.

(Insert rate of interest agreed upon, if any.)

Prime rate plus two percent (2%) as established from time to time by the First National Bank of Chicago.

(Usury laws and requirements under the Federal Truth in Lending Act, similar state and local consumer credit laws and other regulations at the Owner's and Contractor's principal places of business, the location of the Project, and elsewhere may affect the validity of this provision. Legal advice should be obtained with respect to deletions or modifications, and also regarding requirements, such as written disclosures or waivers.)

7.3 Other provisions:

The Contractor will make best efforts to subcontract with qualified W/MBE's for portions of the Work and will also hire City of Chicago resident workers, where possible, to carry out the Work.

ARTICLE 8
TERMINATION OR SUSPENSION

8.1 The Contract may be terminated by the Owner or the Contractor as provided in Article 14 of the General Conditions.

8.2 The Work may be suspended by the Owner as provided in Article 14 of the General Conditions.

ARTICLE 9
ENUMERATION OF CONTRACT DOCUMENTS

9.1 The Contract Documents, except for Modifications issued after execution of this Agreement, are enumerated as follows:

9.1.1 The Agreement is this executed Standard Form of Agreement Between Owner and Contractor, AIA Document A101, 1987 Edition.

9.1.2 The General Conditions are the General Conditions of the Contract for Construction, AIA Document A201, 1987 Edition.

9.1.3 The Supplementary and other Conditions of the Contract are those contained in the Project Manual dated May 20, 1997, and are as follows:

Document	Title	Pages
Section 00200	Information Available To Bidders	1

9.1.4 The Specifications are those contained in the Project Manual dated as in Subparagraph 9.1.3, and are as follows.

(Either list the Specifications here or refer to an exhibit attached to this Agreement.)

Section	Title	Pages
Division 1 thru 16, inclusive		

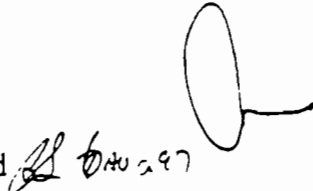
9.1.5 The Drawings are as follows, and are dated 6/4/97
(Either list the Drawings here or refer to an exhibit attached to this Agreement.)

unless a different date is shown below:

Number	Title	Date
Exhibit 'A'	attached	

9.1.6 The Addenda, if any, are as follows:

Number	Date	Pages
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Exhibit 'B' attached  6/4/97

Portions of Addenda relating to bidding requirements are not part of the Contract Documents unless the bidding requirements are also enumerated in this Article 9.

9.1.7 Other documents, if any, forming part of the Contract Documents are as follows:

(List here any additional documents which are intended to form part of the Contract Documents. The General Conditions provide that bidding requirements such as advertisements or invitation to bid, Instructions to Bidders, sample forms and the Contractor's bid are not part of the Contract Documents unless enumerated in this Agreement. They should be listed here only if intended to be part of the Contract Documents.)

Contractor General Construction Work Proposal revision #1 dated July 16, 1997

This Agreement is entered into as of the day and year first written above and is executed in at least three original copies of which one is to be delivered to the Contractor, one to the Architect for use in the administration of the Contract, and the remainder to the Owner.

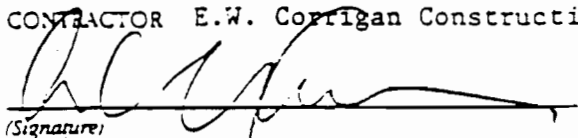
OWNER Trippe Manufacturing Company


(Signature)

Barre Seid, President

(Printed name and title)

CONTRACTOR E.W. Corrigan Construction Co.


(Signature)

William Nagy, President

(Printed name and title)

**EXHIBIT 'A' to Trippe Manufacturing Co. and E.W. Corrigan Construction Co.
Construction Agreement Dated July 25, 1997**

Architectural Drawings all as prepared by David Swan/Architect

NUMBER	TITLE	DATE
	Title Page	
S1.0	Site Plan*	
L1.0	Landscaping*	
A1.0	Basement Floor Plan*	
A1.1	Details + Elevations*	
A2.0	First Floor Plan*	
A2.1	First Floor Details*	
A3.0	2nd Floor Plan*	
A4.0	3rd Floor Plan*	
A5.0	4th Floor Plan*	
A6.0	5th Floor Plan*	
A7.0	6th Floor Plan*	
A8.0	7th Floor Plan*	
A9.0	8th Floor Plan*	
A10.0	9th Floor Plan*	
A11.0	10th Floor Plan*	
A12.0	11th Floor Plan*	
A13.0	12th Floor Plan*	6/2/97
A13.1	12th Floor Reflected Ceiling Plan*	
A13.2	12th Floor Section S1, Elev.*	
A13.3	12th Floor Section S2, S3*	
A13.4	12th Floor Elevations S4, S7*	
A13.5	12th Floor Sections S8, S9, S11*	
A13.6	12th Floor Sections S5, S6*	
A13.7	12th Floor Details*	
A13.8	12th Floor Plan*	
A14.0	Roof Plan and Partial East and West Elevation*	
A15.0	East Elevation*	
A16.0	South Elevation*	
A17.0	North Elevation*	
A18.0	West Elevation*	

Structural Drawings all as prepared by Beer, Gorski & Graff Ltd.

NUMBER	TITLE	DATE
ST1.0	Typical Sections and Detail - General Notes*	6/2/97
ST2.0	Reflected Roof Plan - Slab Openings*	6/2/97

MEP/FP Drawings all as prepared by WMA Consulting Engineers, Ltd.

P0.1	Symbols List and Equipments*	6/2/97
P1.0	Site Plan Plumbing*	6/2/97
P2.0	Underground Plan - North Plumbing	5/15/97
P2.1	Underground Plan - South Plumbing	6/2/97
P3.0	Basement Piping Plan - North Plumbing*	6/2/97
P3.1	Basement Piping Plan - South Plumbing*	6/2/97
P4.0	1st Floor Piping Plan - North Plumbing*	6/2/97
P4.1	1st Floor Piping Plan - South Plumbing*	6/2/97
P5.0	2nd Floor Piping Plan - North Plumbing*	6/2/97
P5.1	2nd Floor Piping Plan - South Plumbing	5/15/97
P6.0	3rd thru 6th Floor Piping Plan - North Plumbing*	6/2/97
P6.1	3rd thru 6th Floor Piping Plan - South Plumbing*	6/2/97
P7.0	7th Floor Piping Plan - North Plumbing*	6/2/97
P7.1	7th Floor Piping Plan - South Plumbing*	6/2/97
P8.0	8th thru 11th Floor Piping Plan Plumbing*	6/2/97
P9.0	12th Floor Piping Plan Plumbing*	6/2/97
P10.0	Roof Piping Plan Plumbing*	6/2/97
P11.0	Plumbing Water Piping Diagrams*	6/2/97
P11.1	Plumbing Waste - Vent Piping Diagrams*	6/2/97
FP0.1	Fire Protection Notes, Schedules, Site Plan	5/15/97
FP0.2	Fire Pump Room Buildings 'A + Zb' Fire Protection*	6/2/97
FP1.0	Basement Floor Plan - North Fire Protection	5/15/97
FP1.1	Basement Floor Plan - South Fire Protection	5/15/97
FP2.0	1st Floor Plan - North Fire Protection	5/15/97
FP2.1	1st Floor Plan - South Fire Protection	5/15/97
FP3.0	2nd Floor Plan - North Plumbing	5/15/97
FP3.1	2nd Floor Plan - South Plumbing	5/15/97

MEP/FP Drawings all as prepared by WMA Consulting Engineers, Ltd. cont.

NUMBER	TITLE	DATE
FP4.0	3rd Floor Plan - North Plumbing	5/15/97
FP4.1	3rd Floor Plan - South Plumbing	5/15/97
FP5.0	4th & 5th Floor Plan - North Plumbing	5/15/97
FP5.1	4th & 5th Floor Plan - South Plumbing	5/15/97
FP6.0	6th Floor Plan - North Plumbing	5/15/97
FP6.1	6th Floor Plan - South Plumbing	5/15/97
FP7.0	7,8,9,10,11th Floor Plan Fire Protection	5/15/97
FP8.0	12th Floor Plan Fire Protection	5/15/97
M0.1	HVAC Schedules and Abbreviations*	6/2/97
M1.0	HVAC Basement Partial Plan	5/15/97
M1.1	Basement HVAC Plan - South*	6/2/97
M1.2	Bldg. ON/NN HVAC First Floor Plan	5/15/97
M2.0	1st Floor HVAC Plan - North	5/15/97
M2.1	1st Floor HVAC Plan - South*	6/2/97
M2.2	Bldg. ON/NN HVAC First Floor Plan	5/15/97
M3.0	2nd Floor HVAC Plan - North*	6/2/97
M3.1	2nd Floor HVAC Plan - South	5/15/97
M4.0	3rd thru 10th Floor HVAC Plan (North)*	6/2/97
M4.1	3rd thru 10th Floor HVAC Plan (South)	5/15/97
M5.0	11th Floor Piping Plan*	6/2/97
M6.0	12th Floor HVAC Plan*	6/2/97
M6.1	12th Floor Piping Plan*	6/2/97
M7.0	Roof HVAC Plan	5/15/97
M8.0	HVAC Details*	6/2/97
M8.1	HVAC Details and Sections	5/15/97
E0.00	Symbol and Abbreviation Schedule*	6/2/97
E1.00	Lighting Fixture and Contractor Schedule*	6/2/97
E1.01	Details Lighting*	6/2/97
E1.20	12th Floor Lighting*	6/2/97
E2.00	Details Power*	6/2/97
E2.1	Basement North Power/Signal and Fire Alarm*	6/2/97
E2.2	Basement South Power/Signal and Fire Alarm*	6/2/97
E2.3	1st Floor North Power/Signal and Fire Alarm*	6/2/97
E2.4	1st Floor South Power/Signal and Fire Alarm*	6/2/97

MEP/FP Drawings all as prepared by WMA Consulting Engineers, Ltd. cont.

<u>NUMBER</u>	<u>TITLE</u>	<u>DATE</u>
E2.5	2nd Floor North Power/Signal and Fire Alarm*	6/2/97
E2.6	2nd Floor South Power/Signal and Fire Alarm*	6/2/97
E2.19	11th Floor Power Signal and Fire Alarm*	6/2/97
E2.20	12th Floor Power Signal and Fire Alarm*	6/2/97
E4.0	Utility Site Plan*	6/2/97
E4.1	Building "A" Riser Diagram*	6/2/97
E4.2	Building "Zb" Schedules*	6/2/97
E4.5	Building "Zb" Riser Diagram*	6/2/97
E4.6	Building "Zb" Schedules*	6/2/97
E5.0	Fire Alarm Riser System*	6/2/97

*Indicates document revised by Addendum #1

EXHIBIT 'B' - to Trippe Manufacturing Co. And E.W. Corrigan Construction Co.
Construction Agreement Dated July 25, 1997

6/11/97

8/5/97

The following supplementary documents are part of Article 9.1.6 of this Owner-Contractor Agreement Dated 7/25/97.

<u>Description</u>	<u>Date</u>	<u>Preparer</u>	<u># of Pages</u>
Addendum Number One Narrative Letter	6/6/97	Architect	3
Addendum Number One Sketch SK-A	6/4/97	Architect	1
Addendum Number One Sketch SK-B	6/4/97	Architect	1
Addendum Number Two	6/13/97	Architect	25
Addendum Number Three, Architectural/Structural	6/23/97	Owner	2
Addendum Number Three Sketch A2 0/ASK-1	6/23/97	Owner	1
Addendum Number Three Sketch A2 0/ASK-2	6/23/97	Owner	1
Addendum Number Three Sketch A13 0/ASK-1	6/23/97	Owner	1
Addendum Number Three Sketch E2.19	6/16/97	Owner	1
Addendum Number Three, Fire Protection (Rev. 1)	6/23/97	Owner	1
Addendum Number Three, Plumbing*	6/23/97	Owner	2
Addendum Number Three, Mechanical (HVAC)	6/23/97	Owner	1
Addendum Number Three, Electrical	6/23/97	Owner	3
Letter "A13.0 Addition"	6/26/97	Owner	1
Letter "Windows (Addition to June 30th Memo)"	7/2/97	Owner	1
Letter "Architect's Addendum No. II"	7/14/97	Owner	1
Letter " Gas Service"	7/18/97	Owner	1

*Note "P1.0" of Addendum Number Three, Plumbing is not included as part of the work.



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- LINE CONDITIONERS
- DATASHIELD™ NETWORK SURGE SUPPRESSORS
- DC/AC INVERTERS - DC POWER SUPPLIES

July 24, 1997

Mr. William V. Nagy
President
E. W. Corrigan Construction Co.
1900 Spring Road, Suite 201
Oak Brook, IL 60521

Via Fax: 630/571-4767 and U.S. Mail

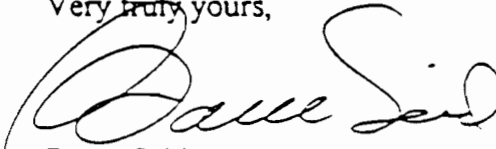
Dear Mr. Nagy:

Confirming our personal meeting of Wednesday, July 23rd, we accept your General Construction Work Proposal, Revision No. 1, dated July 16th, 1997. This proposal is for a guaranteed maximum price of \$4,017,133.00, which we accept.

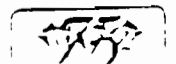
You will draft a contract incorporating this proposal and other supporting documents, and submit it to us for submittal for The City of Chicago approval. In the meantime, we authorize you to proceed with purchasing major and long lead time components, and contracting with subcontractors for the work outlined in your work proposal.

We mutually understand that any changes in the scope of work of this proposal will result in changes in the guaranteed maximum price. Your contract will address the procedures for making those adjustments.

Very truly yours,


Barre Seid
President

*copy to Bill de Luis
7/27/97*





E.W. Corrigan Construction Co.

1900 Spring Road • Suite 201
Oak Brook, Illinois 60521

(630) 571-4755
FAX (630) 571-4767

July 16, 1997

Mr. Barre Seid
TRIPPE MANUFACTURING COMPANY
1061 West 35th Street
Chicago, Illinois 60610

Re: Trippe Manufacturing Company
General Construction Work Proposal
Revision #1

Dear Mr. Seid:

We are pleased to submit our revised proposal for general construction work for the above referenced project. We propose to provide all labor, material, equipment and supervision for all work for the guaranteed maximum price of \$ 4,017,133. Our proposal is based on documents prepared by David Swan Architect, dated 5/15/97, as modified by Addenda Number One, Two and Three. Please note the clarifications to our proposal below.

Division 1-General Conditions

The form of agreement shall be *AIA Document A111, Standard Form of Agreement Between Owner and Contractor*, where the basis of payment is the **COST OF THE WORK PLUS A FEE.**

Work shall commence upon receipt of Notice to Proceed and necessary building permits and be substantially complete within seven months.

The following items are specifically included in our proposal: full-time on-site field supervision, surveying and layout for all work, job sign, safety railings, temporary window enclosures, periodic rough cleaning and final cleaning, field built office, office supplies, telephone and fax, temporary sanitary facilities, temporary fire extinguishers and for work areas, blueprinting, mail/overnight/messenger costs, initial and progress photography, elevator operator.

The following items are specifically excluded form our proposal: property line survey, topographical survey, materials testing, mock-up, temporary fence and gates, sidewalk canopy, watchman-services, temporary heat equipment and consumption costs, water consumption costs, electric consumption costs, permit and fees, sidewalk construction costs and parking meter cost revenue costs.

E.W. Corrigan Construction Co.

Page Two of Eight
 Trippe Manufacturing Company
 July 16, 1997

Section 02070-Selective Demolition

In accordance with your memo of 5/30/97 external, internal, structural and window demolition shall be performed by others. For the purpose of this proposal we assume the following demolition work will be performed by others.

- Concrete and asphalt pavement/curb and soil removal to subgrade to accommodate new asphalt paving, concrete paving, walks, curbs and/or foundation walls including all saw cutting.
- Demolished tunnel excavation, removal and backfill including removal of rolling steel shutters and frames. ✓
- First floor rest room demolition. ✓
- Providing safety cable from 2nd to 5th floor at east elevation. ✓
- Slab removal at new stairs from 7th floor to 12th floor. ✓
- Window and skylight removal.
- Exterior masonry wall removal at new curtainwall. ✓

An allowance of \$ 25,000 has been included for the demolition work below.

- Removal of elevator door frames at blocked-up entrances. ✓
- Removal of roofing and concrete slab at new roof top unit openings. --- ✓

Section 02200-Earthwork

As mentioned above, Owner's demolition contractor shall remove concrete, asphalt and soil materials to subgrade

As part of this proposal, in the concrete line item, we will furnish, install and fine grade all stone base course for curbs, aprons, walks, slabs and slab patches.

The excavation required for the foundations at the lobby has been omitted from this proposal in accordance with Addendum #3. ✓

E. W. Corrigan Construction Co.

Page Three of Eight
 Trippe Manufacturing Company
 July 16, 1997

Section 02511-Asphalt Concrete Paving

In accordance with your letter, "Corrections-General Work Proposal-June 20, 1997" dated 6/23/97, this work is on hold until further clarification and detailing is provided. Our proposal does not include cost for this work. ✓

Dist. 2744

Section 02580-Portland Cement Concrete Paving

Concrete curb work has been included as required including transition curb at lobby, curb and gutter at parking lot and existing entry, and depressed curb at new entries.

New 8" thick entry drive aprons have been included along with a new ^{sidewalk} 5" at 35th Street from property line to property line *side of road - on property or beyond*

? ^{as per} Concrete slab-on-grade patching has been included at the removed tunnels in the East Truck Dock, east and west of the new lobby at the existing truck docks, at new plumbing lines in the existing East Truck Dock and at the water line connection at 35th Street.

Section 02830-Fencing

Approximately 276 LF of ornamental iron fencing has been included at the North property line. Once we receive new details from the Architect, pricing will be revised. ✓

Section 03300-Concrete Work

In addition to the concrete items mentioned above in Section 02580, we have included slab patching at the removed tunnels, at new utilities, at East and West Truck Dock and at water connection at 35th Street. Other work includes the tunnel closures, concrete topping at smoke room/stair, housekeeping pads and concrete metal pan stairs. Our new proposal takes into consideration the omission of foundation wall and footing work at the Lobby indicated on Details 9 and 10/A2.1.

Additionally, we have excluded the bumper wall work at 'A' Building. ✓

Section 04200-Unit Masonry

In addition to the standard masonry work shown on the drawings, the following items have also been included:

E. W. Corrigan Construction Co.

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Trippe Manufacturing Company

July 16, 1997

-Cut new opening and install lintel for new passenger elevator door openings at 1st Floor Lobby and 12th Floor. ✓

-Block wall shown on Detail 10/A2.1 should extend to floor level. The foundation wall will be omitted.

-The Electrical Room on the 11th Floor shall be drywall and metal studs in lieu of block. ✓

-At each window opening in the 'Zb' Building at the 12th Floor, the existing sill will be removed along with two or three courses of brick. The existing sill will be reset to an elevation of 3'-3" above finish floor. ✓

-At the clerestory windows, the existing opening shall be dropped approximately 12 inches to accommodate a 4 foot high insulated glass panel window. Each exterior block column separating the existing windows shall be removed, providing a ribbon of glass at the ceiling level with no obstructions. Additionally, in accordance with Detail 10/A13.7, the top portion of this wall will be grouted solid for support of new channel sill.

-Window openings indicated as being blocked-up by the demolition contractor (on the drawings) shall be blocked-up by the mason subcontractor (3 total at east elevation).

-Cut new openings and set lintels for two new windows at south elevation.

We have also included an allowance of \$250.00 each to perform preparation work for the windows at the 'A' Building 12th Floor.

Section 07525-APP Modified Bituminous Membrane Roofing

Our proposal includes patching only for new roof penetrations.

Section 07800-Insulated Skylight and Wall System

Standard manufacturer's test reports will be provided in lieu of field testing.

Section 07810-Engineered Skylight

This work has been excluded from our proposal.

E. W. Corrigan Construction Co.

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Trippe Manufacturing Company

July 16, 1997

Section 08110-Steel Doors and Frames

In accordance with your letter "A13.0 Addition", dated 6/26/97, we have included new hollow metal borrowed lite frames as requested. ✓

Section 08410-Aluminum Entrance and Storefront, 08920-Glazed Aluminum Curtainwall

Our proposal reflects new glazed aluminum sliding door and storefront in lieu of hollow metal sliding door and drywall closure *between B or 2 B/2C same/mange*

The lowest row of glazing at all Aluminum Curtainwall on 12th Floor will be insulated spandrel glass? *no - corrected - all glass*

Standard manufacturer's test reports will be provided in lieu of field testing. ✓

Section 08520-Aluminum Windows

Replacement windows will be provided in lieu of replacement sashes at each window in the "A" Building.

All new windows will be a single piece of glass in a four sided frame in lieu of horizontally divided windows.

Standard manufacturer's test reports will be provided in lieu of field testing. ✓

Section 09250-Gypsum Drywall

The exterior wall shown in Detail 2:A3.0 shall be built as designed including two sheets of sheathing at exterior side.

The suspended ceiling has been omitted at the smoking room and stair. The concrete topped metal decking shall be exposed and painted. Steel joists and drywall has been added to the five executive offices in between columns B,C/2,3 at the 12th Floor. New steel joists have also been added to every private office to stiffen walls and to suspend light fixtures.

The 1st Floor Manager's Office has been modified to reflect the new layout represented by your sketch.

E.W. Corrigan Construction Co.

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Trippe Manufacturing Company
July 16, 1997

Section 10160-Toilet Partitions

Our proposal includes floor mounted toilet partitions. ✓

Section 10200-Louvers

This work has been omitted from our proposal. ✓

Section 10800-Toilet Accessories

This work has been omitted from our proposal. ✓ *we select a few*

Section 15300-Fire Protection

Basement, 1st, 2nd, 3rd, 11th and 12th Floor will have 3/4" sprinkler line "tails" replaced with 1" "tails" where they do not presently exist. Basement, 1st, 2nd, 3rd, 11th and 12th Floor will have riser floor control valves installed where they do not presently exist. Maintenance of the existing control valves is omitted.

As specified, Trippe Manufacturing Company shall furnish all hose racks prefolded and banded for installation by the Fire Protection Subcontractor; if subcontractor is to supply hose racks, add \$ 125. each.

The Factory Mutual letter dated 6/23/97 is under review by the Fire Protection Subcontractors to determine impact of proposed changes.

Fire Protection fees and permits are not included.

Shutdowns of the existing system shall be made during regular working hours. ✓

Section 15400-Plumbing

The allowance of \$ 10,000. for the rodding out of existing underground sewers has been omitted from our proposal.

Our proposal assumes that all WC1 and WC2 water closets and flush valves will be provided by the Owner for installation by the Plumbing Subcontractor. We have not included the purchasing of floor mounted water closets should the bathroom design dictate such a change.

Plumbing fees and permits are not included.

*Contract
Spec
and
"unbid"*

E.W. Corrigan Construction Co.

Page Seven of Eight
Trippe Manufacturing Company
July 16, 1997

Shutdowns of the existing system shall be made during regular working hours. ✓

Our proposal includes a triplex type house pump. As an alternate, should a duplex type house pump be required please deduct \$ 12,700 from our proposal. ✓

The cost for the telephone service conduit from the street to the 12th floor has not been included. ✓

Section 15600-HVAC

With regard to Note 1 on Drawing M1 2, ^{North side} an investigative survey has been included, but not costs *ok* for repair and/or replacement of equipment.

Our proposal now includes furnishing and installing sixteen steam unit heaters and one *ok* condensate receiver and duplex pump.

— HVAC fees and permits are not included.

Shutdowns of the existing system shall be made during regular working hours. ✓

Section 16010-Electrical

The F1, F2 and F4 Fixtures shall be provided by the Owner for installation by the Electrical Subcontractor. We have not included the cost to install 25% more F1 Fixtures mentioned in the *ok* drawings

To increase the capacity of Panel PDP1-11-Z5 from 1200A to 1600A, please add \$ 5,500 to our proposal.

To add a second duplex receptacle back to back of an initial receptacle with concurrent installation please add \$ 53 00 for each such location. ✓

The wiring of 120V signage, signaling and fire alarm devices is included for two alarm bells *ok* only.

— Electrical fees and permits are not included.

Shutdowns of the existing system shall be made during regular working hours. ✓

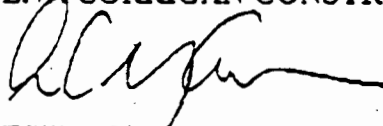
E. W. Corrigan Construction Co.

Page Eight of Eight
Trippe Manufacturing Company
July 16, 1997

Attached please find a copy of the revised trade breakdown. After you have had the opportunity to review the revised proposal please contact us if you have any questions. We again thank you for the opportunity of submitting this proposal and look forward to working with you.

Very truly yours,

E. W. CORRIGAN CONSTRUCTION CO.



William V. Nagy
President

WVN/khe
encl.
cc: John K. Spencer

E.W. Corrigan Construction Co

Bid Summary

10:01 AM 07/16/97

Project: Trippe Manufacturing Company
 Location: 1061 West 35th Street, Chicago, Illinois 60609
 Architect: David Swan/Architect

Bid Number: 60597

Spec Section	Trade Description	Bid Amount	
02070	Selective Demolition	25,000	Allowance <i>See Item 102</i>
02200	Earthwork		-By Owner/See 03300
02511	Asphalt Concrete Paving	0	On Hold Per Owner
02520	Portland Cement Concrete Paving		-See 03300
02580	Parking Accessories		-See 02511
02830	Fencing	23,673	
02900	Landscaping	13,806	
03300	Concrete Work	116,349	
04200	Unit Masonry	122,650	
05120	Structural Steel	92,015	
05300	Metal Decking		-See 05120
05400	Cold Formed Metal Framing		-See 09250
05500	Metal Fabrications		-See 05120
05510	Manufactured Steel Stair System		-See 05120
06105	Rough Carpentry	54,940	
06120	Gypsum Sheathing		-See 09250
06400	Architectural Woodwork	10,300	
07130	Bentonite Waterproofing	750	
07160	Bituminous Waterproofing		-Void Per Acdn. #2
07200	Insulation		-See 09250
07241	Exterior Insulation and Finish System	106,000	
07525	Modified Bitumen Sheet Roofing	25,480	
07600	Flashing and Sheet Metal		-See 07525
07800	Insulated Skylights and Wall System	51,504	
07810	Engineered Skylight		-Omitted Per Owner
07900	Joint Sealers	11,530	
08110	Steel Doors and Frames	57,739	
08210	Flush Wood Doors		-See 08110
08305	Access Doors		-See Trades
08410	Aluminum Entrances and Storefront	282,869	
08470	Revolving Doors	20,944	
08520	Aluminum Windows	83,000	
08710	Finish Hardware		-See 08110
08800	Glass and Glazing		-See 08410

E.W. Corrigan Construction Co.

Bid Summary

10.01 AM 07/16/97

08815	Mirrors	- See 08410
08920	Glazed Aluminum Curtain Wall	- See 08410
09250	Gypsum Drywall	304,753
09300	Ceramic Tile	25,450 ✓
09510	Acoustical Ceilings	- By Owner ✓
09650	Resilient Flooring	- Void Per Owner ✓
09900	Painting	46,050 ✓
10160	Toilet Partitions	9,842 ✓
10200	Louvers	- Omitted Per Owner ✓
10800	Toilet Accessories	- Omitted Per Owner ✓
10900	Closet Specialties	- See 06105
12390	Manufactured Casework	- See 06400
15000	General Provisions/Mechanical Work	- See Below
15100	Basic Materials and Methods	- See Below
15300	Fire Protection	336,576 ✓
15400	Plumbing	↓ 359,821 ?
15600	Heating/Ventilating/Air Conditioning	750,075 ✓
15700	Insulation and Pipe Covering	- See Above
15900	Temperature Controls	- See 15600 - 21,000 ✓
16010	General Provisions/Electrical Work	589,100 ✓
16060	Basic Materials and Methods	- See 16010
16111	Conduit	- See 16010
16123	Building Wire and Cable	- See 16010
16130	Boxes	- See 16010
16140	Wiring Devices	- See 16010
16160	Cabinets and Enclosures	- See 16010
16170	Grounding and Bonding	- See 16010
16180	Equipment Wiring Systems	- See 16010
16190	Supporting Devices	- See 16010
16195	Electrical Identification	- See 16010
16441	Enclosed Switches	- See 16010
16461	Dry Type Transformers	- See 16010
16470	Panelboards	- See 16010
16477	Fuses	- See 16010
16485	Enclosed Contactors	- See 16010
16510	Interior Luminaires	- See 16010
16864	Electric Space Heating Units	- See 16010
	General Conditions	276,095 ✓
=====		
	Subtotal	3,797,361
	CGL/FF Insurance (0.75%)	28,480
	Permits and Fees	0 By Owner
	Builder's Risk Insurance	0 By Owner

E.W. Corrigan Construction Co.

Bid Summary

10:01 AM 07/16/97

Performance and Payment Bond	0 Not Required
Subtotal	3,825,841
Fee (5%)	191,292
Total	4,017,133

Exhibit E-2

BRANDENBURG CONTRACT

Brandenburg Industrial Service Company
2625 South Loomis Street
Chicago, Illinois 60608-5414
Ph. (312) 326-5800
Fax (312) 326-5055

Brandenburg

March 17, 1997

Mr. Barre Seid
Trippe Manufacturing Company
500 North Orleans
Chicago, Illinois 60610

Re: Spiegel 35th Street Facility Demolition

Mr. Seid:

Brandenburg proposes to provide all labor, equipment and material to perform the services described herein as necessary to demolish buildings J, J Dock, W, Administration, S, H, and D at the former Spiegel 35th Street facility, in accordance with the following specification:

I. Environmental Work by Brandenburg:

A. Asbestos Containing Material (ACM):

1. Identify, remove, transport and dispose of all ACM located throughout the buildings scheduled for demolition in accordance with all federal, state and local laws, statutes, ordinance and regulations. The owner will receive copies of Air Monitoring Results and Waste Shipment Records.

B. PCB Lighting Ballast:

1. All fluorescent light ballast within the buildings scheduled for demolition will be disassembled and inspected.
2. All ballast either labeled as non-PCB containing and/or manufactured after 1980 are to be considered PCB-free, and will be recycled with other scrap material generated as a result of the work described herein.
3. All ballast labeled as PCB containing and/or manufactured prior to 1980, will be packaged and disposed of in accordance with all federal, state and local laws, statutes, ordinance and regulations. Owner will authorize and subsequently receive copies of all Waste Shipment Records.

C. Underground Storage Tank (UST) Closure, Building "B":

1. Obtain all necessary permits to abandon in place the two (2) fuel oil storage tanks located in the basement of building "B".
2. Pump out and legally dispose of all fuel presently stored in the tanks.
3. Clean tanks, then fill with suitable approved material.

Note: In the event that Spiegel performs this work, a total credit of \$12,240.00 will be issued to Trippe Manufacturing Company.

D. UST Removal, Buildings "D" and "J":

1. Obtain all necessary permits to remove the two (2) fuel storage tanks, located in the Building "D" dock area and one (1) fuel oil storage tank in the Building "J" boiler room.

2. Pump out and legally dispose of the fuel presently stored in the three (3) fuel oil storage tanks.
3. Excavate and remove said tanks, then backfill the excavations with non-organic debris generated during the demolition work.

E. Petroleum Contaminated Soils (Alternate):

1. Any potentially petroleum-contaminated soils that may be discovered during the removal of said tanks will be verified by sample, and if necessary be legally disposed of off-site as special waste. This disposal will be paid for on a unit rate basis (cubic yard). Units will be determined and agreed upon by Trippe Manufacturing Company (herein referred to as TMC). The unit rate for removal is as set forth in Paragraph VIII of this proposal.

II. Utility Work by Brandenburg:

- A. *Locate, identify, and de-energize all utilities presently servicing the buildings scheduled for demolition.*
- B. Verify that all utilities which service the buildings scheduled for demolition have been de-energized.
- C. Following verification, Brandenburg will make a physical disconnection of said utilities at the nearest support structure within the buildings or structures designated to remain. *Utilities which are required to remain in service will be capped.*
- D. Brandenburg shall take title to all wire, cable, piping, etc. disconnected and not scheduled for re-use. *Disconnections and terminations will be properly and safely performed.*

Note: Specifically excluded from Brandenburg's work is any utility construction, rerouting, or re-construction work that may be required to maintain operating systems in buildings scheduled to remain.

III. Demolition Work by Brandenburg:

- A. Disassemble and remove the "Pedestrian Bridge" spanning from Building "NN" to Building "X" and over 35th street. In-fill with concrete masonry block *and matching exterior brick*, the openings in Buildings "NN" and "X" resulting from the Pedestrian Bridge removal.
- B. Disassemble and remove the "Pedestrian Bridge" spanning from Building "ON" to Building "J" and over 35th street. In-fill with concrete masonry block *and matching exterior brick*, the opening in Building "ON" resulting from the Pedestrian Bridge removal.
- C. Completely demolish Buildings "J" *and "J" dock*. Care will be taken so as not to damage the adjacent buildings "Zb" and "Zc", designated to remain.
 1. Construct a bulkhead in the opening between Building "J" and Building Zb basements. Said bulkhead shall be structurally sound and waterproof. Bulkhead design shall be approved by TMC, prior to installation.

2. Remove Building "J" foundations to an elevation one foot (1') below the adjacent sidewalk and alley grade.
 3. Break up the basement floor to allow for drainage.
 4. Backfill the basement with non-organic debris (i.e. brick bat, masonry block, and broken concrete not exceeding one cubic foot in size) generated as a result of said building demolition.
Note: Specifically excluded from Brandenburg's scope of work is any and all masonry in-fill and/or construction work necessary to close the east wall of Building "Zb" upon the completion of Building "J" demolition.
- D. Completely demolish Building "J" Loading Dock Building. Care will be taken so as not to damage Building "Zc", designated to remain.
1. Remove Building "J" Loading Dock Building foundations to an elevation one foot (1') below the adjacent street and alley grade.
 2. Remove all excess fill from beneath the elevated slab. Said fill will be utilized on-site as backfill material.
 3. Backfill all excavations and below grade areas with non-organic debris (i.e. brick bat, masonry block, and broken concrete not exceeding one cubic foot in size) generated as a result of said building demolition.
- E. Completely demolish Building "W".
1. Remove Building "W" foundations to an elevation one foot (1') below the adjacent street and alley grade.
 2. Break up the basement floor to allow for drainage.
 3. Backfill the basement with non-organic debris (i.e. brick bat, masonry block, and broken concrete not exceeding one cubic foot in size) generated as a result of said building demolition.
- F. Completely demolish "Administration Building".
1. Construct a bulkhead in the opening between the Administration Building and Building "A" basements. Said bulkhead shall be structurally sound and waterproof. Bulkhead design shall be approved by Owner, prior to installation.
 2. Construct a bulkhead at the south end of the small utility tunnel that runs from building "ON" to the Administration Building and under 35th Street.
 3. In-fill with concrete masonry block *and matching exterior brick*, the openings in the north wall of Building "A" resulting from the Administration Building demolition.
 4. Remove the Administration Building foundations to an elevation one foot (1') below the adjacent sidewalk, parking lot and alley grade.
 5. Break up the basement floor to allow for drainage.
 6. Backfill the basement with non-organic debris (i.e. brick bat, masonry block, and broken concrete not exceeding one cubic foot in size) generated as a result of said building demolition.
- G. Completely demolish "Building S".
1. Construct a bulkhead in the tunnel between Building "S" and Building "A" *at the Building "A" west wall line*. Said bulkheads shall be structurally

sound and waterproof. Bulkhead design shall be approved by Owner, prior to installation. *With bulkhead installed, remove the tunnel roof, break up tunnel floor, and backfill the tunnel.*

2. Remove the two (2) Pedestrian Bridges spanning between Building "S" which is scheduled for demolition, and Building "A", which is designated to remain. *In-fill the openings resulting from this work with concrete masonry block and matching exterior brick.*
3. Remove Building "S" foundations to an elevation one foot (1') below the adjacent street and alley grade.
4. Break up the basement floor to allow for drainage.
5. Backfill the basement with non-organic debris (i.e. brick bat, masonry block, and broken concrete not exceeding one cubic foot in size) generated as a result of said building demolition.

H. Completely demolish Building "H".

1. Remove Building "H" foundations to an elevation one foot (1') below the adjacent street and alley grade.
2. Break up the basement floor to allow for drainage.
3. Backfill the basement with non-organic debris (i.e. brick bat, masonry block, and broken concrete not exceeding one cubic foot in size) generated as a result of said building demolition.

I. Completely demolish Building "D".

1. In-fill *all the openings* between Building "D" and Buildings "B" and "C" with concrete masonry block *and matching exterior brick*, prior to the demolition of building "D".
2. Remove and salvage for TMC all major components *from all the Building "D" elevators*. Said salvage equipment will be moved to a storage area designated by Owner, and within one of the adjacent buildings scheduled to remain.
3. Remove the "D" dock foundations to an elevation one foot (1') below the adjacent street and alley grade.
4. Remove Building "D" foundations to an elevation one foot (1') below the adjacent street and alley grade.
5. *Remove all excess fill material from the elevated "D" Dock area.*

IV. General Services by Brandenburg:

- A. Provide and pay for all permits required to complete the work as described herein.
- B. Arrange for and coordinate the disconnection of the public utilities at their respective mains.
- C. Erect temporary fencing as required to secure the site.
- D. Haul and legally dispose of all combustible debris resulting from the work as described herein.

- E. Dispose of all metallic debris generated during the work described herein.
- F. Rough grade the demolition site, leaving said site level, safe and clean.
- G. *All backfill place in excavations, tunnels, and/or basements will be compacted to 90% and will be verified using the "Plate Load Test Method".*

V. Work by Trippe Manufacturing Company or Other Subcontractor:

The following work will be performed by TMC in a timely manner so as not to impede the progress of the work as proposed herein:

- A. Provide a security service to protect the remaining building.
- B. Perform all utility reroutes, reconstruction and/or construction.

VI. Contract Conditions:

This Proposal is predicated on the following conditions:

- A. Brandenburg will occupy the work area exclusively upon the commencement of Brandenburg's work.
- B. For safety reasons, any person or company that requires access to the work area shall contact Brandenburg's site representative prior to entering the work area. Brandenburg shall not be responsible for the safety of any person who enters the work area unless such person has been specifically authorized by Brandenburg to do so.
- C. Brandenburg shall not be responsible for damage to or loss of any equipment, machinery and/or property located within the work area, unless such equipment, machinery and/or property is authorized by Brandenburg to be in said work area.
- D. Excluding environmental work as described herein, Brandenburg shall not identify, handle, transport or dispose of any substance which is controlled or regulated by any law, statute, ordinance or regulation, any substance designated as a hazardous waste or hazardous substance under the Resource Conservation and Recovery Act (RCRA) and/or the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA).
- E. Any utilities (i.e., lines, pipes, wires and/or cables), equipment, and/or structures designated to remain which are located near the work area shall be accurately located and clearly marked by TMC prior to the commencement of work by Brandenburg. Brandenburg will perform all work in a careful manner, so as to preserve all marked utilities, equipment and/or structures.
- F. This proposal does not include the removal, handling, transportation and/or disposal of concrete structures below the elevations described herein.
- G. Brandenburg will perform the work between the hours of 7:00am and 6:00pm from Monday through Saturday, provided local ordinances or regulations do not prohibit these hours. Work will be performed on a single shift basis.

- H. Brandenburg will complete the work as described herein within five months or less, after receipt of an "Authorization to Proceed". **Note:** Upon receipt of said authorization, Brandenburg will immediately submit IEPA notification, and also initiate the City of Chicago permit process. The ten (10) day waiting periods of these governmental entities coincide, and will expire ten (10) working days from the date of submittal.
- I. Brandenburg is authorized to operate heavy equipment and trucks in the work area.
- J. Brandenburg is authorized to use any or all of the following devices to complete the proposed work: cutting torches, hydraulic concrete processing and breaking equipment and/or crane with wrecking ball.
- K. Brandenburg will maintain Worker's Compensation, General Liability, and Automobile Liability Insurance with a single combined limit of \$50,000,000. Any additional insurance required by TMC can be obtained, and the cost associated therewith shall be added to the contract price.
- L. Upon completion, TMC will inspect the site and upon approval and acceptance thereof, TMC will assume responsibility for the safety of the site.
- M. The pricing in this proposal is based upon the work as described herein; any work not specifically addressed in this proposal will not be the responsibility of Brandenburg, however, Brandenburg will provide pricing for any additional work.

VII. Payment Base Bid:

Brandenburg will perform the proposed work for and in consideration of receiving from TMC all rights and title to all salvage, and in addition, payment in the total amount of \$1,957,400.00. Said payment for all work completed in any calendar month shall be made by TMC prior to the 30th day of the following calendar month.

VIII. Break-down of Base Bid:

A.	Pedestrian Bridges:	\$52,400.00
B.	Building "J":	\$468,900.00
C.	Building "W":	\$68,900.00
D.	Administration Building:	\$79,400.00
E.	Building "S":	\$680,700.00
F.	Building "D":	\$607,100.00
G.	Special Waste Buildings "D" & "J":	\$38.00 (cu. yd.)

IX. Acceptance:

The undersigned principals warrant that they are principals or authorized agents thereof, and that pursuant thereto they have the authority to contract as herein provided. Acceptance by TMC is contingent on TMC's acquiring the Spiegel 35th Street property.

PROPOSED:

Brandenburg Industrial Service Company

by [Signature]

name John Steuer

title Estimator

date 3/18/97

ACCEPTED:

Trippe Manufacturing Company

by [Signature]

name Barre Seid

title President

date 17 Mar 97

IX. Alternates:

In addition to the above-described "Base Bid" work any or all of the following alternates may be accepted at any time throughout the duration of the "Base Bid" work.

- A. Building "H": \$435,200.00
Accepted by _____ date _____
- B. Garage Demolition: \$4,200.00 (ea.)
Accepted by _____ date _____
- C. Garage Tank Removal: \$2,940.00 (ea.)
Accepted by _____ date _____
- D. Salvage Building "D" Elevators: \$22,440.00 LS (\$3,740 ea.)
Accepted by _____ date _____
- E. Brick In-fill: \$24,420.00 LS
Accepted by [Signature] date 17 Mar 97
- F. Locate, Identify, and Cap Utilities: \$24,090.00 LS
Accepted by [Signature] date 17 Mar 97

EXHIBIT F
OUTLOT PARCELS

PARCEL 1:

SUB PARCEL A

LOT 4 IN BLOCK 6 IN TRACY'S SUBDIVISION AND PARTITION OF BLOCK 14 IN ASSESSOR'S DIVISION OF THE NORTHWEST 1/4 AND THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

SUB PARCEL B

LOTS 1, 2 AND 3 IN BLOCK 6 IN TRACY'S PARTITION AND SUBDIVISION OF BLOCK 14 IN ASSESSOR'S DIVISION OF THE NORTHWEST 1/4 AND THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

SUB PARCEL C

LOT 12 (EXCEPT THE EAST 3 FEET) OF BLOCK 3 IN TRACY'S SUBDIVISION OF BLOCK 14 IN ASSESSOR'S DIVISION OF THE NORTHWEST 1/4 AND THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2

SUB PARCEL D

LOTS 13 THROUGH 19 INCLUSIVE AND LOT 20 (EXCEPT THE WEST 19 FEET THEREOF) IN BLOCK 3 IN TRACY'S PARTITION AND SUBDIVISION OF BLOCK 14 IN ASSESSOR'S DIVISION OF THE NORTHWEST 1/4 AND THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

SUB PARCEL E

LOTS 9 THROUGH 20 INCLUSIVE IN BLOCK 2 IN TRACY'S PARTITION AND SUBDIVISION OF BLOCK 14 IN ASSESSOR'S DIVISION OF THE NORTHWEST 1/4 AND THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

LOT 2 IN THE SPIEGEL INC. INDUSTRIAL SUBDIVISION IN THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ALSO THAT PART OF THE NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 32 DESCRIBED AS FOLLOWS:

BEGINNING AT A NORTHWEST CORNER OF SAID LOT 2 (SAID NORTHWEST CORNER BEING A POINT ON THE EAST LINE OF THE WEST 466.50 FEET OF SAID SOUTHEAST 1/4); THENCE SOUTH ALONG A WEST LINE OF SAID LOT 2 A DISTANCE OF 51.07 FEET TO A CORNER OF SAID LOT; THENCE WEST ALONG A NORTH LINE OF SAID LOT 2 A DISTANCE OF 0.43 FEET; THENCE NORTH A DISTANCE OF 51.08 FEET TO AN INTERSECTION WITH THE WESTWARD EXTENSION OF THAT CERTAIN NORTH LINE OF SAID LOT 2 WHICH TERMINATES AT THE AFOREMENTIONED NORTHWEST CORNER THEREOF, SAID INTERSECTION BEING 0.53 FEET WEST OF THE POINT OF BEGINNING AS MEASURED ALONG SAID WESTWARD EXTENSION; THENCE EAST ALONG SAID WESTWARD EXTENSION A DISTANCE OF 0.53 FEET TO THE POINT OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS.

PARCEL 4:

LOT 8 IN THE SPIEGEL INC. INDUSTRIAL SUBDIVISION IN THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED FEBRUARY 14, 1961 AS DOCUMENT NUMBER 18084566, IN COOK COUNTY, ILLINOIS.

PARCEL 5:

LOT 3, ~~4, 5 AND 7~~ IN THE SPIEGEL INC. INDUSTRIAL SUBDIVISION IN THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ~~EXCEPTING THEREFROM THAT PART OF THE NORTH 33.94 FEET OF SAID LOT 7 WHICH LIES EAST OF THE WEST LINE, EXTENDED SOUTHERLY, OF LOT 8 IN SAID SUBDIVISION,~~ ACCORDING TO THE PLAT THEREOF RECORDED FEBRUARY 14, 1961 AS DOCUMENT NUMBER 18084566, IN COOK COUNTY, ILLINOIS.

PARCEL 6:

THE SOUTH 503.00 FEET OF THE NORTH 536.00 FEET OF THE WEST 110.00 FEET OF THE EAST 413.00 FEET OF THE NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN,

ALSO

LOT 6 ~~AND THAT PART OF THE NORTH 33.94 FEET OF LOT 7 WHICH LIES EAST OF THE WEST LINE OF SAID LOT 8, EXTENDED SOUTH,~~ IN THE SPIEGEL, INC. INDUSTRIAL SUBDIVISION IN THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 32, AFORESAID, ACCORDING TO THE PLAT THEREOF RECORDED FEBRUARY 14, 1961 AS DOCUMENT NUMBER 18084566, IN COOK COUNTY, ILLINOIS.

PARCEL 7:

LOT 1 (EXCEPT THAT PART THEREOF LYING WEST OF THE WEST LINE OF THE EAST 841 FEET OF THE WEST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 32) IN THE SPIEGEL INC. INDUSTRIAL SUBDIVISION IN THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED FEBRUARY 14, 1961 AS DOCUMENT NUMBER 18084566, IN COOK COUNTY, ILLINOIS.

PARCEL 8:

THAT PART OF THE SOUTH 33.00 FEET OF THE NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING WEST OF THE WEST LINE OF THE EAST 413.00 FEET OF SAID NORTH 1/2 AND LYING EAST OF THE MOST SOUTHERLY EAST LINE OF LOT 7 IN THE SPIEGEL INC. INDUSTRIAL SUBDIVISION IN SAID NORTH 1/2, ALL IN COOK COUNTY, ILLINOIS.

PARCEL 9:

THE SOUTH 33.00 FEET OF THE WEST 110.00 FEET OF THE EAST 413.00 FEET OF THE NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

PARCEL 10:

LOT 9 IN SPIEGEL, INC., INDUSTRIAL SUBDIVISION IN THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, ALL IN COOK COUNTY, ILLINOIS.

PARCEL 11:

A PERPETUAL NON-EXCLUSIVE EASEMENT FOR THE BENEFIT OF PARCELS 3 THROUGH 10, BOTH INCLUSIVE, AND 15 AS CREATED BY THE AGREEMENT DATED JUNE 25, 1880 AND RECORDED AS DOCUMENT NUMBER 644844 FOR THE PURPOSE OF INGRESS AND EGRESS OVER THE PRIVATE ROADWAY KNOWN AS 36TH STREET, SAID PRIVATE ROADWAY'S TERMINUS ON THE WEST BEING THE EAST LINE OF THE PUBLIC STREET KNOWN AS RACINE AVENUE AND ITS TERMINUS ON THE EAST BEING THE WEST LINE OF THE PUBLIC STREET KNOWN AS MORGAN AVENUE (EXCEPTING THEREFROM THOSE PORTIONS OF THE PRIVATE ROADWAY KNOWN AS 36TH STREET FALLING WITHIN PARCELS 8 AND 9).

PARCEL 12:

A PERPETUAL NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS TO THE PRIVATE ALLEY FOR THE BENEFIT OF PARCELS 6 AND 15 AS CREATED BY THE INSTRUMENT DATED JANUARY 14, 1920 AND RECORDED JANUARY 21, 1920 AS DOCUMENT 6719849 OVER THE FOLLOWING DESCRIBED LAND:

THE WEST 10 FEET OF THE WEST 110 FEET OF THE EAST 303 FEET OF THE SOUTH 245.6 FEET OF THE NORTH 631.6 FEET OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

PARCEL 13:

A PERPETUAL NON-EXCLUSIVE EASEMENT FOR THE INGRESS AND EGRESS TO THE PRIVATE ALLEY FOR THE BENEFIT OF PARCELS 6 AND 15 AS CREATED BY THE INSTRUMENT DATED AUGUST 23, 1966 AND RECORDED AUGUST 30, 1966 AS DOCUMENT 19930306 OVER THE FOLLOWING DESCRIBED LAND:

THE WEST 10 FEET OF THE SOUTH 103.3 FEET OF THE NORTH 383 FEET OF THE WEST 110 FEET OF THE EAST 303 FEET OF THE NORTH HALF OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN.

PARCEL 14:

THE RIGHT TO USE THE PRIVATE ALLEY FOR THE BENEFIT OF PARCEL 6 AS IT EXTENDS OVER THE FOLLOWING DESCRIBED LAND:

THE WEST 10 FEET OF THE NORTH 246 FEET OF THE WEST 110 FEET OF THE EAST 303 FEET OF THE NORTH HALF OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN (EXCEPTING THEREFROM THE NORTH 33 FEET TAKEN FOR 35TH STREET).

PARCEL 15:

THE SOUTH 95.60 FEET OF THE NORTH 631.60 FEET OF THE WEST 110.00 FEET OF THE EAST 431.00 FEET OF THE NORTH HALF OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

EXHIBIT G

PERMITTED LIENS

The following Liens or encumbrances against the Property:

- A. 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.
- B. Permitted Mortgages and related assignments of rents and leases.
- C. Leases of all or any portion of the Out-Lots.
- D. Liens for taxes not yet due or which are being contested in good faith.
- E. Reservations, exceptions, easements, rights-of-way and similar encumbrances affecting the Property which do not materially adversely affect the value of the Property or materially interfere with the use of the Property.
- F. Any mechanic's, laborer's, materialmen's, supplier's or vendor's lien or right in respect thereof if payment is not yet due under the contract in question or if such lien is being contested in good faith.
- G. Zoning laws and similar restrictions which are not violated by the Property affected thereby.
- H. Liens of or resulting from any judgment or award, the time for the appeal or petition of rehearing of which shall not have expired, or in respect of which the owner shall at any time in good faith be prosecuting an appeal or proceeding for a review and in respect of which a stay of execution

pending such appeal or proceeding for review shall
be in existence.

EXHIBIT H

PROJECT BUDGET

FUNDING SOURCE

LINE ITEM	NAME OF FIRM	EQUITY	LENDER	CITY	TOTAL
Property Acquisition	Spiegel				1,761,539
Demolition	Brandenburg Industrial Services:				
	Base Contract				1,957,400
	Extras				244,577
	Brandenburg Total				2,201,977
Construction	E.W. Corrigan Construction Co.				
	Base Contract				4,017,133
	Extras				748,712
	Corrigan Total				4,765,845
Total:		\$	\$	\$	\$8,729,361

EXHIBIT I
APPROVED PRIOR EXPENDITURES

LINE ITEM	NAME OF FIRM	CONTRACT PRICE	PREVIOUSLY PAID	AMOUNT OF THIS PAYMENT	BALANCE TO BECOME DUE
Property Acquisition	Spiegel	1,761,539	1,761,539	0	0
Demolition	Brandenburg Industrial Svcs	2,201,977	2,201,977	0	0
Construction	E. W. Corrigan Construction	4,765,845	4,765,845	0	0
Total:		\$8,729,361	\$8,729,361	\$ 0	\$ 0

EXHIBIT J

OPINION OF DEVELOPER'S COUNSEL

[To be retyped on the Developer's Counsel's letterhead]

_____, 1998

City of Chicago
121 North LaSalle Street
Chicago, IL 60602

ATTENTION: Corporation Counsel

Ladies and Gentlemen:

We have acted as counsel to Trippe Manufacturing Company, an Illinois corporation (the "Developer"), in connection with the purchase of certain land and the construction of certain facilities thereon located in the 35th/Halsted Redevelopment Project Area (the "Project"). In that capacity, we have examined, among other things, the following agreements, instruments and documents of even date herewith, hereinafter referred to as the "Documents":

- (a) Trippe Manufacturing Company Redevelopment Agreement (the "Agreement") of even date herewith, executed by the Developer and the City of Chicago (the "City");
- (b) [insert other documents including but not limited to documents related to purchase and financing of the Property and all financing related to the Project]; and
- (c) all other agreements, instruments and documents executed in connection with the foregoing.

In addition to the foregoing, we have examined

(a) the original or certified, conformed or photostatic copies of the Developer's (i) Articles of Incorporation, as amended to date, (ii) qualifications to do business and certificates of good standing in all states in which the Developer is qualified to do business, (iii) By-Laws, as amended to date, and (iv) records of all corporate proceedings relating to the Project; and

(b) such other documents, records and legal matters as we have deemed necessary or relevant for purposes of issuing the opinions hereinafter expressed.

In all such examinations, we have assumed the genuineness of all signatures (other than those of the Developer), the authenticity of documents submitted to us as originals and conformity to the originals of all documents submitted to us as certified, conformed or photostatic copies.

Based on the foregoing, it is our opinion that:

1. The Developer is a corporation duly organized, validly existing and in good standing under the laws of its state of incorporation, has full power and authority to own and lease its properties and to carry on its business as presently conducted, and is in good standing and duly qualified to do business as a foreign corporation under the laws of every state in which the conduct of its affairs or the ownership of its assets requires such qualification, except for those states in which its failure to qualify to do business would not have a material adverse effect on it or its business.

2. The Developer has full right, power and authority to execute and deliver the Documents to which it is a party and to perform its obligations thereunder. Such execution, delivery and performance will not conflict with, or result in a breach of, the Developer's Articles of Incorporation or By-Laws or result in a breach or other violation of any of the terms, conditions or provisions of any law or regulation, order, writ, injunction or decree of any court, government or regulatory authority, or, to the best of our knowledge after diligent inquiry, any of the terms, conditions or provisions of any agreement, instrument or document to which the Developer is a party or by which the Developer or its properties is bound. To the best of our

knowledge after diligent inquiry, such execution, delivery and performance will not constitute grounds for acceleration of the maturity of any agreement, indenture, undertaking or other instrument to which the Developer is a party or by which it or any of its property may be bound, or result in the creation or imposition of (or the obligation to create or impose) any lien, charge or encumbrance on, or security interest in, any of its property pursuant to the provisions of any of the foregoing.

3. The execution and delivery of each Document and the performance of the transactions contemplated thereby have been duly authorized and approved by all requisite action on the part of the Developer.

4. Each of the Documents to which the Developer is a party has been duly executed and delivered by a duly authorized officer of the Developer, and each such Document constitutes the legal, valid and binding obligation of the Developer, enforceable in accordance with its terms, except as limited by applicable bankruptcy, reorganization, insolvency or similar laws affecting the enforcement of creditors' rights generally.

5. Exhibit A attached hereto (a) identifies each class of capital stock of the Developer, (b) sets forth the number of issued and authorized shares of each such class, and (c) identifies the record owners of shares of each class of capital stock of the Developer and the number of shares held of record by each such holder. To the best of our knowledge after diligent inquiry, except as set forth on Exhibit A, there are no warrants, options, rights or commitments of purchase, conversion, call or exchange or other rights or restrictions with respect to any of the capital stock of the Developer. Each outstanding share of the capital stock of the Developer is duly authorized, validly issued, fully paid and nonassessable.

6. To the best of our knowledge after diligent inquiry, no judgments are outstanding against the Developer, nor is there now pending or threatened, any litigation, contested claim or governmental proceeding by or against the Developer or affecting the Developer or its property, or seeking to restrain or enjoin the performance by the Developer of the Agreement or the transactions contemplated by the Agreement, or contesting the validity thereof. To the best of our knowledge after diligent inquiry, the Developer is not in default with respect to any order, writ, injunction or decree of any court, government or

regulatory authority or in default in any respect under any law, order, regulation or demand of any governmental agency or instrumentality, a default under which would have a material adverse effect on the Developer or its business.

7. To the best of our knowledge after diligent inquiry, there is no default by the Developer or any other party under any material contract, lease, agreement, instrument or commitment to which the Developer is a party or by which the company or its properties is bound.

8. To the best of our knowledge after diligent inquiry, all of the assets of the Developer are free and clear of mortgages, liens, pledges, security interests and encumbrances except for those specifically set forth in the Documents.

9. The execution, delivery and performance of the Documents by the Developer have not and will not require the consent of any person or the giving of notice to, any exemption by, any registration, declaration or filing with or any taking of any other actions in respect of, any person, including without limitation any court, government or regulatory authority.

10. To the best of our knowledge after diligent inquiry, the Developer owns or possesses or is licensed or otherwise has the right to use all licenses, permits and other governmental approvals and authorizations, operating authorities, certificates of public convenience, goods carriers permits, authorizations and other rights that are necessary for the operation of its business.

11. A federal or state court sitting in the State of Illinois and applying the choice of law provisions of the State of Illinois would enforce the choice of law contained in the Documents and apply the law of the State of Illinois to the transactions evidenced thereby.

We are attorneys admitted to practice in the State of Illinois and we express no opinion as to any laws other than federal laws of the United States of America and the laws of the State of Illinois.

This opinion is issued at the Developer's request for the benefit of the City, its counsel, and may not be disclosed to or relied upon by any other person.

Very truly yours,

By: _____

Name: _____

35th and Halsted TIF

TRIPPE LITE (35TH and HALSTED TIF)

EXHIBIT K

YEAR	MINIMUM ASSESSED VALUE	ESTIMATED MULTIPLIER	MINIMUM EQUALIZED ASS. VALUE	BASE EAV	TAX RATE	TAXES PAID	INCREMENTAL TAXES
1996	\$732,652	2.1240	\$1,556,152	\$1,556,152	9.000%	\$147,103	\$0
1997	\$854,406	2.1240	\$1,814,759	\$1,556,152	9.000%	\$140,054	\$0
1998	\$1,297,206	2.1240	\$2,755,266	\$1,556,152	9.000%	\$163,328	\$23,275
1999	\$1,297,206	2.1240	\$2,755,266	\$1,556,152	9.000%	\$247,974	\$107,920
2000	\$1,386,753	2.1240	\$2,945,463	\$1,556,152	9.000%	\$265,092	\$107,920
2001	\$1,386,753	2.1240	\$2,945,463	\$1,556,152	9.000%	\$265,092	\$125,038
2002	\$1,386,753	2.1240	\$2,945,463	\$1,556,152	9.000%	\$265,092	\$125,038
2003	\$1,482,480	2.1240	\$3,148,788	\$1,556,152	9.000%	\$283,391	\$125,038
2004	\$1,482,480	2.1240	\$3,148,788	\$1,556,152	9.000%	\$283,391	\$143,337
2005	\$1,482,480	2.1240	\$3,148,788	\$1,556,152	9.000%	\$283,391	\$143,337
2006	\$1,584,816	2.1240	\$3,366,150	\$1,556,152	9.000%	\$302,953	\$143,337
2007	\$1,584,816	2.1240	\$3,366,150	\$1,556,152	9.000%	\$302,953	\$162,900
2008	\$1,584,816	2.1240	\$3,366,150	\$1,556,152	9.000%	\$302,953	\$162,900
2009	\$1,694,216	2.1240	\$3,598,515	\$1,556,152	9.000%	\$323,866	\$162,900
2010	\$1,694,216	2.1240	\$3,598,515	\$1,556,152	9.000%	\$323,866	\$183,813
2011	\$1,694,216	2.1240	\$3,598,515	\$1,556,152	9.000%	\$323,866	\$183,813
2012	\$1,811,168	2.1240	\$3,846,921	\$1,556,152	9.000%	\$346,223	\$183,813
2013	\$1,811,168	2.1240	\$3,846,921	\$1,556,152	9.000%	\$346,223	\$206,169
2014	\$1,811,168	2.1240	\$3,846,921	\$1,556,152	9.000%	\$346,223	\$206,169
2015	\$1,936,193	2.1240	\$4,112,475	\$1,556,152	9.000%	\$370,123	\$206,169
2016	\$1,936,193	2.1240	\$4,112,475	\$1,556,152	9.000%	\$370,123	\$230,069
2017	\$1,936,193	2.1240	\$4,112,475	\$1,556,152	9.000%	\$370,123	\$230,069
2018	\$2,069,849	2.1240	\$4,396,360	\$1,556,152	9.000%	\$395,672	\$230,069
2019	\$2,069,849	2.1240	\$4,396,360	\$1,556,152	9.000%	\$395,672	\$255,619

NPV@7%=
\$1,601,771

\$3,648,712

EXHIBIT L

REQUISITION FORM

State of Illinois)
) SS
COUNTY OF COOK)

The affiant, _____, _____ of Trippe Manufacturing Company, an Illinois corporation (the "Developer"), being duly sworn on oath deposes and says that the Developer is the owner of the Property as defined in that certain Trippe Manufacturing Company Redevelopment Project Area Redevelopment Agreement between the Developer and the City of Chicago dated _____, 1998 (the "Agreement") and that:

A. Attached hereto as Exhibit A is the Project Budget.

B. This paragraph B sets forth and is a true and complete statement of all expenditures for the Project to date:

[Description]	\$ _____
Total	\$ _____
19.05% of the Total to date is equal to	\$ _____

C. The work paid for by the expenditures described in paragraph B has been completed.

D. This paragraph D sets forth and is a true and complete statement of all costs of TIF-Funded Improvements for the Project reimbursed by the City to date:

\$ _____

E. The Developer requests reimbursement for the following Cost of TIF-Funded Improvements:

\$ _____

F. None of the costs referenced in paragraph E above have been previously reimbursed by the City.

G. Attached are the following documents:

1. a certification as to the status of job creation in accordance with Section 8.06 of the Agreement; and
2. a report for the year ended _____, 199__ detailing compliance with Section 10.03 of the Agreement.

H. The Developer hereby certifies to the City that, as of the date hereof:

1. Except as described in the attached certificate, the representations and warranties contained in the Redevelopment Agreement are true and correct and the Developer is in compliance with all covenants contained herein.
2. 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.
3. No event of Default or condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default exists or has occurred.

All capitalized terms which are not defined herein has the meanings given such terms in the Agreement.

TRIPPE MANUFACTURING COMPANY, an Illinois corporation

By: _____

Name

Title: _____

Subscribed and sworn before me this ____ day of _____
199__.

My commission expires:_____

Agreed and accepted:

Name

Title:_____

City of Chicago

Department of Planning and Development

EXHIBIT M

CORE PROPERTY

The following legal description is for the Trippe Manufacturing Properties that are to be included in the 35th/Halsted TIF:

LOTS 4, 5 AND 7 IN THE SPIEGEL INC. INDUSTRIAL SUBDIVISION IN THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED FEBRUARY 14, 1961 AS DOCUMENT 18084566, IN COOK COUNTY, ILLINOIS.

The legal description encompasses the following P.I.N.s. Corresponding lot numbers are in parenthesis:

17-32-400-103-0000 (Lot 4)

17-32-400-104-0000 (Lot 5)

17-32-400-106-0000 (Lot 7)