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**KEEBLER REDEVELOPMENT AGREEMENT**

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BY AND BETWEEN

*J Byr*

THE CITY OF CHICAGO

AND

THE KEEBLER COMPANY

AND

ATLANTIC FINANCIAL GROUP, LTD.

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

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## LIST OF EXHIBITS

Exhibit A	*Redevelopment Area (to be attached)
Exhibit B	*Property
Exhibit C	*TIF-Funded Improvements
Exhibit D	Redevelopment Plan (to be attached)
Exhibit E	Construction Contract (to be attached)
Exhibit F	*Permitted Liens (pull from Keebler/Permitted Exceptions)
Exhibit G	*Project Budget
Exhibit H	*MBE/WBE Budget
Exhibit I	Approved Prior Expenditures
Exhibit J	Opinion of Developer Parties' Counsel
Exhibit K	*Preliminary TIF Projection -- Real Estate Taxes
Exhibit L	*Form of City Note
Exhibit M	*Public Benefits Program
Exhibit N	List of Approved Contracts and Subcontracts

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

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

## **KEEBLER REDEVELOPMENT AGREEMENT**

This Keebler Redevelopment Agreement (this "Agreement") is made as of this 30<sup>th</sup> day of April, 2003 by and between the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Planning and Development ("DPD"), the Keebler Company, a Delaware corporation ("Keebler"), and Atlantic Financial Group, Ltd., a Texas limited partnership ("AFG") (AFG and Keebler are referred to herein individually as a "Developer Party" and collectively as the "Developer Parties").

### **RECITALS**

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

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

C. **City Council Authority:** To induce redevelopment pursuant to the Act, the City Council of the City (the "the City Council") adopted the following ordinances on December 13, 2000: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the Lake Calumet Area Industrial Redevelopment Project Area"; (2) "An Ordinance of the City of Chicago, Illinois Designating the Lake Calumet Area Industrial Redevelopment Project Area as a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act"; and (3) "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Allocation Financing for the Lake Calumet Area Industrial Redevelopment Project Area" (the "TIF Adoption Ordinance") (items(1)-(3) collectively referred to herein as the "TIF Ordinances"). The redevelopment project area referred to above (the "Redevelopment Area") is legally described in Exhibit A hereto.

D. **The Project:** AFG has purchased certain property located within the Redevelopment Area at 750 East 110<sup>th</sup> Street, 10839 South Langley Avenue and 10840-41 South Langley Avenue, all in Chicago, Illinois 60628 (such property being legally described on Exhibit B hereto and referred to herein as the "Property"), and, within the time frames set forth in Section 3.01 hereof, Keebler shall commence and complete the construction of new structures and the rehabilitation of existing structures, to result in an approximately 290,000 square foot manufacturing facility (the "Facility") on the Property. The Facility, related improvements (including but not limited to those TIF-Funded Improvements as defined below and set forth on Exhibit C), and the covenants set forth in Section 7.02 as covenants running with the land are collectively referred to herein as the "Project." Generally, the construction/rehabilitation of the Facility shall consist of the following components:

- (i) The renovation of an existing property formerly owned by Central Steel Company and located at 750 East 110<sup>th</sup> Street. This property is approximately 7.5 acres and contains a 75,000 square foot warehouse building;
- (ii) The renovation of the existing cone manufacturing facility owned by AFG, operated by Keebler and located at 10839 South Langley Avenue. This property is approximately 3.6 acres and contains a 78,000 square foot manufacturing plant; and
- (iv) The construction of an approximately 140,000 square foot building in the open space between the existing buildings. The new building will link the existing ones and will accommodate a new product line and equipment. The entire facility will total approximately 290,000 square feet upon completion of the Project; and
- (v) The contribution by Keebler of a capital investment of approximately \$5.6 million in the form of new, refurbished or relocated manufacturing equipment.

In the event that additional buildings or components are constructed on the Property by the Developer Parties in addition to those set forth in the preceding clauses (i) through (v), the term "Facility" shall be deemed to also include such additional buildings or components.

The Property and improvements will be owned by AFG and developed by Keebler pursuant to the Synthetic Lease (as defined herein). 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 Lake Calumet Area Industrial Tax Increment Financing Redevelopment Project and Plan (the "Redevelopment Plan") attached hereto as Exhibit D.

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

In addition, the City may, in its discretion, issue tax increment allocation bonds ("TIF Bonds") secured by Incremental Taxes pursuant to a TIF bond ordinance (the "TIF Bond Ordinance") at a later date, the proceeds of which (the "TIF Bond Proceeds") may be used to pay for the costs of the TIF-Funded Improvements not previously paid for from Incremental Taxes (including any such payment made pursuant to any City Note provided pursuant to this Agreement), to make payments of principal and interest on the City Note, or in order to reimburse the City for the costs of TIF-Funded Improvements.

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

### SECTION 1. RECITALS

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:

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

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

"Available Incremental Taxes" shall mean an amount equal to 95% of the Incremental Taxes deposited in the Lake Calumet Area Industrial Redevelopment Project Area Special Tax

Allocation Fund (commencing on the date of issuance of the City Note and excluding amounts on deposit in such fund as of the date of issuance of the City Note) attributable to the Property.

"Bank" shall have the meaning given to such term in Section 4.07 hereof.

"Bond Ordinance" shall mean the ordinance(s) of the City Council authorizing issuance of Bonds.

"Bonds" shall have the meaning set forth for such term in Section 8.05 hereof.

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

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

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

"City Funds" shall mean the funds paid pursuant to the City Note.

"City Note" shall mean the taxable City of Chicago Tax Increment Allocation Revenue Note (Lake Calumet Area Industrial Redevelopment Project), Taxable Series A, to be in the form attached hereto as Exhibit L, in the maximum principal amount of \$2,056,700, issued by the City to AFG and assigned by AFG to Keebler. The City Note shall bear interest at an annual rate of eight percent (8.00 %) and shall provide for accrued, but unpaid, interest to bear interest at the same annual rate.

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

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

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

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

"Environmental Laws" shall mean any and all federal, state or local statutes, laws, regulations, ordinances, codes, rules, orders, licenses, judgments, decrees or requirements relating to public health and safety and the environment now or hereafter in force, as amended and hereafter amended, including but not limited to (i) the Comprehensive Environmental

Response, Compensation and Liability Act (42 U.S.C. Section 9601 et seq.); (ii) any so-called "Superfund" or "Superlien" law; (iii) the Hazardous Materials Transportation Act (49 U.S.C. Section 1802 et seq.); (iv) the Resource Conservation and Recovery Act (42 U.S.C. Section 6902 et seq.); (v) the Clean Air Act (42 U.S.C. Section 7401 et seq.); (vi) the Clean Water Act (33 U.S.C. Section 1251 et seq.); (vii) the Toxic Substances Control Act (15 U.S.C. Section 2601 et seq.); (viii) the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. Section 136 et seq.); (ix) the Illinois Environmental Protection Act (415 ILCS 5/1 et seq.); and (x) the Municipal Code of Chicago.

"Equity" shall mean funds of the Developer Parties (other than funds derived from Lender Financing) irrevocably available for the Project, in the amount set forth in Section 4.01 hereof, which amount may be increased pursuant to Section 4.06 (Cost Overruns) or Section 4.07(g) hereof.

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

"Escrow Agreement" shall mean the Escrow Agreement establishing a construction escrow, to be entered into on or before the date hereof by the Title Company (or an affiliate of the Title Company), the Developer Parties and the Developer Parties' lender(s).

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

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

"Financial Statements" shall mean, with respect to Keebler, complete, audited financial statements of Keebler (which may be part of the consolidated financial statements of the Kellogg Company) prepared by a certified public accountant in accordance with generally accepted accounting principles and practices consistently applied throughout the appropriate periods, and, with respect to AFG, such annual financial statements as AFG may from time to time prepare for distribution to its primary lenders and major customers, which statements need not be certified or audited, and may be prepared on a "tax-basis" or other sound method of accounting in lieu of being prepared on generally accepted accounting principles.

"General Contractor" shall mean Simborg Development, Inc.

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

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

**"Lake Calumet Area Industrial Redevelopment Project Area Special Tax Allocation Fund"** shall mean the special tax allocation fund created by the City in connection with the Redevelopment Area into which the Incremental Taxes will be deposited.

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

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

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

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

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

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

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

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

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

**"Project Budget"** shall mean the budget attached hereto as Exhibit G, showing the total cost of the Project by line item, furnished by Keebler to DPD, in accordance with Section 3.03 hereof.

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

**"Recapture Amount"** shall have the meaning set forth in Section 8.24 hereof.

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

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

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

**"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 urban 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 or lender(s) providing Lender Financing).

**"Synthetic Lease"** shall have the meaning given to such term in Section 4.07 hereof.

**"Synthetic Owner"** shall mean AFG or its successors or assigns in its capacity as the holder of title to the Property under the Synthetic Lease.

**"Term of the Agreement"** shall mean the period of time commencing on the Closing Date and ending on the date on which the Redevelopment Area is no longer in effect (through and including December 31, 2024).

**"TIF Adoption Ordinance"** shall have the meaning set forth in the Recitals hereof.

**"TIF Bonds"** shall have the meaning set forth in the Recitals hereof.

**"TIF Bond Ordinance"** shall have the meaning set forth in the Recitals hereof.

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

**"TIF Ordinances"** shall have the meaning set forth in the Recitals hereof.

**"Title Company"** shall mean Chicago Title Insurance Company.

**"Title Policy"** shall mean two title insurance policies in the most recently revised ALTA or equivalent form issued by the Title Company and (i) showing Keebler and AFG, respectively, as the insureds as their interests appear, (ii) noting the recording of this Agreement as an encumbrance against the Property and (iii) a subordination agreement, if any, in favor of the City with respect to previously recorded liens against the Property related to Lender Financing, if any.

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

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

### **SECTION 3. THE PROJECT**

**3.01 The Project.** With respect to the Facility, Keebler shall, pursuant to the Plans and Specifications and subject to the provisions of Section 18.17 hereof: (i) commence construction no later than May 30, 2002; and (ii) complete construction and conduct business operations therein no later than March 1, 2003.

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

**3.03 Project Budget.** Keebler has furnished to DPD, and DPD has approved, a Project Budget showing total costs for the Project in an amount not less than \$18,381,940. Keebler hereby certifies to the City that (a) it has Lender Financing and Equity in an amount sufficient to pay for all Project costs; and (b) the Project Budget is true, correct and complete in all material respects. Keebler shall promptly deliver to DPD certified copies of any Change Orders with respect to the Project Budget as set forth in 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 changes to the

Project must be submitted by Keebler to DPD concurrently with the progress reports described in Section 3.07 hereof; provided, that any Change Order relating to any of the following must be submitted by Keebler to DPD for DPD's prior written approval: (a) a reduction in the square footage of the Facility by 5% or more; (b) a change in the use of the Property to a use other than as an industrial facility operated by Keebler; (c) a delay in the completion of the Project by six months or more; (d) any Change Order costing in the aggregate more than 5% of the Project Budget; or (e) any Change Order for any amount if previously approved Change Orders cost in the aggregate more than 5% of the Project Budget. Keebler shall not authorize or permit the performance of any work relating to any Change Order or the furnishing of materials in connection therewith prior to the receipt by Keebler of DPD's written approval (to the extent required in this section). The Construction Contract, and each contract between the General Contractor and any subcontractor, shall contain a provision to this effect. An approved Change Order shall not be deemed to imply any obligation on the part of the City to increase the amount of City Funds which the City has pledged pursuant to this Agreement or provide any other additional assistance to the Developer Parties.

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, Keebler's obligations to comply with the provisions of Section 5.03 (Other Governmental Approvals) hereof. Keebler shall not commence construction of the Project until all necessary permits and approvals for that stage of the work for which the permit or approval is applicable have been obtained and proof of the General Contractor's and each subcontractor's bonding as required hereunder has been presented to and approved by DPD.

3.07 Progress Reports and Survey Updates. Keebler shall provide DPD with written quarterly progress reports detailing the status of the Project, including a revised completion date, if necessary (with any change in completion date of six months or more being considered a Change Order, requiring DPD's written approval pursuant to Section 3.04). Keebler shall provide three (3) copies of an updated Survey to DPD upon the request of DPD or any lender providing Lender Financing, reflecting improvements made to the Property.

3.08 Inspecting Agent or Architect. An independent agent or architect (which may be the same architect as that used by a lender providing Lender Financing, but which in no event shall be the same as Keebler's architect) approved by DPD shall be selected to act as the inspecting agent or architect, at Keebler'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. If the inspecting party is not the same architect as that used by a lender

providing Lender Financing, Keebler shall be notified of the inspecting party's name, address and phone number in writing promptly after the selection of such inspecting party and shall be provided with copies of any written reports produced by such inspecting party. Fees of such inspecting party shall be reasonable and customary.

3.09 Barricades. Prior to commencing any construction requiring barricades, Keebler 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, which approval shall not be unreasonably withheld or delayed.

3.10 Signs and Public Relations. Keebler shall erect a sign of size and style approved by the City, which approval shall not be unreasonably withheld or delayed, 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 Parties, the Property and the Project in the City's promotional literature and communications.

3.11 Utility Connections. Keebler 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 Keebler 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, Keebler 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 \$18,381,940, to be applied in the manner set forth in the Project Budget. Such costs shall be funded from the following sources:

Equity (subject to <u>Sections 4.06</u> and <u>4.07(f)</u> , and including a capital investment to be made by Keebler in the form of new, refurbished or relocated manufacturing equipment)	\$4,069,740
Lender Financing	\$12,255,500

Estimated City Funds (subject to Section 4.03) \$2,056,700

**ESTIMATED TOTAL \$18,381,940**

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

4.03 City Funds.

(a) Uses of City Funds. City Funds may only be used to pay directly or reimburse AFG (or Keebler as its assignee under the Note) for costs of TIF-Funded Improvements that constitute Redevelopment Project Costs. Exhibit C sets forth, by line item, the TIF-Funded Improvements for the Project, and the maximum amount of costs that may be paid by or reimbursed from City Funds for each line item therein (subject to Section 4.03(b)), 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 issue the City Note to AFG in the initial principal amount of \$2,056,700 no later than June 1, 2003. The parties agree that AFG shall assign the City Note to Keebler on the date of issuance, said assignment to be in the form appearing at the end of the form of City Note attached hereto as Exhibit L. The principal amount of the City Note shall be in an amount equal to the costs of the TIF-Funded Improvements which have been incurred by AFG and are to be reimbursed by the City through payments of principal and interest on the City Note, subject to the provisions hereof; provided, however, that the maximum principal amount of the City Note shall be an amount not to exceed the lesser of \$2,056,700 or 11.2% of the actual total Project costs. On the date of issuance of the Certificate (by which date the actual, total Project costs will have been established pursuant to Section 7.01 hereof), if the initial principal amount of the City Note (\$2,056,700) exceeds the maximum principal amount of the City Note established pursuant to the proviso of the preceding sentence, then the principal and interest of the City Note shall be reduced as follows:

(i) for interest that has accrued on the outstanding principal balance from time to time based upon a purported principal amount of the City Note in excess of the maximum principal amount established under this Section 4.03(b), such interest shall be retroactively reduced as if such interest had accrued under a City Note with the maximum principal amount established pursuant this Section 4.03(b), and

(ii) for payments of principal or interest on the City Note, if any, that were calculated based on the purported principal amount of the City Note being in excess of the maximum principal amount established under this Section 4.03(b), such payments of

principal or interest shall be retroactively reduced (and, for payments that were attributed to interest that should have been attributed to principal, the principal amount of the City Note shall be reduced) as if such payments had been made under a City Note with the maximum principal amount established pursuant to this Section 4.03(b).

Payments under the City Note are subject to the amount of Available Incremental Taxes deposited into the Lake Calumet Area Industrial Redevelopment Project Area Special Tax Allocation Fund being sufficient for such payments. Payments under the City Note shall commence, in accordance with the terms of the City Note, upon the occurrence of all of the following: the issuance of the Certificate, the issuance of a certificate of occupancy for the Facility, the initial creation and retention of jobs by Keebler in compliance with Section 8.06 hereof, and the commencement of full operations at the Facility in compliance with Section 8.06 hereof.

**4.04 Construction Escrow.** Keebler shall provide the City with copies of any draw requests and related documents submitted to the Title Company for disbursements under the Escrow Agreement.

**4.05 Treatment of Prior Expenditures.** Only those expenditures made by the Developer Parties with respect to the Project prior to the Closing Date, evidenced by documentation satisfactory to DPD and approved by DEP as satisfying costs covered in the Project Budget, shall be considered previously contributed Equity or Lender Financing hereunder (the "Prior Expenditures"). Exhibit I hereto sets forth the prior expenditures approved by DPD as of the date hereof as Prior Expenditures. DPD shall have the right, in its sole discretion, to disallow any proposed expenditure (other than those previously approved, as shown on Exhibit I) as a Prior Expenditure. Prior Expenditures made for items other than TIF-Funded Improvements shall not be reimbursed to the Developer Parties, but shall reduce the amount of Equity and/or Lender Financing required to be contributed by the Developer Parties pursuant to Section 4.01 hereof.

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

**4.07 Synthetic Lease.** Keebler has obtained financing for the construction of the Facility through (i) that certain Master Agreement dated as of January 16, 2002 among Keebler as lessee, AFG as lessor, the Kellogg Company as a guarantor, the lenders identified therein, and SunTrust Bank as agent for such lenders, (ii) that certain Master Lease Agreement dated as of January 16, 2002 between Keebler as lessee and AFG as lessor, (iii) that certain Illinois Lease Supplement and Memorandum of Lease dated as of January 16, 2002 between Keebler as lessee and AFG as lessor, a memorandum of which was recorded in the Office of the Cook County Recorder of Deeds as document number 0020096706, (iv) that certain Loan Agreement dated as of January

16, 2002 among AFG as borrower, the lenders identified therein, and SunTrust Bank as agent for such lenders, (v) that certain A Note dated as of January 16, 2002 in the amount of \$12,750,000 from AFG to SunTrust Bank as agent, (vi) that certain B Note dated as of January 16, 2002 in the amount of \$1,725,000 from AFG to SunTrust Bank as agent, (vii) that certain Mortgage, Security Agreement and Fixture Filing dated as of January 16, 2002 made by AFG to SunTrust Bank as agent and recorded in the Office of the Cook County Recorder of Deeds on January 24, 2002 as document number 0020096707, (viii) that certain Assignment of Leases and Rents and Guaranty Agreement and Assignment of Mortgage made by AFG to SunTrust Bank, as agent, recorded in the Office of the Cook County Recorder of Deeds on January 24, 2002 as document number 0020096708, (ix) that certain Option to Purchase Land in favor of Keebler recorded in the Office of the Cook County Recorder of Deeds on January 24, 2002 as document number 0020096706, (x) that certain Construction Agency Agreement dated as of January 16, 2002 between AFG and Keebler, and (xi) the other Operative Documents (as such term is defined in the Master Agreement referenced in clause (i)) (collectively, the documents referenced in clauses (i) through (xi) above and the rights and obligations created thereunder are referred to herein as the "Synthetic Lease"). As part of the Synthetic Lease, AFG has taken title to the Property and the improvements located or to be located thereon, and AFG has leased the Property and improvements to Keebler for a base term of five years for construction/rehabilitation and operation of the Facility. AFG will provide financing to Keebler for the construction/rehabilitation of the Facility through a loan from SunTrust Bank (together with its successors and assigns in its capacity as lender under the Synthetic Lease, the "Bank"). The Synthetic Lease requires Keebler to make rent payments to AFG, which payments are intended to repay the loan from the Bank with interest. At the end of the Synthetic Lease, Keebler has an option to purchase the Facility from AFG or to market for AFG all of AFG's interest in the Facility.

The Synthetic Lease provides, and the Developer Parties each hereby represent and warrant, that for purposes of federal and state income taxes, and commercial and bankruptcy law, the Synthetic Lease is intended to be treated as a financing transaction and Keebler is intended to be treated as the owner of the Property.

Keebler shall not, without the prior written consent of DPD (which consent prior to issuance of the Certificate shall be in DPD's sole discretion and after issuance of the Certificate shall not be unreasonably withheld) sell, transfer, convey, lease or otherwise dispose of all or substantially all of their 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, and Synthetic Owner shall not transfer any portion of the Property or any portion of its interest in the Property; provided, that AFG may lease the Property to Keebler and may transfer the Property to Keebler pursuant to the Synthetic Lease or to a third party in the exercise of its remedies under the Synthetic Lease without the need to obtain DPD's prior written consent; and provided, further, that in the event of a transfer to a third party in the exercise of remedies under the Synthetic Lease, the City may but shall not be obligated to recognize and attorn to such third party as the successor in interest to Keebler 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. The City agrees that it shall not seek injunctive relief to enjoin any transfer or conveyance of assets or property under this paragraph and agrees that (except with respect to covenants identified hereunder that run with the land with respect to Keebler and its successors and assigns, to the extent such covenants are then in effect pursuant to the terms of this Agreement), termination of payments on the City Note shall be the City's sole remedy in the event of a violation of this paragraph.

The City acknowledges that the covenants identified in Sections 8.02, 8.06 and 8.19(c) hereof as covenants that run with the land are not binding upon the Synthetic Owner or the Bank and their successors, transferees and assigns, but are and shall be binding upon Keebler and its successors, transferees and assigns to the extent of any of its present and future interest in the Property (except as otherwise provided in Section 8.24 (Recapture Amount) hereof).

## **SECTION 5. CONDITIONS PRECEDENT**

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

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

5.02 Scope Drawings and Plans and Specifications. Keebler has submitted to DPD, and DPD has approved, the Scope Drawings and Plans and Specifications accordance with the provisions of Section 3.02 hereof.

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

5.04 Financing. Keebler has furnished proof reasonably acceptable to the City that it has Equity and Lender Financing in the amounts set forth in Section 4.01 hereof to complete the Project and satisfy its obligations under this Agreement. If a portion of such funds consists of Lender Financing, Keebler has furnished proof as of the Closing Date that the proceeds thereof are available to be drawn upon by it as needed and are sufficient (along with the Equity necessary to complete Project, as set forth in Section 3.03 and Section 4.01) to complete the Project. Any financing liens against the Property in existence at the Closing Date may be subordinated to certain encumbrances of the City set forth herein pursuant to a Subordination Agreement, in a form acceptable to the City which, if recorded, shall be recorded at the expense of Keebler or the Synthetic Owner, with the Office of the Recorder of Deeds of Cook County.

**5.05 Acquisition and Title.** On the Closing Date, Keebler has furnished the City with a copy of the Title Policy for the Property, certified by the Title Company, showing the Developer Parties as named insureds as their interests appear. The Title Policy is dated as of the Closing Date and contains only those title exceptions listed as Permitted Liens on Exhibit F hereto and evidences the recording of this Agreement pursuant to the provisions of Section 8.18 hereof. The Title Policy also contains such endorsements as shall reasonably 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 Parties have provided to DPD, on or prior to the Closing Date, documentation related to the purchase of the Property and certified copies of all easements and encumbrances of record with respect to the Property not addressed, to DPD's reasonable satisfaction, by the Title Policy and any endorsements thereto.

**5.06 Evidence of Clean Title.** The Developer Parties, at their own expense, have provided the City with searches under Keebler and AFG's names, respectively (and the following trade names of Keebler:(none provided as certified, represented and warranted by Developer); and the following trade names of AFG: (none provided as certified, represented and warranted by Developer) 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 Parties, the Property or any fixtures now or hereafter affixed thereto, except for the Permitted Liens, and other liens which might be shown on the searches provided pursuant to this Section 5.06 which do not affect the ability of the Developer Parties to perform under this agreement.

**5.07 Surveys.** Keebler has furnished the City with three (3) copies of the Survey.

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

**5.09 Opinion of the Developer Parties' Counsel.** (a) On the Closing Date, the Developer Parties have each furnished the City with an opinion of counsel, substantially in the form

attached hereto as Exhibit J, with such changes as required by or acceptable to Corporation Counsel. If the Developer Parties have engaged special counsel in connection with the Project, and such special counsel is unwilling or unable to give some of the opinions set forth in Exhibit J hereto, such opinions were obtained by the Developer Parties from their respective general corporate counsel.

5.10 Evidence of Prior Expenditures. Keebler has provided evidence satisfactory to DPD of the Prior Expenditures shown on Exhibit I hereto.

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

5.12 Documentation. Keebler has provided documentation to DPD, satisfactory in form and substance to DPD, with respect to current employment matters.

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

5.14 Corporate Documents; Economic Disclosure Statement. Each Developer Party has provided a copy of its Articles or Certificate of Incorporation or articles of limited partnership containing the original certification of the Secretary of State of its respective state of formation; certificates of good standing from the Secretary of State of its respective state of formation; a secretary's certificate in such form and substance as the Corporation Counsel may require; by-laws or agreement of limited partnership; and such other corporate documentation as the City has requested. Each Developer Party has provided to the City an Economic Disclosure Statement, in the City's then current form, dated as of the Closing Date.

5.15 Litigation. Each Developer Party has provided to Corporation Counsel and DPD, a description of pending or threatened litigation or administrative proceedings involving such Developer Party which (i) have as the amount claimed, potential reserves taken in connection therewith, or probable liability an amount equal to or in excess of five million and no/100 dollars (\$5,000,000); or (ii) affect the Project (including the ability of any Developer Party to complete, or assist in completing, the work required to finish the Project); or (iii) seem to violate the spirit of important government policies (e.g. class action discrimination suits involving age, gender, national origin, race, religious beliefs, or sexual orientation; health code violations in the preparation or distribution of food products or violations of Environmental Laws). In describing the above-referenced pending or threatened litigation or administrative proceedings each Developer Party shall also disclose whether (and to what extent) such potential liability is covered by insurance.

## SECTION 6. AGREEMENTS WITH CONTRACTORS

**6.01 Bid Requirement for General Contractor and Subcontractors.** Keebler has selected Simborg Development Inc. as the General Contractor. Prior to entering into an agreement with any subcontractor for construction of the Project, Keebler shall solicit, or shall cause the General Contractor to solicit, bids from qualified contractors eligible to do business with the City of Chicago. (i) For the TIF-Funded Improvements, Keebler shall select (or shall cause the General Contractor to select) the subcontractor submitting the lowest responsive and responsible bid who can complete the Project in a timely manner. If Keebler or the General Contractor selects any subcontractor submitting other than the lowest responsive and responsible bid for the TIF-Funded Improvements, the difference between the lowest responsive and 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 Keebler or the General Contractor selects any subcontractor who has not submitted the lowest responsive and responsible bid, the difference between the lowest responsive and 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. Keebler shall submit copies of the Construction Contract to DPD in accordance with Section 6.02 below. Photocopies of all subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to DPD within five (5) business days of the execution thereof. Keebler 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 necessary for the work that is to be commenced have been obtained. DPD hereby approves the contracts and subcontracts listed on Exhibit N hereto.

**6.02 Construction Contract.** Prior to the execution thereof, Keebler shall deliver to DPD a copy of the proposed Construction Contract with the General Contractor selected to handle the Project in accordance with Section 6.01 above, for DPD's prior written approval, which shall be granted or denied within ten (10) business days after delivery thereof. Within ten (10) business days after execution of such contract by Keebler, the General Contractor and any other parties thereto, Keebler shall deliver to DPD and Corporation Counsel a certified copy of such contract together with any modifications, amendments or supplements thereto.

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

**6.04 Employment Opportunity.** Keebler 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 and each contract with any subcontractor shall contain provisions required pursuant to

Section 3.04 (Change Orders), Section 8.09 (Prevailing Wage), Section 10.01(e) (Employment Opportunity), Section 10.02 (City Resident Employment Requirement), Section 10.03 (MBE/WBE Requirements, as applicable), Section 12 (Insurance) and Section 14.01 (Books and Records) hereof. Photocopies of all contracts or subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to DPD within seven (7) business days of the execution thereof.

## SECTION 7. COMPLETION OF CONSTRUCTION OR REHABILITATION

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

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

Those covenants specifically described at Sections 8.02, 8.06, 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 notwithstanding the issuance of a Certificate; provided, that upon the issuance of a Certificate, the covenants set forth in Section 8.02 shall be deemed to have been fulfilled. The other executory terms of this Agreement that remain after the issuance of a Certificate shall be binding only upon the Developer Parties or a permitted assignee of a Developer Party who, pursuant to Section 18.15 of this Agreement, has contracted to take an assignment of such Developer Party's rights under this Agreement and assume such Developer Party's liabilities hereunder.

7.03 Failure to Complete. If Keebler fails to complete the construction and rehabilitation of the Facility in accordance with the terms of this Agreement, then the City has as its sole and exclusive remedy the right to terminate this Agreement and cease all disbursement of City Funds not yet disbursed pursuant hereto.

7.04 Notice of Expiration of Term of Agreement. Upon the expiration of the Term of the Agreement, DPD shall provide the Developer Parties, at their 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 PARTIES.**

8.01 General. (a) Keebler represents, warrants and covenants, as of the date of this Agreement and as of the date of each disbursement of City Funds hereunder, that:

(i) it is a Delaware corporation duly organized and validly existing in its state of incorporation/organization and 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;

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

(iii) the execution, delivery and performance by it 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 it is now a party or by which it is now or may become bound;

(iv) unless otherwise permitted or not prohibited pursuant to or under the terms of this Agreement, it shall acquire and shall maintain a valid ownership or leasehold interest in the Property (and all improvements thereon) pursuant to the Synthetic Lease free and clear of all liens (except for the Permitted Liens, Lender Financing as disclosed in the Project Budget and non-governmental charges that the Developer Parties are contesting in good faith pursuant to Section 8.15 hereof);

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

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

(vii) it 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;

(viii) it 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 it is a party or by which it is bound;

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

(x) prior to the issuance of a Certificate, Keebler shall not do any of the following, if it would have a materially adverse effect on Keebler's ability to perform its obligations under this Agreement, without the prior written consent of DPD, which consent shall be in DPD's sole discretion: (1) be a party to any merger, liquidation or consolidation; (2) enter into any transaction outside the ordinary course of Keebler's business; (3) assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity; or (4) enter into any transaction that would cause a material and detrimental change to Keebler's financial condition;

(xi) Keebler has not incurred, and, prior to the issuance of a Certificate, shall not, without the prior written consent of the Commissioner of DPD, allow the existence of any liens against the Property (or improvements thereon) other than the Permitted Liens or liens permitted to be contested or bonded over pursuant to Section 8.15 or Section 8.19 hereof; or incur any indebtedness, secured or to be secured by the Property (or improvements thereon) or its interest in the Property or any fixtures now or hereafter attached thereto, except Lender Financing disclosed in the Project Budget; and

(xii) it 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 Keebler in violation of Chapter 2-156-120 of the Municipal Code.

(b) AFG represents, warrants and covenants, as of the date of this Agreement and as of the date of each disbursement of City Funds hereunder, that:

(i) it is a Texas limited partnership duly organized, validly existing, qualified to do business in its state of organization and in Illinois, and licensed to do business in any other state where, due to the nature of its activities or properties, such qualification or license is required;

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

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

(iv) unless otherwise permitted or not prohibited pursuant to or under the terms of this Agreement, it shall acquire and shall maintain good, indefeasible and merchantable fee simple title to the Property (and all improvements thereon) free and clear of all liens (except for the Permitted Liens, Lender Financing as disclosed in the Project Budget or the Synthetic Lease, and non-governmental charges that the Developer Parties are contesting in good faith pursuant to Section 8.15 hereof);

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

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

(vii) AFG's Financial Statements are, and when hereafter required to be submitted will be, complete and correct in all material respects and accurately present the assets, liabilities, results of operations and financial condition of AFG, as of the date thereof;

(viii) it has not incurred, and, prior to the issuance of a Certificate, shall not, without the prior written consent of the Commissioner of DPD, allow the existence of any liens against the Property (or improvements thereon) other than the Permitted Liens or liens permitted to be contested or bonded over pursuant to Section 8.15 or Section 8.19 hereof; or incur any indebtedness, secured or to be secured by the Property (or improvements thereon) or its interest in the Property or any fixtures now or hereafter attached thereto, except Lender Financing disclosed in the Project Budget; and

(ix) 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 AFG in violation of Chapter 2-156-120 of the Municipal Code.

**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 Keebler's receipt of all required building permits and governmental approvals, Keebler shall redevelop the Property in accordance with this Agreement and all Exhibits attached hereto, the TIF Ordinances, the Bond Ordinance, the TIF Bond Ordinance, the Scope Drawings, Plans and

Specifications, Project Budget and all amendments thereto, and all federal, state and local laws, ordinances, rules, regulations, executive orders and codes applicable to the Project, the Property and/or the Developer Parties. Except as otherwise provided in Section 4.07 or Section 8.24 hereof, the covenants set forth in this Section shall run with the land and be binding upon any transferee, but shall be deemed satisfied upon issuance by the City of a Certificate with respect thereto.

8.03 Redevelopment Plan. Keebler 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 AFG shall be used by AFG solely to pay for (or to reimburse AFG for its payment for) the TIF-Funded Improvements as provided in this Agreement.

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

8.06 Job Creation and Retention; Covenant to Maintain Operations. Commencing no later than one year after the issuance of the Certificate, Keebler shall retain at the Facility (i) no less than 300 full-time, permanent jobs, and (ii) for at least seven months of each calendar year, no less than an additional 146 full-time equivalent positions. For purposes of this Section 8.06, "full-time equivalent" shall mean employment, whether on a temporary or non-temporary basis, for a minimum of 40 hours per week for at least seven months out of each calendar year. Keebler shall retain the number of jobs and positions described herein for the period commencing on the date of initial compliance with the job creation and retention covenants set forth herein and ending on the tenth anniversary of such commencement date (the "Jobs Covenant Period"). If at any time during the Jobs Covenant Period the number of jobs or positions retained by Keebler falls below the levels set forth in this paragraph, Keebler shall be granted a one-year cure period to achieve compliance with its obligations under this paragraph. If, upon the expiration of such cure period, Keebler is still not in compliance with this paragraph, then Keebler shall repay to the City any payment of principal and interest on the City Note that was made during such cure period, and there shall be no further payment of principal and interest on the City Note until Keebler achieves compliance with this paragraph for a period of twelve consecutive months. Interest will not accrue on the City Note during any time that payments on the City Note are so

suspended. If payments on the City Note resume, the holder of the City Note shall not be entitled to payments which were withheld pursuant to the preceding sentence. The Jobs Covenant Period shall be extended by the number of days, if any, during which Keebler is not in compliance with the job creation and retention covenants set forth in this paragraph.

Keebler hereby covenants and agrees that the Facility shall be a fully occupied and operating manufacturing facility commencing no later than one year after the issuance of the Certificate. Keebler covenants and agrees to maintain the Facility as a fully occupied and operating manufacturing facility for the period beginning on the commencement of full operations and terminating at the end of the Term of the Agreement (the "Operations Covenant Period"). If at any time during the Operations Covenant Period, the Facility is not a fully occupied and operating manufacturing facility, Keebler shall be granted a one-year cure period to achieve compliance with its obligations under this paragraph. If, upon the expiration of such cure period, Keebler is still not in compliance with this paragraph, then Keebler shall repay to the City any payment of principal and interest on the City Note that was made during such cure period, and there shall be no further payment of principal and interest on the City Note until Keebler achieves compliance with this paragraph for a period of twelve consecutive months. Interest will not accrue on the City Note during any time that payments on the City Note are so suspended. If payments on the City Note resume, the holder of the City Note shall not be entitled to payments which were withheld pursuant to the preceding sentence.

Except as otherwise provided in Section 4.07 or Section 8.24 hereof, the covenants set forth in this Section shall run with the land and be binding upon any transferee.

**8.07 Employment Opportunity; Progress Reports.** Keebler 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. Keebler shall deliver to the City written progress reports detailing compliance with the requirements of Sections 8.09, 10.02 and 10.03 of this Agreement. Such reports shall be delivered to the City on a monthly basis. If any such reports indicate a shortfall in compliance, Keebler shall also deliver a plan to DPD which shall outline, to DPD's satisfaction, the manner in which Keebler shall correct any shortfall.

**8.08 Employment Profile.** Keebler 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.

**8.09 Prevailing Wage.** Keebler covenants and agrees to pay, and contractually to 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 of their employees engaged in the construction or rehabilitation of the Facility. 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, Keebler shall provide the City with copies of all such contracts entered into by Keebler or the General Contractor to evidence compliance with this Section 8.09.

8.10 Arms-Length Transactions. Unless DPD has given its prior written consent with respect thereto, no Affiliate of either of the Developer Parties may receive any portion of City Funds, directly or indirectly, in payment for work done, services provided or materials supplied in connection with any TIF-Funded Improvement. The Developer Parties shall provide information with respect to any entity to receive City Funds directly or indirectly (whether through payment to the Affiliate by the Developer Parties and reimbursement to the Developer Parties 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, each of the Developer Parties 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 Party 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 Party's business, the Property or any other property in the Redevelopment Area.

8.12 Disclosure of Interest. Counsel to the Developer Parties has no direct or indirect financial ownership interest in the Developer Parties, the Property or any other aspect of the Project.

8.13 Financial Statements. Each Developer Party shall obtain and provide to DPD Financial Statements for the Developer Party's fiscal year ended 2001 and each year thereafter for the Term of the Agreement. In addition, Keebler shall submit unaudited financial statements (or other evidence of its financial position as is acceptable to DPD) as soon as reasonably practical following the close of each fiscal year and for such other periods as DPD may request.

8.14 Insurance. Keebler, at its 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 and subject to Section 8.15(b), the Developer Parties agree to pay or cause to be paid when due any Non-Governmental Charge assessed or imposed upon the Project, the Property or any fixtures that are or may become attached thereto, which creates, may create, or appears to create a lien upon all or any portion of the Property or Project; provided however, that if such Non-Governmental Charge may be paid in installments, the Developer Parties 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 Parties 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 Parties 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 Property (so long as no such contest or objection shall be deemed or construed to relieve, modify or extend the Developer Parties' 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 Keebler's Liabilities**. Keebler 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 Keebler to any other person or entity. Keebler shall immediately notify DPD of any and all events or actions which may materially affect Keebler's ability to carry on its business operations or perform its obligations under this Agreement or any other documents and agreements related to the Project.

**8.17 Compliance with Laws**. To the best of Keebler'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, Keebler shall provide evidence satisfactory to the City of such compliance.

**8.18 Recording and Filing**. Keebler shall cause this Agreement, certain exhibits (as specified by Corporation Counsel), all amendments and supplements hereto to be recorded and filed against the Property on the date hereof in the conveyance and real property records of the county in which the Project is located. This Agreement may be recorded prior to any mortgage made in connection with Lender Financing. Keebler shall pay all fees and charges incurred in

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

AFG agrees to pay or cause to be paid when due all federal, State, county, City, or other governmental (or any instrumentality, division, agency, body, or department thereof) taxes (including but not limited to real property taxes), levies, assessments, charges, liens, claims or encumbrances (except for those assessed by foreign nations, states other than the State of Illinois, counties of the State other than Cook County, and municipalities other than the City) which are assessed or imposed (i) on AFG with respect to AFG's operations, if any, in Cook County or the State of Illinois (excluding AFG's operations pursuant to any synthetic lease or similar lease arrangements to which AFG is a party), or (ii) with respect to real property owned by AFG in Cook County, Illinois (excluding real property which AFG owns as a synthetic owner pursuant to any synthetic lease or similar lease arrangements to which AFG is a party).

(ii) Right to Contest. The Developer Parties 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 Parties' right to challenge real estate taxes applicable to the Property is limited as provided for in Section 8.19(c) below; provided, that such real estate taxes must be paid in full when due and may be disputed only after such payment is made. No such contest or objection shall be deemed or construed in any way as relieving, modifying or extending the Developer Parties' covenants to pay any such Governmental Charge at the time and in the manner provided in this Agreement unless the Developer Parties have given prior written notice to DPD of the Developer Parties' intent to contest or object to a Governmental Charge and, unless, at DPD's sole option,

- (x) the contesting Developer Party shall demonstrate to DPD's reasonable satisfaction that legal proceedings instituted by such Developer Party 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
- (y) the contesting Developer Party shall furnish a good and sufficient bond or other security satisfactory to DPD in such form and amounts as DPD reasonably 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) Failure To Pay Or Discharge Lien. If Keebler fails to pay any Governmental Charge required to be paid hereunder or to obtain discharge of the same, Keebler 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 Keebler 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 Keebler. 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 Keebler fails to pay any Governmental Charge required to be paid hereunder, the City, in its sole discretion, may require the Developer Parties to submit to the City audited Financial Statements at the Developer Parties' own expense.

(c) Real Estate Taxes.

(i) Acknowledgment of Real Estate Taxes. The Developer Parties agree that (A) for the purpose of this Agreement, the total projected minimum assessed value of the Property that is necessary to support the debt service indicated ("Minimum Assessed Value") is shown on Exhibit K attached hereto and incorporated herein by reference for the years noted on Exhibit K; (B) Exhibit K sets forth the specific improvements which will generate the fair market values, assessments, equalized assessed values and taxes shown thereon; and (C) the real estate taxes anticipated to be generated and derived from the respective portions of the Property and the Project for the years shown are fairly and accurately indicated in Exhibit K.

(ii) Real Estate Tax Exemption. With respect to the Property or the Project, neither the Developer Parties nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to the Developer Parties 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 Parties nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to the Developer Parties shall, during the Term of this Agreement, directly or indirectly, initiate, seek or apply for proceedings in order to lower the assessed value of all or any portion of the Property or the Project below the amount of the Minimum Assessed Value as shown in Exhibit K for the applicable year.

(iv) No Objections. Neither the Developer Parties nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to the Developer Parties, shall object to or in any way seek to interfere with, on procedural or any other grounds, the filing of any Underassessment Complaint or subsequent proceedings related thereto with the Cook County Assessor or with the Cook County Board of Appeals, by either the City or any taxpayer. The term "Underassessment Complaint" as used in this Agreement shall mean any complaint seeking to increase the assessed value of the Property up to (but not above) the Minimum Assessed Value as shown in Exhibit K.

(v) Covenants Running with the Land. The parties agree that the restrictions contained in this Section 8.19(c) are covenants running with the land and this Agreement shall be recorded by Keebler as a memorandum thereof, at Keebler's expense, with the Cook County Recorder of Deeds on the Closing Date. Except as otherwise provided in Section 4.07 or Section 8.24 hereof, these restrictions shall be binding upon the Developer Parties and their 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 or upon payment of the Recapture Amount pursuant to Section 8.24 hereof. Keebler agrees that any sale, lease, conveyance, or transfer of title to all or any portion of the Property or Redevelopment Area from and after the date hereof, while such covenants and restrictions are in effect, 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 Parties, their successors or assigns, may waive and terminate the Developer Parties' covenants and agreements set forth in this Section 8.19(c).

**8.20 Job Training Program.** Keebler shall meet with the Mayor's Office of Workforce Development to discuss the Project. In the event that portions of the Project are occupied by tenants of Keebler, Keebler shall send a letter to each such tenant, with a copy to DPD, to familiarize them with the programs run by the Mayor's Office of Workforce Development (or any successor workforce development agency of the City) for the purpose of helping prepare individuals to work for businesses located within the Redevelopment Area.

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

8.22 Class 6(b) Incentive. Keebler has filed with the Office of the Assessor of Cook County (the "Assessor") an eligibility application for Class 6(b) tax incentive under the Cook County Real Property Assessment Classification Ordinance. The Developer Parties agree not to seek renewal of such Class 6(b) tax incentive beyond the initial term set forth in the Classification Ordinance and not to re-apply for a Class 6(b) tax incentive during the Term of the Agreement.

8.23 Public Benefits Program. Keebler shall, beginning on the Closing Date, undertake a public benefits program as described on Exhibit M. On a semi-annual basis, Keebler shall provide the City with a status report describing in sufficient detail Keebler's compliance with the public benefits program.

8.24 Recapture Amount. If during the period commencing with the issuance of the Certificate through and including the fifth anniversary thereof, Keebler no longer occupies and operates the Project as a manufacturing facility or is replaced as the occupant and operator of the Project (through the exercise by the Synthetic Owner or the Bank of remedies under the Synthetic Lease, or otherwise), then, in addition to any other remedies of the City hereunder (including termination of the City Note), Keebler agrees to pay to the City, upon demand therefor, a sum (the "Recapture Amount") equal to all payments of principal and interest on the City Note made by the City up until the time demand is made for payment of the Recapture Amount.

Upon payment of the Recapture Amount, the City agrees to release the covenants that run with the land set forth in Sections 8.02, 8.06 and 8.19(c) hereof.

## **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. EMPLOYMENT OBLIGATIONS

10.01 Employment Opportunity. Keebler, 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 Keebler working on the construction or rehabilitation of the Project (collectively, with Keebler, the "Employers" and individually an "Employer") to agree, that for the Term of this Agreement with respect to Keebler and during the period of any other party's provision of services in connection with the construction or rehabilitation of the Project:

(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 construction or rehabilitation of the Project, and shall require inclusion of these provisions in every subcontract entered into by any subcontractors, and every agreement with any Affiliate working on the construction or rehabilitation of the Project, 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.** Keebler 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 or rehabilitation 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, Keebler, 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.

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

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

Keebler, 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 construction or rehabilitation of 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.

Keebler, the General Contractor and each subcontractor shall provide full access to their employment records to the Chief Procurement Officer, the Commissioner of DPD, the Superintendent of the Chicago Police Department, the Inspector General or any duly authorized representative of any of them. Keebler, 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 Keebler, 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 Keebler, the General Contractor and each subcontractor to provide utilization of actual Chicago residents (but not sufficient for the granting of a waiver request as provided for in the standards and procedures developed by the Chief Procurement Officer) shall not suffice to replace the actual, verified achievement of the requirements of this Section concerning the worker hours performed by actual Chicago residents.

When construction and rehabilitation work at the Project is completed, in the event that the City has determined that Keebler 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 Keebler 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 Keebler, the General Contractor and/or the subcontractors to prosecution. **Any retainage to cover contract performance that may become due to Keebler pursuant to Section 2-92-250 of the Municipal Code of Chicago may be withheld by the City pending the Chief Procurement Officer's determination as to whether Keebler 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.

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

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

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

- i. At least 25 percent by MBEs.
- ii. At least 5 percent by WBEs.

b. For purposes of this Section 10.03 only, Keebler (and any party to whom a contract is let by Keebler in connection with the Project) shall be deemed a "contractor" and this Agreement (and any contract let by Keebler 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, Keebler's MBE/WBE commitment may be achieved in part by Keebler's status as an MBE or WBE (but only to the extent of any actual work performed on the Project by Keebler), 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 Keebler 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 Keebler's MBE/WBE commitment as described in this Section 10.03. Keebler or the General Contractor may meet all or part of this commitment through credits received pursuant to Section 2-92-530 of the Municipal Code of Chicago for the voluntary use of MBEs or WBEs in its activities and operations other than the Project.

d. Keebler shall deliver (or cause the General Contractor to deliver) quarterly reports to DPD during the Project describing its efforts to achieve compliance with this MBE/WBE commitment. Such reports shall include inter alia the name and business address of each MBE

and WBE solicited by Keebler or the General Contractor to work on the Project, and the responses received from such solicitation, the name and business address of each MBE or WBE actually involved in the Project, a description of the work performed or products or services supplied, the date and amount of such work, product or service, and such other information as may assist DPD in determining Keebler's compliance with this MBE/WBE commitment. DPD has access to Keebler'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 Keebler'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, Keebler shall be obligated to discharge or cause to be discharged the disqualified General Contractor or subcontractor and, if possible, identify and engage a qualified MBE or WBE as a replacement. For purposes of this Subsection (e), the disqualification procedures are further described in Section 2-92-540, Municipal Code of Chicago.

f. Any reduction or waiver of Keebler'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 the commencement of the Project, Keebler, the General Contractor and all major subcontractors shall be required to meet with the monitoring staff of DPD with regard to Keebler's compliance with its obligations under this Section 10.03. During this meeting, Keebler 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, Keebler shall submit the documentation required by this Section 10.03 to the monitoring staff of DPD, including the following: (i) subcontractor's activity report; (ii) contractor's certification concerning labor standards and prevailing wage requirements; (iii) contractor letter of understanding; (iv) monthly utilization report; (v) authorization for payroll agent; (vi) certified payroll; (vii) evidence that MBE/WBE contractor associations have been informed of the Project via written notice and hearings; and (viii) evidence of compliance with job creation/job retention requirements. Failure to submit such documentation on a timely basis, or a determination by DPD, upon analysis of the documentation, that Keebler is not complying with its obligations hereunder shall, upon the delivery of written notice to Keebler, 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 Keebler to halt the Project, (2) withhold any further payment of any City Funds to the Developer Parties or the General Contractor, or (3) seek any other remedies against Keebler available at law or in equity.

## **SECTION 11. ENVIRONMENTAL MATTERS**

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

Without limiting any other provisions hereof, Keebler 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 Keebler: (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 Keebler, or any person directly or indirectly controlling, controlled by or under common control with Keebler, 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 Keebler), 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 Parties or any of their Affiliates under any Environmental Laws relating to the Property, except to the extent caused by the gross negligence or willful misconduct of the City.

## **SECTION 12. INSURANCE**

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

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

(i) Workers Compensation and Employers Liability Insurance

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

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

Commercial General Liability Insurance or equivalent with limits of not less than \$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 bases.

(iv) Railroad Protective Liability Insurance

When any work is to be done adjacent to or on railroad or transit property, Contractor shall provide, or cause to be provided with respect to the operations that the Contractor performs, Railroad Protective Liability Insurance in the name of railroad or transit entity. The policy has limits of not less than \$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 has limits sufficient to pay for the re-creations and reconstruction of such records.

(viii) Contractor's Pollution Liability

When any remediation work is performed which may cause a pollution exposure, contractor's Pollution Liability shall be provided with limits of

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

(c) Term of the Agreement

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

(d) Other Requirements

Keebler 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 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 Keebler shall not be deemed to be a waiver by the City. Keebler shall advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance shall not relieve Keebler 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 Keebler.

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

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

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

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

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

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

### **SECTION 13. INDEMNIFICATION**

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

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

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

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

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

provided, however, that Keebler shall have no obligation to an Indemnitee arising from the gross negligence or wanton or willful misconduct of that Indemnitee. To the extent that the preceding sentence may be unenforceable because it is violative of any law or public policy, Keebler shall contribute the maximum portion that it is permitted to pay and satisfy under the applicable law, to the payment and satisfaction of all indemnified liabilities incurred by the Indemnitees or any of them. The provisions of the undertakings and indemnification set out in this Section 13.01 shall survive the termination of this Agreement.

#### **SECTION 14. MAINTAINING RECORDS/RIGHT TO INSPECT**

14.01 Books and Records. Keebler 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 Keebler'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 Keebler's offices for inspection, copying, audit and examination by an authorized representative of the City, at Keebler's expense. Keebler shall incorporate this right to inspect, copy, audit and examine all books and records into all contracts entered into by Keebler with respect to the Project.

14.02 Inspection Rights. Upon three (3) business days' notice, any authorized representative of the City has access to all portions of the Project and the Property during normal business hours for the Term of the Agreement, provided such access shall not interfere in any material way with the operation of the Facility.

## 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 Parties hereunder:

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

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

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

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

(e) the commencement of any proceedings in bankruptcy by or against either Developer Party or for the liquidation or reorganization of such Developer Party, or alleging that such Developer Party is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of such Developer Party'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 either Developer Party; 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 either Developer Party, for any substantial part of such Developer Party's assets or the institution of any proceedings for the dissolution, or the full or partial liquidation, or the merger or consolidation, of such Developer Party; 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 either Developer Party that has a material adverse effect on the financial condition of such Developer Party or on the Property or the

Project, which remains unsatisfied or undischarged and in effect for sixty (60) days after such entry without a stay of enforcement or execution;

(h) except as provided in Section 16 hereof, the occurrence of an event of default under the Lender Financing, which default is not cured within any applicable cure period;

(i) the dissolution of either Developer Party; or

(j) the institution in any court of a criminal proceeding (other than a misdemeanor) against either Developer Party or any natural person who owns a material interest in such Developer Party, which is not dismissed within one hundred twenty (120) days, or the indictment of either Developer Party or any natural person who owns a material interest in such Developer Party, for any crime (other than a misdemeanor).

For purposes of Section 15.01(j) hereof, a person with a material interest in Keebler shall be one owning in excess of ten (10%) of Keebler's issued and outstanding shares of stock, and a person with a material interest in AFG shall be one owning in excess of ten (10%) of AFG's partnership interests.

**15.02 Remedies.** Upon the occurrence of an Event of Default, the City may terminate this Agreement and all related agreements, may suspend disbursement of City Funds, and, in the case of an Event of Default arising under Section 8.24, may make demand for payment of the Recapture Amount. Except as otherwise provided herein, 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 Parties shall fail to perform a monetary covenant which the Developer Parties are 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 Parties 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 Parties shall fail to perform a non-monetary covenant which the Developer Parties are 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 Parties 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 Parties shall not be deemed to have committed an Event of Default under this Agreement if they have commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecute the cure of such default until the same has been cured; and provided,

further, that there shall be no additional cure period under this Section 15.03 with respect to Keebler's failure to comply with the job creation/operation covenants of Section 8.06 hereof.

## SECTION 16. MORTGAGING OF THE PROJECT

All mortgages or deeds of trust (which, for purposes of this Section 16, shall include any other documents giving an interest in any portion of the Property to a party other than to Keebler pursuant to the Synthetic Lease) in place as of the date hereof with respect to the Property or any portion thereof are listed on Exhibit F hereto (including but not limited to mortgages made prior to or on the date hereof in connection with Lender Financing) and are referred to herein as the "Existing Mortgages." Any mortgage or deed of trust that a Developer Party may hereafter elect to execute and record or permit to be recorded against the Property or any portion thereof is referred to herein as a "New Mortgage." Any New Mortgage that a Developer Party may hereafter elect to execute and record or permit to be recorded against the Property or any portion thereof with the prior written consent of the City is referred to herein as a "Permitted Mortgage." It is hereby agreed by and between the City and the Developer Parties as follows:

(a) In the event that a mortgagee or any other party shall succeed to either Developer Party's interest in the Property or any portion thereof pursuant to the exercise of remedies under a New Mortgage (other than a Permitted Mortgage), whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of such Developer Party'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 such Developer Party 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 either Developer Party'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 such Developer Party'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 such Developer Party for all purposes under this Agreement so long as such party accepts all of the obligations and liabilities of "Keebler" or "AFG", respectively, 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 such Developer Party's interest under this Agreement, such party has no liability under this Agreement for any Event of Default of such Developer Party which accrued prior to the time such party succeeded to the interest of such Developer Party under this Agreement, in which case the Developer Party 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

Party's interest hereunder, such party shall be entitled to no rights and benefits under this Agreement, and such party (except the Synthetic Owner and the Bank, which shall be bound by covenants that run with the land only as provided in Section 4.07 hereof) 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 Parties 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 Keebler:	Magin J. (Mike) Martinez Group Director Real Estate Transportation & Distribution Systems Keebler Company One Hollow Tree Lane Elmhurst, IL 60126
With Copies To:	John P. Stephens, Esq. Burke, Warren, MacKay & Serritella, P.C. IBM Plaza, 22 <sup>nd</sup> Floor 330 N. Wabash Ave. Chicago, IL 60611-3607

Joanne Spatz, Esq.  
Senior Counsel  
Keebler Company  
One Hollow Tree Lane  
Elmhurst, IL 60126

Philip L. Goldberg, Esq.  
Vice Pres. & General Counsel  
Simborg Development, Inc.  
1149 W. 175<sup>th</sup> Street  
Homewood, IL 60430

If to AFG: Atlantic Financial Group, Ltd.  
2808 Fairmount, Suite 250  
Dallas, Texas 75201  
Attn: Stephen Brookshire

With Copies To: Sun Trust Bank  
303 Peachtree Street, 3rd Floor  
MC 1905  
Atlanta, Georgia 30308  
Attn: Michel Ordermatt

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

## SECTION 18. MISCELLANEOUS

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

materially changes the Project site or character of the Project or any activities undertaken by the Developer Parties affecting the Project site, the Project, or both, or increases any time agreed for performance by the Developer Parties by more than ninety (90) days.

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

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

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

18.06 Remedies Cumulative. Except as otherwise provided in this Agreement, 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 and/or the Bond Ordinance, if any, 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.

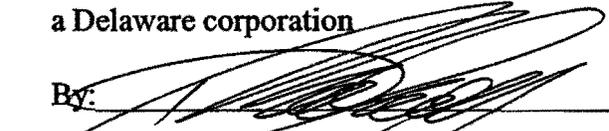
18.14 Approval. Wherever this Agreement provides for the approval or consent of the City, DPD or the Commissioner, or any matter is to be to the City's, DPD's or the Commissioner's satisfaction, unless specifically stated to the contrary, such approval, consent or satisfaction shall be made, given or 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. The Developer Parties may not sell, assign or otherwise transfer their interest in this Agreement in whole or in part without the written consent of the City; provided, however, that Keebler may exercise its rights under the Synthetic Lease to succeed to AFG's interest in the Property without the need for prior written consent of the City. Any successor in interest to either Developer Party 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 8.24 (Survival of Covenants) hereof, for the Term of the Agreement. The Developer Parties consent to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part with prior written notice to the Developer Parties.

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

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.

THE KEEBLER COMPANY,  
a Delaware corporation

By:  *4/25/03*  
Its: PRESIDENT

ATLANTIC FINANCIAL GROUP, LTD.,  
a Texas limited partnership

By: \_\_\_\_\_

Its: \_\_\_\_\_

CITY OF CHICAGO

By: \_\_\_\_\_

Commissioner, Department of Planning and Development



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

THE KEEBLER COMPANY,  
a Delaware corporation

By: \_\_\_\_\_

Its: \_\_\_\_\_

ATLANTIC FINANCIAL GROUP, LTD.,  
a Texas limited partnership

BY: ATLANTIC FINANCIAL MANAGERS, INC.  
ITS: GENERAL PARTNER

By:  \_\_\_\_\_

Its: **Stephen S. Brookshire**  
**President**

CITY OF CHICAGO

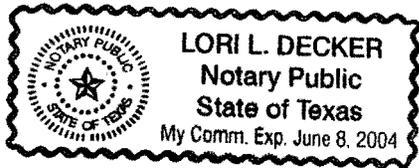
By: \_\_\_\_\_

Commissioner, Department of Planning and Development

STATE OF TEXAS )  
COUNTY OF Dallas ) SS

I, Lori L. Decker, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Stephen S. Brodzinski personally known to me to be the President of Atlantic Financial Group, Inc. a SEMA corporation (the "General Partner") and the sole general partner of Atlantic Financial Group, Ltd., a Texas limited partnership ("AFG"), 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 Board of Directors of the General Partner, as his/her free and voluntary act and as the free and voluntary act of the General Partner and AFG, for the uses and purposes therein set forth.

2003 GIVEN under my hand and official seal this 20th day of April,



Lori L. Decker  
Notary Public

My Commission Expires June 8, 2004

(SEAL)

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.

**THE KEEBLER COMPANY,**  
a Delaware corporation

By: \_\_\_\_\_

Its: \_\_\_\_\_

**ATLANTIC FINANCIAL GROUP, LTD.,**  
a Texas limited partnership

By: \_\_\_\_\_

Its: \_\_\_\_\_

**CITY OF CHICAGO**

By: *Micah Bell*  
Commissioner, Department of Planning and Development

*tk*



**Exhibit A**

**Redevelopment Area**

[To be inserted by City—See Attached]

## LAKE CALUMET AREA INDUSTRIAL TIF

ALL THAT PART OF SECTIONS 11, 12 NORTH OF THE INDIAN BOUNDARY LINE, 12 SOUTH OF THE INDIAN BOUNDARY LINE, 13 NORTH OF THE INDIAN BOUNDARY LINE, 13 SOUTH OF THE INDIAN BOUNDARY LINE, 14 NORTH OF THE INDIAN BOUNDARY LINE, 14 SOUTH OF THE INDIAN BOUNDARY LINE, 15, 22 NORTH OF THE INDIAN BOUNDARY LINE, 22 SOUTH OF THE INDIAN BOUNDARY LINE, 25, 26, 27 NORTH OF THE INDIAN BOUNDARY LINE, 27 SOUTH OF THE INDIAN BOUNDARY LINE AND 36 IN TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN AND SECTIONS 5 NORTH OF THE INDIAN BOUNDARY LINE, 5 SOUTH OF THE INDIAN BOUNDARY LINE, 6 SOUTH OF THE INDIAN BOUNDARY LINE, 7 SOUTH OF THE INDIAN BOUNDARY LINE, 8, 17, 18, 19, 20, 29, 30 AND 31 SOUTH OF THE INDIAN BOUNDARY LINE IN TOWNSHIP 37 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE NORTH LINE OF EAST 100<sup>TH</sup> STREET WITH THE EAST LINE OF SOUTH MUSKEGON AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF SOUTH MUSKEGON AVENUE TO THE EASTERLY EXTENSION OF THE NORTH LINE OF LOT 1 IN BLOCK 35 IN THE SUBDIVISION OF BLOCK 35 OF NOTRE DAME ADDITION TO SOUTH CHICAGO, A SUBDIVISION OF THE SOUTH THREE QUARTERS OF FRACTIONAL SECTION 7, TOWNSHIP 37 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID NORTH LINE OF LOT 1 BEING ALSO THE SOUTH LINE OF EAST 103<sup>RD</sup> STREET;

THENCE WEST ALONG SAID SOUTH LINE OF EAST 103<sup>RD</sup> STREET TO THE WEST LINE OF SOUTH MANISTEE AVENUE;

THENCE SOUTH ALONG SAID WEST LINE OF SOUTH MANISTEE AVENUE TO THE NORTH LINE OF 104<sup>TH</sup> STREET;

THENCE EAST ALONG SAID NORTH LINE OF 104<sup>TH</sup> STREET TO THE NORTHERLY EXTENSION OF THE WESTERLY LINE OF THE EAST 138 FEET OF BLOCK 48 OF AFORESAID NOTRE DAME ADDITION TO SOUTH CHICAGO;

THENCE SOUTH ALONG SAID NORTHERLY EXTENSION AND THE WESTERLY LINE OF THE EAST 138 FEET OF BLOCK 48 OF AFORESAID NOTRE DAME ADDITION TO SOUTH CHICAGO TO THE SOUTH LINE OF THE NORTH 36 FEET OF SAID BLOCK 48 OF NOTRE DAME ADDITION TO SOUTH CHICAGO;

THENCE EAST ALONG SAID SOUTH LINE OF THE NORTH 36 FEET OF BLOCK 48 OF NOTRE DAME ADDITION TO SOUTH CHICAGO AND ALONG THE EASTERLY EXTENSION THEREOF TO THE SOUTHEASTERLY LINE OF COMMERCIAL AVENUE;

THENCE NORTHEASTERLY ALONG SAID SOUTHEASTERLY LINE OF COMMERCIAL AVENUE TO THE NORTH LINE OF 104TH STREET:

THENCE EAST ALONG SAID NORTH LINE OF 104TH STREET TO THE WESTERLY LINE OF THAT PART OF THE PENNSYLVANIA RAILROAD RIGHT OF WAY BEARING PIN 26-7-502-001:

THENCE NORTHERLY ALONG SAID WESTERLY LINE OF THE PENNSYLVANIA RAILROAD RIGHT OF WAY TO THE CENTER LINE OF EAST 98TH STREET:

THENCE EAST ALONG SAID CENTER LINE OF EAST 98TH STREET TO THE EASTERLY LINE OF THAT PART OF THE PENNSYLVANIA RAILROAD RIGHT OF WAY BEARING PIN 26-6-427-033:

THENCE NORTHERLY ALONG SAID EASTERLY LINE OF THAT PART OF THE PENNSYLVANIA RAILROAD RIGHT OF WAY BEARING PIN 26-6-427-033 AND ALONG THE EASTERLY LINE OF THAT PART OF THE PENNSYLVANIA RAILROAD RIGHT OF WAY BEARING PIN 26-6-427-032 TO THE NORTH LINE OF SAID PART OF THE PENNSYLVANIA RAILROAD RIGHT OF WAY BEARING PIN 26-6-427-032 ;

THENCE WEST ALONG SAID NORTH LINE OF THAT PART OF THE PENNSYLVANIA RAILROAD RIGHT OF WAY BEARING PIN 26-6-427-032 TO THE WEST LINE OF SOUTH BALTIMORE AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF SOUTH BALTIMORE AVENUE TO THE CENTER LINE OF EAST 95TH STREET;

THENCE EAST ALONG SAID CENTER LINE OF EAST 95TH STREET TO THE SOUTHEASTERLY EXTENSION OF THE SOUTHWESTERLY LINE OF SOUTH CHICAGO AVENUE , AS SAID SOUTH CHICAGO AVENUE IS OPENED AND LAID OUT IN THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 6, TOWNSHIP 37 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN, NORTH OF THE INDIAN BOUNDARY LINE;

THENCE SOUTHEASTERLY ALONG SAID SOUTHEASTERLY EXTENSION OF THE SOUTHWESTERLY LINE OF SOUTH CHICAGO AVENUE TO THE SOUTH LINE OF WEST 95TH STREET;

THENCE EAST ALONG SAID SOUTH LINE OF WEST 95TH STREET TO THE SOUTHERLY EXTENSION OF THE WEST LINE OF THE PARCEL OF PROPERTY BEARING PIN 26-5-117-017;

THENCE NORTH ALONG SAID SOUTHERLY EXTENSION AND THE WEST LINE OF THE PARCEL OF PROPERTY BEARING PIN 26-5-117-017 TO THE NORTHWESTERLY LINE THEREOF;

THENCE NORTHEASTERLY ALONG SAID NORTHWESTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 26-5-117-017 TO THE NORTH LINE THEREOF. SAID NORTH LINE BEING ALSO THE SOUTH LINE OF THE CALUMET RIVER TURNING BASIN NO. 1;

THENCE EAST ALONG SAID NORTH LINE OF THE PROPERTY BEARING PIN 26-5-117-017 TO THE EASTERLY LINE OF SAID CALUMET RIVER TURNING BASIN NO. 1;

THENCE NORTHERLY ALONG SAID EASTERLY LINE OF SAID CALUMET RIVER TURNING BASIN NO. 1 AND ALONG THE NORTHERLY EXTENSION THEREOF TO THE EAST LINE OF FRACTIONAL SECTION 6, TOWNSHIP 37 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN SOUTH OF THE INDIAN BOUNDARY LINE;

THENCE NORTH ALONG SAID EAST LINE OF FRACTIONAL SECTION 6, TOWNSHIP 37 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN SOUTH OF THE INDIAN BOUNDARY LINE TO THE SOUTHWESTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 26-5-117-014;

THENCE NORTHWESTERLY ALONG SAID SOUTHWESTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 26-5-117-014 AND ALONG THE SOUTHWESTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 26-5-117-013 TO THE NORTHWESTERLY LINE OF SAID PARCEL OF PROPERTY BEARING PIN 26-5-117-013, SAID NORTHWESTERLY LINE BEING ALSO THE SOUTHEASTERLY LINE OF THE CALUMET RIVER;

THENCE NORTHEASTERLY ALONG SAID SOUTHEASTERLY LINE OF THE CALUMET RIVER TO THE WESTERLY SHORE LINE OF LAKE MICHIGAN;

THENCE SOUTHERLY ALONG SAID WESTERLY SHORE LINE OF LAKE MICHIGAN TO THE NORTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 26-5-311-002;

THENCE WEST ALONG SAID NORTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 26-5-311-002 TO AN EASTERLY LINE OF LOT A IN THE STEEL AND TUBE COMPANY OF AMERICA'S "IROQUOIS EAST PLANT", BEING A CONSOLIDATION OF SUNDRY TRACTS OF LAND IN FRACTIONAL SECTION 5, TOWNSHIP 37 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN, SOUTH OF THE INDIAN BOUNDARY LINE ;

THENCE SOUTHEASTERLY ALONG SAID EASTERLY LINE OF LOT A IN THE STEEL AND TUBE COMPANY OF AMERICA'S "IROQUOIS EAST PLANT" TO THE SOUTH LINE THEREOF;

THENCE WEST ALONG SAID SOUTH LINE OF LOT A AND ALONG THE WESTERLY EXTENSION THEREOF TO THE SOUTHEASTERLY EXTENSION OF THE NORTHEASTERLY LINE OF LOT 34 IN THE SUBDIVISION OF LOTS 1, 2, 3, 24, 25 AND 26 OF BLOCK 1 IN TAYLOR'S SECOND ADDITION TO SOUTH CHICAGO, A SUBDIVISION OF THE SOUTHWEST FRACTIONAL QUARTER (EXCEPT THE EAST HALF OF THE SOUTHWEST QUARTER OF THE SOUTHWEST FRACTIONAL QUARTER) OF FRACTIONAL SECTION 5, TOWNSHIP 37 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN SOUTH OF THE INDIAN BOUNDARY LINE, SAID NORTHEASTERLY LINE OF LOT 34 BEING ALSO THE SOUTHWESTERLY LINE OF SOUTH KREITER AVENUE;

THENCE NORTHWEST ALONG SAID SOUTHEASTERLY EXTENSION AND THE SOUTHWESTERLY LINE OF SOUTH KREITER AVENUE TO THE SOUTHEASTERLY LINE OF EAST 93RD COURT;

THENCE SOUTHWESTERLY ALONG SAID SOUTHEASTERLY LINE OF EAST 93RD COURT TO THE NORTHEASTERLY LINE OF SOUTH EWING AVENUE;

THENCE SOUTHEASTERLY ALONG SAID NORTHEASTERLY LINE OF SOUTH EWING AVENUE TO THE SOUTH LINE OF EAST 94TH STREET, SAID SOUTH LINE OF EAST 94TH STREET BEING ALSO THE NORTH LINE OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 37 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN, SOUTH OF THE INDIAN BOUNDARY LINE;

THENCE WEST ALONG SAID NORTH LINE OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 5 TO THE EAST LINE OF THE PARCEL OF PROPERTY BEARING PIN 26-5-501-002;

THENCE SOUTH ALONG SAID EAST LINE OF THE PARCEL OF PROPERTY BEARING PIN 26-5-501-002 TO THE SOUTHWESTERLY LINE OF LOT 1 IN BLOCK 2 IN AFORESAID TAYLOR'S SECOND ADDITION TO SOUTH CHICAGO, SAID SOUTHWESTERLY LINE OF LOT 1 BEING ALSO THE NORTHEASTERLY LINE OF THE ALLEY SOUTHWEST OF SOUTH EWING AVENUE;

THENCE SOUTHEAST ALONG SAID NORTHEASTERLY LINE OF THE ALLEY SOUTHWEST OF SOUTH EWING AVENUE TO THE SOUTHEASTERLY LINE OF THE NORTHWESTERLY 5 FEET OF LOT 15 IN SAID BLOCK 2 IN TAYLOR'S SECOND ADDITION TO SOUTH CHICAGO;

THENCE NORTHEASTERLY ALONG SAID SOUTHEASTERLY LINE OF THE NORTHWESTERLY 5 FEET OF LOT 15 IN BLOCK 2 OF TAYLOR'S SECOND ADDITION TO SOUTH CHICAGO TO THE SOUTHWESTERLY LINE OF SOUTH EWING AVENUE;

THENCE SOUTHEAST ALONG SAID SOUTHWESTERLY LINE OF SOUTH EWING AVENUE TO THE SOUTH LINE OF THE 20 FOOT PUBLIC ALLEY LYING NORTH OF AND ADJOINING LOTS 25 THROUGH 57, INCLUSIVE IN SAID BLOCK 2 OF TAYLOR'S SECOND ADDITION TO SOUTH CHICAGO, SAID ALLEY LYING NORTH OF EAST 95TH STREET;

THENCE WEST ALONG SAID SOUTH LINE OF THE ALLEY LYING NORTH OF EAST 95TH STREET TO THE WEST LINE OF LOT 34 IN SAID BLOCK 2 OF TAYLOR'S SECOND ADDITION TO SOUTH CHICAGO;

THENCE SOUTH ALONG SAID WEST LINE OF LOT 34 IN BLOCK 2 OF TAYLOR'S SECOND ADDITION TO SOUTH CHICAGO AND ALONG THE SOUTHERLY EXTENSION THEREOF TO THE SOUTH LINE OF EAST 95TH STREET;

THENCE WEST ALONG SAID SOUTH LINE OF EAST 95TH STREET TO THE WEST LINE OF LOT 24 IN BLOCK 3 IN SAID TAYLOR'S SECOND ADDITION TO SOUTH CHICAGO, SAID WEST LINE OF LOT 24 BEING ALSO THE EAST LINE OF SOUTH AVENUE "O";

THENCE SOUTH ALONG SAID WEST LINE OF LOT 24 IN BLOCK 3 OF TAYLOR'S SECOND ADDITION TO SOUTH CHICAGO TO THE SOUTH LINE OF SAID LOT 24, SAID SOUTH LINE OF LOT 24 BEING ALSO THE NORTH LINE OF THE ALLEY SOUTH OF EAST 95TH STREET;

THENCE EAST ALONG SAID NORTH LINE OF THE ALLEY SOUTH OF EAST 95TH STREET TO THE NORTHERLY EXTENSION OF THE WEST LINE OF LOT 78 IN SAID BLOCK 3 OF TAYLOR'S SECOND ADDITION TO SOUTH CHICAGO, SAID WEST LINE OF LOT 78 BEING ALSO THE EAST LINE OF THE ALLEY WEST OF SOUTH AVENUE "N";

THENCE SOUTH ALONG SAID EAST LINE OF THE ALLEY WEST OF SOUTH AVENUE "N" TO THE NORTH LINE OF EAST 97TH STREET;

THENCE EAST ALONG SAID NORTH LINE OF EAST 97TH STREET TO THE NORTHERLY EXTENSION OF THE WEST LINE OF LOT 48 IN BLOCK 14 OF SAID TAYLOR'S SECOND ADDITION TO SOUTH CHICAGO, SAID WEST LINE OF LOT 48 BEING ALSO THE EAST LINE OF SOUTH AVENUE "N";

THENCE SOUTH ALONG SAID EAST LINE OF SOUTH AVENUE "N" TO THE SOUTH LINE OF 102ND STREET;

THENCE WEST ALONG SAID SOUTH LINE OF 102ND STREET TO THE EAST LINE OF SOUTH AVENUE "O";

THENCE SOUTH ALONG SAID EAST LINE OF SOUTH AVENUE "O" TO THE SOUTH LINE OF 103RD STREET;

THENCE WEST ALONG SAID SOUTH LINE OF 103RD STREET TO THE WEST LINE OF LOT 1 IN BLOCK 2 IN THE SUBDIVISION OF THE EAST 486 FEET OF BLOCK 41, 42 AND 57 IN NOTRE DAME ADDITION TO SOUTH CHICAGO. A SUBDIVISION OF THE SOUTH THREE QUARTERS OF FRACTIONAL SECTION 7 SOUTH OF THE INDIAN BOUNDARY LINE, TOWNSHIP 37 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID WEST LINE OF LOT 1 BEING ALSO THE EAST LINE OF THE ALLEY WEST OF GREEN BAY ROAD;

THENCE SOUTH ALONG SAID EAST LINE OF THE ALLEY WEST OF GREEN BAY ROAD TO THE NORTH LINE OF LOT 23 IN BLOCK 6 IN SAID SUBDIVISION OF THE EAST 486 FEET OF BLOCK 41, 42 AND 57 IN NOTRE DAME ADDITION TO SOUTH CHICAGO;

THENCE WEST ALONG SAID NORTH LINE OF LOT 23 IN BLOCK 6 IN THE SUBDIVISION OF THE EAST 486 FEET OF BLOCK 41, 42 AND 57 IN NOTRE DAME ADDITION TO SOUTH CHICAGO TO THE WEST LINE OF SAID LOT 23;

THENCE SOUTH ALONG SAID WEST LINE OF LOT 23 IN BLOCK 6 IN THE SUBDIVISION OF THE EAST 486 FEET OF BLOCK 41, 42 AND 57 IN NOTRE DAME ADDITION TO SOUTH CHICAGO AND ALONG THE SOUTHERLY EXTENSION THEREOF TO THE SOUTH LINE OF EAST 106TH STREET;

THENCE WEST ALONG SAID SOUTH LINE OF EAST 106TH STREET TO THE EAST LINE OF SOUTH BUFFALO AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF SOUTH BUFFALO AVENUE TO THE SOUTH LINE OF EAST 107TH STREET;

THENCE WEST ALONG SAID SOUTH LINE OF EAST 107TH STREET TO THE EAST LINE OF SOUTH BURLEY AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF SOUTH BURLEY AVENUE TO THE NORTH LINE OF EAST 110TH STREET;

THENCE EAST ALONG SAID NORTH LINE OF EAST 110TH STREET TO THE EAST LINE OF SOUTH MACKINAW AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF SOUTH MACKINAW AVENUE TO THE NORTH LINE OF EAST 114TH STREET;

THENCE EAST ALONG SAID NORTH LINE OF EAST 114TH STREET TO THE EAST LINE OF SOUTH EWING AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF SOUTH EWING AVENUE TO THE SOUTH LINE OF EAST 115TH STREET;

THENCE WEST ALONG SAID SOUTH LINE OF EAST 115TH STREET TO THE EAST LINE OF SOUTH AVENUE "L";

THENCE SOUTH ALONG SAID EAST LINE OF SOUTH AVENUE "L" TO THE SOUTH LINE OF EAST 116TH STREET;

THENCE WEST ALONG SAID SOUTH LINE OF EAST 116TH STREET TO THE EAST LINE OF SOUTH AVENUE "O";

THENCE SOUTH ALONG SAID EAST LINE OF SOUTH AVENUE "O" TO THE EASTERLY EXTENSION OF THE NORTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 26-30-201-010;

THENCE WEST ALONG SAID EASTERLY EXTENSION AND THE NORTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 26-30-201-010 TO THE WEST LINE THEREOF;

THENCE SOUTH ALONG SAID WEST LINE OF THE PARCEL OF PROPERTY BEARING PIN 26-30-201-010 TO THE SOUTH LINE THEREOF;

THENCE WEST ALONG THE SOUTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 26-30-201-011 AND ALONG THE SOUTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 26-30-201-006 AND AGAIN ALONG THE SOUTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 26-30-201-011 AND ALONG THE WESTERLY EXTENSION THEREOF TO THE WEST LINE OF SOUTH BRANDON AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF SOUTH BRANDON AVENUE TO THE SOUTH LINE OF EAST 122ND STREET;

THENCE WEST ALONG SAID SOUTH LINE OF EAST 122ND STREET TO THE EAST LINE OF THE PARCEL OF PROPERTY BEARING PIN 26-30-200-010;

THENCE SOUTH ALONG SAID EAST LINE OF THE PARCEL OF PROPERTY BEARING PIN 26-30-200-010 TO THE SOUTHERLY LINE OF SAID PARCEL OF PROPERTY BEARING PIN 26-30-200-010;

THENCE NORTHWESTERLY AND WESTERLY ALONG SAID SOUTHERLY LINE OF SAID PARCEL OF PROPERTY BEARING PIN 26-30-200-010 TO THE SOUTHEAST CORNER OF THE PARCEL OF PROPERTY BEARING PIN 26-30-200-006;

THENCE WEST ALONG THE SOUTH LINE OF SAID PARCEL OF PROPERTY BEARING PIN 26-30-200-006 AND THE WESTERLY EXTENSION THEREOF TO THE CENTER LINE OF SOUTH CARONDOLET AVENUE;

THENCE SOUTH ALONG SAID CENTER LINE OF SOUTH CARONDOLET AVENUE TO THE EASTERLY EXTENSION OF THE SOUTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 26-30-100-040;

THENCE WEST ALONG EASTERLY EXTENSION AND A DISTANCE OF 414.76 FEET ALONG THE SOUTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 26-30-100-040 TO A WESTERLY LINE OF SAID PARCEL OF PROPERTY BEARING PIN 26-30-100-040;

THENCE NORTH ALONG SAID WESTERLY LINE OF SAID PARCEL OF PROPERTY BEARING PIN 26-30-100-040 A DISTANCE OF 150.42 FEET TO A SOUTHERLY LINE OF SAID PARCEL OF PROPERTY BEARING PIN 26-30-100-040;

THENCE WEST ALONG SAID SOUTHERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 26-30-100-040 TO THE WEST LINE OF SAID PARCEL. SAID WEST LINE BEING ALSO THE EAST LINE OF THE PARCEL OF PROPERTY BEARING PIN 26-30-100-006;

THENCE NORTHERLY ALONG SAID EAST LINE OF THE PARCEL OF PROPERTY BEARING PIN 26-30-100-006 TO THE NORTH LINE THEREOF, SAID NORTH LINE BEING ALSO THE U. S. CHANNEL LINE OF THE CALUMET RIVER;

THENCE WESTERLY ALONG SAID U. S. CHANNEL LINE OF THE CALUMET RIVER TO THE EASTERLY LINE OF THE SOUTHWESTERLY 500 FEET OF LOT 3A IN THE COUNTY CLERK'S DIVISION OF PART OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 19, TOWNSHIP 37 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN LYING WEST OF THE U. S. CHANNEL LINE OF THE CALUMET RIVER, ALSO PART OF THE NORTHWEST QUARTER OF SECTION 30, TOWNSHIP 37 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID EASTERLY LINE BEING ALSO THE EASTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 26-30-100-041;

THENCE SOUTHERLY ALONG SAID EASTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 26-30-100-041 AND ALONG THE EASTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 26-30-100-043 TO THE SOUTH LINE OF THE NORTHWEST QUARTER OF SECTION 30, TOWNSHIP 37 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE WEST ALONG SAID SOUTH LINE OF THE NORTHWEST QUARTER OF SECTION 30 TO THE NORTHERLY EXTENSION OF THE WEST LINE OF LOT 24 IN BLOCK 4 OF MARY W. INGRAM'S SUBDIVISION OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 30, TOWNSHIP 37 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID WEST LINE OF LOT 24 BEING ALSO THE EAST LINE OF SOUTH TORRENCE AVENUE;

THENCE SOUTH ALONG SAID NORTHERLY EXTENSION AND ALONG THE EAST LINE OF SOUTH TORRENCE AVENUE TO THE NORTH LINE OF EAST 130TH STREET;

THENCE EAST ALONG SAID NORTH LINE OF EAST 130TH STREET TO THE EAST LINE OF SOUTH SAGINAW AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF SOUTH SAGINAW AVENUE TO THE NORTHEASTERLY LINE OF SOUTH BRAINARD AVENUE;

THENCE SOUTHEASTERLY ALONG SAID NORTHEASTERLY LINE OF SOUTH BRAINARD AVENUE TO THE WESTERLY LINE OF THAT PART OF THE PENNSYLVANIA RAILROAD RIGHT OF WAY BEARING PIN 26-31-506-001, SAID RIGHT OF WAY LYING WEST OF AVENUE "O" IN THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 31, TOWNSHIP 37 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE SOUTHERLY ALONG SAID WESTERLY LINE OF THAT PART OF THE PENNSYLVANIA RAILROAD RIGHT OF WAY BEARING PIN 26-31-506-001 TO THE SOUTHWESTERLY LINE OF SOUTH BRAINARD AVENUE;

THENCE NORTHWESTERLY ALONG SAID SOUTHWESTERLY LINE OF SOUTH BRAINARD AVENUE TO THE NORTHWESTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 26-31-417-006, SAID NORTHWESTERLY LINE BEING THE NORTHWESTERLY LINE OF LOT 2 IN LAMMERING AND JORDAN'S RESUBDIVISION IN EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 31, TOWNSHIP 37 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE SOUTHWESTERLY ALONG SAID NORTHWESTERLY LINE OF LOT 2 IN LAMMERING AND JORDAN'S RESUBDIVISION TO THE SOUTHWESTERLY LINE OF SAID PARCEL OF PROPERTY BEARING PIN 26-31-417-006;

THENCE SOUTHEASTERLY ALONG SAID SOUTHWESTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 26-31-417-006 TO THE WESTERLY LINE OF AFORESAID PENNSYLVANIA RAILROAD RIGHT OF WAY BEARING PIN 26-31-506-001;

THENCE SOUTHERLY ALONG SAID WESTERLY LINE OF THE PENNSYLVANIA RAILROAD RIGHT OF WAY BEARING PIN 26-31-506-001 TO THE NORTHEASTERLY LINE OF THAT PART OF THE CHICAGO AND WESTERN INDIANA RAILROAD RIGHT OF WAY BEARING PIN 26-31-502-003;

THENCE SOUTHEASTERLY ALONG SAID NORTHEASTERLY LINE OF THAT PART OF THE CHICAGO AND WESTERN INDIANA RAILROAD RIGHT OF WAY BEARING PIN 26-31-502-003 TO THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SECTION 31, TOWNSHIP 37 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE WEST ALONG SAID SOUTH LINE OF THE SOUTHEAST QUARTER OF SECTION 31, TOWNSHIP 37 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN AND ALONG SOUTH LINE OF THE SOUTHWEST QUARTER OF SECTION 31, TOWNSHIP 37 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN TO THE WEST LINE OF SOUTH TORRENCE AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF SOUTH TORRENCE AVENUE TO THE SOUTHWESTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-36-407-005;

THENCE NORTHWESTERLY ALONG SAID SOUTHWESTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-36-407-005 TO THE EASTERLY EXTENSION OF THE NORTH LINE OF LOT 1 IN BLOCK 2 OF HAY, HESS AND GLAESHER ADDITION TO CHICAGO, BEING A SUBDIVISION OF THAT PART OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 36, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID NORTH LINE OF LOT 1 BEING ALSO THE SOUTH LINE OF EAST 134TH STREET;

THENCE WEST ALONG SAID EASTERLY EXTENSION AND ALONG THE SOUTH LINE OF EAST 134TH STREET TO THE WESTERLY U. S. DOCK LINE OF THE CALUMET RIVER;

THENCE NORTHWESTERLY ALONG SAID WESTERLY U. S. DOCK LINE OF THE CALUMET RIVER TO SOUTH LINE OF 130TH STREET;

THENCE WEST ALONG SAID SOUTH LINE OF 130TH STREET TO THE SOUTHERLY EXTENSION OF THE WEST LINE OF SOUTH STONY ISLAND AVENUE, AS SAID SOUTH STONY ISLAND AVENUE IS OPEN AND LAID OUT IN THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 26, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MEDIAN;

THENCE NORTH ALONG SAID SOUTHERLY EXTENSION AND ALONG THE WEST LINE OF SOUTH STONY ISLAND AVENUE TO THE NORTH LINE OF THAT

PART OF THE ROCK ISLAND RAILROAD RIGHT OF WAY BEARING PIN 25-26-501-005;

THENCE WEST ALONG SAID NORTH LINE OF THAT PART OF THE ROCK ISLAND RAILROAD RIGHT OF WAY BEARING PIN 25-26-501-005 TO THE SOUTHWESTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-26-400-017;

THENCE NORTHWESTERLY ALONG SAID SOUTHEASTERLY EXTENSION AND THE SOUTHWESTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-26-400-017 TO THE SOUTH LINE OF EAST 129TH STREET, AS WIDENED;

THENCE WEST ALONG SAID SOUTH LINE OF EAST 129TH STREET, AS WIDENED AND ALONG THE WESTERLY EXTENSION THEREOF TO THE WESTERLY LINE OF SOUTH DOTY AVENUE;

THENCE NORTHWESTERLY ALONG SAID WESTERLY LINE OF SOUTH DOTY AVENUE TO THE SOUTH LINE OF EAST 121ST STREET;

THENCE WEST ALONG SAID SOUTH LINE OF EAST 121ST STREET TO WESTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-22-401-017, SAID WESTERLY LINE BEING ALSO THE EASTERLY LINE OF THE PULLMAN RAILROAD RIGHT OF WAY;

THENCE SOUTHEAST ALONG SAID WESTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-22-401-017 TO THE SOUTH LINE OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 22, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SOUTH OF THE INDIAN BOUNDARY LINE;

THENCE WEST ALONG SAID SOUTH LINE OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 22 TO THE WESTERLY LINE OF THE 100 FOOT RAILROAD RIGHT OF WAY BEARING PIN 25-27-502-001;

THENCE SOUTHEASTERLY ALONG SAID WESTERLY LINE OF THE 100 FOOT RAILROAD RIGHT OF WAY BEARING PIN 25-27-502-001 TO THE NORTHWESTERLY LINE OF 124TH STREET;

THENCE SOUTHEASTERLY ALONG A STRAIGHT LINE TO THE POINT OF INTERSECTION OF THE SOUTH LINE OF SAID 124TH STREET WITH THE NORTHEASTERLY LINE OF SOUTH COTTAGE GROVE AVENUE;

THENCE SOUTHEASTERLY ALONG SAID NORTHEASTERLY LINE OF SOUTH COTTAGE GROVE AVENUE TO THE EASTERLY EXTENSION OF THE SOUTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-27-200-012;

THENCE WEST ALONG SAID EASTERLY EXTENSION AND THE SOUTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-27-200-012 TO THE WESTERLY LINE THEREOF;

THENCE NORTHWESTERLY ALONG SAID WESTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-27-200-012 TO THE SOUTHWESTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-27-200-010;

THENCE NORTHWESTERLY ALONG SAID SOUTHWESTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-27-200-010 AND ALONG THE SOUTHWESTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-27-200-007 TO THE NORTH LINE OF THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 27, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SOUTH OF THE INDIAN BOUNDARY LINE, SAID NORTH LINE OF THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 27 BEING ALSO THE SOUTH LINE OF THE EAST HALF OF THE FRACTIONAL SOUTHWEST QUARTER OF FRACTIONAL SECTION 22, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN SOUTH OF THE INDIAN BOUNDARY LINE;

THENCE WEST ALONG SAID SOUTH LINE OF THE EAST HALF OF THE FRACTIONAL SOUTHWEST QUARTER OF FRACTIONAL SECTION 22 TO THE EASTERLY LINE OF THE CHICAGO AND WESTERN INDIANA RAILROAD RIGHT OF WAY BEARING PIN 25-22-500-001;

THENCE NORTHERLY ALONG SAID EASTERLY LINE OF THE CHICAGO AND WESTERN INDIANA RAILROAD RIGHT OF WAY TO THE EASTERLY LINE OF THE ILLINOIS CENTRAL RAILROAD RIGHT OF WAY BEARING PIN 25-22-501-005;

THENCE NORTHEASTERLY ALONG SAID EASTERLY LINE OF THE ILLINOIS CENTRAL RAILROAD RIGHT OF WAY TO THE NORTH LINE OF EAST 115TH STREET;

THENCE EAST ALONG SAID NORTH LINE OF EAST 115TH STREET TO THE WESTERLY LINE OF OUTLOT "C" IN PULLMAN INDUSTRIAL PARK, A SUBDIVISION OF PART OF THE NORTHEAST QUARTER OF SECTION 22 AND PART OF THE NORTHWEST FRACTIONAL QUARTER OF SECTION 23 IN , TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, NORTH OF THE INDIAN BOUNDARY LINE;

THENCE NORTHERLY ALONG SAID WESTERLY LINE OF OUTLOT "C" IN PULLMAN INDUSTRIAL PARK TO THE SOUTH LINE OF EAST 114TH STREET;

THENCE NORTH ALONG A STRAIGHT LINE TO THE SOUTHWEST CORNER OF OUTLOT "D " IN SAID PULLMAN INDUSTRIAL PARK;

THENCE NORTH ALONG THE WEST LINE OF SAID OUTLOT "D" IN PULLMAN INDUSTRIAL PARK TO THE SOUTH LINE OF EAST 113TH STREET;

THENCE NORTH ALONG A STRAIGHT LINE TO THE SOUTHWEST CORNER OF OUTLOT "E" IN SAID PULLMAN INDUSTRIAL PARK;

THENCE NORTH ALONG THE WEST LINE OF SAID OUTLOT "E" IN PULLMAN INDUSTRIAL PARK TO THE SOUTH LINE OF EAST 111TH STREET;

THENCE WEST ALONG SAID SOUTH LINE OF EAST 111TH STREET AND ALONG THE WESTERLY EXTENSION THEREOF TO THE WEST LINE OF SOUTH COTTAGE GROVE AVENUE;

THENCE NORTHERLY ALONG SAID WEST LINE OF SOUTH COTTAGE GROVE AVENUE TO THE WESTERLY EXTENSION OF THE SOUTH LINE OF LOT 30 IN BLOCK 3 OF P. L. A. ADDITION TO PULMAN, A SUBDIVISION OF THE EAST HALF OF THE NORTHEAST QUARTER AND IN THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 15, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID SOUTH LINE OF LOT 30 BEING ALSO THE NORTH LINE OF EAST 108TH STREET;

THENCE EAST ALONG SAID WESTERLY EXTENSION AND THE NORTH LINE OF EAST 108TH STREET TO THE WEST LINE OF SOUTH LANGLEY AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF SOUTH LANGLEY AVENUE TO THE NORTH LINE OF EAST 106TH STREET ;

THENCE EAST ALONG SAID NORTH LINE OF EAST 106TH STREET AND ALONG THE EASTERLY EXTENSION THEREOF TO THE EAST LINE OF SOUTH MARYLAND AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF SOUTH MARYLAND AVENUE TO A NORTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-14-100-046, SAID NORTH LINE BEING ALSO A SOUTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-14-100-041;

THENCE EAST ALONG SAID NORTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-14-100-046 TO THE WESTERLY LINE OF THE ROCK ISLAND RAILROAD RIGHT OF WAY BEARING PIN 25-14-500-002;

THENCE NORTHERLY ALONG SAID WESTERLY LINE OF THE ROCK ISLAND RAILROAD RIGHT OF WAY TO THE NORTHERLY MOST NORTH LINE OF AFORESAID PARCEL OF PROPERTY BEARING PIN 25-14-100-041;

THENCE WEST ALONG SAID NORTHERLY MOST NORTH LINE OF AFORESAID PARCEL OF PROPERTY BEARING PIN 25-14-100-041 TO THE EAST LINE OF THE RIGHT OF WAY OF EAST 104TH STREET AS SAID RIGHT OF WAY IS OPENED AND LAID OUT IN THE OF THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 14, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE SOUTH ALONG SAID EAST LINE OF THE RIGHT OF WAY OF EAST 104TH STREET TO THE SOUTH LINE OF SAID 104TH STREET;

THENCE WEST ALONG SAID SOUTH LINE OF SAID 104TH STREET TO THE WEST LINE OF SOUTH CORLISS AVENUE,

THENCE NORTH ALONG SAID WEST LINE OF SOUTH CORLISS AVENUE TO THE NORTH LINE OF EAST 103RD STREET;

THENCE EAST ALONG SAID NORTH LINE OF EAST 103RD STREET TO THE WEST LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-11-300-037;

THENCE NORTH ALONG SAID WEST LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-11-300-037 TO THE NORTH LINE OF SAID PARCEL OF PROPERTY BEARING PIN 25-11-300-037;

THENCE EAST ALONG SAID NORTH LINE OF SAID PARCEL OF PROPERTY BEARING PIN 25-11-300-037 TO THE WESTERLY LINE OF THE ROCK ISLAND RAILROAD RIGHT OF WAY BEARING PIN 25-11-501-003;

THENCE SOUTHERLY ALONG SAID WESTERLY LINE OF THE ROCK ISLAND RAILROAD RIGHT OF WAY BEARING PIN 25-11-501-003 TO THE NORTH LINE OF EAST 103RD STREET;

THENCE EAST ALONG SAID NORTH LINE OF EAST 103RD STREET TO THE EASTERLY LINE OF AFORESAID ROCK ISLAND RAILROAD RIGHT OF WAY BEARING PIN 25-11-501-003;

THENCE NORTHERLY ALONG SAID EASTERLY LINE OF THE ROCK ISLAND RAILROAD RIGHT OF WAY BEARING PIN 25-11-501-003 TO THE NORTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-11-300-013, SAID NORTH LINE BEING ALSO A SOUTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-11-400-006;

THENCE EAST ALONG SAID SOUTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-11-400-006 TO AN EASTERLY LINE THEREOF, SAID EASTERLY LINE BEING ALSO A WESTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-11-300-035;

THENCE NORTH ALONG SAID WESTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-11-300-035 TO THE NORTHERLY LINE OF SAID PARCEL OF PROPERTY BEARING PIN 25-11-300-035;

THENCE NORTHEASTERLY ALONG SAID NORTHERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-11-300-035 TO THE EASTERLY LINE THEREOF;

THENCE SOUTH ALONG SAID EASTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-11-300-035 TO THE NORTH LINE OF EAST 103RD STREET;

THENCE EAST ALONG SAID NORTH LINE OF EAST 103RD STREET TO THE NORTHERLY EXTENSION OF THE EASTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-14-200-002;

THENCE SOUTHERLY ALONG SAID NORTHERLY EXTENSION AND THE EASTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-14-200-002 AND ALONG THE EASTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-14-200-001 TO THE EAST LINE OF SOUTH WOODLAWN AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF SOUTH WOODLAWN AVENUE AND ALONG THE SOUTHERLY EXTENSION THEREOF TO THE SOUTHEASTERLY LINE OF SOUTH DOTY AVENUE;

THENCE SOUTHERLY ALONG SAID EASTERLY LINE OF SOUTH DOTY AVENUE TO A POINT ON SAID EASTERLY LINE OF SOUTH DOTY AVENUE, SAID POINT BEING 4511.96 FEET, MORE OR LESS, SOUTHERLY, AS MEASURED ON SAID EASTERLY LINE OF SOUTH DOTY AVENUE, FROM THE POINT OF INTERSECTION OF SAID EASTERLY LINE OF SOUTH DOTY AVENUE WITH A LINE WHICH IS THE WESTERLY EXTENSION OF A LINE 33.00 FEET SOUTH OF AND PARALLEL WITH THE SOUTH LINE OF THE FRACTIONAL SECTION 12, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN WHICH IS SOUTH OF THE INDIAN BOUNDARY LINE, SAID POINT BEING ALSO THE POINT OF INTERSECTION OF SAID EASTERLY LINE OF SOUTH DOTY AVENUE WITH THE SOUTHERLY LINE OF THE HARBORSIDE INTERNATIONAL GOLF COMPLEX;

THENCE SOUTH 83 DEGREES 53 MINUTES 09 SECONDS EAST (WITH NORTH BEING BASED ON THE SOUTH LINE OF AFORESAID FRACTIONAL SECTION 12, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN WHICH IS SOUTH OF THE INDIAN BOUNDARY LINE HAVING A BEARING OF NORTH 89 DEGREES 49 MINUTES 15 SECONDS WEST), ALONG A SOUTHERLY LINE OF SAID HARBORSIDE INTERNATIONAL GOLF COMPLEX, A DISTANCE OF 683.45 FEET;

THENCE EASTERLY ALONG THE ARC OF A CURVE CONCAVE TO THE NORTHWEST AND HAVING A RADIUS OF 883.35 FEET. ALONG A SOUTHERLY LINE OF SAID HARBORSIDE INTERNATIONAL GOLF COMPLEX, A DISTANCE OF 1400.22 FEET;

THENCE NORTH 00 DEGREES 10 MINUTES 44 SECONDS WEST, ALONG A SOUTHERLY LINE OF SAID HARBORSIDE INTERNATIONAL GOLF COMPLEX, A DISTANCE OF 104.59 FEET;

THENCE NORTHERLY ALONG THE ARC OF A CURVE CONCAVE TO THE SOUTHEAST AND HAVING A RADIUS OF 59.22 FEET, ALONG A SOUTHERLY LINE OF SAID HARBORSIDE INTERNATIONAL GOLF COMPLEX, A DISTANCE OF 83.74 FEET;

THENCE SOUTH 89 DEGREES 59 MINUTES 48 SECONDS EAST, ALONG A SOUTHERLY LINE OF SAID HARBORSIDE INTERNATIONAL GOLF COMPLEX, A DISTANCE OF 563.19 FEET;

THENCE SOUTH 19 DEGREES 07 MINUTES 09 SECONDS EAST, ALONG A SOUTHERLY LINE OF SAID HARBORSIDE INTERNATIONAL GOLF COMPLEX, A DISTANCE OF 96.05 FEET;

THENCE SOUTH 15 DEGREES 43 MINUTES 00 SECONDS WEST, ALONG A SOUTHERLY LINE OF SAID HARBORSIDE INTERNATIONAL GOLF COMPLEX, A DISTANCE OF 743.09 FEET;

THENCE SOUTH 00 DEGREES 54 MINUTES 53 SECONDS EAST, ALONG A SOUTHERLY LINE OF SAID HARBORSIDE INTERNATIONAL GOLF COMPLEX, A DISTANCE OF 610.47 FEET;

THENCE NORTH 61 DEGREES 56 MINUTES 10 SECONDS WEST, ALONG A SOUTHERLY LINE OF SAID HARBORSIDE INTERNATIONAL GOLF COMPLEX, A DISTANCE OF 372.39 FEET;

THENCE SOUTH 85 DEGREES 53 MINUTES 08 SECONDS WEST, ALONG A SOUTHERLY LINE OF SAID HARBORSIDE INTERNATIONAL GOLF COMPLEX, A DISTANCE OF 658.90 FEET;

THENCE NORTH 60 DEGREES 21 MINUTES 42 SECONDS WEST, ALONG A SOUTHERLY LINE OF SAID HARBORSIDE INTERNATIONAL GOLF COMPLEX, A DISTANCE OF 275.54 FEET;

THENCE SOUTH 39 DEGREES 39 MINUTES 10 SECONDS WEST, ALONG A SOUTHERLY LINE OF SAID HARBORSIDE INTERNATIONAL GOLF COMPLEX, A DISTANCE OF 409.83 FEET;

THENCE SOUTH 19 DEGREES 38 MINUTES 42 SECONDS WEST, ALONG A SOUTHERLY LINE OF SAID HARBORSIDE INTERNATIONAL GOLF COMPLEX, A DISTANCE OF 1,422.58 FEET;

THENCE SOUTH 60 DEGREES 58 MINUTES 47 SECONDS EAST, ALONG A SOUTHERLY LINE OF SAID HARBORSIDE INTERNATIONAL GOLF COMPLEX, A DISTANCE OF 413.83 FEET;

THENCE NORTH 25 DEGREES 22 MINUTES 50 SECONDS EAST, ALONG A SOUTHERLY LINE OF SAID HARBORSIDE INTERNATIONAL GOLF COMPLEX, A DISTANCE OF 735.84 FEET;

THENCE NORTH 88 DEGREES 26 MINUTES 48 SECONDS EAST, ALONG A SOUTHERLY LINE OF SAID HARBORSIDE INTERNATIONAL GOLF COMPLEX, A DISTANCE OF 2,076.57 FEET;

THENCE NORTH 35 DEGREES 27 MINUTES 08 SECONDS WEST, ALONG A SOUTHERLY LINE OF SAID HARBORSIDE INTERNATIONAL GOLF COMPLEX, A DISTANCE OF 594.35 FEET;

THENCE NORTH 21 DEGREES 25 MINUTES 39 SECONDS EAST, ALONG A SOUTHERLY LINE OF SAID HARBORSIDE INTERNATIONAL GOLF COMPLEX, A DISTANCE OF 386.37 FEET;

THENCE NORTH 22 DEGREES 09 MINUTES 34 SECONDS WEST, ALONG A SOUTHERLY LINE OF SAID HARBORSIDE INTERNATIONAL GOLF COMPLEX, A DISTANCE OF 336.51 FEET;

THENCE NORTH 12 DEGREES 49 MINUTES 04 SECONDS EAST, ALONG A SOUTHERLY LINE OF SAID HARBORSIDE INTERNATIONAL GOLF COMPLEX, A DISTANCE OF 1,536.25 FEET;

THENCE NORTH 90 DEGREES 00 MINUTES 00 SECONDS EAST, ALONG A SOUTHERLY LINE OF SAID HARBORSIDE INTERNATIONAL GOLF COMPLEX, A DISTANCE OF 567.20 FEET;

THENCE SOUTH 80 DEGREES 20 MINUTES 41 SECONDS WEST EAST, ALONG A SOUTHERLY LINE OF SAID HARBORSIDE INTERNATIONAL GOLF COMPLEX, A DISTANCE OF 511.00 FEET;

THENCE SOUTH 89 DEGREES 58 MINUTES 04 SECONDS EAST, ALONG A SOUTHERLY LINE OF SAID HARBORSIDE INTERNATIONAL GOLF COMPLEX, A DISTANCE OF 818.73 FEET;

THENCE SOUTH 47 DEGREES 38 MINUTES 35 SECONDS EAST, ALONG A SOUTHERLY LINE OF SAID HARBORSIDE INTERNATIONAL GOLF COMPLEX, A DISTANCE OF 223.41 FEET;

THENCE SOUTH 02 DEGREES 51 MINUTES 59 SECONDS EAST, ALONG A SOUTHERLY LINE OF SAID HARBORSIDE INTERNATIONAL GOLF COMPLEX, A DISTANCE OF 430.61 FEET;

THENCE NORTH 90 DEGREES 00 MINUTES 00 SECONDS EAST, ALONG A SOUTHERLY LINE OF SAID HARBORSIDE INTERNATIONAL GOLF COMPLEX, A DISTANCE OF 380.43 FEET;

THENCE NORTH 00 DEGREES 00 MINUTES 00 SECONDS EAST, ALONG A EASTERLY LINE OF SAID HARBORSIDE INTERNATIONAL GOLF COMPLEX, A DISTANCE OF 1312.56 FEET, TO A POINT ON THE WESTERLY LINE OF SOUTH STONY ISLAND AVENUE;

THENCE NORTHWESTERLY ALONG SAID WESTERLY LINE OF SOUTH STONY ISLAND AVENUE TO A LINE WHICH IS 33 FEET SOUTH OF AND PARALLEL WITH THE WESTERLY EXTENSION OF THE SOUTH LINE OF THE SOUTHWEST QUARTER OF FRACTIONAL SECTION 12, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN SOUTH OF THE INDIAN BOUNDARY LINE;

THENCE WEST ALONG SAID LINE WHICH IS 33 FEET SOUTH OF AND PARALLEL WITH THE WESTERLY EXTENSION OF THE SOUTH LINE OF THE SOUTHWEST QUARTER OF FRACTIONAL SECTION 12 TO THE SOUTHEASTERLY LINE OF DOTY AVENUE;

THENCE NORTHEASTERLY ALONG SAID SOUTHEASTERLY LINE OF DOTY AVENUE TO THE SOUTHERLY EXTENSION OF A LINE 100 FEET WEST OF AND PARALLEL WITH THE WEST LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-14-200-001, SAID PARALLEL LINE BEING ALSO THE EAST LINE OF A TRACT TAKEN FOR EXPRESSWAY PURPOSES;

THENCE NORTH ALONG SAID SOUTHERLY EXTENSION AND A LINE 100 FEET WEST OF AND PARALLEL WITH THE WEST LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-14-200-001 AND ALONG THE NORTHERLY EXTENSION THEREOF TO THE NORTH LINE OF EAST 103RD STREET;

THENCE EAST ALONG SAID NORTH LINE OF EAST 103RD STREET TO WESTERLY LINE OF SOUTH STONY ISLAND AVENUE;

THENCE NORTH ALONG SAID WESTERLY LINE OF SOUTH STONY ISLAND AVENUE TO THE NORTH LINE OF THE EAST HALF OF THE SOUTHEAST QUARTER

OF SECTION 11, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN:

THENCE WEST ALONG SAID NORTH LINE OF THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 11 TO THE SOUTHEASTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-11-212-023;

THENCE SOUTHWEST ALONG SAID SOUTHEASTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-11-212-023 TO THE SOUTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-11-400-014;

THENCE WEST ALONG SAID SOUTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-11-400-014 TO THE NORTHERLY EXTENSION OF THE SOUTHERLY MOST EAST LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-11-400-007;

THENCE SOUTH ALONG SAID SOUTHERLY MOST EAST LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-11-400-007 TO THE SOUTH LINE OF SAID PARCEL OF PROPERTY BEARING PIN 25-11-400-007;

THENCE WEST ALONG SAID SOUTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-11-400-007 TO THE WEST LINE THEREOF;

THENCE NORTH ALONG SAID WEST LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-11-400-007 TO THE SOUTH LINE OF THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 11, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE WEST ALONG SAID SOUTH LINE OF THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 11, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN TO THE EASTERLY LINE OF THE ROCK ISLAND RAILROAD RIGHT OF WAY BEARING PIN 25-11-501-005;

THENCE NORTH ALONG SAID EASTERLY LINE OF THE ROCK ISLAND RAILROAD RIGHT OF WAY BEARING PIN 25-11-501-005 TO THE SOUTH LINE OF EAST 95TH STREET;

THENCE EAST ALONG SAID SOUTH LINE OF EAST 95TH STREET TO THE EASTERLY LINE OF THE CHICAGO AND WESTERN INDIANA RAILROAD RIGHT OF WAY, SAID EASTERLY LINE BEING A LINE 135.5 FEET WEST OF AND PARALLEL WITH THE WEST LINE OF SOUTH STONY ISLAND AVENUE;

THENCE SOUTH ALONG SAID EASTERLY LINE OF THE CHICAGO AND WESTERN INDIANA RAILROAD RIGHT OF WAY, A DISTANCE OF 63.84 FEET TO THE POINT OF INTERSECTION OF SAID EAST LINE OF THE CHICAGO AND WESTERN

INDIANA RAILROAD RIGHT OF WAY WITH THE NORTHEASTERLY LINE OF SAID RIGHT OF WAY;

THENCE SOUTHEAST ALONG SAID NORTHEASTERLY LINE OF THE CHICAGO AND WESTERN INDIANA RAILROAD RIGHT OF WAY TO A LINE 295.00 FEET SOUTH OF AND PARALLEL WITH THE NORTH LINE OF THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 11, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID LINE BEING THE SOUTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-11-212-018;

THENCE EAST ALONG SAID SOUTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-11-212-018 TO THE WEST LINE OF SOUTH STONY ISLAND AVENUE;

THENCE SOUTHEAST ALONG A STRAIGHT LINE TO THE SOUTHWEST CORNER OF THE PARCEL OF PROPERTY BEARING PIN 25-12-100-010, SAID CORNER BEING THE POINT OF INTERSECTION OF THE EAST LINE OF SOUTH STONY ISLAND AVENUE WITH A LINE 64 FEET NORTH OF AND PARALLEL WITH THE NORTHEASTERLY LINE OF THAT PART OF THE CHICAGO AND WESTERN INDIANA RAILROAD RIGHT OF WAY BEARING PIN 25-12-501-001;

THENCE SOUTHEASTERLY ALONG SAID SOUTHWESTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-12-100-010 TO THE NORTHWESTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-12-400-006;

THENCE NORTHEASTERLY ALONG SAID NORTHWESTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-12-400-006 TO THE NORTHEASTERLY LINE THEREOF;

THENCE SOUTHEASTERLY ALONG SAID NORTHEASTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-12-400-006 TO A NORTH LINE OF SAID PARCEL OF PROPERTY BEARING PIN 25-12-400-006, SAID NORTH LINE BEING A LINE 43 FEET NORTH OF AND PARALLEL WITH THE SOUTH LINE OF THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 12, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN NORTH OF THE INDIAN BOUNDARY LINE;

THENCE EAST ALONG SAID NORTH LINE OF SAID PARCEL OF PROPERTY BEARING PIN 25-12-400-006 AND ALONG THE EASTERLY EXTENSION THEREOF TO THE SOUTHWESTERLY LINE OF THE ALLEY LYING SOUTHWEST OF, AND ADJOINING THE SOUTHWESTERLY LINE OF LOTS 1 THROUGH 25, INCLUSIVE, IN BLOCK 3 IN ARTHUR DUNAS' JEFFERY ADDITION, A SUBDIVISION OF BLOCK 19 IN VAN VLISSINGEN HEIGHTS, A SUBDIVISION IN SECTION 12, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN NORTH IF THE INDIAN BOUNDARY LINE;

THENCE SOUTHEAST ALONG A STRAIGHT LINE TO THE POINT OF INTERSECTION OF THE NORTH LINE OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 12, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN NORTH OF THE INDIAN BOUNDARY LINE WITH THE SOUTHWESTERLY LINE OF THE ALLEY LYING SOUTHWEST OF AND ADJOINING THE SOUTHWESTERLY LINE OF LOTS 1 THROUGH 38, INCLUSIVE, IN VAN'S SUBDIVISION OF BLOCK 15 IN CALUMET TRUST'S SUBDIVISION IN FRACTIONAL SECTION 12 BOTH NORTH AND SOUTH OF THE INDIAN BOUNDARY LINE IN TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID ALLEY LYING SOUTHWEST OF SOUTH VAN VLISSINGEN ROAD:

THENCE SOUTHEASTERLY ALONG SAID SOUTHWESTERLY LINE OF THE ALLEY LYING SOUTHWEST OF SOUTH VAN VLISSINGEN ROAD AND ALONG THE SOUTHWESTERLY LINE OF WILLIAM RANDALL'S RESUBDIVISION OF CERTAIN LOTS AND PARTS OF LOTS WITH VACATED STREETS AND ALLEYS IN THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 12, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN NORTH OF THE INDIAN BOUNDARY LINE AND ALONG THE SOUTHWESTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-12-424-101 TO THE NORTH LINE OF EAST 103RD STREET:

THENCE SOUTHEASTERLY ALONG A STRAIGHT LINE TO THE POINT OF INTERSECTION OF THE SOUTH LINE OF SAID 103RD STREET WITH THE SOUTHWESTERLY LINE OF THE ALLEY LYING SOUTHWESTERLY OF AND ADJOINING LOTS 10 AND 11 IN BLOCK 199 IN L. FRANK & COMPANY'S TRUMBULL PARK TERRACE, A RESUBDIVISION OF CERTAIN BLOCKS IN "SOUTH CHICAGO SUBDIVISION" IN THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 12, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SOUTH OF THE INDIAN BOUNDARY LINE;

THENCE SOUTHEASTERLY ALONG SAID SOUTHWESTERLY LINE OF THE ALLEY LYING SOUTHWESTERLY OF AND ADJOINING LOTS 10 AND 11 AND ALONG THE SOUTHWESTERLY LINE OF LOT 12 IN SAID L. FRANK & COMPANY'S TRUMBULL PARK TERRACE AND ALONG THE SOUTHWESTERLY LINE OF THE ALLEY LYING SOUTHWESTERLY OF AND ADJOINING LOTS 18 AND 19 IN SAID L. FRANK & COMPANY'S TRUMBULL PARK TERRACE TO THE WEST LINE OF SOUTH CRANDON AVENUE;

THENCE SOUTHEAST ALONG A STRAIGHT LINE TO THE NORTHWEST CORNER OF LOT 9 IN BLOCK 204 IN L. FRANK AND COMPANY'S TRUMBULL TERRACE, A RESUBDIVISION OF CERTAIN BLOCKS IN SOUTH CHICAGO SUBDIVISION, IN THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 12,,

TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN  
SOUTH OF THE INDIAN BOUNDARY LINE:

THENCE SOUTHEAST ALONG THE SOUTHWESTERLY LINE OF SAID LOT 9 IN  
BLOCK 204 IN L. FRANK AND COMPANY'S TRUMBULL TERRACE AND ALONG THE  
SOUTHEASTERLY EXTENSION THEREOF, SAID SOUTHEASTERLY EXTENSION OF  
LOT 9 BEING ALSO THE SOUTHWESTERLY LINE OF THE ALLEY LYING  
SOUTHWESTERLY OF AND ADJOINING THE SOUTHWESTERLY LINE OF LOTS 6, 7  
AND 8 IN SAID BLOCK 204 IN L. FRANK AND COMPANY'S TRUMBULL TERRACE,  
TO THE WEST LINE OF SOUTH OGLESBY AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF SOUTH OGLESBY AVENUE TO  
THE NORTH LINE OF EAST 103RD STREET;

THENCE EAST ALONG SAID NORTH LINE OF EAST 103RD STREET TO THE  
EAST LINE OF SOUTH BENSLEY AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF SOUTH BENSLEY AVENUE TO  
THE SOUTH LINE OF EAST 105TH STREET;

THENCE WEST ALONG SAID SOUTH LINE OF EAST 105TH STREET TO THE  
WEST LINE OF SOUTH OGLESBY AVENUE;

THENCE SOUTH ALONG SAID WEST LINE OF SOUTH OGLESBY AVENUE TO  
THE NORTHEASTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-12-  
431-007;

THENCE SOUTHEASTERLY ALONG SAID NORTHEASTERLY LINE OF THE  
PARCEL OF PROPERTY BEARING PIN 25-12-431-007 TO THE NORTH LINE OF EAST  
109TH STREET;

THENCE EAST ALONG SAID NORTH LINE OF EAST 109TH STREET TO THE  
NORTHERLY EXTENSION OF THE WEST LINE OF LOT 10 IN RESUBDIVISION OF  
LOTS 1 TO 10, BOTH INCLUSIVE, OF THE SUBDIVISION OF THE WEST 264 FEET OF  
LOT 11 AND HALF OF THE VACATED STREET WEST OF AND ADJOINING SAID  
WEST 264 FEET OF LOT 11 IN BLOCK 28 OF IRONDALE, A SUBDIVISION OF THE  
EAST HALF OF SECTION 13, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD  
PRINCIPAL MERIDIAN, SAID WEST LINE OF LOT 10 BEING ALSO THE EAST LINE OF  
VACATED CALHOUN AVENUE;

THENCE SOUTH ALONG SAID NORTHERLY EXTENSION AND THE EAST LINE  
OF VACATED CALHOUN AVENUE TO THE SOUTH LINE OF LOT 14 IN THE  
SUBDIVISION OF THE WEST 264 FEET OF LOT 11 AND HALF OF THE VACATED  
STREET WEST OF AND ADJOINING SAID WEST 264 FEET OF LOT 11 IN BLOCK 28 OF  
IRONDALE, A SUBDIVISION OF THE EAST HALF OF SECTION 13, TOWNSHIP 37

NORTH. RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN. SAID SOUTH LINE OF LOT 14 BEING ALSO A NORTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-13-212-009;

THENCE EAST ALONG SAID NORTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 25-13-212-009 TO THE WEST LINE OF SOUTH TORRENCE AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF SOUTH TORRENCE AVENUE TO THE WESTERLY EXTENSION OF THE SOUTH LINE OF LOT 22 IN BLOCK 51 IN NOTRE DAME ADDITION TO SOUTH CHICAGO. A SUBDIVISION OF THE SOUTH THREE QUARTERS OF FRACTIONAL SECTION 7, TOWNSHIP 37 NORTH. RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN, SOUTH OF THE INDIAN BOUNDARY LINE. SAID SOUTH LINE OF LOT 22 BEING ALSO THE NORTH LINE OF EAST 105TH STREET;

THENCE EAST ALONG SAID WESTERLY EXTENSION AND THE SOUTH LINE OF LOT 22 TO THE EAST LINE OF SAID LOT 22, SAID EAST LINE OF LOT 22 BEING ALSO THE WEST LINE OF THE ALLEY LYING EAST OF SOUTH TORRENCE AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF THE ALLEY LYING EAST OF SOUTH TORRENCE AVENUE TO THE NORTH LINE OF LOT 21 IN SAID BLOCK 51 IN NOTRE DAME ADDITION TO SOUTH CHICAGO;

THENCE WEST ALONG SAID NORTH LINE OF LOT 21 IN BLOCK 51 IN NOTRE DAME ADDITION TO SOUTH CHICAGO AND ALONG THE WESTERLY EXTENSION THEREOF TO THE WEST LINE OF SOUTH TORRENCE AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF SOUTH TORRENCE AVENUE TO THE WESTERLY EXTENSION OF THE SOUTH LINE OF LOT 9 IN AFORESAID BLOCK 51 IN NOTRE DAME ADDITION TO SOUTH CHICAGO;

THENCE EAST ALONG SAID WESTERLY EXTENSION AND THE SOUTH LINE OF LOT 9 IN BLOCK 51 IN NOTRE DAME ADDITION TO SOUTH CHICAGO TO THE EAST LINE OF SAID LOT 9, SAID EAST LINE OF LOT 9 BEING ALSO THE WEST LINE OF THE ALLEY EAST OF SOUTH TORRENCE AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF THE ALLEY EAST OF SOUTH TORRENCE AVENUE TO THE SOUTH LINE OF LOT 6 IN SAID BLOCK 51 IN NOTRE DAME ADDITION TO SOUTH CHICAGO;

THENCE WEST ALONG SAID SOUTH LINE OF LOT 6 IN BLOCK 51 IN NOTRE DAME ADDITION TO SOUTH CHICAGO AND ALONG THE WESTERLY EXTENSION THEREOF TO THE WEST LINE OF SOUTH TORRENCE AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF SOUTH TORRENCE AVENUE TO THE NORTH LINE OF EAST 99TH STREET:

THENCE EAST ALONG SAID NORTH LINE OF EAST 99TH STREET TO THE EAST LINE OF SOUTH ESCANABA BOULEVARD:

THENCE SOUTH ALONG SAID EAST LINE OF SOUTH ESCANABA BOULEVARD TO THE NORTH LINE OF EAST 100TH STREET:

THENCE WEST ALONG SAID NORTH LINE OF EAST 100TH STREET TO THE POINT OF BEGINNING AT THE EAST LINE OF SOUTH MUSKEGON AVENUE:

ALL IN THE CITY OF CHICAGO, COOK COUNTY ILLINOIS.

## Exhibit B

### Property

#### PARCEL 1:

THAT PART OF LOT 7 IN ENJAY CONSTRUCTION COMPANY'S PULLMAN INDUSTRIAL DISTRICT, BEING A SUBDIVISION OF PARTS OF THE WEST 1/2 OF SECTION 14 AND THE EAST 1/2 OF SECTION 15, ALL IN TOWNSHIP 37 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN HYDE PARK TOWNSHIP, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID LOT 7, RUNNING THENCE WEST ALONG THE SOUTH LINE OF SAID LOT 7, BEING THE NORTH LINE OF EAST 110TH STREET, A DISTANCE OF 373.50 FEET; THENCE NORTH AT RIGHT ANGLES TO THE SAID SOUTH LINE OF LOT 7, A DISTANCE OF 533.66 FEET TO THE NORTH LINE OF SAID LOT 7; THENCE EAST ALONG SAID NORTH LINE, BEING A CURVED LINE CONVEXED TO THE NORTH, WITH A RADIUS OF 269.22 FEET, A DISTANCE OF 36.53 FEET (ARC); THENCE CONTINUING ALONG SAID NORTH LINE ON A CURVED LINE CONVEXED TO THE NORTH, HAVING A COMMON TANGENT WITH THE LAST DESCRIBED CURVED LINE, WITH A RADIUS OF 387.65 FEET, A DISTANCE OF 64.50 FEET (ARC); THENCE CONTINUING ALONG SAID NORTH LINE, BEING A STRAIGHT LINE TANGENT TO THE LAST DESCRIBED CURVED LINE, A DISTANCE OF 422.17 FEET TO THE NORTHEAST CORNER OF SAID LOT 7; THENCE SOUTHWESTERLY ALONG THE EASTERLY LINE OF SAID LOT 7, A DISTANCE OF 568.06 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

#### PARCEL 2:

THAT PART OF LOT 7 IN ENJAY CONSTRUCTION COMPANY'S PULLMAN INDUSTRIAL DISTRICT, BEING A SUBDIVISION OF PARTS OF THE WEST 1/2 OF SECTION 14 AND THE EAST 1/2 OF SECTION 15, ALL IN TOWNSHIP 37 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING ON THE SOUTH LINE OF SAID LOT 7, BEING THE NORTH LINE OF EAST 110TH STREET AT A POINT, 373.50 FEET WEST OF THE SOUTHEAST CORNER OF SAID LOT 7, RUNNING THENCE NORTH AT RIGHT ANGLES TO SAID SOUTH LINE, A DISTANCE OF 533.66 FEET TO THE NORTH LINE OF SAID LOT 7; THENCE WEST ALONG SAID NORTH LINE, BEING A CURVED LINE CONVEXED TO THE NORTH, WITH A RADIUS OF 269.22 FEET, A DISTANCE OF 59.95 FEET (ARC); THENCE CONTINUING ALONG SAID NORTH LINE, BEING A STRAIGHT LINE TANGENT TO LAST DESCRIBED CURVED LINE, A DISTANCE OF 57.63 FEET; THENCE CONTINUING ALONG SAID NORTH LINE, BEING A CURVED LINE TANGENT TO LAST DESCRIBED STRIGHT LINE, CONVEXED TO THE SOUTH, WITH A RADIUS OF 303.92 FEET, A DISTANCE OF 108.03 FEET (ARC) TO THE WEST LINE OF SAID LOT 7, BEING THE EAST LINE OF SOUTH LANGLEY AVENUE; THENCE SOUTH ALONG SAID LINE, A DISTANCE OF 348.51 FEET; THENCE CONTINUING ALONG THE WESTERLY LINE OF SAID LOT 7, BEING A CURVED LINE TANGENT TO THE LAST DESCRIBED LINE, CONVEXED TO THE SOUTHWEST TANGENT TO LAST DESCRIBED LINE, WITH A RADIUS OF 105.5 FEET, A DISTANCE OF 118.07 FEET (ARC) TO THE SOUTH LINE OF SAID LOT 7; THENCE EAST ALONG SAID SOUTH LINE, A DISTANCE OF 143.41 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

#### PARCEL 3:

THE SOUTH 2 FEET OF LOT 4, EXCEPT THE EAST 31.67 FEET THEREOF, TOGETHER WITH LOT 5, EXCEPT THE EAST 31.67 FEET THEREOF, IN ENJAY CONSTRUCTION COMPANY'S PULLMAN INDUSTRIAL DISTRICT, BEING A SUBDIVISION OF THE WEST 1/2 OF SECTION 14 AND THE EAST 1/2 OF SECTION 15, ALL IN TOWNSHIP 37 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN IN HYDE PARK TOWNSHIP, COOK COUNTY, ILLINOIS.

PARCEL 4:

A PARCEL OF LAND IN THE SOUTHEAST 1/4 OF SECTION 15 AND THE SOUTHWEST 1/4 OF SECTION 14, ALL IN TOWNSHIP 37 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE CENTER LINE SOUTH LANGLEY AVENUE, EXTENDED SOUTH, AS OCCUPIED AND LAID OUT IN THE ORIGINAL TOWN OF PULLMAN, 60.00 FEET SOUTH OF THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHEAST 1/4 OF SECTION 15 OR THE SOUTH LINE OF NORTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 15; THENCE NORTH ALONG SAID CENTER LINE OF SOUTH LANGLEY AVENUE, 107.50 FEET; THENCE EAST ALONG A LINE DRAWN PARALLEL WITH AND 47.50 FEET NORTH OF SAID SOUTH LINE OF NORTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 15, 553.82 FEET; THENCE NORTHEASTERLY ON A CURVED LINE CONVEXED TO THE SOUTHEASTERLY, TANGENT TO THE LAST DESCRIBED PARALLEL LINE AND HAVING A RADIUS OF 291.50 FEET, A DISTANCE OF 354.56 FEET (ARC); THENCE NORTHEASTERLY ON A STRAIGHT LINE TANGENT TO THE LAST DESCRIBED CURVED LINE, 25.89 FEET TO ITS INTERSECTION WITH THE WESTERLY LINE OF PULLMAN RAILROAD, (BEING 30.00 FEET WIDE); THENCE SOUTHWESTERLY ALONG SAID WESTERLY LINE, 249.23 FEET, TO A POINT ON A LINE DRAWN 21.65 FEET NORTH OF SAID SOUTH LINE OF THE NORTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 15, EXTENDED EAST INTO SECTION 14; THENCE WEST ALONG THE LAST DESCRIBED PARALLEL LINE, 422.17 FEET; THENCE SOUTHWESTERLY ON A CURVED LINE, CONVEXED NORTHWESTERLY, TANGENT TO LAST DESCRIBED PARALLEL LINE AND HAVING A RADIUS OF 387.65 FEET, A DISTANCE OF 64.50 FEET (ARC); THENCE SOUTHWESTERLY ON A CURVED LINE, CONVEXED NORTHWESTERLY, HAVING A COMMON TANGENT WITH LAST DESCRIBED CURVED LINE AND HAVING A RADIUS OF 269.22 FEET, A DISTANCE OF 96.48 FEET (ARC); THENCE SOUTHWESTERLY TANGENT TO LAST DESCRIBED CURVED LINE, 57.63 FEET; THENCE CONTINUING ON A CURVED LINE, CONVEXED SOUTHEASTERLY, TANGENT TO LAST DESCRIBED STRAIGHT LINE, HAVING A RADIUS OF 303.92 FEET, A DISTANCE OF 150.31 FEET (ARC); THENCE WESTERLY ON A STRAIGHT LINE, TANGENT TO LAST CURVED LINE, A DISTANCE OF 167.52 FEET TO A POINT ON A CURVED LINE CONVEXED NORTHWESTERLY, HAVING A RADIUS OF 278.07 FEET; THENCE SOUTHWESTERLY ALONG SAID CURVED LINE, A DISTANCE OF 187.10 FEET (ARC) TO ITS INTERSECTION WITH A LINE DRAWN PARALLEL WITH AND 317.00 FEET WEST OF THE AFORESAID CENTERLINE OF SOUTH LANGLEY AVENUE, EXTENDED SOUTH; THENCE SOUTH ALONG SAID PARALLEL LINE, A DISTANCE OF 148.51 FEET TO A POINT ON A LINE DRAWN PARALLEL WITH AND 346.00 FEET SOUTH OF SAID NORTH LINE OF SOUTH 1/2 OF THE SOUTHEAST 1/4 OF SECTION 15; THENCE WEST ALONG SAID PARALLEL LINE, 68.41 FEET; THENCE NORTHEASTERLY ON A CURVED LINE, CONVEXED NORTHWESTERLY, HAVING A RADIUS OF 295.07 FEET, A DISTANCE OF 192.16 FEET (ARC) TO ITS INTERSECTION WITH SAID LINE DRAWN PARALLEL WITH AND 317.00 FEET WEST OF SAID CENTERLINE OF SOUTH LANGLEY AVENUE, EXTENDED SOUTH; THENCE NORTH ALONG SAID PARALLEL LINE, 109.72 FEET TO A POINT ON A LINE DRAWN PARALLEL WITH AND 60.00 FEET SOUTH OF SAID NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHEAST 1/4 OF SECTION 15; THENCE EAST ALONG SAID PARALLEL LINE, 317.00 FEET TO POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCELS 1, 2, 3 AND 4 CAN ALSO BE DESCRIBED AS:

A PARCEL OF LAND IN THE SOUTHEAST 1/4 OF SECTION 15 AND PART OF THE SOUTHWEST 1/4 OF SECTION 14, ALL IN TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE CENTERLINE OF SOUTH LANGLEY AVENUE EXTENDED SOUTH AS OCCUPIED AND LAID OUT IN THE ORIGINAL TOWN OF PULLMAN, 60 FEET SOUTH OF THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHEAST 1/4 OF SECTION 15 OR THE SOUTH LINE OF THE NORTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 15; THENCE NORTH ALONG SAID CENTERLINE OF SOUTH LANGLEY AVENUE, 107.50 FEET; THENCE EAST ALONG A LINE DRAWN PARALLEL WITH AND 47.50 FEET NORTH OF SAID SOUTH LINE OF THE NORTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 15, 42.50 FEET; THENCE NORTH 03 DEGREES 05 MINUTES 40 SECONDS WEST ALONG THE EAST RIGHT OF WAY LINE OF SOUTH LANGLEY AVENUE, 327.00 FEET; THENCE NORTH 87 DEGREES

11 MINUTES 38 SECONDS EAST, 519.54 FEET ALONG A LINE 2.00 FEET NORTH OF THE SOUTH LINE OF LOT 4 IN ENJAY CONSTRUCTION COMPANY'S PULLMAN INDUSTRIAL DISTRICT SUBDIVISION, THENCE SOUTH 02 DEGREES 44 MINUTES 12 SECONDS EAST, 326.78 FEET ALONG A LINE 31.67 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF LOTS 4 AND 5 IN SAID ENJAY CONSTRUCTION COMPANY'S PULLMAN INDUSTRIAL DISTRICT SUBDIVISION, TO A POINT ON THE NORTH RIGHT OF WAY LINE OF THE NORFOLK SOUTHERN RAILWAY COMPANY; THENCE NORTHEASTERLY ALONG SAID RIGHT OF WAY, BEING A CURVE CONCAVE TO THE NORTHWEST, HAVING A RADIUS OF 291.50 FEET, AN ARC LENGTH OF 348.57 FEET, A CHORD DISTANCE OF 328.17 FEET AND A CHORD BEARING OF NORTH 51 DEGREES 44 MINUTES 25 SECONDS EAST; THENCE CONTINUING ALONG SAID RIGHT OF WAY NORTH 18 DEGREES 07 MINUTES 46 SECONDS EAST, 25.89 FEET TO A POINT ON THE WESTERLY RIGHT OF WAY LINE OF THE CHICAGO ROCK ISLAND AND PACIFIC RAILROAD (PULLMAN RAILROAD); THENCE SOUTH 12 DEGREES 27 MINUTES 25 SECONDS WEST, 817.93 FEET ALONG SAID WESTERLY RIGHT OF WAY LINE TO A POINT ON THE NORTH RIGHT OF WAY LINE OF EAST 110TH STREET; THENCE SOUTH 87 DEGREES 15 MINUTES 38 SECONDS WEST, 517.15 FEET ALONG SAID NORTH RIGHT OF WAY LINE TO A POINT OF NON-TANGENTIAL CURVE; THENCE NORTHWESTERLY ALONG A CURVE CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 105.50 FEET, AN ARC LENGTH OF 118.99 FEET, A CHORD DISTANCE OF 112.78 FEET AND A CHORD BEARING OF NORTH 34 DEGREES 28 MINUTES 58 SECONDS WEST; THENCE NORTH 03 DEGREES 05 MINUTES 40 SECONDS WEST, 348.51 FEET ALONG THE EAST RIGHT OF WAY OF SOUTH LANGLEY AVENUE TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF THE NORFOLK SOUTHERN RAILWAY COMPANY; THENCE SOUTHWESTERLY ALONG A CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 303.92 FEET, AN ARC LENGTH OF 42.01 FEET, A CHORD DISTANCE OF 41.98 FEET AND A CHORD BEARING OF SOUTH 81 DEGREES 29 MINUTES 18 SECONDS WEST; THENCE SOUTH 85 DEGREES 26 MINUTES 54 SECONDS WEST, 167.52 FEET ALONG SAID SOUTH RIGHT OF WAY LINE TO A POINT OF CURVE; THENCE SOUTHWESTERLY ALONG A CURVE CONCAVE TO THE SOUTHEAST HAVING A RADIUS OF 278.07 FEET, AN ARC LENGTH OF 187.33 FEET, A CHORD DISTANCE OF 183.81 FEET AND A CHORD BEARING OF SOUTH 51 DEGREES 43 MINUTES 52 SECONDS WEST; THENCE SOUTH 03 DEGREES 05 MINUTES 40 SECONDS EAST, 148.51 FEET ALONG A LINE PARALLEL WITH AND 317.00 FEET WEST OF THE CENTERLINE OF SOUTH LANGLEY AVENUE EXTENDED SOUTH AND LAID OUT IN THE ORIGINAL TOWN OF PULLMAN; THENCE SOUTH 87 DEGREES 10 MINUTES 40 SECONDS WEST 68.41 FEET ALONG A LINE PARALLEL WITH AND 346.00 SOUTH OF THE NORTH LINE OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 15; THENCE NORTHEASTERLY ALONG A CURVE CONCAVE TO THE SOUTHEAST HAVING A RADIUS OF 295.07 FEET, AN ARC LENGTH OF 192.16 FEET, A CHORD DISTANCE OF 188.79 FEET AND A CHORD BEARING OF NORTH 18 DEGREES 09 MINUTES 02 SECONDS EAST; THENCE NORTH 03 DEGREES 05 MINUTES 40 SECONDS WEST, 109.72 FEET ALONG A LINE PARALLEL WITH AND 317.00 FEET WEST OF THE CENTERLINE OF SOUTH LANGLEY AVENUE EXTENDED SOUTH AND LAID OUT IN THE ORIGINAL TOWN OF PULLMAN; THENCE NORTH 87 DEGREES 10 MINUTES 40 SECONDS EAST, 317.00 FEET ALONG A LINE PARALLEL WITH AND 60.00 FEET SOUTH OF THE NORTH LINE OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 15, TO THE POINT OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS.

PINS: 25-14-300-003  
25-15-406-009  
25-15-406-038  
25-15-406-039  
25-15-406-048

Common Address: 750 E. 110<sup>th</sup> Street; 10839 S. Langley Avenue; and 10840-41 S. Langley all in Chicago, IL 60628

**Exhibit C**  
**TIF-Funded Improvements**

Line Item  
Acquisition

Cost  
\$2,056,700

TOTAL:

**Exhibit D**

**Redevelopment Plan**

[To be inserted by City—See Attached]

**Exhibit E**

**Construction Contract**

[Developer to provide—See Attached]

## **Exhibit F**

### **Permitted Liens**

#### **1. Liens or encumbrances against the Property:**

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

- a. GENERAL REAL ESTATE TAXES FOR THE YEAR 2002 (2<sup>ND</sup> INSTALLMENT) AND SUBSEQUENT YEARS.
- b. EASEMENT OVER, ACROSS AND UNDER THE EASTERLY 8.85 FEET OF LOT 7 FOR THE CONSTRUCTION, OPERATION AND MAINTENANCE OF POLES, WIRES, CABLES, CONDUITS AND OTHER OVERHEAD AND UNDERGROUND EQUIPMENT FOR THE TRANSMISSION AND DISTRIBUTION OF ELECTRIC ENERGY AND FOR THE FURNISHING OF TELEPHONE SERVICE, AS CREATED BY GRANT FROM PULLMAN STANDARD CAR MANUFACTURING COMPANY TO THE COMMONWEALTH EDISON COMPANY AND THE ILLINOIS BELL TELEPHONE COMPANY, RECORDED JUNE 17, 1958 AS DOCUMENT 17236878, AND SHOWN ON PLAT OF SUBDIVISION RECORDED SEPTEMBER 1, 1959 AS DOCUMENT 17646152.

(AFFECTS PARCEL 1)

- c. EASEMENT TO USE, FOR ALL PURPOSES OF INGRESS AND EGRESS AND CROSSING AND RE-CROSSING THE LAND AND TO USE, FOR ALL PURPOSES, ALL EXISTING SEWER MAINS, WATER LINES, SPRINKLER MAINS AND ELECTRICAL CONDUITS NOW LOCATED UNDER THE LAND, AS RESERVED IN DEED RECORDED NOVEMBER 18, 1957 AS DOCUMENT 17067865, IN FAVOR OF PULLMAN-STANDARD CAR MANUFACTURING COMPANY, A CORPORATION OF DELAWARE AND THE TERMS AND PROVISIONS CONTAINED THEREIN.

(FOR FURTHER PARTICULARS, SEE RECORD.)

(AFFECTS THAT PORTION OF THE EASEMENT PREMISES FALLING WITHIN LANGLEY AVENUE - PART OF PARCEL 4)

- d. RIGHTS OF THE PUBLIC, THE STATE OF ILLINOIS AND THE MUNICIPALITY IN AND TO THAT PART OF THE LAND, IF ANY, TAKEN OR USED FOR LANGLEY AVENUE.

(AFFECTS PARCEL 4)

- e. EASEMENT BY REASON OF THE OPENING OF LANGLEY AVENUE OVER THE LAND AS CONTAINED IN DOCUMENTS 273109 AND 351928.

(AFFECTS THAT PART OF PARCEL 4 LYING IN THE SOUTHEAST 1/4 OF SECTION 15)

- f. A 30.00 FOOT WIDE NONEXCLUSIVE EASEMENT FOR PIPELINE PURPOSES IN FAVOR OF PEOPLES GAS LIGHT AND COKE COMPANY, AN ILLINOIS CORPORATION, AND ITS SUCCESSORS AND ASSIGNS, TO INSTALL, OPERATE AND MAINTAIN ALL EQUIPMENT NECESSARY FOR THE PURPOSE OF SERVING THE LAND AND OTHER PROPERTY, TOGETHER WITH THE RIGHT OF ACCESS TO SAID EQUIPMENT, AND THE PROVISIONS RELATING THERETO CONTAINED IN THE GRANT RECORDED SEPTEMBER 2, 1982 AS DOCUMENT 26341478, AFFECTING THE LAND ALONG THE COURSE INDICATED IN HATCHED LINES AND MARKED EXHIBIT 'A' THERETO AND THE CENTER LINE OF SAID EASEMENT MORE PARTICULARLY DESCRIBED AS FOLLOWS:

INTERSECTING THE NORTHERLY AND SOUTHERLY SPUR TRACKS, A DISTANCE OF 675.00 FEET MORE OR LESS AND 684.00 FEET MORE OR LESS WESTERLY OF THE EAST LINE OF SAID SECTION 15, RESPECTIVELY, AS MEASURED ALONG THE NORTHERLY AND SOUTHERLY SPUR TRACKS, THE CENTER LINE OF SAID EASEMENT INTERSECTS SAID NORTHERLY AND SOUTHERLY SPUR TRACKS AT AN ANGLE OF 90 DEGREES, 00 MINUTE, 00 SECOND MORE OR LESS, AS MEASURED FROM EASTERLY TO SOUTHERLY AND 90 DEGREES, 00 MINUTE, 00 SECOND MORE OR LESS AS MEASURED FROM EASTERLY TO NORTHERLY RESPECTIVELY, ALL IN COOK COUNTY, ILLINOIS.

(AFFECTS THAT PART OF PARCEL 4 FALLING IN THE SOUTHEAST 1/4 OF SECTION 15)

- g. EASEMENT IN FAVOR OF THE ILLINOIS BELL TELEPHONE COMPANY AND THE COMMONWEALTH EDISON COMPANY, AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, TO INSTALL, OPERATE AND MAINTAIN ALL EQUIPMENT NECESSARY FOR THE PURPOSE OF SERVING THE LAND AND OTHER PROPERTY, TOGETHER WITH THE RIGHT OF ACCESS TO SAID EQUIPMENT, AND THE PROVISIONS RELATING THERETO CONTAINED IN THE GRANT RECORDED JUNE 17, 1958 AS DOCUMENT 17236878, AFFECTING:

A STRIP OF LAND 8.85 FEET WIDE, LYING WESTERLY OF AND ADJOINING THE WESTERLY LINE OF THE 30-FOOT RIGHT OF WAY OF THE CHICAGO, ROCK ISLAND AND PACIFIC RAILROAD (PULLMAN RAILROAD) IN THE SOUTH ½ OF THE SOUTHEAST 1/4 OF SECTION 15 AND THE WEST ½ OF SECTION 14 ALL IN TOWNSHIP 37 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, THERETO KNOWN AS "PARCEL B", AS DESCRIBED MORE PARTICULARLY THEREIN.

(AFFECTS PART PARCEL 4)

- h. EASEMENT IN FAVOR OF THE ILLINOIS BELL TELEPHONE COMPANY AND THE COMMONWEALTH EDISON COMPANY, AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, TO INSTALL, OPERATE AND MAINTAIN ALL EQUIPMENT NECESSARY FOR THE PURPOSE OF

SERVING THE LAND AND OTHER PROPERTY, TOGETHER WITH THE RIGHT OF ACCESS TO SAID EQUIPMENT, AND THE PROVISIONS RELATING THERETO CONTAINED IN THE GRANT RECORDED OCTOBER 3, 1957 AS DOCUMENT 17028536.

(AFFECTS A PARCEL OF LAND IN THE SOUTHEAST 1/4 OF SECTION 15 AND THE SOUTHWEST 1/4 OF SECTION 14 ALL IN TOWNSHIP 37 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, AS DESCRIBED MORE PARTICULARLY THEREIN - PART OF PARCEL 4)

- i. RIGHTS OF THE CITY OF CHICAGO AND OF THE PUBLIC, IF ANY IN LANGLEY AVENUE ON OR OVER THE LAND AS CONTAINED IN DOCUMENTS RECORDED AS DOCUMENTS 8474210 AND 11028149.

(AFFECTS PARCEL 4)

- j. RIGHTS OF PUBLIC AND QUASI PUBLIC UTILITIES IN THE LAND AS EVIDENCED BY THE OVERHEAD WIRES, POLES, VAULTS AND STEAM TUNNEL AS SHOWN ON THE PLAT OF SURVEY PREPARED BY B & G SURVEY COMPANY, INC., NUMBER 1012995 DATED OCTOBER 11, 2001.

- k. ENCROACHMENT OF THE FENCE LOCATED MAINLY ON THE LAND ONTO THE PROPERTY WEST AND ADJOINING BY AMOUNTS VARYING FROM APPROXIMATELY 0.30 FEET TO 2.61 FEET, AS SHOWN ON THE PLAT OF SURVEY PREPARED BY B & G SURVEY COMPANY, INC., NUMBER 1012995 DATED OCTOBER 11, 2001.

(AFFECTS PARCEL 4)

- l. ENCROACHMENT OF THE CHAIN LINK FENCE LOCATED MAINLY ON THE LAND ONTO THE PROPERTY NORTH AND ADJOINING BY AN UNDISCLOSED AMOUNT AS SHOWN ON THE PLAT OF SURVEY PREPARED BY B & G SURVEY COMPANY, INC., NUMBER 1012995 DATED OCTOBER 11, 2001.

(AFFECTS PARCEL 3)

- m. ENCROACHMENT OF THE GATE LOCATED MAINLY ON THE LAND ONTO THE PROPERTY EASTERLY AND ADJOINING BY AN UNDISCLOSED AMOUNT, AS SHOWN ON THE PLAT OF SURVEY PREPARED BY B & G SURVEY COMPANY, INC., NUMBER 1012995 DATED OCTOBER 11, 2001.

(AFFECTS PARCEL 1)

- n. ILLINOIS LEASE SUPPLEMENT MADE BY ATLANTIC FINANCIAL GROUP, LTD., A TEXAS LIMITED PARTNERSHIP TO KEEBLER CO. DATED JANUARY 16, 2002, A MEMORANDUM OF WHICH WAS RECORDED JANUARY 24, 2002, AS DOCUMENT NUMBER 0020096706, DEMISING THE LAND FOR A TERM OF YEARS BEGINNING JANUARY 16, 2002 AND ENDING JANUARY 15, 2007 UNLESS TERMINATED

EARLIER, AND ALL RIGHTS THEREUNDER OF, AND ALL ACTS DONE OR SUFFERED THEREUNDER BY, SAID LESSEE OR BY ANY PARTY CLAIMING BY, THROUGH, OR UNDER SAID LESSEE.

- o. MORTGAGE, SECURITY AGREEMENT AND FIXTURE FILING DATED JANUARY 16, 2002 AND RECORDED JANUARY 24, 2002 AS DOCUMENT 0020096707 MADE BY ATLANTIC FINANCIAL GROUP, LTD., A TEXAS LIMITED PARTNERSHIP TO SUNTRUST BANK, AS AGENT.
  - p. ASSIGNMENT OF LEASES AND RENTS AND GUARANTY AGREEMENT AND ASSIGNMENT OF MORTGAGE MADE BY ATLANTIC FINANCIAL GROUP, LTD., A TEXAS LIMITED PARTNERSHIP TO SUNTRUST BANK, AS AGENT, RECORDED JANUARY 24, 2002 AS DOCUMENT NUMBER 0020096708.
  - q. TERMS AND PROVISIONS OF AN OPTION TO PURCHASE THE LAND IN FAVOR OF KEEBLER COMPANY AS CONTAINED IN THE INTEREST RECORDED JANUARY 24, 2002 AS DOCUMENT 0020096706.
  - r. SECURITY INTEREST OF SUNTRUST BANK, AS AGENT, SECURED PARTY, IN CERTAIN DESCRIBED CHATTELS ON THE LAND, AS DISCLOSED BY FINANCING STATEMENT NAMING ATLANTIC FINANCIAL GROUP, LTD. AS DEBTOR AND RECORDED JANUARY 29, 2002 AS DOCUMENT NO. 0020117077.
  - s. SECURITY INTEREST OF SUNTRUST BANK, AS AGENT, SECURED PARTY, IN CERTAIN DESCRIBED CHATTELS ON THE LAND, AS DISCLOSED BY FINANCING STATEMENT NAMING KEEBLER COMPANY AS DEBTOR AND RECORDED JANUARY 29, 2002 AS DOCUMENT NO. 0020117072.
2. Liens or encumbrances against the Developer Parties or the Project, other than liens against the Property, if any: NONE

## **Exhibit G**

### **Project Budget (1)**

Manufacturing Equipment	5,681,940
Land Acquisition	4,700,000
New Construction	4,600,000
Renovation	935,000
Soft Costs	810,000
Financing Costs	500,000
Site Preparation	325,000
Public Infrastructure	290,000
Job Training Costs	250,000
Architecture & Engineering	230,000
Environmental Surveys	60,000
<b>Total</b>	<b>18,381,940</b>

(1) The above will amounts will be modified to reflect the actual final project cost. At a minimum, the project costs are expected to increase as a result of the Developer's intention to construction an additional 23,000 square feet of manufacturing space.

## **Exhibit H**

### **MBE/WBE Budget**

New Construction	4,600,000
Renovation	935,000
Site Preparation	325,000
Public Infrastructure	290,000
Total	6,150,000

### **Required MBE/WBE Expenditures**

MBE Allocation (25%)	1,537,500
WBE Allocation (5%)	307,500
Total	1,845,000

(1) The above will amounts will be modified to reflect the actual final project cost. At a minimum, the project costs are expected to increase as a result of the Developer's intention to construction an additional 23,000 square feet of manufacturing space.

(2) The above MBE/WBE dollar value is an estimate. If the actual cost of the applicable MBE/WBE activities increase, the associated MBE/WBE dollar value will increase correspondingly.

**Exhibit K**

**Preliminary TIF Projection – Real Estate Taxes**  
 [to be provided by City based on projections]

**LAKE CALUMET TIF  
 KEEBLER PROJECT (LAKE CALUMET TIF)**

YEAR	ASSESSED VALUE	ESTIMATED MULTIPLIER	EQUALIZED ASS. VALUE	BASE EAV	TAX RATE	TAXES PAID	INCREMENTAL TAXES
2003	\$1,306,870	2.2310	\$2,915,601	\$1,997.293	7.692%	\$224,268	\$0
2004	\$1,659,187	2.2310	\$3,781,929	\$1,997.293	7.692%	\$290,906	\$70,637
2005	\$1,659,187	2.2310	\$3,781,929	\$1,997.293	7.692%	\$290,906	\$137,275
2006	\$1,787,031	2.2310	\$3,986,831	\$1,997.293	7.692%	\$306,667	\$137,275
2007	\$1,853,415	2.2310	\$4,134,933	\$1,997.293	7.692%	\$318,059	\$153,036
2008	\$1,853,415	2.2310	\$4,134,933	\$1,997.293	7.692%	\$318,059	\$164,428
2009	\$1,953,773	2.2310	\$4,358,827	\$1,997.293	7.692%	\$335,281	\$164,428
2010	\$2,026,310	2.2310	\$4,520,658	\$1,997.293	7.692%	\$347,729	\$181,650
2011	\$2,026,310	2.2310	\$4,520,658	\$1,997.293	7.692%	\$347,729	\$194,098
2012	\$2,135,974	2.2310	\$4,765,315	\$1,997.293	7.692%	\$366,548	\$194,098
2013	\$2,623,897	2.2310	\$5,853,861	\$1,997.293	7.692%	\$450,279	\$212,917
2014	\$3,032,551	2.2310	\$6,765,562	\$1,997.293	7.692%	\$520,407	\$296,648
2015	\$3,502,666	2.2310	\$7,814,379	\$1,997.293	7.692%	\$601,082	\$366,776
2016	\$3,697,542	2.2310	\$8,249,142	\$1,997.293	7.692%	\$634,524	\$447,451
2017	\$3,697,542	2.2310	\$8,249,142	\$1,997.293	7.692%	\$634,524	\$480,893
2018	\$3,828,492	2.2310	\$8,541,290	\$1,997.293	7.692%	\$656,996	\$480,893
2019	\$4,041,444	2.2310	\$9,016,381	\$1,997.293	7.692%	\$693,540	\$503,365
2020	\$4,041,444	2.2310	\$9,016,381	\$1,997.293	7.692%	\$693,540	\$539,909
2021	\$4,184,533	2.2310	\$9,335,609	\$1,997.293	7.692%	\$718,095	\$539,909
2022	\$4,184,533	2.2310	\$9,335,609	\$1,997.293	7.692%	\$718,095	\$564,464
						<b>TOTAL</b>	<b>\$5,830,150</b>
						<b>NPV @ 8%</b>	<b>\$2,164,941</b>

**Exhibit L**  
**Form of Note**

REGISTERED  
NO. R-1

MAXIMUM AMOUNT  
\$2,056,700

**UNITED STATES OF AMERICA**  
**STATE OF ILLINOIS**  
**COUNTY OF COOK**  
**CITY OF CHICAGO**  
**TAX INCREMENT ALLOCATION REVENUE NOTE (LAKE CALUMET INDUSTRIAL**  
**REDEVELOPMENT PROJECT), TAXABLE SERIES A**

Registered Owner: Atlantic Financial Group, Ltd., a Texas limited partnership

Interest Rate: 8% per annum

Maturity Date: \_\_\_\_\_, \_\_\_\_\_ [twenty years from issuance date]

**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, the principal amount of this Note from time to time advanced by the Registered Owner to pay costs of the Project (as hereafter defined) in accordance with the ordinance hereinafter referred to up to the principal amount of \$2,056,700 and to pay the Registered Owner interest on that amount at the Interest Rate per year specified above from the date of the advance. Interest shall be computed on the basis of a 360-day year of twelve 30-day months. Accrued but unpaid interest on this Note shall also accrue at the interest rate per year specified above until paid.

Principal of and interest on this Note from the Available Incremental Taxes (as defined in the hereinafter defined Redevelopment Agreement) is due February 1 of each year until the earlier of Maturity or until this Note is paid in full. Payments shall first be applied to interest. 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 the Comptroller of the City, as registrar and paying agent (the "Registrar"), at the close of business on the fifteenth 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. The Registered Owner of this Note shall note on the Payment Record attached hereto the amount and the date of any payment of the principal of this Note promptly upon receipt of such payment.

This Note is issued by the City in the principal amount of advances made from time to time by the Registered Owner up to \$2,056,700 for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Atlantic Financial Group, Ltd. (the "Project"), which were incurred in connection with the acquisition of a site upon which an approximately 267,000 square foot manufacturing facility was constructed in the Lake Calumet Industrial Redevelopment Project Area (the "Project Area") in the City, 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.) (the "TIF Act"), the Local Government Debt Reform Act (30 ILCS 350/1 et seq.) and an Ordinance adopted by the City Council of the City on \_\_\_\_\_, \_\_\_\_ (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 and interest of this Note. Reference is hereby made to the aforesaid Ordinance and the Redevelopment Agreement 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 this Note and the terms and conditions under which this Note is issued and secured. **THIS NOTE IS A SPECIAL LIMITED OBLIGATION OF THE CITY, AND IS PAYABLE SOLELY FROM 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 OR INTEREST OF THIS NOTE.** The principal of this Note is subject to redemption on any date, as a whole or in part, at a redemption price of 100% of the principal amount thereof being redeemed. There shall be no prepayment penalty. Notice of any such redemption shall be sent by registered or certified mail not less than five (5) days nor more than sixty (60) days prior

to the date fixed for redemption to the registered owner of this Note at the address shown on the registration books of the City maintained by the Registrar or at such other address as is furnished in writing by such Registered Owner to the Registrar.

This Note is issued in fully registered form in the denomination of its outstanding principal amount. This Note may not be exchanged for a like aggregate principal amount of notes or other denominations.

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 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 fifteenth 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 redemption has been mailed, nor during a period of five (5) days next preceding mailing of a notice of 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 provide.

Pursuant to the Redevelopment Agreement dated as of \_\_\_\_\_, \_\_\_\_ between the City, the Keebler Company ("Keebler") and the Registered Owner (the "Redevelopment Agreement"), the Registered Owner has agreed to advance funds on behalf of the City to acquire the Project. The cost of such acquisition in the amount of \$2,056,700 shall be deemed to be a disbursement of the proceeds of this Note.

Pursuant to Section 15.02 of the Redevelopment Agreement, the City has reserved the right to suspend or terminate payments of principal and of interest on this Note upon the occurrence of certain conditions. The City shall not be obligated to make payments under this Note if an Event of Default (as defined in the Redevelopment Agreement), or condition or event that with notice or the passage of time or both would constitute an Event of Default, has occurred. Such rights shall survive any transfer of this Note.

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 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.

(THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

**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 \_\_\_\_\_, \_\_\_\_.

Mayor

(SEAL)  
Attest:

City Clerk

**CERTIFICATE  
OF  
AUTHENTICATION**

Registrar  
and Paying Agent:  
Comptroller of the  
City of Chicago,  
Cook County, Illinois

This Note is described in the within mentioned Ordinance and is the Tax Increment Allocation Revenue Note (Lake Calumet Industrial Redevelopment Project), Taxable Series A, of the City of Chicago, Cook County, Illinois.

Comptroller: \_\_\_\_\_  
Date: \_\_\_\_\_

**PRINCIPAL PAYMENT RECORD**

DATE OF PAYMENT

PRINCIPAL PAYMENT PRINCIPAL BALANCE DUE

(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.

Signature: \_\_\_\_\_ Guaranteed: \_\_\_\_\_

Notice: Signature(s) must be guaranteed by a member of the New York Stock Exchange or a commercial bank or trust company.

Consented to by:

CITY OF CHICAGO  
DEPARTMENT OF PLANNING AND DEVELOPMENT

BY: \_\_\_\_\_

ITS: \_\_\_\_\_

**Exhibit M**  
**Public Benefits Program**

Keebler agrees to provide the benefits listed below:

1. Sponsor a little league team located within the Roseland community of the 9<sup>th</sup> Ward;
2. Join the Roseland Business Council; and
3. Secure the services of a temporary employment agency to fill its seasonal part-time employment positions.