

[leave blank 3 x 5" space for recorder's office]

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

**FIRST AMENDMENT TO ROOSEVELT SQUARE/ABLA PROJECT  
REDEVELOPMENT AGREEMENT**

This First Amendment to Roosevelt Square/ABLA Project Redevelopment Agreement (this "Amendment") is made as of this 2nd day of December, 2009, the date that the conditions described in Article II of this Amendment have been complied with to the City's satisfaction (the "Effective Date") by and between the City of Chicago, an Illinois municipal corporation (the "City"), acting by and through its Department of Community Development ("DCD"), formerly known as the Department of Planning and Development, RS Homes I LLC, an Illinois limited liability company ("RS Homes"), RS Pointe LLC, an Illinois limited liability company ("RS Pointe") and RS Square LLC, an Illinois limited liability company ("RS Square") (RS Homes, RS Pointe and RS Square are collectively defined herein, jointly and severally, as the "Developer").

**RECITALS**

A. The Developer and the City have entered into a Roosevelt Square/ABLA Project Redevelopment Agreement dated as of June 3, 2005 (the "RDA"), which was recorded with the Recorder of Deeds of Cook County on June 6, 2005 as Document No. 0515727125 pursuant to which the City provided additional financing to assist the Developer in completing the Project (as defined in the RDA), which is located on the property described in Exhibit A attached hereto (the "Property"). Capitalized terms not otherwise defined in this Amendment shall have the meanings given them in the RDA.

B. Pursuant to the RDA and an ordinance adopted by the City Council on May 11, 2005 and published at pages 47079 to 47198 of the Journal of Proceedings of the City Council of such date, the City on January 29, 2009 issued to RS Homes and the Chicago Housing Authority (the "CHA"), respectively, its Tax Increment Allocation Revenue Notes (Roosevelt Square/ABLA Project Redevelopment Project), Tax-Exempt Series 2009A (the

“Developer Note”) and 2009B (the “CHA Note”) in the aggregate principal amount of \$10,781,902, each bearing interest at the rate of 7.13% per annum.

C. The CHA assigned, transferred and conveyed all of its right, title and interest in, to and under the CHA Note to RS Homes on January 29, 2009.

D. The Developer Note and the CHA Note are currently outstanding in the aggregate principal amount of \$9,133.276.

E. The Developer and the City desire to amend the RDA to, among other things, authorize the issuance of refunding notes to refund the Developer Note and the CHA Note, establish a priority of payment on such notes, establish an amortization schedule, eliminate certain prepayment restrictions and otherwise amend the RDA.

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:

## ARTICLE I

### RECITALS

The foregoing recitals are hereby incorporated into this Amendment by reference and made a contractual part hereof.

## ARTICLE II

### CLOSING CONDITIONS

The effectiveness of this Amendment is subject to the covenants and agreements contained herein, and the satisfaction of the following conditions (collectively, the “Closing Conditions”):

A. Amendment. The execution of this Amendment by all parties and the recording of this Amendment;

B. Opinion of the Developer’s Counsel. The Developer has furnished the City with an opinion of counsel, substantially in the form attached as Exhibit H to the RDA, with such changes as required by or acceptable to Corporation Counsel; provided, that 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 H to the RDA, such opinions were obtained by the Developer from its general corporate counsel; and

C. Corporate Documents; Economic Disclosure Statement. The Developer has delivered to the City the following documents accompanied by a certificate of the secretary or authorized officer of each entity certifying them as true, correct and complete copies that have not been amended or modified: (i) Articles of Organization or Articles of Incorporation, as applicable, (ii) good standing certificate, (iii) written consent or resolutions authorizing the

execution of this Amendment, (iv) evidence of incumbency, and (v) operating agreement or bylaws, as applicable. The Developer has delivered Economic Disclosure Statement(s), in the City's then current form, dated the date hereof.

### ARTICLE III

#### AMENDMENTS TO AGREEMENT

A. Department. Throughout the RDA, all references to "Department of Planning and Development" and "DPD" are deleted and replaced by references to the "Department of Community Development" and "DCD", respectively.

B. Refunding Notes. The RDA is amended by adding a new Section 4.09 to read as follows:

4.09 TIF Refunding Notes. Subject to the terms of the RDA and this Amendment, the City agrees to issue TIF Refunding Notes (the "Refunding Notes") in an amount which is sufficient to pay the outstanding principal under the Notes. The costs of issuance of the Refunding Notes will be borne solely by the Developer.

The Refunding Notes shall be issued as a Series A Refunding Note in the principal amount of \$5,575,000 and a Series B Refunding Note in the principal amount of \$3,558,276, and shall each bear interest at the rate of 7.13% per annum. The Refunding Notes will have a maturity date of March 1, 2022.

The Series A Refunding Note shall be issued in the form attached as Exhibit B attached hereto for the purpose of refunding the Developer Note, and shall be subject to amortization as set forth on Schedule 1 to the Series A Refunding Note. The Series B Refunding Note shall be issued in the form attached as Exhibit C attached hereto for the purpose of refunding the CHA Note, and shall be subordinate in payment to the Series A Note as further described below. The Series A Refunding Note shall be subject to prepayment at any time after January 29, 2014, and the Series B Refunding Note shall be subject to prepayment at any time, in each case at a price of 100% of the principal amount thereof plus interest accrued through the date of prepayment but without premium.

Payments of principal and interest on the Refunding Notes will be made annually on March 1 from Available Incremental Taxes deposited into the Roosevelt Square/ABLA Project Account as follows:

- (i) First to interest due on the Series A Refunding Note;
- (ii) Next to scheduled principal due on the Series A Refunding Note;
- (iii) Next to interest due on the Series B Refunding Note; and
- (iv) Next to principal due on the Series B Refunding Note.

After the issuance of the Refunding Notes, either or both of the Refunding Notes may be sold in a Qualified Transfer to a Qualified Investor, including a trust organized for the purpose of purchasing and holding the Refunding Notes, without further consent of the Commissioner of DCD.

#### ARTICLE IV

#### COVENANTS, REPRESENTATIONS AND WARRANTIES OF THE DEVELOPER

The Developer covenants, represents and warranties that:

A. such party has the right, power and authority to enter into, execute, deliver and perform this Amendment. The execution, delivery and performance by such party of this Amendment have been duly authorized by all necessary action, and do not and will not violate its Articles of Organization, Articles of Incorporation, Operating Agreement or Bylaws, as applicable, any applicable provision of law, or constitute a breach of, default under or require the consent under any agreement, instrument or document to which such party is now a party or by which such party is now or may become bound; and

B. such party is not in default with respect to any provision of the RDA or any related agreements.

#### ARTICLE V

#### MISCELLANEOUS

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

B. No Effect on Recording Priority of RDA. The parties agree that entering into this Amendment shall have no effect on the recording priority of the RDA and that this

Amendment shall relate back to the date that the RDA was originally recorded in the land title records of Cook County, Illinois.

C. No Change in Defined Terms. All capitalized terms not otherwise defined herein shall have the same meanings as set forth in the RDA.

D. Other Terms in the RDA Remain; Conflict.

i. Except as explicitly provided in this Amendment, all other provisions and terms of the RDA shall remain unchanged.

ii. In the event of a conflict between any provisions of this Amendment and the provisions of the RDA, the provisions of this Amendment shall control. Other than as specifically modified hereby, the terms and conditions of the RDA shall remain in effect with respect to the parties thereto.

E. Representations and Warranties of the Developer. The Developer acknowledges and agrees that, notwithstanding any other terms or provisions of this Amendment to the contrary, the Developer shall remain liable for all of its obligations and liabilities under the RDA, as amended by this Amendment.

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

G. Recording and Filing. The Developer shall cause this Amendment to be recorded and filed on the date hereof against the Property legally described in Exhibit A hereto in the conveyance and real property records of the county in which the Property 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 Amendment showing the date and recording number of record.

H. 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.

I. Counterparts. This Amendment 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.

J. Governing Law. This Amendment 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.

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

L. No Business Relationship with City Elected Officials. Pursuant to Section 2-156-030(b) of the Municipal Code of Chicago, it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected official has a “Business Relationship” (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion of any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship. Violation of Section 2-156-030(b) by any elected official, or any person acting at the direction of such official, with respect to the RDA or this Amendment or in connection with the transactions contemplated hereby and thereby, shall be grounds for termination of the RDA or this Amendment and the transactions contemplated hereby and thereby. The Developer hereby represents and warrants that, to the best of its knowledge after due inquiry, no violation of Section 2-156-030(b) has occurred with respect to this Amendment or the transactions contemplated thereby.

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

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

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

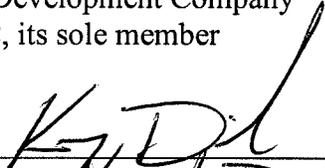
IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed as of the day and year first above written.

RS HOMES I LLC, an Illinois limited liability company

By: ABLA HOMES LLC, a managing member

By: LR ABLA LLC, its manager

By: LR Development Company  
LLC, its sole member

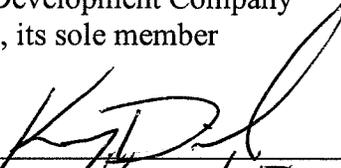
By:   
Name: KERRY DICKSON  
Title: SENIOR VP

RS POINTE LLC, an Illinois limited liability company

By: ABLA HOMES LLC, a managing member

By: LR ABLA LLC, its manager

By: LR Development Company  
LLC, its sole member

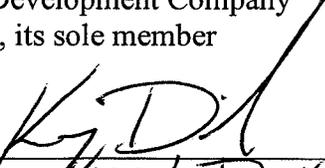
By:   
Name: KERRY DICKSON  
Title: SENIOR VP

RS SQUARE LLC, an Illinois limited liability company

By: ABLA HOMES LLC, a managing member

By: LR ABLA LLC, its manager

By: LR Development Company  
LLC, its sole member

By:   
Name: KERRY DICKSON  
Title: SENIOR VP

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

By:   
Name: Christine Raguso  
Title: Acting Commissioner

---

STATE OF ILLINOIS        )  
  ) SS  
COUNTY OF COOK        )

I, Stacy Marinier, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Kerry Dickson, personally known to me to be the Senior VP of LR Development Company LLC, a Delaware limited liability company, and managing member of RS Homes I LLC ("RS Homes"), 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 RS Homes, as her/his free and voluntary act and as the free and voluntary act of RS Homes, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 17<sup>th</sup> day of December, 2009.

Stacy L. Marinier  
Notary Public

My Commission Expires 9-27-2010

(SEAL)



STATE OF ILLINOIS        )  
  ) SS  
COUNTY OF COOK        )

I, Stacy Marinier, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Kerry Dickson, personally known to me to be the Senior VP of LR Development Company LLC, a Delaware limited liability company, and managing member of RS Pointe LLC ("RS Pointe"), 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 RS Pointe, as her/his free and voluntary act and as the free and voluntary act of RS Pointe, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 17<sup>th</sup> day of December, 2009.

Stacy Marinier  
Notary Public

My Commission Expires 9-27-2010

(SEAL)



STATE OF ILLINOIS        )  
  ) SS  
COUNTY OF COOK        )

I, Stacy Marinier, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Kerry Dickson, personally known to me to be the Senior VP of LR Development Company LLC, a Delaware limited liability company, and managing member of RS Square LLC ("RS Square"), 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 RS Square, as her/his free and voluntary act and as the free and voluntary act of RS Square, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 17<sup>th</sup> day of December, 2009.

Stacy L. Marinier  
Notary Public

My Commission Expires 9-27-2010

(SEAL)



STATE OF ILLINOIS        )  
  ) SS  
COUNTY OF COOK        )

I, Yolanda Quesada, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Christine Raguso, personally known to me to be the Acting Commissioner of the Department of Community 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 17 day of Dec, 2009.

Yolanda Quesada  
Notary Public

My Commission Expires 9-28-2013



EXHIBIT A

Property Legal Description

PARCEL A

Parcel 1 of Parcel A

LOTS 2, 6, 8, 9, 11, 17, 18, 20, 21, 22, 24, 25 AND 26 IN PLAT 1 ROOSEVELT SQUARE SUBDIVISION, A RESUBDIVISION OF BUCKLEYS SUBDIVISION, PART OF MACALASTER'S SUBDIVISION, AND SUBDIVISION OF BLOCK 14 OF VERNON PARK ADDITION TO CHICAGO, PART OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 17, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, CITY OF CHICAGO, COUNTY OF COOK, STATE OF ILLINOIS, ACCORDING TO PLAT 1 OF SAID ROOSEVELT SQUARE SUBDIVISION RECORDED MAY 27, 2004 AS DOCUMENT NUMBER 0414831142.

Parcel 2 of Parcel A

LOTS 38, 39, 40, 41, 42, 47, 48, 50, 51, 52, 54, 56, 57, 60 AND 61 IN PLAT 2 ROOSEVELT SQUARE SUBDIVISION, A RESUBDIVISION OF BLOCKS 6, 7, AND PART OF 8 OF HENRY WALLER'S SUBDIVISION, PART OF THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 20, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED MAY 27, 2004 AS DOCUMENT NUMBER 0414831143.

Parcel 3 of Parcel A

LOTS 1 TO 8 AND 10 TO 16 IN THE RESUBDIVISION OF PART OF PLAT 1 OF ROOSEVELT SQUARE SUBDIVISION, BEING A RESUBDIVISION OF LOTS 3 AND 4 OF PLAT 1 ROOSEVELT SQUARE SUBDIVISION, BEING A SUBDIVISION OF PART OF THE EAST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 17, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Parcel 4 of Parcel A

LOTS 1 TO 9 IN THE RESUBDIVISION OF PART OF PLAT 1 OF ROOSEVELT SQUARE SUBDIVISION, BEING A RESUBDIVISION OF LOTS 27 AND 28 OF PLAT 1 ROOSEVELT SQUARE SUBDIVISION, BEING A SUBDIVISION OF PART OF THE EAST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 17, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Parcel 5 of Parcel A

LOTS 1 TO 11 IN THE RESUBDIVISION OF PART OF PLAT 1 OF ROOSEVELT SQUARE SUBDIVISION, BEING A RESUBDIVISION OF LOTS 29 AND 30 OF PLAT 1 ROOSEVELT SQUARE SUBDIVISION, BEING A SUBDIVISION OF PART OF THE EAST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 17, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Parcel 6 of Parcel A

LOTS 1 TO 8 IN THE RESUBDIVISION OF PART OF PLAT 2 OF ROOSEVELT SQUARE SUBDIVISION, BEING A RESUBDIVISION OF LOT 44 OF PLAT 2 ROOSEVELT SQUARE SUBDIVISION, BEING A SUBDIVISION OF PART OF THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 20, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL B

LOT 36 IN PLAT 2 ROOSEVELT SQUARE SUBDIVISION, A RESUBDIVISION OF BLOCKS 6, 7 AND PART OF 8 OF HENRY WALLER'S SUBDIVISION, PART OF THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 20, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED MAY 27, 2004 AS DOCUMENT NUMBER 0414831143.

PARCEL C

LOT 33 IN PLAT 2 ROOSEVELT SQUARE SUBDIVISION, A RESUBDIVISION OF BLOCKS 6, 7 AND PART OF 8 OF HENRY WALLER'S SUBDIVISION, PART OF THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 20, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED MAY 27, 2004 AS DOCUMENT NUMBER 0414831143.

Permanent Tax Index Numbers and Addresses (All in Chicago, Illinois):

Parcel A:

17-17-323-001, 17-20-334-004, 17-20-200-063, 17-20-207-045

1110 West Washburne	1132 West 13th	1228 West Taylor
1112 West Washburne	1222 West Taylor	
1118 West Washburne	1226 Blue Island	
1232 Blue Island	1244 Blue Island	
1254 Blue Island	1258 Blue Island	
907 South Lytle	914 South Racine	
1029 South Lytle	915 South Lytle	
1033 South Lytle	1016 South Racine	
1034 South Racine	1017 South Lytle	
1125 West Washburne	1022 South Racine	
1129 West Washburne	1038 South Racine	
1136 West 13th	1039 South Lytle	
1121 West Washburne		
1149 West Washburne		
1153 West Washburne		

1128 West Washburne	1205 Arthington	1210 West Grenshaw	1209 West Grenshaw
1130 West Washburne	1207 Arthington	1212 West Grenshaw	1211 West Grenshaw
1132 West Washburne	1209 Arthington	1214 West Grenshaw	1213 West Grenshaw
1134 West Washburne	1211 Arthington	1216 West Grenshaw	1215 West Grenshaw
1136 West Washburne	1213 Arthington	1218 West Grenshaw	1217 West Grenshaw
1138 West Washburne	1215 Arthington	1220 West Grenshaw	1219 West Grenshaw
1140 West Washburne	1221 Arthington	1222 West Grenshaw	1221 West Grenshaw
1142 West Washburne	1223 Arthington	1224 West Grenshaw	1223 West Grenshaw
	1225 Arthington		1225 West Grenshaw
	1227 Arthington		1227 West Grenshaw
	1229 Arthington		
	1231 Arthington		

Parcel B:

17-20-200-063	1075 West Roosevelt
---------------	---------------------

Parcel C:

17-20-200-062, 17-20-200-063	1155 West Roosevelt
------------------------------	---------------------

EXHIBIT B

REGISTERED  
NO. AR-1

REGISTERED  
\$5,575,000

**UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTY OF COOK  
CITY OF CHICAGO  
TAX INCREMENT ALLOCATION REVENUE REFUNDING NOTE  
(ROOSEVELT SQUARE/ABLA PROJECT REDEVELOPMENT PROJECT)  
TAX EXEMPT SERIES 2009A**

Registered Owner: RS Homes I LLC

Interest Rate: 7.13% per annum

Maturity Date: March 1, 2022

Dated Date: January 29, 2009

**KNOW ALL PERSONS BY THESE PRESENTS**, that the City of Chicago, Cook County, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, in accordance with the Ordinance hereinafter referred to and the Schedule attached as Schedule 1, the principal amount of \$5,575,000 and to pay the Registered Owner or registered assigns interest on that amount at the Interest Rate per year specified above from the Dated Date. Interest shall be computed on the basis of a 360-day year of twelve 30-day months. Interest on accrued but unpaid interest on this Note shall accrue at the Interest Rate per year specified above. Principal of and interest on this Note from the Available Incremental Taxes (as defined in the hereinafter defined Redevelopment Agreement) is due annually on March 1 of each year until the earlier of the Maturity Date or until this Note is paid in full.

The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by Amalgamated Bank of Chicago, as registrar and

paying agent (the “Registrar”), at the close of business on the 15th day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City.

This Note is issued by the City in fully registered form in the aggregate principal amount of \$5,575,000 to refund the City’s outstanding Tax Increment Allocation Revenue Note (Roosevelt Square/ABLA Project Redevelopment Project) Tax Exempt Series 2009A previously issued in the aggregate principal amount of advances made from time to time by the Developer (as defined in the Redevelopment Agreement) in the amount of \$6,581,902 for the purpose of paying the costs of certain eligible redevelopment project costs incurred by the Developer in connection with the redevelopment of property in the Roosevelt/Racine Redevelopment Project Area (the “Project Area”) in the City, with such redevelopment work and related construction being defined as the “Project”, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.) as amended (the “TIF Act”), the Local Government Debt Reform Act (30 ILCS 350/1 et seq.) as amended and an Ordinance adopted by the City Council of the City on December \_\_, 2009 (the “Ordinance”), in all respects as by law required.

The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the TIF Act and the Ordinance, in order to pay the principal of and

interest of the Note. The revenues so pledged are described in the Redevelopment Agreement (hereinafter defined) as: "Available Incremental Taxes". Reference is hereby made to the aforesaid Ordinance for a description, among others, with respect to the determination, custody and application of said revenues, the nature and extent of such security with respect to the Note and the terms and conditions under which the Note is issued and secured. **THIS NOTE IS NOT A GENERAL OR MORAL OBLIGATION OF THE CITY BUT IS A SPECIAL LIMITED OBLIGATION OF THE CITY, AND IS PAYABLE SOLELY FROM THE AVAILABLE INCREMENTAL TAXES, AND SHALL BE A VALID CLAIM OF THE REGISTERED OWNER HEREOF ONLY AGAINST SAID SOURCES. THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OR A LOAN AGAINST THE GENERAL TAXING POWERS OR CREDIT OF THE CITY, WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER OF THIS NOTE SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OF OR INTEREST ON THIS NOTE.**

This Note may be prepaid at any time after January 29, 2014 without premium or penalty.

This Note is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the principal office of the Registrar in Chicago, Illinois, but only in the manner and subject to the limitations provided in the Ordinance and the Redevelopment Agreement, and upon surrender and cancellation of this Note. Upon such transfer, a new Note of authorized denomination of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange herefor. The Registrar shall not be

required to transfer this Note during the period beginning at the close of business on the 15th day of the month immediately prior to the maturity date of this Note nor to transfer this Note after notice calling this Note or a portion hereof for prepayment or redemption has been mailed, nor during a period of 5 days next preceding mailing of a notice of prepayment or redemption of this Note. Such transfer shall be in accordance with the form at the end of this Note.

This Note hereby authorized shall be executed and delivered as the Ordinance and the Redevelopment Agreement dated as of June 3, 2005, as amended as of December \_\_, 2009 (the "Redevelopment Agreement") by and between the City and the Developer provide. Pursuant to the Redevelopment Agreement, the Developer has agreed to construct the Project and to advance funds for the incursion under the TIF Act of certain eligible redevelopment project costs related to the Project.

The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal and interest hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

It is hereby certified and recited that all conditions, acts and things required by law to exist, to happen, or to be done or performed precedent to and in the issuance of this Note did exist, have happened, have been done and have been performed in regular and due form and time as required by law; that the issuance of this Note, together with all other obligations of the City, does not exceed or violate any constitutional or statutory limitation applicable to the City.

This Note shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Registrar.

IN WITNESS WHEREOF, the City of Chicago, Cook County, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and

has caused this Note to be signed by the duly authorized signature of the Mayor and attested by the duly authorized signature of the City Clerk of the City, all as of the Dated Date.

\_\_\_\_\_  
Mayor

(SEAL)

Attest:

\_\_\_\_\_  
City Clerk

CERTIFICATE  
OF  
AUTHENTICATION

Registrar and Paying Agent:  
Amalgamated Bank of Chicago  
City of Chicago,  
Cook County, Illinois

This Note is described in the within mentioned Ordinance and is the \$5,575,000 Tax Increment Allocation Revenue Refunding Note (Roosevelt Square/ABLA Project Redevelopment Project), Tax Exempt Series 2009A, of the City of Chicago, Cook County, Illinois.

\_\_\_\_\_  
Authorized Officer

Date: \_\_\_\_\_, 2009

(ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto \_\_\_\_\_ the within Note and does hereby irrevocably constitute and appoint \_\_\_\_\_ attorney to transfer the said Note on the books kept for registration thereof with full power of substitution in the premises.

Dated: \_\_\_\_\_  
Registered Owner

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the Note in every particular, without alteration or enlargement or any change whatever.

Consented to as of: \_\_\_\_\_

City of Chicago, Illinois

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Department of Community Development

## SCHEDULE 1

### BOND DEBT SERVICE

#### Roosevelt Square/Abla Developer Note

Period Ending	Principal	Coupon	Interest	Debt Service
03/01/2010			432,830.61	432,830.61
03/01/2011	275,000	7.130%	397,497.50	672,497.50
03/01/2012	275,000	7.130%	377,890.00	652,890.00
03/01/2013	290,000	7.130%	358,282.50	648,282.50
03/01/2014	355,000	7.130%	337,605.50	692,605.50
03/01/2015	380,000	7.130%	312,294.00	692,294.00
03/01/2016	400,000	7.130%	285,200.00	685,200.00
03/01/2017	480,000	7.130%	256,680.00	736,680.00
03/01/2018	515,000	7.130%	222,456.00	737,456.00
03/01/2019	550,000	7.130%	185,736.50	735,736.50
03/01/2020	640,000	7.130%	146,521.50	786,521.50
03/01/2021	685,000	7.130%	100,889.50	785,889.50
03/01/2022	730,000	7.130%	52,049.00	782,049.00
	5,575,000		3,465,932.61	9,040,932.61

EXHIBIT C

REGISTERED  
NO. BR-1

REGISTERED  
\$3,558,276

**UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTY OF COOK  
CITY OF CHICAGO  
TAX INCREMENT ALLOCATION REVENUE REFUNDING NOTE  
(ROOSEVELT SQUARE/ABLA PROJECT REDEVELOPMENT PROJECT)  
TAX EXEMPT SERIES 2009B**

Registered Owner: RS Homes I LLC

Interest Rate: 7.13% per annum

Maturity Date: March 1, 2022

Dated Date: January 29, 2009

**KNOW ALL PERSONS BY THESE PRESENTS**, that the City of Chicago, Cook County, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, in accordance with the Ordinance hereinafter referred to the principal amount of \$3,558,276 and to pay the Registered Owner or registered assigns interest on that amount at the Interest Rate per year specified above from the Dated Date. Interest shall be computed on the basis of a 360-day year of twelve 30-day months. Interest on accrued but unpaid interest on this Note shall accrue at the Interest Rate per year specified above. Principal of and interest on this Note from the Available Incremental Taxes (as defined in the hereinafter defined Redevelopment Agreement) is due annually on March 1 of each year until the earlier of the Maturity Date or until this Note is paid in full. Payments shall first be applied to accrued and unpaid interest and the balance to principal.

The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the

registration books of the City maintained by Amalgamated Bank of Chicago, as registrar and paying agent (the “Registrar”), at the close of business on the 15th day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City.

This Note is issued by the City in fully registered form in the aggregate principal amount of \$3,558,276 to refund the City’s outstanding Tax Increment Allocation Revenue Note (Roosevelt Square/ABLA Project Redevelopment Project) Tax Exempt Series 2009B previously issued in the aggregate principal amount of advances made from time to time by the Chicago Housing Authority (the “CHA”) in the amount of \$4,200,000 for the purpose of paying the costs of certain eligible redevelopment project costs incurred by the CHA in connection with the redevelopment of property in the Roosevelt/Racine Redevelopment Project Area (the “Project Area”) in the City, with such redevelopment work and related construction being defined as the “Project”, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.) as amended (the “TIF Act”), the Local Government Debt Reform Act (30 ILCS 350/1 et seq.) as amended and an Ordinance adopted by the City Council of the City on December \_\_, 2009 (the “Ordinance”), in all respects as by law required.

**THIS NOTE IS SUBORDINATE IN PAYMENT TO THE CITY’S TAX  
INCREMENT ALLOCATION REVENUE REFUNDING NOTE (ROOSEVELT**

**SQUARE/ABLA PROJECT REDEVELOPMENT PROJECT) DATED JANUARY 29, 2009 IN THE AGGREGATE PRINCIPAL AMOUNT OF \$5,575,000.**

The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the TIF Act and the Ordinance, in order to pay the principal of and interest of the Note. The revenues so pledged are described in the Redevelopment Agreement (hereinafter defined) as: "Available Incremental Taxes". Reference is hereby made to the aforesaid Ordinance for a description, among others, with respect to the determination, custody and application of said revenues, the nature and extent of such security with respect to the Note and the terms and conditions under which the Note is issued and secured. **THIS NOTE IS NOT A GENERAL OR MORAL OBLIGATION OF THE CITY BUT IS A SPECIAL LIMITED OBLIGATION OF THE CITY, AND IS PAYABLE SOLELY FROM THE AVAILABLE INCREMENTAL TAXES, AND SHALL BE A VALID CLAIM OF THE REGISTERED OWNER HEREOF ONLY AGAINST SAID SOURCES. THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OR A LOAN AGAINST THE GENERAL TAXING POWERS OR CREDIT OF THE CITY, WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER OF THIS NOTE SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OF OR INTEREST ON THIS NOTE.**

This Note may be prepaid at any time without premium or penalty.

This Note is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the principal office of the Registrar in Chicago, Illinois, but

only in the manner and subject to the limitations provided in the Ordinance and the Redevelopment Agreement, and upon surrender and cancellation of this Note. Upon such transfer, a new Note of authorized denomination of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange herefore. The Registrar shall not be required to transfer this Note during the period beginning at the close of business on the 15th day of the month immediately prior to the maturity date of this Note nor to transfer this Note after notice calling this Note or a portion hereof for prepayment or redemption has been mailed, nor during a period of 5 days next preceding mailing of a notice of prepayment or redemption of this Note. Such transfer shall be in accordance with the form at the end of this Note.

This Note hereby authorized shall be executed and delivered as the Ordinance and the Redevelopment Agreement dated as of June 3, 2005, as amended as of November \_\_, 2009 (the "Redevelopment Agreement") by and between the City and the Developer and a Joinder thereto executed by the CHA provide. Pursuant to the Redevelopment Agreement, the CHA has agreed to construct the Project and to advance funds for the incursion under the TIF Act of certain eligible redevelopment project costs related to the Project.

The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal and interest hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

It is hereby certified and recited that all conditions, acts and things required by law to exist, to happen, or to be done or performed precedent to and in the issuance of this Note did exist, have happened, have been done and have been performed in regular and due form and time as required by law; that the issuance of this Note, together with all other obligations of the City, does not exceed or violate any constitutional or statutory limitation applicable to the City.

This Note shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Registrar.

IN WITNESS WHEREOF, the City of Chicago, Cook County, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and has caused this Note to be signed by the duly authorized signature of the Mayor and attested by the duly authorized signature of the City Clerk of the City, all as of the Dated Date.

\_\_\_\_\_  
Mayor

(SEAL)

Attest:

\_\_\_\_\_  
City Clerk

CERTIFICATE  
OF  
AUTHENTICATION

Registrar and Paying Agent:  
Amalgamated Bank of Chicago  
City of Chicago,  
Cook County, Illinois

This Note is described in the within mentioned Ordinance and is the \$3,558,276 Tax Increment Allocation Revenue Refunding Note (Roosevelt Square/ABLA Project Redevelopment Project), Tax Exempt Series 2009B, of the City of Chicago, Cook County, Illinois.

\_\_\_\_\_  
Authorized Officer

Date: \_\_\_\_\_, 2009

(ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto \_\_\_\_\_ the within Note and does hereby irrevocably constitute and appoint \_\_\_\_\_ attorney to transfer the said Note on the books kept for registration thereof with full power of substitution in the premises.

Dated: \_\_\_\_\_  
Registered Owner

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the Note in every particular, without alteration or enlargement or any change whatever.

Consented to as of: \_\_\_\_\_

City of Chicago, Illinois

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Department of Community Development