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Karen A. Yarbrough
Cook County Recorder of Deeds
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This agreement was prepared by and
after recording return to:
Michael L. Gaynor, Senior Counsel
City of Chicago Department of Law
121 North LaSalle Street, Room 600
Chicago, Illinois 60602

ROSENWALD COURTS TIF REDEVELOPMENT AGREEMENT

This Rosenwald Courts TIF Redevelopment Agreement (this "Agreement" or "RDA") is made as of the 1st day of December, 2013, among the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Housing and Economic Development ("HED"), Rosenwald Courts Apartments, LP, an Illinois limited partnership (the "Owner"), the general partner of which is Rosenwald Courts GP, LLC, an Illinois limited liability company (the "General Partner"), the managing member of which is GB Rosenwald, LLC, an Illinois limited liability company (the "Managing Member"), and Burton Rosenwald GP, LLC, an Illinois limited liability company (the "Sponsor," and together with the Owner, the "Developer"), the sole member of which is The Burton Foundation, an Illinois not-for-profit corporation (the "Foundation").

Near North National Title
222 N. LaSalle
Chicago, IL 60601

135

NO 1131436

RECITALS

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

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

C. City Council Authority: To induce redevelopment pursuant to the Act, the City Council of the City (the "City Council") adopted the following ordinances on March 27, 2002, published at pages 81231 through 81472 of the Journal of Proceedings of the City Council of the City for said date: (1) approving a redevelopment plan (the "Redevelopment Plan") for the 47th and King Drive Redevelopment Project Area (the "Area"); (2) designating the Area as a Redevelopment Project Area pursuant to the Act; and (3) adopting tax increment allocation financing for the Area (the "TIF Adoption Ordinance") (items(1)-(3) collectively referred to herein as the "TIF Ordinances"). The redevelopment project area referred to above (the "Redevelopment Area") is legally described in Exhibit A hereto.

D. The Project: The Owner has purchased certain property and improvements located within the Redevelopment Area located at 4600 South Michigan Avenue, Chicago, Illinois 60653 (and other addresses), and legally described on Exhibit B-1 hereto (the "Apartment Property"). The Apartment Property is currently the site of the historic Michigan Boulevard Garden Apartments (also known as the Rosenwald Apartments), and is bounded by East 46th Street on the north, East 47th Street on the south, South Wabash Avenue on the west, and South Michigan Avenue on the east. In addition to the Apartment Property, the Owner intends to purchase nine (9) vacant, City-owned parcels of land located within the Redevelopment Area, and legally described on Exhibit B-2 hereto (the "City Parking Property," 4648 South Wabash Avenue, 4638 South Wabash Avenue and 4601, 4609 and 4611 South Michigan Avenue), and three (3) vacant, privately-owned parcels of land located within the Redevelopment Area, and legally described on Exhibit B-3 hereto (the "Private Parking Property"). A portion of the City Parking Property is located on Michigan Avenue across the street from the Apartment Property, and the other portion is located on Wabash Avenue across the street from the Apartment Property. The Private Parking Property is located on Wabash Avenue adjacent to the City Parking Property located on Wabash Avenue. As indicated on Exhibit B-3 hereto, the Owner has previously acquired a portion of the Private Parking Property (the "Previously-Acquired Private Parking Property," as indicated on Exhibit B-3(a), 4650 South Wabash Avenue and 4652 South Wabash Avenue); the Developer has not yet acquired the remainder of the Private Parking Property (the "Private Parking Property To Be Acquired," as indicated on Exhibit B-3(b), 4602 South Wabash Avenue). After the Owner purchases the City Parking Property and the Private Parking Property, the Developer, within the time frames set forth in Section 3.01 hereof, shall commence and complete rehabilitation of a mixed-use building on the Apartment Property, including approximately 239 rental residential units therein and an area to be utilized as a community service facility and general commercial and retail space, and construction of parking facilities on the Parking Property (together, the "Facility"). The Facility and related improvements

(including but not limited to those TIF-Funded Improvements as defined below and set forth on Exhibit C) are collectively referred to herein as the "Project." The Project shall consist of two phases: first, façade restoration, interior demolition, environmental remediation, and site work ("Phase I"); and second, build-out of the units, the community service facility and the "white box" of the commercial and retail space ("Phase II"). The completion of the Project would not reasonably be anticipated without the financing contemplated in this Agreement. The Owner has concurrently leased all or a portion of the Facility to Rosenwald Courts Master Tenant, LP, an Illinois limited partnership (the "Master Tenant"), pursuant to a written lease (the "Master Lease") between the Owner and the Master Tenant. The Owner has provided the City with a certified copy of the Master Lease.

E. Redevelopment Plan: The Project will be carried out in accordance with this Agreement and the Redevelopment Plan.

F. City Financing: The City agrees to use, in the amounts set forth in Section 4.03 hereof, (i) [intentionally omitted], (ii) the proceeds of the TIF Note (defined below) and/or (iii) Incremental Taxes (as defined below), to pay for or reimburse the Sponsor for the costs of TIF-Funded Improvements pursuant to the terms and conditions of this Agreement and the TIF 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 as described in Section 4.03(d) hereof, the proceeds of which (the "TIF Bond Proceeds") may be used to pay for the costs of the TIF-Funded Improvements not previously paid for from Incremental Taxes (including any such payment made pursuant to any TIF Note provided to the Sponsor pursuant to this Agreement), to make payments of principal on the TIF 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:

"2FM" shall mean the City's Department of Fleet and Facilities Management.

"47th and King Drive TIF Fund" shall mean the special tax allocation fund created by the City in connection with the Redevelopment Area into which the Incremental Taxes will be deposited.

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

"Actual residents of the City" shall mean persons domiciled within the City.

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

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

"Annual Compliance Report" shall mean a signed report from the Developer to the City (a) itemizing each of the Developer's obligations under the RDA during the preceding calendar year, (b) certifying the Developer's compliance or noncompliance with such obligations, (c) attaching evidence (whether or not previously submitted to the City) of such compliance or noncompliance and (d) certifying that the Developer is not in default with respect to any provision of the RDA, the agreements evidencing the Lender Financing, if any, or any related agreements; provided, that the obligations to be covered by the Annual Compliance Report shall include the following: (1) [intentionally omitted]; (2) [intentionally omitted]; (3) delivery of Financial Statements and unaudited financial statements (Section 8.13); (4) delivery of updated insurance certificates, if applicable (Section 8.14); (5) delivery of evidence of payment of Non-Governmental Charges, if applicable (Section 8.15); (6) [intentionally omitted]; (7) [intentionally omitted]; and (8) compliance with all other executory provisions of the RDA.

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

"Available Project Funds" shall have the meaning set forth for such term in Section 4.07 hereof.

"Borrower Loan Agreement" shall mean that certain Borrower Loan Agreement dated as of the Closing Date between the City and the Owner.

"Building Court Case" shall mean Circuit Court of Cook County case no. 2010 M1 400696 or any successor or substitute legal action filed by the City to ensure that the Apartment Property is in compliance with all City ordinances relating to building standards. If a consent decree or similar agreement is approved or entered in the Building Court Case then the Building Court Case shall thereafter mean such consent decree and the terms thereof.

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

"CHA" shall mean the Chicago Housing Authority.

"CHA Loan" shall mean Lender Financing in the amount of \$17,370,000 from the Chicago Housing Authority.

"CHA Loan Closing" shall mean the closing of the CHA Loan as evidenced by the recording of a mortgage against the Property from the Owner to the CHA, at which time it is anticipated that this Agreement may be amended.

"CHA Loan Closing Date" shall mean the date of the CHA Loan Closing.

"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.

"Citibank" shall mean Citibank, N.A. (or an affiliate thereof), a provider of Lender Financing.

"City Contract" shall have the meaning set forth in Section 8.01(l) hereof.

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

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

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

"City Title Commitments" shall have the meaning set forth in Section 3.13(c) hereof.

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

"Contract" shall have the meaning set forth in Section 10.03 hereof.

"Contractor" shall have the meaning set forth in Section 10.03 hereof.

"Construction Contract" shall mean, collectively, that (i) certain contract to be entered into between the Developer and Tishman Burling Rosenwald Joint Venture providing for Phase I, and (ii) certain contract to be entered into between the Developer and The George Sollitt Construction Company / Powers and Sons Construction Company, Inc. / Brown & Momen, Inc. Joint Venture providing for Phase II.

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

"Deed" shall have the meaning set forth in Section 3.13(b) hereof.

"Developer Parties" shall have the meaning set forth in Section 3.13(g) hereof.

"Draft NFR Letter for the Apartment Property" shall mean a draft comprehensive NFR Letter from the IEPA for the Apartment Property based on TACO Tier I residential remediation objectives, as amended or supplemented from time to time.

"Draft NFR Letter for the Parking Property" shall mean a draft NFR Letter from the IEPA for applicable portions of the Parking Property (as determined pursuant to Section 11.02 hereof) based on commercial remediation objectives, as amended or supplemented from time to time; provided, however, any landscaped areas shall meet TACO Tier I residential remediation objectives.

"DTC Regulatory Agreement" shall mean that certain Donations Tax Credit Regulatory Agreement, anticipated to be executed by the City, the Owner and the Sponsor not later than the CHA Loan Closing Date and to be recorded in the office of the Cook County Recorder of Deeds.

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

"Environmental Documents" shall have the meaning set forth in Section 11.01 hereof.

"Environmental Laws" shall mean any and all federal, state or local statutes, laws (including common law), regulations, ordinances, codes, rules, orders, licenses, judgments, decrees or requirements relating to the regulation and protection of human health, safety, the environment and

natural resources 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 5101 et seq.); (iv) the Resource Conservation and Recovery Act (42 U.S.C. Section 6901 et seq.); (v) the Clean Air Act (42 U.S.C. Section 7401 et seq.); (vi) the Federal Water Pollution Control 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 Occupational Safety and Health Act (29 U.S.C. Section 651 et seq.), (x) the Illinois Environmental Protection Act (415 ILCS 5/1 et seq.); (xi) any and all regulations promulgated under the foregoing acts, and all analogous state and local counterparts or equivalents, including, without limitation, regulations in the Municipal Code of Chicago; and (xii) any theory of common law tort or toxic tort, including, without limitation, negligence, trespass, nuisance, strict liability or ultrahazardous activity.

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

"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 as of the date hereof by the Title Company (or an affiliate of the Title Company), the Developer and the Developer's 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.

"Final NFR Letter for the Apartment Property" shall mean a final comprehensive NFR Letter from the IEPA approving the use of the Apartment Property for the construction, development and operation of the Project, as amended or supplemented from time to time. The Final NFR Letter shall state that the Apartment Property meets TACO Tier I remediation objectives for residential properties as set forth in 35 Ill. Adm. Code Part 742, but may be reasonably conditioned upon use and maintenance of engineered barriers and other institutional or engineering controls acceptable to the IEPA.

"Final NFR Letter for the Parking Property" shall mean a final NFR Letter from the IEPA approving the use of applicable portions of the Parking Property (as determined pursuant to Section 11.02 hereof) for the construction, development and operation of parking facilities, as amended or supplemented from time to time. The Final NFR Letter shall state that the Parking Property meets commercial remediation objectives as set forth in 35 Ill. Adm. Code Part 742; provided, however, any landscaped areas shall meet TACO Tier I residential remediation objectives.

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

"General Contractor" shall mean, collectively, the general contractors hired by the Developer pursuant to Section 6.01. The General Contractor for Phase I shall be Tishman Burling Rosenwald Joint Venture and the General Contractor for Phase II shall be The George Sollitt Construction Company / Powers and Sons Construction Company, Inc. / Brown & Momen, Inc. Joint Venture.

"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 Laws, or any pollutant, toxic vapor, or contaminant, and shall include, but not be limited to, polychlorinated biphenyls (PCBs), crude oil, any fraction thereof, or refined petroleum products such as oil, gasoline, or other petroleum-based fuels, lead paint, asbestos or asbestos-containing materials, urea formaldehyde, any radioactive material or by-product material, radon and mold.

"Human Rights Ordinance" shall have the meaning set forth in Section 10 hereof.

"IEPA" shall mean the Illinois Environmental Protection Agency.

"In Balance" shall have the meaning set forth in Section 4.07 hereof.

"Incremental Taxes" shall mean such ad valorem taxes which, pursuant to the TIF Adoption Ordinance and Section 5/11-74.4-8(b) of the Act, are allocated to and when collected are paid to the Treasurer of the City of Chicago for deposit by the Treasurer into the 47th & King Drive TIF Fund established to pay Redevelopment Project Costs and obligations incurred in the payment thereof.

"Indemnitee" and "Indemnitees" shall have the meanings set forth in Section 13.01 hereof.

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

"Limited Partner" shall mean USA Rosenwald Courts LLC, a Delaware limited liability company.

"Losses," as used in Section 3.13(g) hereof, shall mean any and all debts, liens, claims, causes of action, demands, complaints, legal or administrative proceedings, losses, damages, obligations, liabilities, judgments, amounts paid in settlement, arbitration or mediation awards, interest, fines, penalties, costs and expenses (including, without limitation, reasonable attorney's fees and expenses, consultants' fees and expenses and court costs).

"Master Lease" shall have the meaning set forth in Recital D hereof.

"Master Tenant" shall have the meaning set forth in Recital D hereof.

"Master Tenant Limited Partner" shall mean USA HTC Rosenwald, LLC, a Delaware limited liability company, the limited partner of the Master Tenant.

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

"MBE/WBE Program" shall have the meaning set forth in Section 10.03 hereof.

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

"NFR Letter" shall mean a "No Further Remediation" letter issued by the IEPA pursuant to the SRP and, with respect to any USTs subject to Title 16 of the Illinois Environmental Protection Act, a "No Further Remediation" letter with respect to such USTs pursuant to Title 16, whichever is applicable, as amended or supplemented from time to time.

"New Mortgage" shall have the meaning set forth in Article 16 hereof.

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

"NSP Loan" shall mean a loan from the City to the Owner in the principal amount of \$5,000,000 for the acquisition of the building located at 4600 South Michigan Avenue, Chicago, Illinois 60615.

"NSP Redevelopment Agreement" shall mean that certain redevelopment agreement dated as of January 28, 2013 and recorded in the office of the Cook County Recorder of Deeds on January 29, 2013 as Document No. 1302931068, as amended on the Closing Date, pursuant to which the City made a loan to the Owner in the principal amount of \$5,000,000 for the acquisition of the building located at 4600 South Michigan Avenue, Chicago, Illinois 60615, as amended on the Closing Date and as may be further amended thereafter.

"NSP Regulatory Agreement" shall mean that certain regulatory agreement, dated as of the January 28, 2013, executed by the City and the Owner and recorded in the office of the Cook County Recorder of Deeds on January 29, 2013 as Document No. 1302931067, as amended on the Closing Date and as may be further amended thereafter.

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

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

"Permitted Mortgage" shall have the meaning set forth in Article 16 hereof.

"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, as may be revised hereafter.

"Previously-Acquired Private Parking Property" shall have the meaning set forth in Recital D hereof.

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

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

"Private Parking Property To Be Acquired" shall have the meaning set forth in Recital D hereof.

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

"Project Budget" shall mean the budget attached hereto as Exhibit H-1, showing the total cost of the Project by line item, furnished by the Developer to HED, in accordance with Section 3.03 hereof.

"Property" shall mean the Apartment Property (as described on Exhibit B-1), the City Parking Property (as described on Exhibit B-2) and the Previously-Acquired Private Parking Property (as Described on Exhibit B-3(a)). Upon acquisition of the Private Parking Property to Be Acquired (as described on Exhibit B-3(b)), this Agreement shall be amended so that the Property shall include the Private Parking Property to Be Acquired.

"Purchase Price" shall have the meaning set forth in Section 3.13(a) hereof.

"RECs" shall have the meaning set forth in Section 11.01 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.

"Released Claims" shall have the meaning set forth in Section 3.13(g) hereof.

"Remediation Costs" shall mean governmental or regulatory body response costs, natural resource damages, property damages, and the costs of any investigation, cleanup, monitoring, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision or other third party in connection or associated with the Property or any improvements, facilities or operations located or formerly located thereon.

"Remediation Work" shall mean all investigation, sampling, monitoring, testing, removal, response, disposal, storage, remediation, treatment and other activities necessary to obtain a Final NFR Letter for the Apartment Property and applicable portions of the Parking Property (as determined pursuant to Section 11.02 hereof) in accordance with the terms and conditions of the Draft NFR Letter for the Apartment Property (and the Parking Property to the extent required under Section 11.02(b) hereof), the SRP Documents, all requirements of the IEPA and all applicable federal, state and local laws, ordinances and regulations, including, without limitation, all applicable Environmental Laws.

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

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

“SRP” shall mean the IEPA’s Site Remediation Program as set forth in Title XVII of the Illinois Environmental Protection Act, 415 ILCS 5/58 et seq., and the regulations promulgated thereunder.

“SRP Documents” shall mean all documents submitted to the IEPA under the SRP Program, as amended or supplemented from time to time, including, without limitation, the Comprehensive Site Investigation and Remediation Objectives Report, the Remedial Action Plan, and the Remedial Action Completion Report.

“Survey” shall mean one or more Class A plat of survey(s) of the Property in the most recently revised form of ALTA/ACSM survey 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).

“TACO” shall mean the Tiered Approach to Corrective Action Objectives codified at 35 Ill. Adm. Code Part 742 et seq.

“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, 2026).

“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 Bond Proceeds” 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.

“TIF Note” shall mean a note, to be in the form attached hereto as Exhibit M, in the maximum principal amount of \$25,000,000, issued by the City to the Sponsor on the Closing Date. The TIF Note shall not bear interest.

“Title Company” shall mean Near North National Title LLC, as agent for Chicago Title Insurance Company.

“Title Policy” shall mean a title insurance policy in the most recently revised ALTA or equivalent form, showing the Developer as the insured, noting the recording of this Agreement as an encumbrance against the Property, and a subordination agreement in favor of the City with

respect to previously recorded liens against the Property related to Lender Financing, if any, issued by the Title Company.

"UST(s)" shall mean underground storage tank(s) whether or not subject to Title 16 of the Illinois Environmental Protection Act, including without limitation (i) any underground storage tank as defined in 415 ILCS 5/57.2, (ii) any farm or residential tank of 1,100 gallons or less capacity used for storing motor fuel for noncommercial purposes, (iii) any tank used for storing heating oil for consumption on the premises where stored, (iv) any septic tank, (v) any tank that is excluded from the definition in 415 ILCS 5/57.2 based upon the existence of any Hazardous Substance therein, and (vi) any pipes connected to items (i) through (v) above.

"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 Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a women-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable.

SECTION 3. THE PROJECT

3.01 The Project. With respect to the Facility, the Developer shall, pursuant to the Plans and Specifications and subject to the provisions of Section 18.17 hereof: (i) commence rehabilitation/construction no later than 240 days after the Closing Date (the "Commencement Date"); and (ii) complete rehabilitation/construction and conduct residential rental business operations therein no later than 36 months following the Commencement Date, as such date may be extended pursuant to Section 15.04 and/or Section 18.17 (the "Completion Date," which the Commissioner of HED may also extend in his or her discretion to accommodate a foreclosure or deed in lieu of foreclosure process under Section 16).

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

3.03 Project Budget. The Developer has furnished to HED, and HED has approved, a Project Budget showing total costs for the Project in an approximate amount not less than \$110,168,276. The Developer 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. The Developer shall promptly deliver to HED certified copies of any Change Orders with respect to the Project Budget for approval pursuant to Section 3.04 hereof.

3.04 Change Orders. Except as provided below, all Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to material changes

to the Project must be submitted by the Developer to HED for HED's prior written approval. The Developer 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 the Developer of HED's written approval. 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. If the Developer authorizes or permits the performance of any work relating to any Change Order or the furnishing of materials in connection therewith prior to the receipt by the Developer of HED's written approval the Developer must promptly notify HED of any such Change Orders in writing; if HED does not ratify such Change Order then the cost of such Change Order may not be paid for out of any contingency or similar use or line item in the Project Budget.

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

3.06 Other Approvals. Any HED approval under this Agreement shall have no effect upon, nor shall it operate as a waiver of, the Developer's obligations to comply with the provisions of Section 5.03 (Other Governmental Approvals) hereof. The Developer shall not commence construction of the Project until the Developer has obtained all necessary permits and approvals and proof of the General Contractor's and each subcontractor's bonding as required hereunder; provided, however, the Developer may perform demolition work prior to the issuance of a Draft NFR Letter with 2FM's prior written approval, which approval may be subject to conditions.

3.07 Progress Reports and Survey Updates. The Developer shall provide HED with written monthly progress reports detailing the status of the Project, including a revised Completion Date, if necessary (with any change in Completion Date being considered a Change Order, requiring HED's written approval pursuant to Section 3.04). The Developer shall provide three (3) copies of an updated Survey to HED upon the request of HED or any lender providing Lender Financing, reflecting improvements made to the Property after the Completion Date.

3.08 Inspecting Agent or Architect. The developer's architect shall be act as the City's inspecting agent or architect, at the Developer's expense, for the Project. The inspecting agent or architect shall perform periodic inspections with respect to the Project, providing certifications with respect thereto to HED, prior to requests for disbursement for costs related to the Project hereunder.

3.09 Barricades. Prior to commencing any construction requiring barricades, the Developer shall install a construction barricade of a type and appearance satisfactory to the City and constructed in compliance with all applicable federal, state or City laws, ordinances and regulations. HED retains the right to approve the maintenance, appearance, color scheme, painting, nature, type, content and design of all barricades.

3.10 Signs and Public Relations. The Developer shall erect a sign of size and style approved by the City in a conspicuous location on the Property during the Project, indicating that financing has been provided by the City. The City reserves the right to include the name,

photograph, artistic rendering of the Project and other pertinent information regarding the Developer, the Property and the Project in the City's promotional literature and communications.

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

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

3.13 Conveyance of the City Parking Property. The following provisions shall govern the City's conveyance of the City Parking Property to the Owner:

(a) Purchase Price. The City hereby agrees to sell, and the Owner hereby agrees to purchase, upon and subject to the terms and conditions of this Agreement, the City Parking Property, for One Dollar (\$1.00) per parcel (the "Purchase Price"), which is to be paid to the City on or before the Closing Date in cash or by certified or cashier's check or wire transfer of immediately available funds. The Owner shall pay all escrow fees and other title insurance fees, premiums and closing costs. The Owner acknowledges and agrees that (i) the appraised fair market value of the City Parking Property is approximately \$155,000 based on an appraisal dated October 21, 2011, and (ii) the City has only agreed to sell the City Parking Property to the Owner for the Purchase Price because the Owner has agreed to execute this Agreement and comply with its terms and conditions.

(b) Form of Deed. The City shall convey the City Parking Property to the Owner by quitclaim deed (the "Deed"), subject to the terms of this Agreement and, without limiting the quitclaim nature of the deed, the following:

- (i) the Redevelopment Plan;
- (ii) the standard exceptions in an ALTA title insurance policy;
- (iii) all general real estate taxes and any special assessments or other taxes;
- (iv) all easements, encroachments, covenants and restrictions of record and not shown of record;
- (v) such other title defects as may exist; and
- (vi) any and all exceptions caused by the acts of the Owner, its Affiliates and their agents.

(c) Title and Survey. The Developer acknowledges that it has received commitments for an owner's policy of title insurance for the City Parking Property, issued August 12, 2013 and October 17, 2013 (Commitment Nos. N01131119, N01131120 and N0112117) by Near North National Title LLC, as issuing agent for Chicago Title Insurance Company (the "City Title Commitments"), showing the City in title to the City Parking Property. The Developer shall be solely

responsible for and shall pay all costs associated with updating the City Title Commitments (including all search, continuation and later-date fees), and obtaining the Title Policy. The City shall have no obligation to cure title defects; provided, however, if there are exceptions for general real estate taxes due or unpaid prior to the Closing Date with respect to the City Parking Property or liens for such unpaid property taxes, the City shall, as applicable, request that the County void the unpaid taxes as provided in Section 21-100 of the Property Tax Code, 35 ILCS 200/21-100, or file an application for a Certificate of Error with the Cook County Assessor, or file a tax injunction suit or petition to vacate a tax sale in the Circuit Court of Cook County. If, after taking the foregoing actions and diligently pursuing same, the City Parking Property remains subject to any tax liens, or if the City Parking Property is encumbered with any other exceptions that would adversely affect the use and insurability of the City Parking Property for the development of the Project, the Owner shall have the option to do one of the following: (i) accept title to the City Parking Property subject to the exceptions; or (ii) with the Sponsor as the Developer, terminate this Agreement. If the Developer elects not to terminate this Agreement as aforesaid, the Owner agrees to accept title subject to all exceptions.

(d) The Land Closing. The conveyance of the City Parking Property shall take place on the Closing Date at the downtown offices of the Title Company or such other place as the parties may mutually agree upon in writing; provided, however, in no event shall the closing of the land sale occur unless the Developer has satisfied all conditions precedent set forth in this Agreement, unless HED, in its sole discretion, waives such conditions. On or before the Closing Date, the City shall deliver to the Title Company the Deed, all necessary state, county and municipal real estate transfer tax declarations, and an ALTA statement. The City will not provide a gap undertaking.

(e) Recording Costs. The Developer shall pay to record the Deed, this Agreement, and any other documents incident to the conveyance of the City Parking Property to the Owner.

(f) "AS IS" SALE. THE OWNER ACKNOWLEDGES THAT IT HAS HAD ADEQUATE OPPORTUNITY TO INSPECT AND EVALUATE THE STRUCTURAL, PHYSICAL AND ENVIRONMENTAL CONDITION AND RISKS OF THE CITY PARKING PROPERTY AND ACCEPTS THE RISK THAT ANY INSPECTION MAY NOT DISCLOSE ALL MATERIAL MATTERS AFFECTING THE CITY PARKING PROPERTY. THE OWNER AGREES TO ACCEPT THE CITY PARKING PROPERTY IN ITS "AS IS," "WHERE IS" AND "WITH ALL FAULTS" CONDITION AT CLOSING WITHOUT ANY COVENANT, REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, OF ANY KIND, AS TO THE STRUCTURAL, PHYSICAL OR ENVIRONMENTAL CONDITION OF THE CITY PARKING PROPERTY OR THE SUITABILITY OF THE CITY PARKING PROPERTY FOR ANY PURPOSE WHATSOEVER. THE OWNER ACKNOWLEDGES THAT IT IS RELYING SOLELY UPON ITS OWN INSPECTION AND OTHER DUE DILIGENCE ACTIVITIES AND NOT UPON ANY INFORMATION (INCLUDING, WITHOUT LIMITATION, ENVIRONMENTAL STUDIES OR REPORTS OF ANY KIND) PROVIDED BY OR ON BEHALF OF THE CITY OR ITS AGENTS OR EMPLOYEES WITH RESPECT THERETO. THE DEVELOPER AGREES THAT IT IS ITS SOLE RESPONSIBILITY AND OBLIGATION TO PERFORM ANY REMEDIATION WORK AND TAKE SUCH OTHER ACTION AS IS NECESSARY TO PUT THE CITY PARKING PROPERTY IN A CONDITION WHICH IS SUITABLE FOR ITS INTENDED USE.

(g) Release and Indemnification. The Developer, on behalf of itself and its officers, directors, employees, successors, assigns and anyone claiming by, through or under them (collectively, "Developer Parties"), hereby release, relinquish and forever discharge the City, its officers, agents and employees, from and against any and all Losses which the Developer or any of the Developer Parties ever had, now have, or hereafter may have, whether grounded in tort or

contract or otherwise, in any and all courts or other forums, of whatever kind or nature, whether known or unknown, foreseen or unforeseen, now existing or occurring after the Closing Date, based upon, arising out of or in any way connected with, directly or indirectly (i) any environmental contamination, pollution or hazards associated with the City Parking Property or any improvements, facilities or operations located or formerly located thereon, including, without limitation, any release, emission, discharge, generation, transportation, treatment, storage or disposal of Hazardous Materials, or threatened release, emission or discharge of Hazardous Materials; (ii) the structural, physical or environmental condition of the City Parking Property, including, without limitation, the presence or suspected presence of Hazardous Materials in, on, under or about the City Parking Property or the migration of Hazardous Materials from or to other City Parking Property; (iii) any violation of, compliance with, enforcement of or liability under any Environmental Laws, including, without limitation, any governmental or regulatory body response costs, natural resource damages or Losses arising under CERCLA; and (iv) any investigation, cleanup, monitoring, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision or other third party in connection or associated with the City Parking Property or any improvements, facilities or operations located or formerly located thereon (collectively, "Released Claims"); provided, however, the foregoing release shall not apply to the extent such Losses are proximately caused by the gross negligence or willful misconduct of the City following the Closing Date. Furthermore, the Developer shall indemnify, defend (through an attorney reasonably acceptable to the City) and hold the City and its officers, agents and employees harmless from and against any and all Losses which may be made or asserted by any third parties (including, without limitation, any of the Developer Parties) arising out of or in any way connected with, directly or indirectly, any of the Released Claims, except as provided in the immediately preceding sentence for the City's gross negligence or willful misconduct following the Closing Date.

(h) Release Runs with the Land. The covenant of release in Section 3.13(g) above shall run with the City Parking Property, and shall be binding upon all successors and assigns of the Owner with respect to the City Parking Property, including, without limitation, each and every person, firm, corporation, limited liability company, trust or other entity owning, leasing, occupying, using or possessing any portion of the City Parking Property under or through the Developer following the date of the Deed. The Developer acknowledges and agrees that the foregoing covenant of release constitutes a material inducement to the City to enter into this Agreement, and that, but for such release, the City would not have agreed to convey the City Parking Property to the Owner. It is expressly agreed and understood by and between the Developer and the City that, should any future obligation of the Developer or any of the Developer Parties arise or be alleged to arise in connection with any environmental, soil or other condition of the City Parking Property, neither the Developer nor any of the Developer Parties will assert that those obligations must be satisfied in whole or in part by the City because Section 3.13(g) contains a full, complete and final release of all such claims, except as provided in such section for the City's gross negligence or willful misconduct following the Closing Date.

(i) Survival. This Section 3.13 shall survive the Closing Date or any termination of this Agreement (regardless of the reason for such termination).

SECTION 4. FINANCING

4.01 Total Project Cost and Sources of Funds. The cost of the Project is estimated to be \$110,168,276, to be applied in the manner set forth in the Project Budget. Such costs shall be funded from the following sources:

Equity (subject to <u>Sections 4.03(b) and 4.06</u>)	\$ 47,380,543
Lender Financing*	\$ 37,787,733
City Funds	\$ 25,000,000
ESTIMATED TOTAL	\$110,168,276

*including the NSP Loan, the CHA Loan, seller financing, various grants, etc.

4.02 Developer Funds. Equity and/or Lender Financing may be used to pay any Project cost, including but not limited to Redevelopment Project Costs.

4.03 City Funds.

(a) Uses of City Funds. City Funds may only be used to pay directly or reimburse the Developer for costs of TIF-Funded Improvements that constitute Redevelopment Project Costs. Exhibit C sets forth, by line item, the TIF-Funded Improvements for the Project, and the maximum amount of costs that may be paid by or reimbursed from City Funds for each line item therein (subject to Sections 4.03(b) and 4.05(d)), contingent upon receipt by the City of documentation satisfactory in form and substance to HED evidencing such cost and its eligibility as a Redevelopment Project Cost.

(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 TIF Note to the Sponsor on the Closing Date. The principal amount of the TIF Note shall be in an amount equal to the costs of the TIF-Funded Improvements which have been incurred by the Sponsor and are to be reimbursed by the City through payments of principal on the TIF Note, subject to the provisions hereof; provided, however, that the maximum principal amount of the TIF Note shall be an amount not to exceed \$25,000,000; and provided, however, that payments under the TIF Note are subject to the amount of Incremental Taxes deposited into the 47th and King Drive TIF Fund being sufficient for such payments, including but not limited to after the City makes required payments on the following prior obligations of the 47th and King Drive TIF Fund:

OBLIGATION	NOT TO EXCEED AMOUNT
Bronzeville Artist Lofts	\$1,085,807
Diaspora Cuisine	\$3,000,000
Educare Family Center	\$ 400,000
Chicago Public Schools—Mollison ADA Renovations	\$ 750,000
Assorted Lighting, Street Infrastructure and Landscaping	\$3,533,250
Small Business Improvement Fund (SBIF)	\$ 835,839
Neighborhood Improvement Fund (NIF)	\$ 800,000
Business retention and recruitment activities	\$ 20,041

Subject to the foregoing, the City shall make principal payments on the TIF Note to the Sponsor in the amounts of \$6,000,000, \$14,000,000 and \$5,000,000 upon 10%, 75% and 100% completion of construction of the Project, respectively, as such percentage of completion is certified to the City in writing by Citibank's inspecting architect (or comparable consultant) based on the amount of expenditures incurred in relation to the Project construction budget attached hereto as Exhibit H-2 (a subset of the Project Budget) prior to and as a condition precedent of such payments; provided, however, that the \$5,000,000 principal payment to be made at 100% completion shall not be made until the Certificate is issued pursuant to Section 7.01 hereof.

(c) Notwithstanding any provision contained herein or in any agreement related hereto to the contrary, any obligations, pledges or commitments of Incremental Taxes in the 47th and King Drive TIF Fund approved by the City Council or otherwise executed or entered into by the City subsequent to October 16, 2013 (being the date on which the City Council approved the ordinance authorizing the execution of this Agreement and the issuance of the TIF Note) shall be junior and subject to the City's obligation and commitment under this Agreement and the TIF Note.

(d) [intentionally omitted]

4.04 Construction Escrow; Requisition Form. (a) The City must receive copies of any draw requests and related documents submitted to the Title Company for disbursements under the Escrow Agreement.

(b) Until the Sponsor has been reimbursed in full under this Agreement, the Sponsor shall provide HED with Requisition Forms, along with the documentation described therein. Requisition for certification of the cost TIF-Funded Improvements to the TIF Note shall be made not more than two times per calendar year (or as otherwise permitted by HED). On each December 1 (or such other date as may be acceptable to the parties), beginning in 201_ and continuing throughout the Term of the Agreement, the Developer shall meet with HED at the request of HED to discuss the Requisition Form(s) previously delivered.

4.05 Treatment of Prior Expenditures and Subsequent Disbursements.

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

(b) [intentionally omitted]

(c) [intentionally omitted]

(d) Allocation Among Line Items. Disbursements for expenditures related to TIF-Funded Improvements may be allocated to and charged against the appropriate line only, with transfers of costs and expenses from one line item to another, without the prior written consent of HED, being prohibited; provided, however, that such transfers among line items, in an amount not to exceed \$100,000 or \$500,000 in the aggregate, may be made without the prior written consent of HED.

(e) [intentionally omitted]

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

4.07 Preconditions of Execution of Certificate of Expenditure. Prior to each execution of a Certificate of Expenditure by the City, the Developer shall submit a Requisition Form and documentation regarding the applicable expenditures to HED, which shall be satisfactory to HED in its sole discretion. Delivery by the Developer to HED of any request for execution by the City of a Certificate of Expenditure hereunder shall, in addition to the items therein expressly set forth, constitute a certification to the City, as of the date of such request for execution of a Certificate of Expenditure, that:

(a) the total amount of the request for Certificate of Expenditure represents the actual amount paid to the applicable General Contractor and/or subcontractors who have performed work on the Project, and/or their payees;

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

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

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

(e) the Developer has received no notice and has no knowledge of any liens or claim of lien either filed or threatened against the Property except for the Permitted Liens and those liens or claims of lien which have been bonded or insured over to the City's satisfaction;

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

(g) the Project is In Balance. The Project shall be deemed to be in balance ("In Balance") only if the total of the available Project funds equals or exceeds the aggregate of the amount necessary to pay all unpaid Project costs incurred or to be incurred in the completion of the Project. "Available Project Funds" as used herein shall mean: (i) the undisbursed City Funds; (ii) the undisbursed Lender Financing, if any; (iii) the undisbursed Equity and (iv) any other amounts deposited by the Developer pursuant to this Agreement. The Developer hereby agrees that, if the Project is not In Balance, the Developer shall, within 10 days after a written request by the City, deposit with the escrow agent or will make available (in a manner acceptable to the City), cash in an amount that will place the Project In Balance, which deposit shall first be exhausted before any further disbursement of the City Funds shall be made.

The City shall have the right, in its discretion, to require the Developer to submit further documentation as the City may require in order to verify that the matters certified to above are true and correct, and any execution of a Certificate of Expenditure by the City shall be subject to the City's review and approval of such documentation and its satisfaction that such certifications are true and correct; provided, however, that nothing in this sentence shall be deemed to prevent the City from relying on such certifications by the Developer. In addition, the Developer shall have satisfied all other preconditions of execution of a Certificate of Expenditure, including but not limited to requirements set forth in the TIF Ordinances and this Agreement.

4.08 Conditional Grant. The City Funds being provided hereunder are being granted on a conditional basis, subject to the Developer's compliance with the provisions of this Agreement. The City Funds are subject to being reimbursed as provided in Section 15.02 hereof.

SECTION 5. CONDITIONS PRECEDENT

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

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

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

5.03 Other Governmental Approvals. The Developer has secured all other necessary approvals and permits required by any state, federal, City (except as otherwise approved by the City) or other local statute, ordinance or regulation and has submitted evidence thereof to HED.

5.04 Financing. Subject to Section 18.26 hereof, the Developer has furnished proof reasonably acceptable to the City that the Developer 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, the Developer has furnished proof as of the Closing Date that the proceeds thereof are available to be drawn upon by the Developer as needed and are sufficient (along with the Equity set forth in Section 4.01) to complete the Project. The Developer has delivered to HED a copy of the construction escrow agreement entered into by the Developer regarding the Lender Financing. Except as otherwise approved by the City, any liens against the Property in existence at the Closing Date have been subordinated to certain encumbrances of the City set forth herein pursuant to a Subordination Agreement, in a form acceptable to the City, executed on or prior to the Closing Date, which is to be recorded, at the expense of the Developer, with the Office of the Recorder of Deeds of Cook County.

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

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

Secretary of State

UCC search

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

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

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

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

5.09 Opinion of the Developer's Counsel. On the Closing Date, the Developer has furnished the City with an opinion of counsel, substantially in the form attached hereto as Exhibit J, with such changes as required by or acceptable to Corporation Counsel.

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

5.11 Financial Statements. The Developer has provided Financial Statements to HED for the Owner's and the Sponsor's most recent fiscal years, and available audited or unaudited interim financial statements.

5.12 Documentation; Employment Plan. The Developer has provided documentation to HED, satisfactory in form and substance to HED, with respect to current employment matters in connection with the construction or rehabilitation work on the Project, including the reports described in Section 8.07. At least thirty (30) days prior to the Closing Date, the Developer has met with the Workforce Solutions division of HED to review employment opportunities with the Developer after construction or rehabilitation work on the Project is completed. On or before the Closing Date, Developer has provided to HED, and HED has approved, the Employment Plan for the Project (the "Employment Plan"). The Employment Plan includes, without limitation, the Developer's estimates of future job openings, titles, position descriptions, qualifications, recruiting, training, placement and such other information as HED has requested relating to the Project.

5.13 Environmental. The Developer has provided HED with copies of that certain phase I environmental audit completed with respect to the Property and any phase II environmental audit with respect to the Property required by the City. The Developer 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 Organizational Documents; Economic Disclosure Statement. The Developer has provided a copy of the Owner's, the General Partner's, the Managing Member's, the Sponsor's and

the Foundation's: Articles or Certificate of Incorporation, Organization and/or Limited Partnership containing a certified copy of the original certification of the Secretary of State of the state of incorporation or organization; certificates of good standing from the Secretary of State of state of incorporation or organization and all other states in which the Developer is qualified to do business; a secretary's certificate in such form and substance as the Corporation Counsel may require; by-laws, operating agreement and/or partnership agreement; and such other corporate documentation as the City has requested. The Developer has provided to the City an Economic Disclosure Statement, in the City's then current form, dated as of the Closing Date.

5.15 Litigation. The Developer has provided to Corporation Counsel and HED, a description of all pending or threatened litigation or administrative proceedings involving the Developer, specifying, in each case, the amount of each claim, an estimate of probable liability, the amount of any reserves taken in connection therewith and whether (and to what extent) such potential liability is covered by insurance.

SECTION 6. AGREEMENTS WITH CONTRACTORS

6.01 [intentionally omitted]

6.02 Construction Contract. Prior to the execution thereof, the Developer shall deliver to HED a copy of the proposed Construction Contract with the General Contractor selected to handle the Project, for HED'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 the Developer, the General Contractor and any other parties thereto, the Developer shall deliver to HED 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, the Developer shall require that the General Contractor be bonded for its payment by sureties having an AA rating or better using a bond in the form attached as Exhibit P hereto. The City shall be named as obligee or co-obligee on any such bonds.

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

6.05 Other Provisions. In addition to the requirements of this Section 6, the Construction Contract 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 10.04 (Multi-Project Labor Agreement), Section 12 (Insurance) and Section 14.01 (Books and Records) hereof. Photocopies of all contracts or subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to HED within five (5) business days of the execution thereof.

SECTION 7. COMPLETION OF CONSTRUCTION OR REHABILITATION

7.01 Certificate of Completion of Construction or Rehabilitation. Upon completion of the rehabilitation and construction of the Project in accordance with the terms of this Agreement (including Section 10 hereof), and upon the Developer's written request (which shall include evidence, reasonably satisfactory to the Corporation Counsel, of compliance with orders issued in

the Building Court Case), HED shall issue to the Developer a Certificate in recordable form certifying that the Developer has fulfilled its obligation to complete the Project in accordance with the terms of this Agreement. HED shall respond to the Developer's written request for a Certificate within forty-five (45) days by issuing either a Certificate or a written statement detailing the ways in which the Project does not conform to this Agreement or has not been satisfactorily completed, and the measures which must be taken by the Developer in order to obtain the Certificate. The Developer may resubmit a written request for a Certificate upon completion of such measures. Notwithstanding any of the foregoing, HED shall not issue the Certificate until HED is satisfied that the Developer's Part Three application has been approved by the Illinois Historic Preservation Agency; in the event the Developer's Part Three application has not been approved by the Illinois Historic Preservation Agency and lack of such approval is (A) the only matter preventing issuance of the Certificate, and (B) will not result in a reduction of the funds available to complete the Project, then HED may consider extending the date for approval of the Developer's Part Three application. HED may also, in its discretion, condition the issuance of the Certificate upon the Developer's consent to the landmark designation of the Facility.

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

Those covenants specifically described at Sections 8.02, 8.19 and 8.20 as covenants that run with the land are the only covenants in this Agreement intended to be binding upon any transferee of the Property (including an assignee as described in the following sentence) throughout the Term of the Agreement notwithstanding the issuance of a Certificate; provided, that upon the issuance of a Certificate, the covenants set forth in Section 8.02 shall be deemed to have been fulfilled. The other executory terms of this Agreement that remain after the issuance of a Certificate shall be binding only upon the Developer or a permitted assignee of the Developer who, pursuant to Sections 15.04, 16 and/or 18.15 of this Agreement, has contracted to take an assignment of the Developer's rights under this Agreement and assume the Developer's liabilities hereunder.

7.03 Failure to Complete. Subject to Section 15.04 with respect to Citibank and Limited Partner cure rights and Section 18.17 with respect to delays caused by Force Majeure, if the Developer fails to complete the Project in accordance with the terms of this Agreement, then the City has, but shall not be limited to, any of the following rights and remedies:

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

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

(c) the right to seek reimbursement of the City Funds from the Developer; and

(d) the right to re-enter and take possession of the City Parking Property, terminate the estate conveyed to the Owner, and re-vest title to the City Parking Property in the City; provided, however, the City's foregoing right of reverter shall be subordinate to the payment in full of Citibank's mortgage on the Project.

7.04 Notice of Expiration of Term of Agreement. Upon the expiration of the Term of the Agreement, HED shall provide the Developer, at the Developer's written request, with a written notice in recordable form stating that the Term of the Agreement has expired; provided, however, that the City may at such time require the Developer to enter into a separate agreement to implement the provisions of Section 8.20 hereof (as contemplated in Section 8.20(f)).

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

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

(a) the Developer is duly organized, validly existing, qualified to do business in its state of incorporation or 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;

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

(c) the execution, delivery and performance by the Developer of this Agreement has been duly authorized by all necessary corporate or other action, and does not and will not violate its Articles of Incorporation or Articles of Organization or by-laws, partnership agreement or operating 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 the Developer is now a party or by which the Developer is now or may become bound;

(d) unless otherwise permitted or not prohibited pursuant to or under the terms of this Agreement, the Owner 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, liens and claims of lien which the City agrees may be bonded or insured over pursuant to Section 4.07(e) hereof, Lender Financing as disclosed in the Project Budget and non-governmental charges that the Developer is contesting in good faith pursuant to Section 8.15 hereof);

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

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

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

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

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

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

(k) the Developer has not incurred, and, prior to the issuance of a Certificate, shall not, without the prior written consent of the Commissioner of HED, allow the existence of any liens against the Property (or improvements thereon) other than the Permitted Liens and liens and claims of lien which the City agrees may be bonded or insured over pursuant to Section 4.07(e) hereof; or incur any indebtedness, secured or to be secured by the Property (or improvements thereon) or any fixtures now or hereafter attached thereto, except Lender Financing disclosed in the Project Budget; and

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

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

whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise; and

(n) the Developer will not withhold consent to landmark designation of the Facility in the future if requested by the City. The Foregoing covenant shall survive the issuance of the Certificate of Completion.

8.02 Covenant to Redevelop. Upon HED's approval of the Project Budget, the Scope Drawings and Plans and Specifications as provided in Sections 3.02 and 3.03 hereof, and the Developer's receipt of all required building permits and governmental approvals, including, without limitation, a Draft NFR Letter under Section 11.02 below (provided, however, the Developer may perform demolition work prior to the issuance of a Draft NFR Letter with 2FM's prior written approval, which approval may be subject to conditions), the Developer shall redevelop the Property in accordance with this Agreement and all Exhibits attached hereto, the TIF Ordinances, the Scope Drawings, Plans and Specifications, Project Budget and all amendments thereto, the Draft NFR Letter and all federal, state and local laws, ordinances, rules, regulations, executive orders and codes applicable to the Project, the Property and/or the Developer, including, without limitation, all Environmental Laws. The covenants set forth in this Section shall run with the land and be binding upon any transferee, but shall be deemed satisfied upon issuance by the City of a Certificate with respect thereto.

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

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

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

8.06 [intentionally omitted]

8.07 Employment Opportunity; Progress Reports. The Developer covenants and agrees to abide by, and contractually obligate and use reasonable efforts to cause the General Contractor and each subcontractor to abide by the terms set forth in Section 10 hereof. The Developer shall deliver to the City written progress reports detailing compliance with the requirements of Sections 8.09, 10.02, 10.03 and 10.04 of this Agreement. Such reports shall be delivered to the City when the Project is 25%, 50%, 75% and 100% completed (based on the amount of expenditures incurred in relation to the Project Budget). If any such reports indicate a shortfall in compliance, the Developer shall also deliver a plan to HED which shall outline, to HED's satisfaction, the manner in which the Developer shall correct any shortfall.

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

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

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

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

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

8.13 Financial Statements. The Owner and the Sponsor shall each obtain and provide to HED Financial Statements for their respective fiscal years ending December 31, 2013 and each December 31st thereafter by April 1st of the following year for the Term of the Agreement. In addition, the Owner and the Sponsor shall each submit their respective unaudited financial statements as soon as reasonably practical following the close of each fiscal year and for such other periods as HED may request.

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

8.15 Non-Governmental Charges. (a) Payment of Non-Governmental Charges. Except for the Permitted Liens and liens and claims of lien which the City agrees may be bonded or insured over pursuant to Section 4.07(e) hereof, the Developer agrees to pay or cause to be paid when due any Non-Governmental Charge assessed or imposed upon the Project, the Property or any fixtures

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

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

(i) to contest or object in good faith to the amount or validity of any Non-Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted, in such manner as shall stay the collection of the contested Non-Governmental Charge, prevent the imposition of a lien or remove such lien, or prevent the sale or forfeiture of the Property (so long as no such contest or objection shall be deemed or construed to relieve, modify or extend the Developer's covenants to pay any such Non-Governmental Charge at the time and in the manner provided in this Section 8.15); or

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

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

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

8.18 Recording and Filing. The Developer shall cause this Agreement, certain exhibits (as specified by Corporation Counsel), all amendments and supplements hereto to be recorded and filed against the Property on the date hereof in the conveyance and real property records of the county in which the Project is located. This Agreement shall be recorded prior to any mortgage made in connection with Lender Financing. The Developer shall pay all fees and charges incurred in connection with any such recording. Upon recording, the Developer shall immediately transmit to the City an executed original of this Agreement showing the date and recording number of record.

8.19 Real Estate Provisions.

(a) Governmental Charges.

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

(ii) Right to Contest. The Developer has the right before any delinquency occurs to contest or object in good faith to the amount or validity of any Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted in such manner as shall stay the collection of the contested Governmental Charge and prevent the imposition of a lien or the sale or forfeiture of the Property. The Developer's right to challenge real estate taxes applicable to the Property is limited as provided for in Section 8.19(c) below; provided, that such real estate taxes must be paid in full when due and may be disputed only after such payment is made. No such contest or objection shall be deemed or construed in any way as relieving, modifying or extending the Developer's covenants to pay any such Governmental Charge at the time and in the manner provided in this Agreement unless the Developer has given prior written notice to HED of the Developer's intent to contest or object to a Governmental Charge and, unless, at HED's sole option,

(i) the Developer shall demonstrate to HED's satisfaction that legal proceedings instituted by the Developer contesting or objecting to a Governmental Charge shall conclusively operate to prevent or remove a lien against, or the sale or forfeiture of, all or any part of the Property to satisfy such Governmental Charge prior to final determination of such proceedings; and/or

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

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

discretion, may require the Developer to submit to the City audited Financial Statements at the Developer's own expense.

(c) Real Estate Taxes.

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

(ii) Real Estate Tax Exemption. Except as otherwise provided in Section 8.19(c)(v) below, with respect to the Property or the Project, neither the Developer nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to the Developer shall, during the Term of this Agreement, seek, or authorize any exemption (as such term is used and defined in the Illinois Constitution, Article IX, Section 6 (1970)) for any year that the Redevelopment Plan is in effect.

(iii) No Reduction in Real Estate Taxes. Neither the Developer nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to the Developer shall, during the Term of this Agreement, directly or indirectly, initiate, seek or apply for proceedings in order to lower the assessed value of all or any portion of the Property or the Project below the amount of the Minimum Assessed Value as shown in Exhibit K for the applicable year; provided, however, (1) the Developer is permitted to apply for a Class 9 designation from Cook County even if such designation with respect to the Property would result in a Minimum Assessed Value below than shown in Exhibit K, and (2) the Property may be subject to 35 ILCS 200/10-235.

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

(v) Covenants Running with the Land. The parties agree that the restrictions contained in this Section 8.19(c) are covenants running with the land and this Agreement shall be recorded by the Developer as a memorandum thereof, at the Developer's expense, with the Cook County Recorder of Deeds on the Closing Date. These restrictions shall be binding upon the Developer and its agents, representatives, lessees, successors, assigns and transferees from and after the date hereof, provided however, that the covenants shall be released when the Redevelopment Area is no longer in effect. The Developer agrees that any sale, lease, conveyance, or transfer of title to all or any portion of the Property or Redevelopment Area from and after the date hereof shall be made explicitly subject to such covenants and restrictions. Notwithstanding anything contained in this Section 8.19(c) to

the contrary: (1) the City, in its sole discretion and by its sole action, without the joinder or concurrence of the Developer, its successors or assigns, may waive and terminate the Developer's covenants and agreements set forth in this Section 8.19(c); and (2) the Developer may pursue any property tax assessment reduction or exemption the Developer is required to so pursue in writing by the Chicago Housing Authority.

(d) Notification to the Cook County Assessor of Change in Use and Ownership. Prior to the Closing Date, the Developer shall complete a letter of notification, in accordance with 35 ILCS 200/15-20, notifying the Cook County Assessor that there has been a change in use and ownership of the Property. On the Closing Date, the Developer shall pay to the Title Company the cost of sending the notification to the Cook County Assessor via certified mail, return receipt requested. After delivery of the notification, the Developer shall forward a copy of the return receipt to HED, with a copy to the City's Corporation Counsel's office.

8.20 Affordable Housing Covenant. The Developer agrees and covenants to the City that, prior to any foreclosure of the Property by a lender providing Lender Financing, the provisions of (1) the NSP Regulatory Agreement, (2) that certain Land Use Restriction Agreement executed by the Owner and the City as of the date hereof, (3) that certain Low-Income Housing Tax Credit Regulatory Agreement executed by the Owner and the City as of the date hereof, and (4) the DTC Regulatory Agreement (and any subsequent amendments to any of the foregoing agreements) shall all govern the terms of the Developer's obligation to provide affordable housing. Following foreclosure, if any, and from the date of such foreclosure through the thirtieth anniversary of the issuance of a certificate of occupancy for the Project by the City (as required by Section 2-45-110(f) of the Municipal Code), the following provisions shall govern the terms of the obligation to provide affordable housing under this Agreement:

(a) Except for the community service facility and the commercial and retail space located in the parcel described in Exhibit B hereof, the Facility shall be operated and maintained solely as residential rental housing;

(b) Twenty percent of the units in the Facility shall be available for occupancy to and be occupied solely by one or more persons qualifying as Low Income Families (as defined below) upon initial occupancy; and

(c) (i) All of the Low Income Units in the Facility shall have monthly rents not in excess of thirty percent (30%) of the maximum allowable income for a Low Income Family (with the applicable Family size for such units determined in accordance with the rules specified in Section 42(g)(2) of the Internal Revenue Code of 1986, as amended); provided, however, that for any unit occupied by a Family (as defined below) that no longer qualifies as a Low Income Family due to an increase in such Family's income since the date of its initial occupancy of such unit, the maximum monthly rent for such unit shall not exceed thirty percent (30%) of such Family's monthly income. (ii) Notwithstanding the foregoing, with respect to any Project Based Voucher/Section 8 units, the portion of rents payable monthly by Low Income Families for Low Income Units in the Facility shall not exceed thirty percent (30%) of the maximum allowable income for a Low Income Family (with the applicable Family size for such units determined in accordance with the rules specified in Section 42(g)(2) of the Internal Revenue Code of 1986, as amended); provided, however, that for any unit occupied by a Family (as defined below) that no longer qualifies as a Low Income Family due to an increase in such Family's income since the date of its initial occupancy of such unit, the maximum monthly tenant portion of rent for such unit shall not exceed thirty percent (30%) of such Family's monthly income.

(d) As used in this Section 8.20, the following terms have the following meanings:

(i) "Family" shall mean one or more individuals, whether or not related by blood or marriage;

(ii) "Low Income Families" shall mean Families whose annual income does not exceed sixty percent (60%) of the Chicago-area median income, adjusted for Family size, as such annual income and Chicago-area median income are determined from time to time by the United States Department of Housing and Urban Development, and thereafter such income limits shall apply to this definition; and

(iii) "Low Income Units" shall mean residential units reserved for Low Income Families pursuant hereto.

(e) The covenants set forth in this Section 8.20 shall run with the land and be binding upon any transferee. Such covenants shall be in addition to the covenants and restrictions set forth in the Chicago Housing Authority Regulatory and Operating Agreement with respect to public housing units in the Project in connection with the CHA Loan.

(f) The City and the Developer may enter into a separate agreement to implement the provisions of this Section 8.20, including upon expiration of the Term of this Agreement.

8.21 [intentionally omitted]

8.22 [intentionally omitted]

8.23 Survival of Covenants. All warranties, representations, covenants and agreements of the Developer contained in this Section 8 and elsewhere in this Agreement shall be true, accurate and complete at the time of the Developer's execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties hereto and (except as provided in Section 7.02 hereof upon the issuance of a Certificate) shall be in effect throughout the Term of the Agreement or longer as indicated with respect to Section 8.20 hereof.

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

8.25 Delegation of Obligations to Tenant. If the Developer delegates the performance any of its obligations hereunder to the Master Tenant pursuant to the Master Lease such delegation shall not relieve the Developer of such obligations.

SECTION 9. COVENANTS/REPRESENTATIONS/WARRANTIES OF CITY

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

9.02 Survival of Covenants. All warranties, representations, and covenants of the City contained in this Section 9 or elsewhere in this Agreement shall be true, accurate, and complete at

the time of the City's execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties hereto and be in effect throughout the Term of the Agreement.

SECTION 10. DEVELOPER'S EMPLOYMENT OBLIGATIONS

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

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

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

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

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

(e) Each Employer shall include the foregoing provisions of subparagraphs (a) through (d) in every contract entered into in connection with the Project, and shall require inclusion of these

provisions in every subcontract entered into by any subcontractors, and every agreement with any Affiliate operating on the Property, so that each such provision shall be binding upon each contractor, subcontractor or Affiliate, as the case may be.

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

10.02 City Resident Construction Worker Employment Requirement. The Developer shall comply with Section 19.2 of the NSP Redevelopment Agreement (wherein the Owner is known as the "Borrower"), which is hereby incorporated herein, regardless of whether the NSP Redevelopment Agreement is in effect. Although the Sponsor is not a party to the NSP Redevelopment Agreement the Sponsor hereby confirms the foregoing obligation.

10.03 MBE/WBE Commitment. The Developer shall comply with Section 19.3 of the NSP Redevelopment Agreement (wherein the Owner is known as the "Borrower"), which is hereby incorporated herein, regardless of whether the NSP Redevelopment Agreement is in effect. Although the Sponsor is not a party to the NSP Redevelopment Agreement the Sponsor hereby confirms the foregoing obligation.

10.04 Project Labor Agreement. The Developer shall cause the General Contractor to comply with that certain Settlement Agreement dated November 3, 2011, by and among the City, Chicago Regional Council of Carpenters, the Metropolitan Pier and Exposition Authority, the Public Building Commission of the City of Chicago, and the State of Illinois, because the Project budget is in excess of \$25,000,000, and, therefore, is subject to the provisions of that certain City of Chicago Multi-Project Labor Agreement (the "MPLA") dated February 9, 2011, by and among the City and the labor organizations comprising the Chicago & Cook County Building & Construction Trades Council. The Developer shall cause the General Contractor to comply with the MPLA to the fullest extent legally permissible without violating other requirements applicable to the construction of the Project, including, without limitation, Sections 8.09, 10.02 and 10.03 hereof. At the direction of HED, affidavits and other supporting documentation shall be required of the Developer, the General Contractor and the subcontractors to verify or clarify compliance with the MPLA.

SECTION 11. ENVIRONMENTAL MATTERS

11.01 Phase I and II Assessments. The Developer hereby represents and warrants to the City that the Developer has performed one or more Phase I environmental site assessments of the Property and follow-up Phase II testing sufficient to conclude that the Project may be constructed, completed and operated in accordance with all Environmental Laws and this Agreement and all Exhibits attached hereto, the Scope Drawings, Plans and Specifications and all amendments thereto, and the Redevelopment Plan. The Developer further represents and warrants that it has delivered to the City true and complete copies of all reports, surveys, field data, correspondence and analytical results prepared by or for the Developer (or otherwise obtained by the Developer) regarding the condition of the Property, including, without limitation, the SRP Documents (collectively, "Environmental Documents".) A list of all Environmental Documents delivered to the City as of the date hereof is attached hereto as Exhibit Q.

11.02 Environmental Remediation.

(a) The Developer acknowledges and agrees that (i) the Environmental Documents identify several recognized environmental conditions ("RECs") on the Apartment Property, including

the presence of underground storage tanks, asbestos containing material and lead-based paint, and (ii) 2FM's environmental compliance certification for the Project, attached hereto as Exhibit R, is conditioned upon the Developer taking certain actions to address the environmental and historical conditions present at the Property. In accordance with 2FM's certification, the Developer covenants and agrees to enroll the Apartment Property in the SRP and take all necessary and proper steps to obtain a Draft NFR Letter for the Apartment Property. The Developer acknowledges and agrees that it may not commence construction on the Apartment Property, and that the City will not make any payments to the Developer of City Funds, until the IEPA issues, and 2FM approves, a Draft NFR Letter for the Apartment Property; provided, however, the Developer may perform demolition work with 2FM's prior written approval, which approval may be subject to conditions.

(b) The Developer acknowledges and agrees that it has started but not completed its environmental investigation of the Parking Property. To the extent not delivered to and approved by 2FM prior to the date hereof, the Developer agrees to perform a Phase I environmental site assessment of all parcels comprising the Parking Property in accordance with the requirements of the ASTM E1527-05 standard. 2FM shall have the right to review and approve the sufficiency of such Phase I report(s) and any other reports prepared for the Parking Property. Upon 2FM's request, the Developer shall perform additional studies and tests for the purpose of determining whether any environmental or health risks would be associated with the development of parking facilities on the Parking Property, including, without limitation, updating or expanding the Phase I report(s) and performing initial or additional Phase II testing. If the environmental reports for the Parking Property disclose the presence of contaminants exceeding commercial remediation objectives for areas to be paved or residential remediation objectives for areas to be landscaped, the Developer shall enroll the Parking Property (or the applicable portion thereof) in the IEPA's SRP Program and take all necessary and proper steps to obtain a Draft NFR Letter for the Parking Property. Unless 2FM determines that it is not necessary to enroll the Parking Property in the SRP, the Developer acknowledges and agrees that it may not commence construction on the Parking Property, and that the City will not make any payments to the Developer of City Funds, until the IEPA issues, and 2FM approves, a Draft NFR Letter for the Parking Property.

(c) After 2FM approves the Draft NFR Letter for the Apartment Property (and the Parking Property to the extent required under Section 11.02(b) above), the Developer covenants and agrees to complete the Remediation Work and diligently pursue the Final NFR Letter for the Apartment Property (and the Parking Property to the extent required under Section 11.02(b) above) using all reasonable means. The City shall have the right to review in advance and approve all SRP Documents and any changes thereto, and the Developer's estimate of the cost to perform the Remediation Work. The Developer shall cooperate and consult with the City at all relevant times (and in all cases upon the City's request) with respect to environmental matters. The Developer shall bear sole responsibility for all aspects of the Remediation Work and any other investigative and cleanup costs associated with the Property and any improvements, facilities or operations located or formerly located thereon, including, without limitation, the removal and disposal of all Hazardous Materials, debris and other materials excavated during the performance of the Remediation Work. The Developer shall promptly transmit to the City copies of all Environmental Documents prepared or received after the date hereof, including, without limitation, any written communications delivered to or received from the IEPA or other regulatory agencies with respect to the Remediation Work. The Developer acknowledges and agrees that the City will not issue a Certificate until the IEPA has issued, and the City has approved, a Final NFR Letter for the Apartment Property (and the Parking Property to the extent required under Section 11.02(b) above), which approval shall not be unreasonably withheld.

SECTION 12. INSURANCE

The Owner must provide and maintain, at Owner's own expense, or cause to be provided and maintained during the term of this Agreement, the insurance coverage and requirements specified below, insuring all operations related to the Agreement.

(a) Prior to execution and delivery of this Agreement.

(i) Workers Compensation and Employers Liability

Workers Compensation Insurance, as prescribed by applicable law covering all employees who are to provide work under this Agreement and Employers Liability coverage with limits of not less than \$100,000 each accident, illness or disease. With respect to the foregoing, the Developer hereby represents, warrants and certifies to the City that as of the Closing Date the Developer has no employees and is therefore not subject to the Illinois Workers' Compensation Act.

(ii) Commercial General Liability (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 must 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.

(iii) All Risk Property

All Risk Property Insurance at replacement value of the property to protect against loss of, damage to, or destruction of the building/facility. The City is to be named as an additional insured and loss payee/mortgagee if applicable.

(b) Construction. Prior to the construction of any portion of the Project, Owner will cause its architects, contractors, subcontractors, project managers and other parties constructing the Project to procure and maintain the following kinds and amounts of insurance:

(i) Workers Compensation and Employers Liability

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

(ii) Commercial General Liability (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 must include the following: All premises and operations, products/completed operations (for a minimum of two (2) years following project completion), explosion, collapse, underground, 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 (Primary and Umbrella)

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

(iv) Railroad Protective Liability

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

(v) All Risk /Builders Risk

When Owner undertakes any construction, including improvements, betterments, and/or repairs, the Owner must 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 project. The City of Chicago is to be named as an additional insured and loss payee/mortgagee if applicable.

(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 must be maintained with limits of not less than \$ 1,000,000. Coverage must include contractual liability. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work on the Contract. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

(vii) Valuable Papers

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

(viii) Contractors Pollution Liability

When any remediation work is performed which may cause a pollution exposure, the Owner must cause remediation contractor to provide Contractor Pollution Liability covering bodily injury, property damage and other losses caused by pollution conditions that arise from the contract scope of work with limits of not less than \$1,000,000 per occurrence. Coverage

must include completed operations, contractual liability, defense, excavation, environmental cleanup, remediation and disposal. 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. The City of Chicago is to be named as an additional insured.

(c) Post Construction:

(i) All Risk Property Insurance at replacement value of the property to protect against loss of, damage to, or destruction of the building/facility. The City is to be named as an additional insured and loss payee/mortgagee if applicable.

(d) Other Requirements:

The Owner must furnish the City of Chicago, Department of Housing and Economic Development, City Hall, Room 1000, 121 North LaSalle Street 60602, original Certificates of Insurance, or such similar evidence, 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 Owner must submit evidence of insurance pursuant to Section 12(a) prior to the Closing Date. 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 Owner is not a waiver by the City of any requirements for the Owner to obtain and maintain the specified coverages. The Owner shall advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance does not relieve Owner 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 stop work and/or terminate agreement until proper evidence of insurance is provided.

The insurance must 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 deductibles or self insured retentions on referenced insurance coverages must be borne by Owner and Contractors.

The Owner hereby waives and agrees to require their insurers to waive their rights of subrogation against the City of Chicago, its employees, elected officials, agents, or representatives.

The coverages and limits furnished by Owner in no way limit the Owner's liabilities and responsibilities specified within the Agreement or by law.

Any insurance or self insurance programs maintained by the City of Chicago do not contribute with insurance provided by the Owner under the Agreement.

The required insurance to be carried is not limited by any limitations expressed in the indemnification language in this Agreement or any limitation placed on the indemnity in this Agreement given as a matter of law.

If Owner is a joint venture or limited liability company, the insurance policies must name the joint venture or limited liability company as a named insured.

The Owner must require Contractor and subcontractors to provide the insurance required herein, or Owner may provide the coverages for Contractor and subcontractors. All Contractors and subcontractors are subject to the same insurance requirements of Owner unless otherwise specified in this Agreement.

If Owner, any Contractor or subcontractor desires additional coverages, the party desiring the additional coverages is responsible for the acquisition and cost.

The City of Chicago Risk Management Department maintains the right to modify, delete, alter or change these requirements.

SECTION 13. INDEMNIFICATION

13.01 General Indemnity. The Developer shall comply with and be bound by Section 5.15 of the Borrower Loan Agreement (wherein the Owner is known as the "Borrower"), which is hereby incorporated herein, regardless of whether the Borrower Loan Agreement is in effect. Although the Sponsor is not a party to the Borrower Loan Agreement the Sponsor hereby confirms the foregoing obligation.

The provisions of the undertakings and indemnification set out in this Section 13.01 shall survive the termination of this Agreement.

SECTION 14. MAINTAINING RECORDS/RIGHT TO INSPECT

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

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

SECTION 15. DEFAULT AND REMEDIES

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

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

(b) the declaration of an event of default by a person or entity other than the City based upon the failure of the Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Developer under any other agreement with any such person or entity, which is not cured after the expiration of all applicable notice and cure periods, if such failure may have a material adverse effect on the Developer's business, property, assets, operations or condition, financial or otherwise;

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

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

(e) the commencement of any proceedings in bankruptcy by or against the Developer or for the liquidation or reorganization of the Developer, or alleging that the Developer is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of the Developer's debts, whether under the United States Bankruptcy Code or under any other state or federal law, now or hereafter existing for the relief of debtors, or the commencement of any analogous statutory or non-statutory proceedings involving the Developer; provided, however, that if such commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such proceedings are not dismissed within sixty (60) days after the commencement of such proceedings;

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

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

(h) 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 the Developer;

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

(k) prior to the issuance of the Certificate, the sale or transfer of a majority of the ownership interests of the Developer (other than a transfer, pursuant to the Owner's limited partnership agreement, of some or all of the limited partnership interest in the Owner from the Limited Partner of the Owner to an affiliate(s) thereof, so long as such transferee is bound by the terms of the Owner's limited partnership agreement, including but not limited to any obligations to contribute Equity) without the prior written consent of the City.

For purposes of Section 15.01(j) hereof, a person with a material interest in the Developer shall be one owning in excess of 10% of the Developer's membership or partnership interests.

Until such time as all principal payments on the TIF Note are made, but not more often than once per calendar quarter, Citibank may request in writing that the City state in writing for the benefit of Citibank whether the City knows of any defaults hereunder by the Owner, General Partner and/or Managing Member and the nature of such defaults, if any; the City shall use good faith efforts to reply to such requests within 45 days.

15.02 Remedies. Subject to Section 15.04, upon the occurrence of an Event of Default, which is not cured after the expiration of all applicable notice and cure periods, the City may terminate this Agreement and any other agreements to which the City and the Developer are or shall be parties, suspend disbursement of City Funds, place a lien on the Project in the amount of City Funds paid and the value of the City Parking Property write-down, and/or seek reimbursement of any City Funds paid. Any Incremental Taxes that would have been used to make payments hereunder during any such notice and cure period shall, however, be reserved by the City pending the possible cure of such default. If such default is cured, any reserved payments of Incremental Taxes shall be released by the City and used to make payments as contemplated hereunder. 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 damages, injunctive relief or the specific performance of the agreements contained herein.

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

Upon the expiration of the cure periods specified in this Section 15.03, without the default being cured, then the cure periods specified under Section 15.04 shall apply.

15.04 Right to Cure by the Limited Partner and/or Citibank. If a default occurs under this Agreement and as a result thereof, the City intends to exercise any right or remedy available to it

that could result in termination of this Agreement and all related agreements, or the suspension, cancellation, reduction or reimbursement of City Funds disbursed hereunder, or any other remedy under this Agreement, the City shall prior to exercising such right or remedy, send notice of such intended exercise to the Limited Partner and Citibank, and the Limited Partner (including, without limitation, by exercise of management take over rights of the Owner under its partnership agreement) and Citibank shall have the right (but not the obligation) to cure such Event of Default as follows:

(a) if a monetary default exists, the Limited Partner may cause to be cured such monetary default within 90 days after the later of (and Citibank, except as provided in Section 15.04(h) below, and the City shall take no action during such 90 day period): (i) the expiration of the cure period, if any, granted under Section 15.03 to Developer with respect to such monetary default; or (ii) receipt by the Limited Partner and Citibank of notice of default from the City. If the Limited Partner does not cause such monetary default to be cured within such 90-day time period set forth in the preceding sentence, then Citibank may cure such monetary default in the manner set forth in Section 15.04(c); and

(b) if a non-monetary default exists (except for a Personal Developer Default, as later defined), the Limited Partner may cause to be cured such non-monetary default within 90 days after the later of (and Citibank, except as provided in Section 15.04(h) below, and the City shall take no action during such 90 day period): (i) the expiration of the cure period, if any, granted under Section 15.03 to Developer with respect to such non-monetary default; or (ii) receipt by the Limited Partner and Citibank of notice of default from the City. If the Limited Partner does not cause such non-monetary default to be cured within such 90-day time period set forth in the preceding sentence, then Citibank may cure such monetary default in the manner set forth in Section 15.04(d); and

(c) if a monetary default exists, Citibank may cure such monetary default within 60 days after the later of (and the non-electing party and the City shall take no action during such 60-day period): (i) the expiration of the Limited Partner's 90-day cure period; or (ii) receipt by Citibank of notice from the City that the Limited Partner has failed to cure the default within the timeframe set forth in Section 15.04(a) above; and

(d) if a non-monetary default exists (except for a Personal Developer Default), Citibank may cure such non-monetary default within 90 days after the later of (and the non-electing party and the City shall take no action during such 90-day period): (i) the expiration of the Limited Partner's 90-day cure period; or (ii) receipt by Citibank of notice from the City that the Limited Partner has failed to cure the default within the timeframe set forth in Section 15.04(b) above; provided, however, if such non-monetary default is of a nature that is not subject to cure in 90 days, the cure period will be extended for the time period needed to cure such default (including any time period required by Citibank to take control of the Project by initiating foreclosure of its mortgage and/or appointing a receiver) and the City shall forbear from exercising its remedies hereunder so long as diligent and continuous efforts are being pursued to cure such default; and

(e)(1) If such non-monetary default would be an Event of Default set forth in Section 15.01(e), (f), (g), (i) or (j) hereof (each such default being a "Personal Developer Default"), the Limited Partner or Citibank (as applicable and in that strict order as more fully provided in this Section 15.04(e) below and not otherwise, the "Electing Party"), shall provide written notice (the "Assumption Notice") to the City and the Limited Partner or Citibank (as applicable, the "Non-Electing Parties") within 30 days of receipt of notice from the City of such Personal Developer Default, as more fully provided in Section 15.04(e)(2) below. If notice is delivered within said 30-day

period, the Electing Party shall, in accordance with Section 15.04(e)(2) below, either cure or cause to be cured such Personal Developer Default by the assignment pursuant to Section 18.15 hereof of all of the Owner's rights, obligations and interests in this Agreement to the Electing Party or any other party agreed to in writing by Citibank and the City, which assumption shall be deemed to cure the Personal Developer Default.

(2) Upon receipt by the City and Citibank of an Assumption Notice from the Limited Partner pursuant to subsection (e)(1) above, the cure period shall be extended for such reasonable period of time as may be necessary to complete such assignment and assumption of the Owner's rights, obligations and interests in this Agreement (but in no event longer than 90 days without the written consent of the City and Citibank). If the Limited Partner does not (i) provide such Assumption Notice within the 30-day period specified in subsection (e)(1), or (ii) identify to the City and the Non-Electing Parties any other party (which may be an affiliate of the Limited Partner other than the Owner) to assume the Owner's rights, obligations and interests in this Agreement within 30 days from the date of the Assumption Notice, then Citibank shall have 30 days to cure such Personal Developer Default by the assignment, in accordance with the provisions of Section 18.15 hereof, of all of the Owner's rights, obligations and interests in this Agreement to Citibank, or an affiliate thereof, or any other party agreed to in writing by Citibank and the City.

(f) If such Personal Developer Default is not cured by the Limited Partner or Citibank within the timeframes set forth in Section 15.04(e), then the City shall have available all remedies set forth in this Agreement, including those in Sections 15.02.

(g) During all such times as a Personal Developer Default exists and remains uncured after the expiration of all cure periods, no payments of City Funds shall occur until such time as such Personal Developer Default is thereafter cured.

(h) The City agrees that at any time during which an Event of Default has occurred under the Lender Financing Documents, during the period that Citibank is diligently and continuously pursuing actions or remedies under the Lender Financing, with or without the Owner, which are intended to cause substantial completion of the Project, and, as part of such actions or remedies, continues to fund or make advances to pay Project costs, the City shall likewise forbear from exercising its remedies under Section 15.02.

(i) Notwithstanding anything to the contrary contained in this Agreement, including, without limitation, the continuation of any cure periods under Section 15.03 and Section 15.04, in the event Citibank initiates a foreclosure proceeding, or the Limited Partner and Citibank provide a joint notice of discontinuance of actions or remedies intending to achieve substantial completion, the City may immediately commence to exercise any and all of the remedies specified in Section 15.02 above.

(j) The Master Tenant Limited Partner shall have the same right to cure as the Limited Partner under this Section 15.04; provided, however, that the City may in its reasonable discretion reject any such cure by the Master Tenant Limited Partner.

SECTION 16. MORTGAGING OF THE PROJECT

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

(a) Subject to Section 16(b) hereof, In the event that a mortgagee or any other party shall succeed to the Owner's interest in the Property or any portion thereof pursuant to the exercise of remedies under a New Mortgage (other than a Permitted Mortgage), whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of the Developer's interest hereunder in accordance with Section 18.15 hereof, the City may, but shall not be obligated to, attorn to and recognize such party as the successor in interest to the Developer for all purposes under this Agreement and, unless so recognized by the City as the successor in interest, such party shall be entitled to no rights or benefits under this Agreement, but such party shall be bound by those provisions of this Agreement that are covenants expressly running with the land.

(b) In the event that any mortgagee or an affiliate thereof shall succeed to the Owner'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, or as a result of any transfer to an affiliate of a mortgagee as aforesaid which occurs within twelve (12) months following any such foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of the Developer's interest hereunder in accordance with Section 18.15 hereof, the City hereby agrees to attorn to and recognize such party as the successor in interest to the Developer for all purposes under this Agreement so long as such party accepts all of the obligations and liabilities of the Developer hereunder; provided, however, that, notwithstanding any other provision of this Agreement to the contrary, it is understood and agreed that if such party accepts an assignment of the Developer's interest under this Agreement, such party has no liability under this Agreement for any Event of Default of the Developer which accrued prior to the time such party succeeded to the interest of the Developer under this Agreement, nor shall the City have the right to record a lien against or otherwise enforce any remedies hereunder against the Project, in which case the Developer shall be solely responsible. If the City placed a lien on the Project pursuant to Section 15.02 hereof in connection with an Event of Default of the Developer which accrued prior to the time such party succeeded to the interest of the Developer under this Agreement, the City shall release such lien upon written request to do so by such succeeding mortgagee. However, if such mortgagee under a Permitted Mortgage or an Existing Mortgage or an affiliate thereof does not expressly accept an assignment of the Developer's interest hereunder, such party shall be entitled to no rights and benefits under this Agreement, and such party shall be bound only by those provisions of this Agreement, if any, which are covenants expressly running with the land.

(c) Prior to the issuance by the City to the Developer of a Certificate pursuant to Section 7.01 hereof, no New Mortgage shall be executed with respect to the Property or any portion thereof without the prior written consent of the Commissioner of HED.

AND

Citi Community Capital
325 East Hillcrest Drive, Suite 160
Thousand Oaks, California 91360
Attention: Operations Manager/Asset Manager
Loan/Transaction/File #21904
Facsimile: (805) 557-0924

With a copy to:

Citi Community Capital
390 Greenwich Street, 2nd Floor
New York, New York 10013
Attention: Account Specialist
Loan/Transaction/File #21904
Facsimile: (212) 723-8642

And a copy of any notices
of default sent to:

Citi Community Capital
388 Greenwich Street, 17th Floor
New York, New York 10013
Attention: General Counsel's Office
Loan/Transaction/File #21904
Facsimile: (212) 723-8939

and

USA Rosenwald Courts LLC
c/o The Richman Group Capital Corporation
340 Pemberwick Road
Greenwich, CT 06831
Attention: Joanne D. Flanagan, Esq.

and

Rosenwald Courts Master Tenant, LP
Attn: Rosenwald Courts GP, LLC
20 Sandstone Court
LeClaire, Iowa 52753

and

Rosenwald Courts GP, LLC
Attn: James N. Bergman
20 Sandstone Court
LeClaire, Iowa 52753

and

USA HTC Rosenwald LLC
c/o TRGHT, Inc.
Attn: Joanne D. Flanagan, Esq.
340 Pemberwick Road
Greenwich, Connecticut 06831

and

DR Rosenwald LLC
15828 Clarendon Hills Drive
Granger, Indiana 46530
Attention: David Roos

and

Rosenwald LGG LLC
39 S. LaSalle Street, Suite 808
Chicago, Illinois 60603
Attention: Virginia Pace

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. It is agreed that no material amendment or change to this Agreement shall be made or be effective unless ratified or authorized by an ordinance duly adopted by the City Council. The term "material" for the purpose of this Section 18.01 shall be defined as any deviation from the terms of the Agreement which operates to cancel or otherwise reduce any developmental, construction or job-creating obligations of Developer (including those set forth in Sections 10.02, 10.03 and 10.04 hereof) by more than five percent (5%) or materially changes the Project site or character of the Project or any activities undertaken by Developer affecting the Project site, the Project, or both, or increases any time agreed for performance by the Developer by more than 90 days, except as may otherwise be permitted pursuant to Section 15.04 hereof.

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

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

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

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

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

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

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

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

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

18.11 Conflict. In the event of a conflict between any provisions of this Agreement and the provisions of the TIF Ordinances, such ordinances 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, HED or the Commissioner, or any matter is to be to the City's, HED's or the Commissioner's satisfaction, unless specifically stated to the contrary, such approval, consent or satisfaction shall be made, given or determined by the City, HED or the Commissioner in writing and in the reasonable discretion thereof. The Commissioner or other person designated by the Mayor of the

City shall act for the City or HED in making all approvals, consents and determinations of satisfaction, granting the Certificate or otherwise administering this Agreement for the City.

18.15 Assignment. Except as otherwise provided in Sections 15.04 and 16 hereof, the Developer may not sell, assign or otherwise transfer its interest in this Agreement in whole or in part without the written consent of the City. Notwithstanding the foregoing, the Developer may collaterally assign its interest in this Agreement to (a) Citibank as security for the repayment of the Lender Financing provided thereby, and/or (b) the Limited Partner pursuant to the Owner's limited partnership agreement, but the City must review and approve the written form of any such collateral assignment prior to the execution thereof. Any successor in interest to the Developer under this Agreement shall certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, including but not limited to Sections 8.19 (Real Estate Provisions) and 8.23 (Survival of Covenants) hereof, for the Term of the Agreement. The Developer consents to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part.

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

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

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

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

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

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

18.22 Business Relationships. The Developer acknowledges (A) receipt of a copy of Section 2-156-030 (b) of the Municipal Code of Chicago, (B) that Developer has read such provision and understands that pursuant to such Section 2-156-030 (b), it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a business relationship that creates a "Financial Interest" (as defined in Section 2-156-010 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving any person with whom the elected City official or employee has a business relationship that creates a "Financial Interest" (as defined in Section 2-156-010 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a business relationship that creates a financial interest, and (C) that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Agreement shall be grounds for termination of this Agreement and the transactions contemplated hereby. The Developer hereby represents and warrants that, to the best of its knowledge after due inquiry, no violation of Section 2-156-030 (b) has occurred with respect to this Agreement or the transactions contemplated hereby.

18.23 Prohibition On Certain Contributions - Mayoral Executive Order No. 2011-4. Consistent with the intent of Mayoral Executive Order No. 2011-4, compliance with the substance of which is intended by this Section 18.23, the Developer hereby agrees that the Developer, any person or entity who directly or indirectly has an ownership or beneficial interest in the Developer of more than 7.5 percent (collectively, "Controlling Owners"), spouses and domestic partners of such Controlling Owners, (collectively, all the preceding classes of persons and entities are hereinafter referred to as the "Ownership Parties") shall not make a contribution of any amount to the Mayor of the City ("Mayor") or to his political fundraising committee during (i) the bid or other solicitation process for this Agreement or Other Contract, including while this Agreement or any Other Contract is executory, (ii) the term of this Agreement or any Other Contract between the Developer and the City, and/or (iii) any period in which an extension of this Agreement or any Other Contract is being sought or negotiated.

The Developer hereby agrees to require that the General Contractor, any person or entity who directly or indirectly has an ownership or beneficial interest in the General Contractor of more than 7.5 percent, any subcontractor, any person or entity who directly or indirectly has an ownership or beneficial interest in any subcontractor of more than 7.5 percent (collectively, "Interested Parties"), and spouses and domestic partners of such Interested Parties (collectively, all the preceding classes of persons and entities are hereinafter referred to, together with the Ownership

Parties, as the "Identified Parties") shall not make a contribution of any amount to the Mayor or to his political fundraising committee during (i) the bid or other solicitation process for this Agreement or Other Contract, including while this Agreement or any Other Contract is executory, (ii) the term of this Agreement or any Other Contract between the Developer and the City, and/or (iii) any period in which an extension of this Agreement or any Other Contract is being sought or negotiated.

The Developer represents and warrants that as of the later of (i) the Closing Date, or (ii) the date that the City approached the Developer, or the Developer approached the City, as applicable, regarding the formulation of this Agreement, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

The Developer agrees that it shall not and it shall require all other Identified Parties to not: (a) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fundraising committee; (b) reimburse its employees for a contribution of any amount made to the Mayor or to the Mayor's political fundraising committee; or (c) bundle or solicit others to bundle contributions to the Mayor or to his political fundraising committee.

The Developer agrees that it must not and it shall require all other Identified Parties to not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 2011-4 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 2011-4. The Developer shall impose the restrictions of this Section 18.23 in the Construction Contract and shall specifically require the General Contractor to impose the restrictions of this Section 18.23 in all subcontracts.

The Developer agrees that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 2011-4 constitutes a breach and default under this Agreement, and under any Other Contract for which no opportunity to cure will be granted. Such breach and default entitles the City to all remedies (including without limitation termination for default) under this Agreement, and under any Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

For purposes of this provision:

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

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

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

18.24 Inspector General and Legislative Inspector General.

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

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

18.25 Developer Adherence to Building Court Case. Notwithstanding anything herein to the contrary, nothing in this Agreement shall allow the Developer to violate the terms of the Building Court Case.

18.26 Closing of CHA Loan and Acquisition of Private Parking Property To Be Acquired. (a) The CHA Loan is not closing concurrently herewith. (b) No City Funds shall be disbursed hereunder prior to: (i) CHA Loan Closing, and (ii) the acquisition of the Private Parking Property To Be Acquired. (c) If (i) CHA Loan Closing does not occur, and (ii) the Private Parking Property To Be Acquired is not acquired, by June 30, 2014, then this Agreement shall terminate, no City Funds shall be disbursed hereunder, and title to the City Parking Property shall revert to the City by means of reconveyance deed(s).

18.27 HUD Declaration of Restrictive Covenants. Notwithstanding any provision contained in this Agreement, the lien created hereby and the rights of the City hereunder, are and will be subordinate to the lien to be created in favor of the United States of America, acting by and through the Secretary of Housing and Urban Development ("HUD"), by that certain Declaration of Restrictive Covenants to be executed by the Owner and Master Tenant in favor of HUD at the time of the closing of a loan in the anticipated amount of \$17,370,000 from the Chicago Housing Authority to the Owner for the Project, and the rights of HUD thereunder, with respect to that portion of the Property therein described.

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

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.

ROSENWALD COURTS APARTMENTS, LP,
an Illinois limited partnership

By: Rosenwald Courts GP, LLC,
an Illinois limited liability company
Its: General Partner

By: GB Rosenwald, LLC,
an Illinois limited liability company
Its: Managing Member

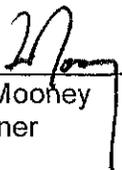
By: 
James N. Bergman
Managing Member

BURTON ROSENWALD GP, LLC,
an Illinois limited liability company

By: The Burton Foundation,
an Illinois not-for-profit corporation
Its: Sole Member

By: _____
Name: Tracey L. Manning
Its: President

CITY OF CHICAGO,
an Illinois municipal corporation,
acting by and through its
Department of Housing and Economic Development

By: 
Andrew J. Mooney
Commissioner

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.

ROSENWALD COURTS APARTMENTS, LP,
an Illinois limited partnership

By: Rosenwald Courts GP, LLC,
an Illinois limited liability company
Its: General Partner

By: GB Rosenwald, LLC,
an Illinois limited liability company
Its: Managing Member

By: _____
James N. Bergman
Managing Member

BURTON ROSENWALD GP, LLC,
an Illinois limited liability company

By: The Burton Foundation,
an Illinois not-for-profit corporation
Its: Sole Member

By: _____
Name: Tracey L. Manning
Its: President

CITY OF CHICAGO,
an Illinois municipal corporation,
acting by and through its
Department of Housing and Economic Development

By: _____
Andrew J. Mooney
Commissioner

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, Patricia Sulewski, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Andrew J. Mooney, personally known to me to be the Commissioner of the Department of Housing and Economic Development of the City of Chicago, 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, being first duly sworn by me, acknowledged that, as the Commissioner, he signed and delivered the foregoing instrument pursuant to authority given by the City of Chicago as his free and voluntary act and as the free and voluntary act and deed of the corporation, for the uses and purposes therein set forth.

GIVEN under my notarial seal this 11 day of December, 2013.

Patricia Sulewski
NOTARY PUBLIC



STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, _____, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Andrew J. Mooney, personally known to me to be the Commissioner of the Department of Housing and Economic Development of the City of Chicago, 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, being first duly sworn by me, acknowledged that, as the Commissioner, he signed and delivered the foregoing instrument pursuant to authority given by the City of Chicago as his free and voluntary act and as the free and voluntary act and deed of the corporation, for the uses and purposes therein set forth.

GIVEN under my notarial seal this ____ day of _____, 2013.

NOTARY PUBLIC

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, Robert T. Lesage III, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Tracey L. Manning, personally known to me to be the President of The Burton Foundation, an Illinois not-for-profit corporation, the Sole Member of Burton Rosenwald GP, LLC, an Illinois limited liability company, 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, being first duly sworn by me, acknowledged that she signed and delivered the foregoing instrument pursuant to authority given by said limited liability company, as her free and voluntary act and as the free and voluntary act and deed of said limited liability company, for the uses and purposes therein set forth.

GIVEN under my notarial seal this 11th day of December, 2013.



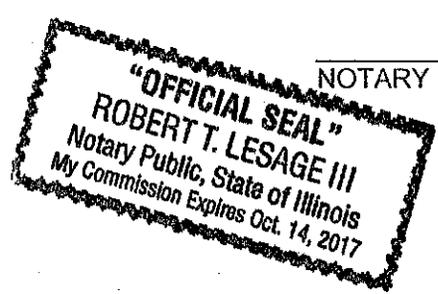
NOTARY PUBLIC



STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, Robert T. LeSage III, a Notary Public in and for said County, in the State aforesaid, do hereby certify that James N. Bergman, personally known to me to be the Managing Member of GB Rosenwald, LLC, an Illinois limited liability company, the Managing Member of Rosenwald Courts GP, LLC, an Illinois limited liability company, the General Partner of Rosenwald Courts Apartments, LP, an Illinois limited partnership, 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, being first duly sworn by me, acknowledged that he signed and delivered the foregoing instrument pursuant to authority given by said limited partnership, as his free and voluntary act and as the free and voluntary act and deed of said limited partnership, for the uses and purposes therein set forth.

GIVEN under my notarial seal this 11th day of December, 2013.



NOTARY PUBLIC *RLS*

EXHIBIT A

REDEVELOPMENT AREA

All that part of Sections 4,3,9 and 10 in Township 38 North, Range 14 East of the Third Principal Meridian, bounded and described as follows:

Beginning at the point of intersection of the south line of West 51 st Street with the west line of South State Street; thence north along said west line of South State Street to the westerly extension of the north line of Lot 46 in Sam. Wing's Resubdivision of Block 4 in Prior and Hopkin's Subdivision of the west half of the northwest quarter of Section 3, Township 38 North, Range 14 East of the Third Principal Meridian, said north line of Lot 46 being also the south line of East 40th Street; thence east along said westerly extension and the south line of East 40th Street to the east line of South Indiana Avenue; thence north along said east line of South Indiana Avenue to the south line of Lot 7 in Block 1 of Springer's Subdivision of the north half of the west half of the northeast quarter of the northwest quarter of Section 3, Township 38 North, Range 14 East of the Third Principal Meridian, said south line of Lot 7 being also the north line of the alley south of East Pershing Road; thence east along said north line of the alley south of East Pershing Road to the west line of Lot 3 in said Block 1 of Springer's Subdivision; thence south along said west line of Lot 3 in Block 1 of Springer's Subdivision to the south line of said Lot 3; thence east along said south line of said Lot 3 in Block 1 of Springer's Subdivision and along the easterly extension thereof to the east line of South Prairie Avenue; thence north along said east line of South Prairie Avenue to the south line of Lot 4 in Block 2 of said Springer's Subdivision, said south line of Lot 4 being also the north line of the alley south of East Pershing Road; thence east along said north line of the alley south of East Pershing Road and along the easterly extension thereof to the west line of Lot 3 in Wallace R. Martin's Subdivision of the north 100 feet of Lot 1 in the Circuit Court Partition of the east half of the northeast quarter of the northwest quarter of Section 3, Township 38 North, Range 14 East of the Third Principal Meridian (except that part thereof taken for Grand Boulevard); thence south along said west line of Lot 3 in Wallace R. Martin's Subdivision to the south line thereof; thence east along said south line of Lot 3 in Wallace R. Martin's Subdivision and along the south line of Lots 2 and 1 in said Wallace R. Martin's Subdivision to the east line of said Lot 1, said east line of Lot 1 in Wallace R. Martin's Subdivision being also the west line of South Dr. Martin Luther King, Jr. Drive; thence south along said west line of South Dr. Martin Luther King, Jr. Drive to the westerly extension of the north line of Lot 2 in Cleaver and Sherman's Subdivision of the north 10 acres of the south 10 acres and the south 10 acres of the north 20 acres in the northwest quarter of the northeast quarter of Section 3, Township 38 North, Range 14 East of the Third Principal Meridian; thence east along said westerly extension to the east line of said South Dr. Martin Luther King, Jr. Drive; thence south along said east line of South Dr. Martin Luther King, Jr. Drive to the centerline of East 41 st Street; thence west along said centerline of East 41 st Street to the northerly extension of a line 28.00 feet west of and parallel with the west line of Block 2 of George S. Bowen's Subdivision of the north half of the north half of the southwest quarter of the northeast quarter of Section 3, Township 38 North, Range 14 East of the Third Principal Meridian; thence south along said northerly extension and a line 28.00 feet west of and parallel with the west line of said Block 2 of George S. Bowen's Subdivision and along the southerly extension thereof to the westerly extension of the centerline of East Bowen Avenue, said centerline of East Bowen Avenue being a line 40 feet south of and parallel with the south line of said Block 2 of George S. Bowen's Subdivision; thence east along said westerly extension and the centerline of East Bowen Avenue to the northerly extension of the easterly line of Lot 1 in the subdivision of the south 10 feet of Lot 1 and all of Lots 2,3 and 4 in Block 2 of Jennings' Subdivision of the south half of the north half of the southwest quarter of the northeast quarter of Section 3, Township 38 North, Range 14 East of the

Third Principal Meridian, said easterly line of Lot 1 being also the westerly line of South Vincennes Avenue; thence south along said northerly extension and the westerly line of South Vincennes Avenue to the southeast corner of Lot 36 in Botford's Boulevard Subdivision of that part of the south half of the south half of the southwest quarter of the northeast quarter of Section 3, Township 38 North, Range 14 East of the Third Principal Meridian lying west of Vincennes Avenue (except that part condemned for West Pierce Avenue), said southeast corner of Lot 36 being also the point of intersection of the westerly line of South Vincennes Avenue with the north line of East 43rd Street; thence south along a straight line to the northeast corner of Lot 35 in the subdivision of that part of the north half of the northwest quarter of the northwest quarter of the southeast quarter of Section 3, Township 38 North, Range 14 East of the Third Principal Meridian, said northeast corner of Lot 35 being also the point of intersection of the west line of South Vincennes Avenue with the south line of East 43rd Street; thence south along said west line of South Vincennes Avenue to the south line of Lot 42 in said subdivision of that part of the north half of the northwest quarter of the northwest quarter of the southeast quarter of Section 3, Township 38 North, Range 14 East of the Third Principal Meridian; thence west along said south line of Lot 42 in the subdivision of that part of the north half of the northwest quarter of the northwest quarter of the southeast quarter of said Section 3 to the east line of Lot 9 in Emigh and Kilmer's Plat of that part west of South Vincennes Avenue of the south half of the northwest quarter of the northwest quarter of the southeast quarter of Section 3, Township 38 North, Range 14 East of the Third Principal Meridian, said east line of Lot 9 being also the west line of South Vincennes Avenue; thence south along said west line of South Vincennes Avenue to the south line of East 44th Street; thence east along said south line of East 44th Street to the west line of South St. Lawrence Avenue; thence south along said west line of South St. Lawrence Avenue to the south line of East 47th Street; thence west along said south line of East 47th Street to the east line of South Forestville Avenue; thence south along said east line of South Forestville Avenue to the south line of East 49th Street; thence west along said south line of East 49th Street to the east line of South Dr. Martin Luther King, Jr. Drive; thence south along said east line of South Dr. Martin Luther King, Jr. Drive to the south line of Lot 5 in Henneberry's Subdivision of the west one acre of Lot 8 in Lavinia and Company's Subdivision of Garden and Cottage Lots of the south quarter of the northeast quarter of Section 10, Township 38 North, Range 14 East of the Third Principal Meridian; thence east along said south line of Lot 5 in Henneberry's Subdivision to the west line of Lot 1 in the subdivision of Lots 9, 10 and 11 in Lavinia and Company's Subdivision of Garden and Cottage Lots of the south quarter of the northeast quarter of Section 10, Township 38 North, Range 14 East of the Third Principal Meridian, said west line of Lot 1 being also the east line of South Dr. Martin Luther King, Jr. Drive; thence south along said east line of South Martin Luther King Drive and along the southerly extension thereof to the south line of East 51 st Street; thence west along said south line of East 51 st Street to the point of beginning at the west line of South State Street, all in the City of Chicago, Cook County, Illinois.

EXHIBIT B
PROPERTY
(see attached)



PARCEL 1:

LOTS 1, 2, 3 AND 4 IN THE RESUBDIVISION OF LOTS 1, 2, 3 AND 4 IN BLOCK 5 IN WINSTON'S SUBDIVISION OF THE SOUTH 34 ACRES OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

LOTS 5 TO 46 INCLUSIVE IN BLOCK 5 IN WINSTON'S SUBDIVISION OF THE SOUTH 34 ACRES OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

ALL OF THE NORTH-SOUTH 20 FOOT VACATED ALLEY EXTENDING THROUGH BLOCK 5 IN WINSTON'S SUBDIVISION AFORESAID, VACATED BY ORDINANCE ADOPTED DECEMBER 12, 1928 AND RECORDED AS DOCUMENT NUMBER 10254237, IN COOK COUNTY, ILLINOIS.

PARCEL 4

LOTS 42, 43, 44, 45 AND 46 IN BLOCK 6 IN WINSTON'S SUBDIVISION OF THE SOUTH 34 ACRES OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 5

LOTS 15, 16 AND 17 IN BLOCK 4 IN WINSTON'S SUBDIVISION OF THE SOUTH 34 ACRES OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 6

LOTS 19, 20 AND 21 IN BLOCK 4 IN WINSTON'S SUBDIVISION OF THE SOUTH 34 ACRES OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

ADDRESS FOR PARCELS 1, 2 AND 3:

4600 - 4646 South Michigan Avenue, 4601 -
4641 South Wabash Avenue, 53 - 71 East
46th Street, Chicago, Illinois

**PERMANENT INDEX NUMBERS FOR
PARCELS 1, 2 AND 3:**

20-03-319-007-0000; 20-03-319-008-0000
(As to Parcel 1) (As to Parcel 2 & 3)

ADDRESS FOR PARCEL 4:

4601 South Michigan Avenue, 4609 South
Michigan Avenue and 4611 South
Michigan, Chicago, Illinois

**PERMANENT INDEX NUMBERS FOR
PARCEL 4:**

20-03-320-003-0000; 20-03-320-002-0000;
20-03-320-001-0000

ADDRESS FOR PARCEL 5:

4638 South Wabash Avenue, Chicago,
Illinois

**PERMANENT INDEX NUMBERS FOR
PARCEL 5:**

20-03-318-033-0000

ADDRESS FOR PARCEL 6:

4648 South Wabash Avenue, 4650 South
Wabash Avenue, and 4652 South Wabash
Avenue, Chicago, Illinois

**PERMANENT INDEX NUMBERS FOR
PARCEL 6:**

20-03-318-026-0000; 20-03-318-027-0000;
20-03-318-028-0000

EXHIBIT B-1
APARTMENT PROPERTY
(see attached)

PARCEL 1:

LOTS 1, 2, 3 AND 4 IN THE RESUBDIVISION OF LOTS 1, 2, 3 AND 4 IN BLOCK 5 IN WINSTON'S SUBDIVISION OF THE SOUTH 34 ACRES OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

LOTS 5 TO 46 INCLUSIVE IN BLOCK 5 IN WINSTON'S SUBDIVISION OF THE SOUTH 34 ACRES OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

ALL OF THE NORTH-SOUTH 20 FOOT VACATED ALLEY EXTENDING THROUGH BLOCK 5 IN WINSTON'S SUBDIVISION AFORESAID, VACATED BY ORDINANCE ADOPTED DECEMBER 12, 1928 AND RECORDED AS DOCUMENT NUMBER 10254237, IN COOK COUNTY, ILLINOIS.

ADDRESS FOR PARCELS 1, 2 AND 3:

4600 - 4646 South Michigan Avenue, 4601 -
4641 South Wabash Avenue, 53 - 71 East
46th Street, Chicago, Illinois

**PERMANENT INDEX NUMBERS FOR
PARCELS 1, 2 AND 3:**

20-03-319-007-0000; 20-03-319-008-0000
(As to Parcel 1) (As to Parcel 2 & 3)

EXHIBIT B-2
CITY PARKING PROPERTY
(see attached)

LEGAL DESCRIPTION OF CITY PARKING PROPERTY

LOT 19 IN BLOCK 4 IN WINSTON'S SUBDIVISION OF THE SOUTH 34 ACRES OF THE WEST ½ OF THE SOUTHWEST ¼ OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMONLY KNOWN AS: 4648 SOUTH WABASH AVENUE
CHICAGO, ILLINOIS 60653

PERMANENT INDEX NO. 20-03-318-026-0000

LOTS 15, 16 AND 17 IN BLOCK 4 IN WINSTON'S SUBDIVISION OF THE SOUTH 34 ACRES OF THE WEST ½ OF THE SOUTHWEST ¼ OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMONLY KNOWN AS: 4638 SOUTH WABASH AVENUE
CHICAGO, ILLINOIS 60653

PERMANENT INDEX NO. 20-03-318-033-0000

LOTS 42, 43, 44, 45 AND 46 IN BLOCK 6 IN WINSTON'S SUBDIVISION OF THE SOUTH 34 ACRES OF THE WEST ½ OF THE SOUTHWEST ¼ OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMONLY KNOWN AS: 4601, 4609 & 4611 SOUTH MICHIGAN AVENUE
CHICAGO, ILLINOIS 60605

PERMANENT INDEX NOS. 20-03-320-001-0000 (AFFECTS LOTS 44, 45 & 46)
20-03-320-002-0000 (AFFECTS LOT 43)
20-03-320-003-0000 (AFFECTS LOT 42)

EXHIBIT B-3

PRIVATE PARKING PROPERTY

(see attached Exhibits B-3(a) and B-3(b))

EXHIBIT B-3(a)

PREVIOUSLY-ACQUIRED PRIVATE PARKING PROPERTY

(see attached)

Lots 20 and 21 in Block 4 in Winston's Subdivision of the South 34 acres of the West 1/2 of the Southwest 1/4 of Section 3, Township 38 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

Lot 20: PIN 20-03-318-027-0000 - Address: 4650 S. Wabash Avenue

Lot 21: PIN 20-03-318-028-0000 - Address: 4652 S. Wabash Avenue

EXHIBIT B-3(b)

PRIVATE PARKING PROPERTY TO BE ACQUIRED

(not attached as of the Closing Date,
to be attached or otherwise incorporated herein prior to or on the CHA Loan Closing Date)

EXHIBIT C
TIF-FUNDED IMPROVEMENTS
(see attached)

EXHIBIT C

TIF-FUNDED IMPROVEMENTS

Acquisition	\$13,500,000
Construction	<u>\$62,893,284</u>
Total	\$76,393,284*

*Note: Notwithstanding the total of TIF-Funded Improvements, the assistance to be provided by the City is limited to \$25,000,000.

EXHIBITS D-F
[intentionally omitted]

EXHIBIT G

PERMITTED LIENS

1. Liens or encumbrances against the Property:

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

2. Liens or encumbrances against the Developer or the Project, other than liens against the Property, if any: Ameriland Realty Corporation v. Landwhite Developers LLC, Case No. 2013-CH-12985 and Mechanic's Lien for \$300,000 recorded as Doc. No. 1301845030.

EXHIBIT H-1

PROJECT BUDGET

Acq:Building + Land Cost	13,805,000
Acq:Carry Costs + Broker Fees	625,000
Acq:Title and Transfer Taxes	153,784
Con:Phase I	16,069,068
Con: Phase II	46,824,216
Con:IT /Security System	625,000
Con: Final Cleaning	90,000
Con:Furniture Fixtures & Equipment	475,000
Con:Building Permits + Utility Fees	675,000
Con:Contingency	6,308,867
Architect – Design&Supervision	1,562,500
Prof:Engineering Fees	214,750
Prof:Predevelopment Interest	450,000
Prof:Environmental Reports	104,645
Permit Expdtr/Appraisal/Mkt Studies	120,000
Prof:Accountant -- General	150,000
Prof:Legal - Organizational	1,135,000
Prof:Legal - Syndication Fees	400,000
Prof:Plats & Surveys	45,000
Prof:Consultant -- Historic	95,000
Prof:Consultant – Financial & TIF	161,158
Prof:Title & Recording Fees	75,000
Con-P:Haz. Insurance & RE Taxes	420,000
LenFee:Application Fee	8,750
LenFee:Const. & Perm Loan Points	686,000
LenFee:Construction Inspection	50,000
LenFee:Lender Legal Costs	260,000
LenFee:Bond Costs - All	1,082,350
LenFee:IAHTC Reservation Fee	99,000
M&L:Marketing & Leasing	349,200
DevFee:Developer Fee	8,500,000
Res:Replacement Reserve	162,650
Res:Section 8 Reserve	126,000
Res:Operating Deficit	2,513,259
Res:Tax & Insurance Escrow	206,070
Res:Lease-Up Expense	780,632
Res:ACC Reserve	396,000
Int: TE Bond Loan Interest	3,325,000
Int:Seller Financing Interest	639,377
Int:CHA Capital Funds Interest	300,000
Total	\$110,168,276

EXHIBIT H-2

PROJECT CONSTRUCTION BUDGET

(see attached)

ROSENWALD CONSTRUCTION BUDGET

PHASE I and PHASE II CONSTRUCTION WORK COMBINED

Trade Item Description	Total
1 Demolition/ Excavation	5,325,530
2 Environmental / Material Testing	1,624,229
3 Concrete	1,427,262
4 Masonry / Stone Work	4,064,239
5 Structural Steel	1,491,086
6 Rough & Finish Carpentry	2,516,608
7 Insulation	1,186,780
8 Roofing	1,497,839
9 Sheet Metal	-
10 Doors	787,151
11 Windows	2,548,629
12 Glass	-
13 Finishes	-
14 Drywall / Studs/ Insulation/ Ceiling Syst	6,218,000
15 Wood/ Athletic Flooring	-
16 Flooring - all	1,328,585
17 Painting and Decorating	1,470,672
18 Specialties	483,502
19 Cabinets	476,501
20 Appliances	880,751
21 Elevators / Trash Chutes	953,786
22 Plumbing and Hot Water	4,945,463
23 Fire Protection	949,700
24 Heat, Ventilation, A/C	5,225,186
25 Electrical	5,635,011
26 Security System	30,000
27 NPS Historic - Allowance	15,000
28 Site Utilities	932,307
29 Parking lots, Roads and Walks	1,435,540
30 Site Improvements	360,328
31 Lawns and Planting	282,636
32 Final Unit Cleaning	-
Temp Heat/ Mobilization/ Carpentry	
33 for Shoring during Demo	1,160,057
34 SUBTOTAL TRADES	55,252,378
35 Site Security	225,904
36 GC Liability insurance	584,961
37 General Requirements	3,315,143
38 Builder's Overhead / Profit	3,079,667
39 Bond Premium	435,332
40 SUBTOTAL OTHER	7,641,007
41 GRAND TOTAL CONSTRUCTION	62,893,385

EXHIBIT I
APPROVED PRIOR EXPENDITURES
(see attached)

EXHIBIT I

APPROVED PRIOR EXPENDITURES

Acquisition: Building	\$13,500,000
Acquisition: Land	106,119
Acquisition: Carrying Costs	172,837
Acquisition: Title & Transfer Taxes	118,734
Architectural Design	486,805
Engineering	5,000
Pre-Development Interest	450,000
Legal	325,751
Accounting	13,000
Plats & Surveys	37,935
Appraisals	17,200
Environmental Reports and Monitoring	38,000
Permit Expediting	16,550
Market Study	32,608
Historic Consulting	38,100
Historic Documentation	4,870
Loan Placement Fees	31,158
TIF Consultant	122,500
Loan Fees	8,250
Citi Lender Legal	50,000
TOTAL	\$15,575,418

EXHIBIT J
OPINION OF DEVELOPER'S COUNSEL
(see attached)

203 North LaSalle Street, Suite 1800
Chicago, Illinois 60601-1293
main 312.368.4000 fax 312.236.7516

December 13, 2013

City of Chicago
Department of Housing and Economic Development
121 North LaSalle Street, 10th Floor
Chicago, Illinois 60602

Re: Initial Closing of Rosenwald Courts Rehabilitation Financing

Ladies and Gentlemen:

We have acted as (i) counsel for Rosenwald Courts Apartments, LP, an Illinois limited partnership (the "Owner"), Rosenwald Courts GP, LLC, an Illinois limited liability company and the general partner of the Owner (the "General Partner"), and GB Rosenwald, LLC, an Illinois limited liability company and the managing member of the General Partner (the "Managing Member;" and together with the Owner and the General Partner, collectively, the "Owner Parties" as the context may require) and (ii) special counsel to Burton Rosenwald GP, LLC, an Illinois limited liability company ("Burton") in connection with the initial closing of the rehabilitation financing with the City of Chicago (the "City") and the acquisition from the City of nine (9) real estate parcels (collectively, the "City Parcels") (collectively, the "Transaction") for the purpose of rehabilitating certain improvements located on certain real property situated in the City and more particularly described on Exhibit A attached hereto (the "Property") to be known as Rosenwald Courts Apartments (the "Development"). The Owner Parties and Burton have requested that this opinion be furnished to the City.

In so acting as counsel for the Owner Parties and special counsel for Burton we have examined:

- A. an executed original of that certain Land Use Restriction Agreement, dated as of December 1, 2013, by and between the City and the Owner (the "LURA");

- B. an executed original of that certain Rosenwald Courts TIF Redevelopment Agreement, dated as of December 1, 2013, by and among the City, the Owner and Burton (the "TIF RDA");
- C. an executed original of that certain Low Income Housing Tax Credit Regulatory Agreement, dated as of December 1, 2013, by and between the City and the Owner (the "LIHTC Regulatory Agreement");
- D. an executed original of that certain First Amendment to Loan Documents, dated as of December 1, 2013, by and among the City, the Owner, and the Managing Member (the "NSP Amendment");
- E. an executed original of that certain Conveyance Deed Escrow Agreement (the "Conveyance Deed Escrow Agreement"), dated as of December 1, 2013, by and among the Owner, the City, and Near North National Title, LLC, a Delaware limited liability company, as agent for Chicago Title Insurance Company (the "Title Company");
- F. an executed original of that certain Special Warranty Deed (Vacant Land), dated as of December 1, 2013, with respect to the City Parcels from the Owner to the City (the "Reconveyance Deed");
- G. the Certificate of Limited Partnership of the Owner, as furnished and certified by the Secretary of State of the State of Illinois (the "Secretary of State"), by certificate dated November 21, 2013;
- H. the Amended and Restated Agreement of Limited Partnership of Rosenwald Courts Apartments, LP, dated as of December 1, 2013, in respect of the Owner, by and among the General Partner, USA Rosenwald Courts LLC, a Delaware limited liability company, and The Richman Group Capital Corporation, a Delaware corporation (the "Partnership Agreement");
- I. the Written Consent of the Partners of Rosenwald Courts Apartments, LP, dated as of December 1, 2013;
- J. the Certificate of Good Standing, dated November 21, 2013, issued by the Secretary of State as to the good standing of the Owner (the "Owner Good Standing Certificate");
- K. the Articles of Organization of the General Partner, as furnished and certified by the Secretary of State, by certificate dated November 21, 2013;
- L. the Operating Agreement of Rosenwald Courts GP, LLC, dated as of June 4, 2012, as amended as of the date hereof, with respect of the General Partner, by

and among Managing Member, DR Rosenwald, LLC, an Indiana limited liability company, and Rosenwald LGG, LLC, an Illinois limited liability company (the "GP Operating Agreement");

- M. the Certificate of Good Standing, dated November 21, 2013, issued by the Secretary of State as to the good standing of the General Partner (the "General Partner Good Standing Certificate");
- N. the Certificate of Formation of the Managing Member, as furnished and certified by the Secretary of State, by certificate dated November 21, 2013;
- O. the Operating Agreement of GB Rosenwald, LLC, dated November 24, 2012, as amended as of the date hereof, with respect of the Managing Member, by and between James N. Bergman and Amit Goel (the "Managing Member Operating Agreement");
- P. the Written Consent of the Members of GB Rosenwald, LLC, dated as of December 1, 2013;
- Q. the Certificate of Good Standing, dated November 21, 2013, issued by the Secretary of State as to the good standing of the Managing Member (the "Managing Member Good Standing Certificate"); and
- R. the Certificate of Formation of Burton, as furnished and certified by the Secretary of State, by certificate dated November 21, 2013;
- S. the Operating Agreement of Burton Rosenwald GP, LLC, dated January 8, 2013, with respect of Burton, by The Burton Foundation, an Illinois not for profit corporation (the "Burton Operating Agreement");
- T. the Written Consent of the Member of Burton Rosenwald GP, LLC, dated as of November 26, 2013;
- U. the Certificate of Good Standing, dated November 21, 2013, issued by the Secretary of State as to the good standing of Burton (the "Burton Good Standing Certificate"); and
- V. The Articles of Incorporation of The Burton Foundation, an Illinois not for profit corporation ("TBF"), as furnished and certified by the Secretary of State, by certificate dated November 21, 2013 (the "TBF Articles");
- W. The Bylaws of TBF (the "TBF Bylaws");

- X. the Certificate of Good Standing, dated November 21, 2013, issued by the Secretary of State as to the good standing of TBF (the "TBF Good Standing Certificate");
- Y. the Certificate of the Owner Parties (the "Owner Parties Opinion Certification"), of even date herewith, executed by the Owner Parties in favor of DLA Piper LLP (US), a copy of which is attached hereto as Exhibit B.
- Z. the Certificate of Burton (the "Burton Opinion Certification"), of even date herewith, executed by Burton in favor of DLA Piper LLP (US), a copy of which is attached hereto as Exhibit C.

The LURA, the TIF RDA, the LIHTC Regulatory Agreement, the Conveyance Deed Escrow Agreement, and the Reconveyance Deed are hereinafter collectively referred to as the "City Documents."

Documents G – Q and Y are hereinafter referred to collectively as the "Owner's Organizational Documents;" Documents K – M and Y are hereinafter referred to collectively as the "General Partner's Organizational Documents;" Documents N – Q and Y are hereinafter referred to collectively as the "Managing Member's Organizational Documents;" and Documents R - X and Z are hereinafter referred to as Burton's Organizational Documents." For purposes hereof, the Owner's Organizational Documents, the General Partner's Organizational Documents, the Managing Member's Organizational Documents and Burton's Organizational Documents shall sometimes be referred to hereinafter collectively as the "Organizational Documents," as the context may require.

Documents A – Z are hereinafter referred to collectively as the "Documents."

In reaching the opinions set forth below, we have assumed, and to our knowledge there are no facts inconsistent with, the following:

Each of the parties to the Documents, other than the Owner Parties and Burton, and any person executing any of the Documents on behalf of the Owner Parties and Burton, has duly and validly executed and delivered each such instrument, document, and agreement to be executed in connection with the Transaction to which such party is a signatory, and such party's obligations set forth in the Documents are its legal, valid, and binding obligations, enforceable in accordance with their respective terms.

Each person executing any of the Documents, other than the Owner Parties and Burton (and any person executing any of the Documents on behalf of the Owner Parties or Burton), whether individually or on behalf of an entity, is duly authorized to do so, and is legally competent to do so.

All signatures of parties other than the Owner Parties and Burton (and any person executing any of the Documents on behalf of the Owner Parties or Burton) are genuine.

All Documents which were submitted to us as originals are authentic; all Documents which were submitted to us as certified or photostatic copies conform to the original document; and all public records reviewed are accurate and complete.

All applicable Documents have been duly filed, indexed, and recorded among the appropriate official records, and all fees, charges, and taxes due and owing as of this date have been paid.

The parties to the City Documents, other than the Owner Parties and Burton, and their respective successors and assigns, will: (i) act in good faith and in a commercially reasonable manner in the exercise of any rights or enforcement of any remedies under the City Documents, as applicable; and (ii) comply with all requirements of applicable procedural and substantive law in exercising any rights or enforcing any remedies under the City Documents, as applicable, except to the extent such requirements have been lawfully waived in or pursuant to the City Documents.

In rendering this opinion we also have assumed that the City Documents accurately reflect the complete understanding of the parties with respect to the transactions contemplated thereby and the rights and the obligations of the parties thereunder. We also have assumed that the terms and the conditions of the Transaction as stated in the City Documents have not been amended, modified or supplemented, directly or indirectly, by any other agreement or understanding of the parties or waiver of any of the material provisions of the City Documents. We have no knowledge of any facts that would lead us to believe that the assumptions in this paragraph are not justified.

In addition, in rendering this opinion we have relied as to certain matters of fact upon the Owner Parties' Opinion Certification and the Burton Opinion Certification, certain of the Organizational Documents as set forth herein. We have no knowledge of any facts that are inconsistent with the matters of fact set forth in the Owner Parties' Opinion Certification, the Burton Opinion Certification and/or said Organizational Documents.

Based on the foregoing and subject to the assumptions and qualifications herein stated, it is our opinion that:

1. Based on the Owner Good Standing Certificate, the Owner is a limited partnership duly organized and validly existing under the laws of the State of Illinois, has made all filings required by the laws of the State of Illinois in respect of its formation and continuing existence. The Owner has all requisite authority to carry on its business as described in the Partnership Agreement and to execute and deliver, and to consummate the transactions contemplated by, each of the City Documents.

2. Based on the General Partner Good Standing Certificate, the General Partner is a limited liability company duly organized and validly existing under the laws of the State of Illinois, has made all filings required by the laws of the State of Illinois in respect of its formation and continuing existence. The General Partner has all requisite authority to carry on its business as described in the GP Operating Agreement.
3. Based on the Managing Member Good Standing Certificate, the Managing Member is a limited liability company duly organized and validly existing under the laws of the State of Illinois, has made all filings required by the laws of the State of Illinois in respect of its formation and continuing existence. The Managing Member has all requisite authority to carry on its business as described in the Managing Member Operating Agreement.
4. Based on the GB Good Standing Certificate, GB is a limited liability company duly organized and validly existing under the laws of the State of Illinois, has made all filings required by the laws of the State of Illinois in respect of its formation and continuing existence. GB has all requisite authority to carry on its business as described in the GB Operating Agreement.
5. Based on the Burton Good Standing Certificate, Burton is a limited liability company duly organized and validly existing under the laws of the State of Illinois, has made all filings required by the laws of the State of Illinois in respect of its formation and continuing existence. To our knowledge, Burton has all requisite authority to carry on its business as described in the Burton Operating Agreement.
6. Based on the TBF Good Standing Certificate, Burton is a not for profit corporation duly organized and validly existing under the laws of the State of Illinois, has made all filings required by the laws of the State of Illinois in respect of its formation and continuing existence. To our knowledge, TBF has all requisite authority to carry on its business as described in the TBF Articles and TBF Bylaws.
7. Based on the Owner's Organizational Documents, the General Partner has the requisite power and authority to execute and deliver each of the City Documents on behalf of the Owner and to perform its obligations thereunder.
8. Based on the GB's Organizational Documents, GB has the requisite power and authority to execute and deliver the NSP Amendment and to perform its obligations thereunder.

9. Based on Burton's Organizational Documents, TBF has the requisite power and authority to execute and deliver the TIF RDA on behalf of Burton and to perform its obligations thereunder.
10. Each of the City Documents and the Reconveyance Deed have been executed and delivered on behalf of the Owner by the General Partner. Each of the City Documents (other than the Conveyance Deed Escrow Agreement as to which, with your permission, we render no enforceability opinion) and the Reconveyance Deed constitute a legal, valid and binding obligation of the Owner enforceable against the Owner in accordance with its respective terms, except to the extent that enforcement of any such terms may be limited by: (a) applicable bankruptcy, reorganization, debt arrangement, insolvency or other similar laws generally affecting creditors' rights; or (b) judicial and public policy limitations upon the enforcement of certain remedies including those which a court of equity may in its discretion decline to enforce.
11. The NSP Amendment has been executed and delivered by the Managing Member and constitutes a legal, valid and binding obligation of the Managing Member enforceable against such party, in accordance with its terms, except to the extent that enforcement of any such terms may be limited by: (a) applicable bankruptcy, reorganization, debt arrangement, insolvency or other similar laws generally affecting creditors' rights; or (b) judicial and public policy limitations upon the enforcement of certain remedies including those which a court of equity may in its discretion decline to enforce.
12. The TIF RDA has been executed and delivered on behalf of Burton by TBF. The TIF RDA constitute a legal, valid and binding obligation of Burton enforceable against Burton in accordance with its respective terms, except to the extent that enforcement of any such terms may be limited by: (a) applicable bankruptcy, reorganization, debt arrangement, insolvency or other similar laws generally affecting creditors' rights; or (b) judicial and public policy limitations upon the enforcement of certain remedies including those which a court of equity may in its discretion decline to enforce.
13. Based on the Owner's Opinion Certification and to our knowledge, except as otherwise disclosed to the City, there is no action, suit or proceeding at law or in equity pending, nor threatened, against or affecting the Owner, the General Partner or the Development, before any court or before any governmental or administrative agency, which if adversely determined could materially and adversely affect the Owner's or the General Partner's ability to perform under the City Documents.
14. Based on the Owner's Opinion Certification and to our knowledge, except as otherwise disclosed to the City, there is no action, suit or proceeding at law or in

equity pending, nor threatened, against or affecting the Managing Member, before any court or before any governmental or administrative agency, which if adversely determined could materially and adversely affect the ability of the Managing Member to perform under the NSP Amendment.

15. Based on Burton's Opinion Certification and to our knowledge, except as otherwise disclosed to the City, there is no action, suit or proceeding at law or in equity pending, nor threatened, against or affecting Burton, before any court or before any governmental or administrative agency, which if adversely determined could materially and adversely affect the ability of Burton to perform under the TIF RDA.
16. The execution and delivery of the City Documents by the Owner and the consummation of the transactions contemplated thereby will not constitute:
 - A. a violation or breach of (i) the Partnership Agreement, (ii) to our knowledge, any provision of any contract or other instrument to which the Owner is a party or by which the Owner or the Property are bound, or (iii) to our knowledge, any order, writ, injunction, decree, statute, rule or regulation binding on the Owner or the Property, or
 - B. based on the Opinion Certification and to our knowledge, a breach of any of the provisions of, or constitute a default under, or result in the creation or imposition of any lien or encumbrance (other than the liens of the City) upon any property of the Owner, including the Property, pursuant to any agreement or other instrument to which the Owner is a party or by which the Owner or the Property is bound, except as otherwise contemplated thereby;.
17. The execution and delivery of the NSP Amendment by the Managing Member and the consummation of the transactions contemplated thereby will not constitute:
 - A. a violation or breach of (i) the Managing Member Operating Agreement, (ii) to our knowledge, any provision of any contract or other instrument to which the Managing Member is bound, or (iii) to our knowledge, any order, writ, injunction, decree, statute, rule or regulation binding on the Managing Member, or
 - B. based on the Owner's Opinion Certification and to our knowledge, a breach of any of the provisions of, or constitute a default under, or result in the creation or imposition of any lien or encumbrance (other than the liens of the City) upon any property of the Managing Member, including the Property, pursuant to any agreement or other instrument

to which the Managing Member is a party or by which the Managing Member or the Property is bound, except as otherwise contemplated thereby;

18. The execution and delivery of the TIF RDA by Burton and the consummation of the transactions contemplated thereby will not constitute:
 - A. a violation or breach of (i) the Burton Operating Agreement, (ii) to our knowledge, any provision of any contract or other instrument to which Burton is bound, or (iii) to our knowledge, any order, writ, injunction, decree, statute, rule or regulation binding on Burton, or
 - B. based on Burton's Opinion Certification and to our knowledge, a breach of any of the provisions of, or constitute a default under, or result in the creation or imposition of any lien or encumbrance (other than the liens of the City) upon any property of Burton, pursuant to any agreement or other instrument to which the Burton is a party or by which Burton or the Property is bound, except as otherwise contemplated thereby;
19. To our knowledge, no action of, or filing with, any governmental or public body is required to authorize, or is otherwise required for the validity of, the execution, delivery and performance of any of the City Documents which has not already occurred.
20. Based on the title insurance policy of even date issued by Near North National Title LLC, as agent for Chicago Title Insurance Company, in favor of the Owner with respect to the Property, the LURA, the NSP Amendment, the TIF RDA and the LIHTC Regulatory Agreement each create a valid encumbrance of record on the Property.

In addition to the assumptions set forth above, the opinions set forth above are also subject to the following qualification:

A. We express no opinion as to the laws of any jurisdiction other than the laws of the State of Illinois and the laws of the United States of America. The opinions expressed above concern only the effect of the laws (excluding the principles of conflict of laws) of the State of Illinois and the United States of America as currently in effect. We assume no obligation to supplement this opinion if any applicable laws change after the date of this opinion, or if we become aware of any facts that might change the opinions expressed above after the date of this opinion.

B. In basing the opinions set forth in this opinion on "our knowledge," the words "our knowledge" signify that, in the course of our representation of the Owner

Parties and Burton, no facts have come to our attention that would give us actual knowledge or actual notice that any such opinions or other matters are not accurate. Further, the words "our knowledge" as used in this opinion are intended to be limited to the actual knowledge or actual notice of the attorneys and paralegals within our firm who have been involved in representing the Owner Parties and Burton in connection with this matter, i.e., Elizabeth H. Friedgut, Esq and Richard Klawiter, Esq.

C. We express no opinion as to matters of title or priority or perfection of liens or security interests with regard to the priority of the real and personal property.

D. We have not reviewed and do not opine as to: (i) compliance by the Project with applicable zoning, health, safety, building, environmental, land use or subdivision laws, ordinances, codes, rules or regulations, (ii) ERISA laws, rules and regulations, or (iii) federal or state taxation, banking, securities or "blue sky" laws, rules or regulations.

This opinion is limited to the matters set forth herein. We disavow any obligation to update this opinion or advise you of any changes in our opinion in the event of changes in applicable laws or facts or if additional or newly discovered information is brought to our attention. This legal opinion represents our best judgment as to legal issues, and should not be construed to be a guaranty that a court or administrative agency will reach any particular result in any individual case or that legislative or administrative changes or court decisions may not be forthcoming which would affect the opinions and conclusions set forth herein. In addition, this opinion is provided to you as a legal opinion only and not as a guaranty or warranty of the matters discussed herein or in the documents referred to herein. No opinion may be inferred or implied beyond the matters expressly stated herein. No portion of this opinion may be quoted or in any other way published without the prior written consent of the undersigned subject to the disclosure of such opinion pursuant to a FOIA request or other legal discovery request binding upon the City. This opinion is rendered at the request of the Owner Parties and Burton solely for the benefit of the City, and no other person or entity shall be entitled to rely on any matter set forth herein without the prior written consent from the undersigned firm.

Very truly yours,

DLA PIPER LLP (US)

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

PARCEL 1:

LOTS 1, 2, 3 AND 4 IN THE RESUBDIVISION OF LOTS 1, 2, 3 AND 4 IN BLOCK 5 IN WINSTON'S SUBDIVISION OF THE SOUTH 34 ACRES OF THE WEST 1/2 OF THE SOUTHWEST ¼ OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

LOTS 5 TO 46 INCLUSIVE IN BLOCK 5 IN WINSTON'S SUBDIVISION OF THE SOUTH 34 ACRES OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

ALL OF THE NORTH-SOUTH 20 FOOT VACATED ALLEY EXTENDING THROUGH BLOCK 5 IN WINSTON'S SUBDIVISION AFORESAID, VACATED BY ORDINANCE ADOPTED DECEMBER 12, 1928 AND RECORDED AS DOCUMENT NUMBER 10254237.

PARCEL 4

LOTS 42 THROUGH 46, BOTH INCLUSIVE, IN BLOCK 6 IN WINSTONS SUBDIVISION OF THE SOUTH 34 ACRES AND THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 5

LOTS 15, 16 AND 17 IN BLOCK 4 IN WINSTONS SUBDIVISION OF THE SOUTH 34 ACRES AND THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 6

LOTS 19, 20 AND 21 IN BLOCK 4 IN WINSTONS SUBDIVISION OF THE SOUTH 34 ACRES AND THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 3,

TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN
COOK COUNTY, ILLINOIS.

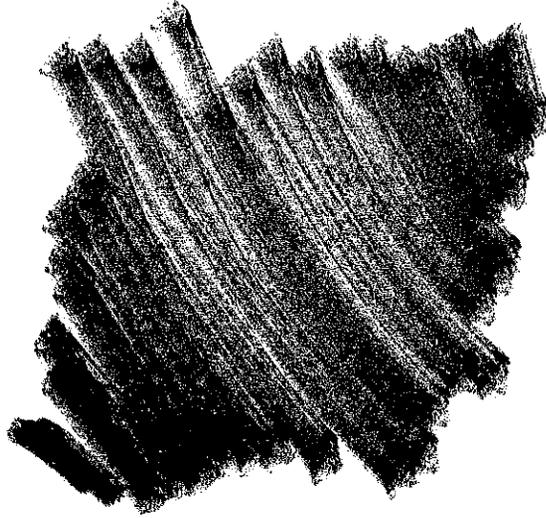


EXHIBIT K
PRELIMINARY TIF PROJECTION -- REAL ESTATE TAXES
(see attached)

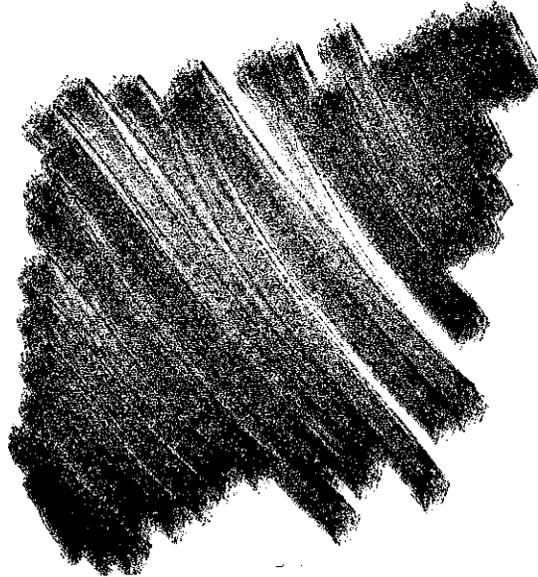


Exhibit K

Minimum Assessed Value / Property Taxes Rosenwald Courts

<u>Assessment</u>	<u>Payment</u>			<u>MINIMUM</u>				
<u>Year</u>	<u>Year</u>	<u>Market Value</u>	<u>Assessment Rate</u>	<u>ASSESSED VALUE</u>	<u>State Equalizer</u>	<u>Equalized Assessed Value</u>	<u>Tax Rate</u>	<u>Property Taxes</u>
2013	2014	1,452,358	10%	145,236	2.8056	407,473	6.40%	26,062
2014	2015	1,452,358	10%	145,236	2.8056	407,473	6.40%	26,062
2015	2016	1,452,358	10%	145,236	2.8056	407,473	6.40%	26,062
2016	2017	2,992,541	10%	299,254	2.8056	839,587	6.40%	53,700
2017	2018	5,985,082	10%	598,508	2.8056	1,679,174	6.40%	107,400
2018	2019	6,104,783	10%	610,478	2.8056	1,712,758	6.40%	109,548
2019	2020	6,226,879	10%	622,688	2.8056	1,747,013	6.40%	111,739
2020	2021	6,351,416	10%	635,142	2.8056	1,781,953	6.40%	113,974
2021	2022	6,478,445	10%	647,844	2.8056	1,817,592	6.40%	116,253
2022	2023	6,608,014	10%	660,801	2.8056	1,853,944	6.40%	118,578
2023	2024	6,740,174	10%	674,017	2.8056	1,891,023	6.40%	120,950
2024	2025	6,874,977	10%	687,498	2.8056	1,928,844	6.40%	123,369
2025	2026	7,012,477	10%	701,248	2.8056	1,967,421	6.40%	125,836
2026	2027	7,152,727	10%	715,273	2.8056	2,006,769	6.40%	128,353

Improvements: Includes the rehabilitation of the Project as generally described in the Redevelopment Agreement.

[Developer]

By: _____
Name: _____
Title: _____

Subscribed and sworn before me this ____ day of _____, _____.

My commission expires: _____

Agreed and accepted:

Name: _____
Title: _____

City of Chicago
Department of Housing and Economic Development

EXHIBIT M
FORM OF NOTE

REGISTERED
NO. R-1

MAXIMUM AMOUNT
\$25,000,000

UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF COOK
CITY OF CHICAGO
TAX INCREMENT ALLOCATION REVENUE NOTE (47th AND KING DRIVE
REDEVELOPMENT PROJECT), TAXABLE SERIES A

Registered Owner: Burton Rosenwald GP, LLC, an Illinois limited liability company

Interest Rate: Zero percent per annum

Maturity Date: Not later than December 31, 2026

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 \$25,000,000.

Principal of this Note from the Incremental Taxes (as defined in the hereinafter defined Redevelopment Agreement) shall be paid at such times and in such amounts as set forth in Section 4.03(b) of the Redevelopment Agreement. The principal of this Note is 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 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 \$25,000,000 for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Burton Rosenwald GP, LLC, an Illinois limited liability company (the "Project"), which were acquired, constructed and/or installed in connection with the development of a site in the 47th and King Drive 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 October 16, 2013 (the "Ordinance"), in all respects as by law required.

The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the TIF Act and the Ordinance, in order to pay the principal of 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 EXCESS INCREMENTAL TAXES, AND SHALL BE A VALID CLAIM OF THE REGISTERED OWNER HEREOF ONLY AGAINST SAID SOURCES. THIS NOTE SHALL NOT BE DEEMED TO

CONSTITUTE AN INDEBTEDNESS OR A LOAN AGAINST THE GENERAL TAXING POWERS OR CREDIT OF THE CITY, WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER OF THIS NOTE SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OF 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 Rosenwald Courts Redevelopment Agreement dated as of December 1, 2013 among the City, Burton Rosenwald GP, LLC, an Illinois limited liability company, and Rosenwald Courts Apartments, LP, an Illinois limited partnership (the "Redevelopment Agreement"), the Registered Owner has agreed to construct the Project and to advance funds for the construction of certain facilities related to the Project on behalf of the City. The cost of such construction in the amount of \$25,000,000 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 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 _____, 2013.

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 (47th and King Drive Redevelopment Project), Taxable Series 2013A, 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 HOUSING AND ECONOMIC DEVELOPMENT

BY:

ITS:

CERTIFICATE OF EXPENDITURE

(Closing Date)

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")
\$25,000,000 Tax Increment Allocation Revenue Note
(47th and King Drive Redevelopment Project, Taxable Series 2013A)
(the "TIF Note")

This Certificate is submitted to you, Registered Owner of the TIF Note, pursuant to the Ordinance of the City authorizing the execution of the TIF Note adopted by the City Council of the City on October 16, 2013 (the "Ordinance"). All terms used herein shall have the same meaning as when used in the Ordinance.

The City hereby certifies that \$ _____ is advanced as principal under the TIF Note as of the date hereof. Such amount has been properly incurred, is a proper charge made or to be made in connection with the redevelopment project costs defined in the Ordinance and has not been the basis of any previous principal advance. As of the date hereof, the outstanding principal balance under the TIF Note is \$ _____, including the amount of this Certificate and less payment made on the TIF Note.

IN WITNESS WHEREOF, the City has caused this Certificate to be signed on its behalf as of _____.

CITY OF CHICAGO

By: _____
Commissioner
Department of Housing and Economic
Development

AUTHENTICATED BY:

REGISTRAR

EXHIBITS N-O

[intentionally omitted]

EXHIBIT P
FORM OF PAYMENT BOND
(see attached)

BOND

Hartford, Connecticut 06183

Bond No.:

CONTRACTOR:

(Name, legal status and address)

The George Sollitt Construction Co./Powers & Sons/Brown & Momen JV
790 N. Central Avenue, Wood Dale, IL 60191

SURETY:

(Name, legal status and principal place of business)

Travelers Casualty and Surety Company of America
Construction Services, Travelers Bond & Financial Products
One Tower Square, Hartford, CT 06183

OWNER:

(Name, legal status and address)

Rosenwald Courts Apartments, LP
48828 Clarendon Hills Drive
Granger, Indiana 46530-7877

CONSTRUCTION CONTRACT

Date: November 5, 2013

Amount: \$46,824,217.00 Forty Six Million Eight Hundred Twenty Four Thousand Two Hundred Seventeen and No/100-----

Description:

(Name and location)

Rosenwald Courts Apartments
Bounded by Michigan and Wabash Avenues and 46th and 47th Streets, Chicago, IL

BOND

Date:

(Not earlier than Construction Contract Date)

November 5, 2013

Amount: \$46,824,217.00 Forty Six Million Eight Hundred Twenty Four Thousand Two Hundred Seventeen and No/100-----

Modifications to this Bond: **NONE** See Section 18

CONTRACTOR AS PRINCIPAL

Company: *The George Sollitt Construction Co./Powers & Sons/Brown & Momen JV (Corporate Seal)*

SURETY

Company: *Travelers Casualty and Surety Company of America (Corporate Seal)*

Signature:

Name and

Title:

(Any additional signatures appear on the last page of this Payment Bond.)

Signature:

Name and

Title:

Amy E. Callahan, Attorney-In-Fact

(FOR INFORMATION ONLY — Name, address and telephone)

AGENT or BROKER:

The Forker Company
2019 N. Elizabeth Dr.
Arlington Hts., IL 60004
847-392-9720

OWNER'S REPRESENTATIVE:

(Architect, Engineer or other party:)

Hartshorne Plunkard Ltd.

§ 1 The Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to the Owner to pay for labor, materials and equipment furnished for use in the performance of the Construction Contract, which is incorporated herein by reference, subject to the following terms.

§ 2 If the Contractor promptly makes payment of all sums due to Claimants, and defends, indemnifies and holds harmless the Owner from claims, demands, liens or suits by any person or entity seeking payment for labor, materials or equipment furnished for use in the performance of the Construction Contract, then the Surety and the Contractor shall have no obligation under this Bond.

§ 3 If there is no Owner Default under the Construction Contract, the Surety's obligation to the Owner under this Bond shall arise after the Owner has promptly notified the Contractor and the Surety (at the address described in Section 13) of claims, demands, liens or suits against the Owner or the Owner's property by any person or entity seeking payment for labor, materials or equipment furnished for use in the performance of the Construction Contract and tendered defense of such claims, demands, liens or suits to the Contractor and the Surety.

§ 4 When the Owner has satisfied the conditions in Section 3, the Surety shall promptly and at the Surety's expense defend, indemnify and hold harmless the Owner against a duly tendered claim, demand, lien or suit.

§ 5 The Surety's obligations to a Claimant under this Bond shall arise after the following:

§ 5.1 Claimants, who do not have a direct contract with the Contractor,

- .1 have furnished a written notice of non-payment to the Contractor, stating with substantial accuracy the amount claimed and the name of the party to whom the materials were, or equipment was, furnished or supplied or for whom the labor was done or performed, within ninety (90) days after having last performed labor or last furnished materials or equipment included in the Claim; and
- .2 have sent a Claim to the Surety (at the address described in Section 13).

§ 5.2 Claimants, who are employed by or have a direct contract with the Contractor, have sent a Claim to the Surety (at the address described in Section 13).

§ 6 If a notice of non-payment required by Section 5.1.1 is given by the Owner to the Contractor, that is sufficient to satisfy a Claimant's obligation to furnish a written notice of non-payment under Section 5.1.1.

§ 7 When a Claimant has satisfied the conditions of Sections 5.1 or 5.2, whichever is applicable, the Surety shall promptly and at the Surety's expense take the following actions:

§ 7.1 Send an answer to the Claimant, with a copy to the Owner, within sixty (60) days after receipt of the Claim, stating the amounts that are undisputed and the basis for challenging any amounts that are disputed; and

§ 7.2 Pay or arrange for payment of any undisputed amounts.

§ 7.3 The Surety's failure to discharge its obligations under Section 7.1 or Section 7.2 shall not be deemed to constitute a waiver of defenses the Surety or Contractor may have or acquire as to a Claim, except as to undisputed amounts for which the Surety and Claimant have reached agreement. If, however, the Surety fails to discharge its obligations under Section 7.1 or Section 7.2, the Surety shall indemnify the Claimant for the reasonable attorney's fees the Claimant incurs thereafter to recover any sums found to be due and owing to the Claimant.

§ 8 The Surety's total obligation shall not exceed the amount of this Bond, plus the amount of reasonable attorney's fees provided under Section 7.3, and the amount of this Bond shall be credited for any payments made in good faith by the Surety.

§ 9 Amounts owed by the Owner to the Contractor under the Construction Contract shall be used for the performance of the Construction Contract and to satisfy claims, if any, under any construction performance bond. By the Contractor furnishing and the Owner accepting this Bond, they agree that all funds earned by the Contractor in the performance of the Construction Contract are dedicated to satisfy obligations of the Contractor and Surety under this Bond, subject to the Owner's priority to use the funds for the completion of the work.

§ 10 The Surety shall not be liable to the Owner, Claimants or others for obligations of the Contractor that are unrelated to the Construction Contract. The Owner shall not be liable for the payment of any costs or expenses of any Claimant under this Bond.

obligations to Claimants under this Bond.

§ 11 The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.

§ 12 No suit or action shall be commenced by a Claimant under this Bond other than in a court of competent jurisdiction in the state in which the project that is the subject of the Construction Contract is located or after the expiration of one year from the date (1) on which the Claimant sent a Claim to the Surety pursuant to Section 5.1.2 or 5.2, or (2) on which the last labor or service was performed by anyone or the last materials or equipment were furnished by anyone under the Construction Contract, whichever of (1) or (2) first occurs. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.

§ 13 Notice and Claims to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the page on which their signature appears. Actual receipt of notice or Claims, however accomplished, shall be sufficient compliance as of the date received.

§ 14 When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

§ 15 Upon request by any person or entity appearing to be a potential beneficiary of this Bond, the Contractor and Owner shall promptly furnish a copy of this Bond or shall permit a copy to be made.

§ 16 Definitions

§ 16.1 Claim. A written statement by the Claimant including at a minimum:

- .1 the name of the Claimant;
- .2 the name of the person for whom the labor was done, or materials or equipment furnished;
- .3 a copy of the agreement or purchase order pursuant to which labor, materials or equipment was furnished for use in the performance of the Construction Contract;
- .4 a brief description of the labor, materials or equipment furnished;
- .5 the date on which the Claimant last performed labor or last furnished materials or equipment for use in the performance of the Construction Contract;
- .6 the total amount earned by the Claimant for labor, materials or equipment furnished as of the date of the Claim;
- .7 the total amount of previous payments received by the Claimant; and
- .8 the total amount due and unpaid to the Claimant for labor, materials or equipment furnished as of the date of the Claim.

§ 16.2 Claimant. An individual or entity having a direct contract with the Contractor or with a subcontractor of the Contractor to furnish labor, materials or equipment for use in the performance of the Construction Contract. The term Claimant also includes any individual or entity that has rightfully asserted a claim under an applicable mechanic's lien or similar statute against the real property upon which the Project is located. The intent of this Bond shall be to include without limitation in the terms "labor, materials or equipment" that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental equipment used in the Construction Contract, architectural and engineering services required for performance of the work of the Contractor and the Contractor's subcontractors, and all other items for which a mechanic's lien may be asserted in the jurisdiction where the labor, materials or equipment were furnished.

§ 16.3 Construction Contract. The agreement between the Owner and Contractor identified on the cover page, including all Contract Documents and all changes made to the agreement and the Contract Documents.

§ 16.4 Owner Default. Failure of the Owner, which has not been remedied or waived, to pay the Contractor as required under the Construction Contract or to perform and complete or comply with the other material terms of the Construction Contract.

§ 16.5 Contract Documents. All the documents that comprise the agreement between the Owner and Contractor.

§ 17 If this Bond is issued for an agreement between a Contractor and subcontractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

(Space is provided below for additional signatures of added parties, other than those appearing on the cover page.)

CONTRACTOR AS PRINCIPAL

SURETY

Company: (Corporate Seal)

Company: (Corporate Seal)

Signature:

Name and Title:

Address:

[Redacted signature and contact information for Contractor as Principal]

Signature:

Name and Title:

Address:

[Redacted signature and contact information for Surety]

PAYMENT BOND RIDER ADDING ADDITIONAL OBLIGEEES

This rider is to be attached to and forms a part of payment bond number _____, dated the ___ day of _____, 2013 ("Payment Bond") executed by _____ Insurance Company, as surety (the "Surety"), on behalf of The George Sollitt Construction Company/Powers & Sons/Brown & Momen JV, 790 North Central Avenue, Wood Dale, Illinois, as principal ("Principal"), in favor of Rosenwald Courts Apartments, LP, 20 Sandstone Drive, LeClaire, Iowa, as obligee ("Obligee").

WHEREAS, Principal has entered into a contract with Obligee dated the ___ day of _____, 2013, for interior build out and other services in connection with the rehabilitation of the Rosenwald Courts Apartments bounded by Michigan and Wabash Avenues and 46th and 47th Streets, Chicago, Illinois ("Contract"), as further described in the Contract.

WHEREAS, Obligee requests Principal and Surety to add Rosenwald Courts Master Tenant, LP, Citibank, N.A., City of Chicago, Chicago Housing Authority, USA Rosenwald Courts LLC, and USA HTC Rosenwald LLC, as additional obligees to the Payment Bond.

WHEREAS, Principal and Surety agree to add Rosenwald Courts Master Tenant, LP, Citibank, N.A., City of Chicago, Chicago Housing Authority, USA Rosenwald Courts LLC, and USA HTC Rosenwald LLC, as additional obligees to the Payment Bond.

NOW, THEREFORE, the undersigned agree as follows:

1. Rosenwald Courts Master Tenant, LP, Citibank, N.A., City of Chicago, Chicago Housing Authority, USA Rosenwald Courts LLC, and USA HTC Rosenwald LLC, are added to the Payment Bond as obligees ("Additional Obligees").
2. There shall be no liability of the Surety under the Payment Bond to the Additional Obligees, unless the Obligee or Additional Obligees make all payments to the Principal (or, in the event the Surety arranges for the completion of the Contract, to the Surety) in accordance with the terms of the Contract and shall perform all other obligations under the Contract at the time and in the manner required by the Contract. In no event, however, shall Additional Obligees be liable or responsible for performance of the Contract unless they undertake in a separate writing to be so bound.
3. In no event shall the aggregate liability of the Surety to the Obligee and Additional Obligees exceed the penal sum of the Payment Bond. At the Surety's election, any payment under the Payment Bond may be made by check issued to Obligee and Additional Obligees.
4. Except as modified in this rider, all other terms and conditions of the Payment Bond shall remain in full force and effect.

This change is effective the _____ day of _____, 2013.

Signatures on the following page.

IN WITNESS WHEREOF, the Principal, Surety, Obligee and Additional Obligees have caused this rider to be signed and sealed this _____ day of _____, 2013.

The George Sollitt Construction
Company/Powers & Sons/Brown &
Momen JV

By: _____ (Seal)
Title: _____
Date: _____

_____ Insurance Company

By: _____ (Seal)
Title: _____
Date: _____

Citibank, N.A.

By: _____ (Seal)
Title: _____
Date: _____

City of Chicago

By: _____ (Seal)
Title: _____
Date: _____

Rosenwald Courts Master Tenant, LP

By: _____ (Seal)
Title: _____
Date: _____

Chicago Housing Authority

By: _____ (Seal)
Title: _____
Date: _____

USA Rosenwald Courts LLC

By: _____ (Seal)
Title: _____
Date: _____

USA HTC Rosenwald LLC

By: _____ (Seal)
Title: _____
Date: _____

PERFORMANCE BOND

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA
Hartford, Connecticut 06183

Bond No.:

CONTRACTOR:

(Name, legal status and address)
The George Sollitt Construction Co./Powers &
Sons/Brown & Momen JV
790 N. Central Avenue
Wood Dale, IL 60191

SURETY:

(Name, legal status and principal place of business)
Travelers Casualty and Surety Company of America
Construction Services, Travelers Bond & Financial Products
One Tower Square, Hartford, CT 06183

OWNER:

(Name, legal status and address)
Rosenwald Courts Apartments, LP
48828 Clarendon Hills Drive
Granger, Indiana 46530-7877

CONSTRUCTION CONTRACT

Date: November 5, 2013
Amount: \$ 46,824,217.00 Forty Six Million Eight Hundred Twenty Four Thousand Two Hundred Seventeen and No/100-----
Description:

(Name and location)
Rosenwald Courts Apartments
Bounded by Michigan and Wabash Avenues and 46th and 47th Streets, Chicago, IL

BOND

Date: November 5, 2013
(Not earlier than Construction Contract Date)

Amount: \$46,824,217.00 Forty Six Million Eight Hundred Twenty Four Thousand Two Hundred Seventeen and No/100-----
Modifications to this Bond: None See Section 16

CONTRACTOR AS PRINCIPAL

Company: *The George Sollitt Construction Co./Powers & Sons/Brown & Momen JV (Corporate Seal)*

SURETY

Company: *Travelers Casualty and Surety Company of America (Corporate Seal)*

Signature: _____
Name and Title: _____

Signature: _____
Name and Title: *Amy E. Callahan, Attorney-In-Fact*

(Any additional signatures appear on the last page of this Performance Bond.)

(FOR INFORMATION ONLY — Name, address and telephone)

AGENT or BROKER:

The Forker Company
2019 N. Elizabeth Dr.
Arlington Hts., IL 60004
847-392-9720

OWNER'S REPRESENTATIVE:

(Architect, Engineer or other party:)
Hartshorne Plunkard Ltd.

§ 1 The Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to the Owner for the performance of the Construction Contract, which is incorporated herein by reference.

§ 2 If the Contractor performs the Construction Contract, the Surety and the Contractor shall have no obligation under this Bond, except when applicable to participate in a conference as provided in Section 3.

§ 3 If there is no Owner Default under the Construction Contract, the Surety's obligation under this Bond shall arise after

- .1 the Owner first provides notice to the Contractor and the Surety that the Owner is considering declaring a Contractor Default. Such notice shall indicate whether the Owner is requesting a conference among the Owner, Contractor and Surety to discuss the Contractor's performance. If the Owner does not request a conference, the Surety may, within five (5) business days after receipt of the Owner's notice, request such a conference. If the Surety timely requests a conference, the Owner shall attend. Unless the Owner agrees otherwise, any conference requested under this Section 3.1 shall be held within ten (10) business days of the Surety's receipt of the Owner's notice. If the Owner, the Contractor and the Surety agree, the Contractor shall be allowed a reasonable time to perform the Construction Contract, but such an agreement shall not waive the Owner's right, if any, subsequently to declare a Contractor Default;
- .2 the Owner declares a Contractor Default, terminates the Construction Contract and notifies the Surety; and
- .3 the Owner has agreed to pay the Balance of the Contract Price in accordance with the terms of the Construction Contract to the Surety or to a contractor selected to perform the Construction Contract.

§ 4 Failure on the part of the Owner to comply with the notice requirement in Section 3.1 shall not constitute a failure to comply with a condition precedent to the Surety's obligations, or release the Surety from its obligations, except to the extent the Surety demonstrates actual prejudice.

§ 5 When the Owner has satisfied the conditions of Section 3, the Surety shall promptly and at the Surety's expense take one of the following actions:

§ 5.1 Arrange for the Contractor, with the consent of the Owner, to perform and complete the Construction Contract;

§ 5.2 Undertake to perform and complete the Construction Contract itself, through its agents or independent contractors;

§ 5.3 Obtain bids or negotiated proposals from qualified contractors acceptable to the Owner for a contract for performance and completion of the Construction Contract, arrange for a contract to be prepared for execution by the Owner and a contractor selected with the Owner's concurrence, to be secured with performance and payment bonds executed by a qualified surety equivalent to the bonds issued on the Construction Contract, and pay to the Owner the amount of damages as described in Section 7 in excess of the Balance of the Contract Price incurred by the Owner as a result of the Contractor Default; or

§ 5.4 Waive its right to perform and complete, arrange for completion, or obtain a new contractor and with reasonable promptness under the circumstances:

- .1 After investigation, determine the amount for which it may be liable to the Owner and, as soon as practicable after the amount is determined, make payment to the Owner; or
- .2 Deny liability in whole or in part and notify the Owner, citing the reasons for denial.

§ 6 If the Surety does not proceed as provided in Section 5 with reasonable promptness, the Surety shall be deemed to be in default on this Bond seven days after receipt of an additional written notice from the Owner to the Surety demanding that the Surety perform its obligations under this Bond, and the Owner shall be entitled to enforce any remedy available to the Owner. If the Surety proceeds as provided in Section 5.4, and the Owner refuses the payment or the Surety has denied liability, in whole or in part, without further notice the Owner shall be entitled to enforce any remedy available to the Owner.

§ 7 If the Surety elects to act under Section 5.1, 5.2 or 5.3, then the responsibilities of the Surety to the Owner shall not be greater than those of the Contractor under the Construction Contract, and the responsibilities of the Owner to the Surety shall not be greater than those of the Owner under the Construction Contract. Subject to the commitment by the Owner to pay the Balance of the Contract Price, the Surety is obligated, without duplication, for

- .1 the responsibilities of the Contractor for correction of defective work and completion of the Construction Contract;
- .2 additional legal, design professional and delay costs resulting from the Contractor's Default, and resulting from the actions or failure to act of the Surety under Section 5; and
- .3 liquidated damages, or if no liquidated damages are specified in the Construction Contract, actual damages caused by delayed performance or non-performance of the Contractor.

§ 8 If the Surety elects to act under Section 5.1, 5.3 or 5.4, the Surety's liability is limited to the amount of this Bond.

Contract, and the Balance of the Contract Price shall not be reduced or set off on account of any such unrelated obligations. No right of action shall accrue on this Bond to any person or entity other than the Owner or its heirs, executors, administrators, successors and assigns.

§ 10 The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.

§ 11 Any proceeding, legal or equitable, under this Bond may be instituted in any court of competent jurisdiction in the location in which the work or part of the work is located and shall be instituted within two years after a declaration of Contractor Default or within two years after the Contractor ceased working or within two years after the Surety refuses or fails to perform its obligations under this Bond, whichever occurs first. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.

§ 12 Notice to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the page on which their signature appears.

§ 13 When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

§ 14 Definitions

§ 14.1 **Balance of the Contract Price.** The total amount payable by the Owner to the Contractor under the Construction Contract after all proper adjustments have been made, including allowance to the Contractor of any amounts received or to be received by the Owner in settlement of insurance or other claims for damages to which the Contractor is entitled, reduced by all valid and proper payments made to or on behalf of the Contractor under the Construction Contract.

§ 14.2 **Construction Contract.** The agreement between the Owner and Contractor identified on the cover page, including all Contract Documents and changes made to the agreement and the Contract Documents.

§ 14.3 **Contractor Default.** Failure of the Contractor, which has not been remedied or waived, to perform or otherwise to comply with a material term of the Construction Contract.

§ 14.4 **Owner Default.** Failure of the Owner, which has not been remedied or waived, to pay the Contractor as required under the Construction Contract or to perform and complete or comply with the other material terms of the Construction Contract.

§ 14.5 **Contract Documents.** All the documents that comprise the agreement between the Owner and Contractor.

§ 15 If this Bond is issued for an agreement between a Contractor and subcontractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

§ 16 Modifications to this bond are as follows:



(Space is provided below for additional signatures of added parties, other than those appearing on the cover page.)

CONTRACTOR AS PRINCIPAL
Company: (Corporate Seal)

SURETY
Company: (Corporate Seal)

Signature: _____
Name and Title: _____
Address: _____

Signature: _____
Name and Title: _____
Address: _____

PERFORMANCE BOND RIDER ADDING ADDITIONAL OBLIGEEES

This rider is to be attached to and forms a part of performance bond number _____, dated the ___ day of _____, 2013 ("Performance Bond") executed by _____ Insurance Company, as surety (the "Surety"), on behalf of The George Sollitt Construction Company/Powers & Sons/Brown & Momen JV, 790 North Central Avenue, Wood Dale, Illinois, as principal ("Principal"), in favor of Rosenwald Courts Apartments, LP, 20 Sandstone Drive, LeClaire, Iowa, as obligee ("Obligee").

WHEREAS, Principal has entered into a contract dated the ___ day of _____, 2013, with the Obligee for interior build out and other services in connection with the rehabilitation of the Rosenwald Courts Apartments bounded by Michigan and Wabash Avenues and 46th and 47th Streets, Chicago, Illinois ("Contract"), as further described in the Contract.

WHEREAS, Obligee requests Principal and Surety to add Rosenwald Courts Master Tenant, LP, Citibank, N.A., City of Chicago, Chicago Housing Authority, USA Rosenwald Courts LLC, and USA HTC Rosenwald LLC, as additional obligees to the Performance Bond.

WHEREAS, Principal and Surety agree to add Rosenwald Courts Master Tenant, LP, Citibank, N.A., City of Chicago, Chicago Housing Authority, USA Rosenwald Courts LLC, and USA HTC Rosenwald LLC, as additional obligees to the Performance Bond.

NOW, THEREFORE, the undersigned agree as follows:

1. Rosenwald Courts Master Tenant, LP, Citibank, N.A., City of Chicago, Chicago Housing Authority, USA Rosenwald Courts LLC, and USA HTC Rosenwald LLC, are added to the Performance Bond as obligees ("Additional Obligees").
2. There shall be no liability of the Surety under the Performance Bond to the Additional Obligees, unless the Obligee or the Additional Obligees make payments to the Principal (or, in the event the Surety arranges for the completion of the Contract, to the Surety) in accordance with the terms of the Contract and shall perform all other obligations under the Contract at the time and in the manner required by the Contract. In no event, however, shall Additional Obligees be liable or responsible for performance of the Contract unless they undertake in a separate writing to be so bound.
3. In no event shall the aggregate liability of the Surety to the Obligee and Additional Obligees exceed the penal sum of the Performance Bond. At the Surety's election, any payment under the Performance Bond may be made by check issued to Obligee and Additional Obligees.
4. Except as modified in this rider, all other terms and conditions of the Performance Bond shall remain in full force and effect.

This change is effective the _____ day of _____, 2013.

Signatures on the following page.

IN WITNESS WHEREOF, the Principal, Surety, Obligee and Additional Obligees have caused this rider to be signed and sealed this _____ day of _____, 2013.

The George Sollitt Construction
Company/Powers & Sons/Brown &
Momen JV

By: _____ (Seal)
Title: _____
Date: _____

_____ Insurance Company

By: _____ (Seal)
Title: _____
Date: _____

Citibank, N.A.

By: _____ (Seal)
Title: _____
Date: _____

City of Chicago

By: _____ (Seal)
Title: _____
Date: _____

Rosenwald Courts Master Tenant, LP

By: _____ (Seal)
Title: _____
Date: _____

Chicago Housing Authority

By: _____ (Seal)
Title: _____
Date: _____

USA Rosenwald Courts LLC

By: _____ (Seal)
Title: _____
Date: _____

USA HTC Rosenwald LLC

By: _____ (Seal)
Title: _____
Date: _____

Document A312™ - 2010

Conforms with The American Institute of Architects AIA Document 312

Payment Bond

CONTRACTOR:

(Name, legal status and address)

**TISHMAN/BURLING
ROSENWALD, A JOINT
VENTURE
ONE SOUTH WACKER
DRIVE, STE 2300
CHICAGO, IL 60606**

SURETY:

(Name, legal status and principal place of business)

**FEDERAL INSURANCE COMPANY
15 MOUNTAIN VIEW ROAD
WARREN, NJ 07059**

FIDELITY AND DEPOSIT COMPANY OF MARYLAND

1400 AMERICAN LANE, TOWER I, 18TH FL
SCHAUMBURG, IL 60196

LIBERTY MUTUAL INSURANCE COMPANY

175 BERKELEY STREET
BOSTON, MA 02116

OWNER:

(Name, legal status and address)

**ROSENWALD COURTS
APARTMENTS, LP
48828 CLAREDON HILLS DRIVE
GRANGER, IN 46530-7877**

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

CONSTRUCTION CONTRACT

Date: **TBD**

Amount: **\$16,069,168.00**

Description:

(Name and location)

**ROSENWALD COURTS APARTMENTS
BOUNDED BY MICHIGAN AND WABASH
AVENUES AND 46TH AND 47TH STREETS
CHICAGO, ILLINOIS**

BOND

Date: **TBD**

(Not earlier than Construction Contract Date)

Amount: **\$16,069,168.00**

Modifications to this Bond: None See Section 18

CONTRACTOR AS PRINCIPAL

Company: **TISHMAN/BURLING
ROSENWALD, A JOINT VENTURE**

SURETY

Company: **FEDERAL INSURANCE
COMPANY**

Signature: _____

Name

And Title:

(Any additional signatures appear on the last page of this Payment Bond)

Signature: _____

Name

And Title: **ATTORNEY-IN-FACT**

(FOR INFORMATION ONLY - Name, address and telephone)

**AGENT or BROKER:
MARSH RISK & INSURANCE SERVICES
777 SO. FIGUEROA ST, STE 2200, LOS ANGELES,
CA 90017 ~ 213-624-5555**

OWNER'S REPRESENTATIVE:
(Architect, Engineer or other party:)

§ 1 The Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to the Owner to pay for labor, materials and equipment furnished for use in the performance of the Construction Contract, which is incorporated herein by reference, subject to the following terms.

§ 2 If the Contractor promptly makes payment of all sums due to Claimants, and defends, indemnifies and holds harmless the Owner from claims, demands, liens or suits by any person or entity seeking payment for labor, materials or equipment furnished for use in the performance of the Construction Contract, then the Surety and the Contractor shall have no obligation under this Bond.

§ 3 If there is no Owner Default under the Construction Contract, the Surety's obligation to the Owner under this Bond shall arise after the Owner has promptly notified the Contractor and the Surety (at the address described in Section 13) of claims, demands, liens or suits against the Owner or the Owner's property by any person or entity seeking payment for labor, materials or equipment furnished for use in the performance of the Construction Contract and tendered defense of such claims, demands, liens or suits to the Contractor and the Surety.

§ 4 When the Owner has satisfied the conditions in Section 3, the Surety shall promptly and at the Surety's expense defend, indemnify and hold harmless the Owner against a duly tendered claim, demand, lien or suit.

§ 5 The Surety's obligations to a Claimant under this Bond shall arise after the following:

§ 5.1 Claimants, who do not have a direct contract with the Contractor,

- .1 have furnished a written notice of non-payment to the Contractor, stating with substantial accuracy the amount claimed and the name of the party to whom the materials were, or equipment was, furnished or supplied or for whom the labor was done or performed, within ninety (90) days after having last performed labor or last furnished materials or equipment included in the Claim; and
- .2 have sent a Claim to the Surety (at the address described in Section 13).

§ 5.2 Claimants, who are employed by or have a direct contract with the Contractor, have sent a Claim to the Surety (at the address described in Section 13).

§ 6 If a notice of non-payment required by Section 5.1.1 is given by the Owner to the Contractor, that is sufficient to satisfy a Claimant's obligation to furnish a written notice of non-payment under Section 5.1.1.

§ 7 When a Claimant has satisfied the conditions of Sections 5.1 or 5.2, whichever is applicable, the Surety shall promptly and at the Surety's expense take the following actions:

§ 7.1 Send an answer to the Claimant, with a copy to the Owner, within sixty (60) days after receipt of the Claim, stating the amounts that are undisputed and the basis for challenging any amounts that are disputed; and

§ 7.2 Pay or arrange for payment of any undisputed amounts.

§ 7.3 The Surety's failure to discharge its obligations under Section 7.1 or Section 7.2 shall not be deemed to constitute a waiver of defenses the Surety or Contractor may have or acquire as to a Claim, except as to undisputed amounts for which the Surety and Claimant have reached agreement. If, however, the Surety fails to discharge its obligations under Section 7.1 or Section 7.2, the Surety shall indemnify the Claimant for the reasonable attorney's fees the Claimant incurs thereafter to recover any sums found to be due and owing to the Claimant.

§ 8 The Surety's total obligation shall not exceed the amount of this Bond, plus the amount of reasonable attorney's fees provided under Section 7.3, and the amount of this Bond shall be credited for any payments made in good faith by the Surety.

§ 9 Amounts owed by the Owner to the Contractor under the Construction Contract shall be used for the performance of the Construction Contract and to satisfy claims, if any, under any construction performance bond. By the Contractor furnishing and the Owner accepting this Bond, they agree that all funds earned by the Contractor in the performance of the Construction Contract are dedicated to satisfy obligations of the Contractor and Surety under this bond, subject to the Owner's priority to use the funds for the completion of the work.

§ 10 The Surety shall not be liable to the Owner, Claimants or others for obligations of the Contractor that are unrelated to the Construction Contract. The Owner shall not be liable for the payment of any costs or expenses of any Claimant under this Bond, and shall have under this Bond no obligation to make payments to, or give notice on behalf of, Claimants or otherwise have any obligations to Claimants under this Bond.

§ 11 The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.

§ 12 No suit or action shall be commenced by a Claimant under this Bond other than in a court of competent jurisdiction in the state in which the project that is the subject of the Construction Contract is located or after the expiration of one year from the date (1) on which the Claimant sent a Claim to the Surety pursuant to Section 5.1.2 or 5.2, or (2) on which the last labor or service was performed by anyone or the last materials or equipment were furnished by anyone under the Construction Contract, whichever of (1) or (2) first occurs. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.

§ 13 Notice and Claims to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the page on which their signature appears. Actual receipt of notice or Claims, however accomplished, shall be sufficient compliance as of the date received.

§ 14 When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

§ 15 Upon request by any person or entity appearing to be a potential beneficiary of this Bond, the Contractor and Owner shall promptly furnish a copy of this Bond or shall permit a copy to be made.

§ 16 Definitions

§ 16.1 **Claim.** A written statement by the Claimant including at a minimum:

- .1 the name of the Claimant;
- .2 the name of the person for whom the labor was done, or materials or equipment furnished;
- .3 a copy of the agreement or purchase order pursuant to which labor, materials or equipment was furnished for use in the performance of the Construction Contract;
- .4 a brief description of the labor, materials or equipment furnished;
- .5 the date on which the Claimant last performed labor or last furnished materials or equipment for use in the performance of the Construction Contract;
- .6 the total amount earned by the Claimant for labor, materials or equipment furnished as of the date of the Claim;
- .7 the total amount of previous payments received by the Claimant; and
- .8 the total amount due and unpaid to the Claimant for labor, materials or equipment furnished as of the date of the Claim.

§ 16.2 **Claimant.** An individual or entity having a direct contract with the Contractor or with a subcontractor of the Contractor to Furnish labor, materials or equipment for use in the performance of the Construction Contract. The term Claimant also includes any individual or entity that has rightfully asserted a claim under an applicable mechanic's lien or similar statute against the real property upon which the Project is located. The intent of the Bond shall be to include without limitation in the terms "labor, materials or equipment" that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental equipment used in the Construction Contract, architectural and engineering services required for performance of the work of the Contractor and the Contractor's subcontractors, and all other items for which a mechanic's lien may be asserted in the jurisdiction where the labor, materials or equipment were furnished.

§ 16.3 **Construction Contract.** The agreement between the Owner and Contractor identified on the cover page, including all Contract Documents and all changes made to the agreement and the Contract Documents.

§ 16.4 **Owner Default.** Failure of the Owner, which has not been remedied or waived, to pay the Contractor as required under the Construction Contract or to perform and complete or comply with the other material terms of the Construction Contract.

§ 16.5 **Contract Documents.** All the documents that comprise the agreement between the Owner and Contractor.

§ 17 If this Bond is issued for an agreement between a Contractor and subcontractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

§ 18 Modifications to this bond are as follows:

(Space is provided below for additional signatures of added parties, other than those appearing on the cover page.)

CONTRACTOR AS PRINCIPAL

Company:

Signature: _____
Name and Title:

SURETY

Company: **FIDELITY AND DEPOSIT COMPANY OF MARYLAND**

Signature: _____
Name and Title:

ATTORNEY-IN-FACT

SURETY

Company: **LIBERTY MUTUAL INSURANCE COMPANY**

Signature: _____
Name and Title:

ATTORNEY-IN-FACT

PAYMENT BOND RIDER ADDING ADDITIONAL OBLIGEEES

This rider is to be attached to and forms a part of payment bond number _____, dated the ___ day of _____, 2013 ("Payment Bond") executed by Federal Insurance Company, as surety (the "Surety"), on behalf of Tishman/Burling Rosenwald, a Joint Venture, One South Wacker Drive, Suite 2300, Chicago, Illinois, as principal ("Principal"), in favor of Rosenwald Courts Apartments, LP, 20 Sandstone Drive, LeClaire, Iowa, as obligee ("Obligee").

WHEREAS, Principal has entered into a contract with Obligee dated the ___ day of _____, 2013, for demolition, environmental remediation, and other services in connection with the rehabilitation of the Rosenwald Courts Apartments bounded by Michigan and Wabash Avenues and 46th and 47th Streets, Chicago, Illinois ("Contract"), as further described in the Contract.

WHEREAS, Obligee requests Principal and Surety to add Rosenwald Courts Master Tenant, LP, Citibank, N.A., City of Chicago, Chicago Housing Authority, USA Rosenwald Courts LLC, and USA HTC Rosenwald LLC, as additional obligees to the Payment Bond.

WHEREAS, Principal and Surety agree to add the Rosenwald Courts Master Tenant, LP, Citibank, N.A., City of Chicago, Chicago Housing Authority, USA Rosenwald Courts LLC, and USA HTC Rosenwald LLC, as additional obligees to the Payment Bond.

NOW, THEREFORE, the undersigned agree as follows:

1. Rosenwald Courts Master Tenant, LP, Citibank, N.A., City of Chicago, Chicago Housing Authority, USA Rosenwald Courts LLC, and USA HTC Rosenwald LLC, are added to the Payment Bond as obligees ("Additional Obligees").
2. There shall be no liability of the Surety under the Payment Bond to the Additional Obligees, unless the Obligee or Additional Obligees make all payments to the Principal (or, in the event the Surety arranges for the completion of the Contract, to the Surety) in accordance with the terms of the Contract and shall perform all other obligations under the Contract at the time and in the manner required by the Contract. In no event, however, shall Additional Obligees be liable or responsible for performance of the Contract unless they undertake in a separate writing to be so bound.
3. In no event shall the aggregate liability of the Surety to the Obligee and Additional Obligees exceed the penal sum of the Payment Bond. At the Surety's election, any payment under the Payment Bond may be made by check issued to Obligee and Additional Obligees.
4. Except as modified in this rider, all other terms and conditions of the Payment Bond shall remain in full force and effect.

This change is effective the _____ day of _____, 2013.

Signatures on the following page.

IN WITNESS WHEREOF, the Principal, Surety, Obligee and Additional Obligees have caused this rider to be signed and sealed this _____ day of _____, 2013.

Tishman/Burling Rosenwald, a Joint
Venture

By: _____ (Seal)
Title: _____
Date: _____

Federal Insurance Company

By: _____ (Seal)
Title: _____
Date: _____

Citibank, N.A.

By: _____ (Seal)
Title: _____
Date: _____

City of Chicago

By: _____ (Seal)
Title: _____
Date: _____

Rosenwald Courts Master Tenant, LP

By: _____ (Seal)
Title: _____
Date: _____

Chicago Housing Authority

By: _____ (Seal)
Title: _____
Date: _____

USA Rosenwald Courts LLC

By: _____ (Seal)
Title: _____
Date: _____

USA HTC Rosenwald LLC

By: _____ (Seal)
Title: _____
Date: _____

Document A312™ - 2010

Conforms with The American Institute of Architects AIA Document 312

Performance Bond

CONTRACTOR:

(Name, legal status and address)

**TISHMAN/BURLING
ROSENWALD, A JOINT
VENTURE
ONE SOUTH WACKER
DRIVE, STE 2300
CHICAGO, IL 60606**

SURETY:

(Name, legal status and principal place of business)

**FEDERAL INSURANCE COMPANY
15 MOUNTAIN VIEW ROAD
WARREN, NJ 07059**

FIDELITY AND DEPOSIT COMPANY OF MARYLAND

1400 AMERICAN LANE, TOWER I, 18TH FL
SCHAUMBURG, IL 60196

LIBERTY MUTUAL INSURANCE COMPANY

175 BERKELEY STREET
BOSTON, MA 02116

OWNER:

(Name, legal status and address)

**ROSENWALD COURTS
APARTMENTS, LP
48828 CLAREDON HILLS DRIVE
GRANGER, IN 46530-7877**

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

CONSTRUCTION CONTRACT

Date: TBD

Amount: **\$16,069,168.00**

Description:

(Name and location)

ROSENWALD COURTS APARTMENTS, BOUNDED BY MICHIGAN AND WABASH AVENUES AND 46TH AND 47TH STREET, CHICAGO, ILLINOIS

BOND

Date: TBD

(Not earlier than Construction Contract Date)

Amount: **\$16,069,168.00**

Modifications to this Bond: None See Section 16

CONTRACTOR AS PRINCIPAL

Company: **TISHMAN/BURLING
ROSENWALD, A JOINT VENTURE**

SURETY

Company: **FEDERAL INSURANCE
COMPANY**

Signature: _____

Name

And Title:

(Any additional signatures appear on the last page of this Performance Bond)

Signature: _____

Name

And Title: **ATTORNEY-IN-FACT**

(FOR INFORMATION ONLY - Name, address and telephone)

AGENT or BROKER:

**MARSH RISK & INSURANCE SERVICES
777 SO. FIGUEROA ST, STE 2200, LOS ANGELES
CA, 90017 ~ 213-624-5555**

OWNER'S REPRESENTATIVE:

(Architect, Engineer or other party:)

§ 1 The Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to the Owner for the performance of the Construction Contract, which is incorporated herein by reference.

§ 2 If the Contractor performs the Construction Contract, the Surety and the Contractor shall have no obligation under this Bond, except when applicable to participate in a conference as provided in Section 3.

§ 3 If there is no Owner Default under the Construction Contract, the Surety's obligation under this Bond shall arise after

- .1 the Owner first provides notice to the Contractor and the Surety that the Owner is considering declaring a Contractor Default. Such notice shall indicate whether the Owner is requesting a conference among the Owner, Contractor and Surety to discuss the Contractor's performance. If the Owner does not request a conference, the Surety may, within five (5) business days after receipt of the Owner's notice, request such a conference. If the Surety timely requests a conference, the Owner shall attend. Unless the Owner agrees otherwise, any conference requested under this Section 3.1 shall be held within ten (10) business days of the Surety's receipt of the Owner's notice. If the Owner, the Contractor and the Surety agree, the Contractor shall be allowed a reasonable time to perform the Construction Contract, but such an agreement shall not waive the Owner's right, if any, subsequently to declare a Contractor Default;
- .2 the Owner declares a Contractor Default, terminates the Construction Contract and notifies the Surety; and
- .3 the Owner has agreed to pay the Balance of the Contract Price in accordance with the terms of the Construction Contract to the Surety or to a contractor selected to perform the Construction Contract.

§ 4 Failure on the part of the Owner to comply with the notice requirement in Section 3.1 shall not constitute a failure to comply with a condition precedent to the Surety's obligations, or release the Surety from its obligations, except to the extent the Surety demonstrates actual prejudice.

§ 5 When the Owner has satisfied the conditions of Section 3, the Surety shall promptly and at the Surety's expense take one of the following actions:

§ 5.1 Arrange for the Contractor, with the consent of the Owner, to perform and complete the Construction Contract;

§ 5.2 Undertake to perform and complete the Construction Contract itself, through its agents or independent contractors;

§ 5.3 Obtain bids or negotiated proposals from qualified contractors acceptable to the Owner for a contract for performance and completion of the Construction Contract, arrange for a contract to be prepared for execution by the Owner and a contractor selected with the Owner's concurrence, to be secured with performance and payment bonds executed by a qualified surety equivalent to the bonds issued on the Construction Contract, and pay to the Owner the amount of damages as described in Section 7 in excess of the Balance of the Contract Price incurred by the Owner as a result of the Contractor Default; or

§ 5.4 Waive its right to perform and complete, arrange for completion, or obtain a new contractor and with reasonable promptness under the circumstances:

- .1 After investigation, determine the amount for which it may be liable to the Owner and, as soon as practicable after the amount is determined, make payment to the Owner; or
- .2 Deny liability in whole or in part and notify the Owner, citing the reasons for denial.

§ 6 If the Surety does not proceed as provided in Section 5 with reasonable promptness, the Surety shall be deemed to be in default on this Bond seven days after receipt of an additional written notice from the Owner to the Surety demanding that the Surety perform its obligations under this Bond, and the Owner shall be entitled to enforce any remedy available to the Owner. If the Surety proceeds as provided in Section 5.4, and the Owner refuses the payment or the Surety has denied liability, in whole or in part, without further notice the Owner shall be entitled to enforce any remedy available to the Owner.

§ 7 If the Surety elects to act under Section 5.1, 5.2 or 5.3, then the responsibilities of the Surety to the Owner shall not be greater than those of the Contractor under the Construction Contract, and the responsibilities of the Owner to the Surety shall not be greater than those of the Owner under the Construction Contract. Subject to the commitment by the Owner to pay the Balance of the Contract Price, the Surety is obligated, without duplication, for

- . 1 the responsibilities of the Contractor for correction of defective work and completion of the Construction Contract;
- . 2 additional legal, design professional and delay costs resulting from the Contractor's Default, and resulting from the actions or failure to act of the Surety under Section 5; and
- . 3 liquidated damages, or if no liquidated damages are specified in the Construction Contract, actual damages caused by delayed performance or non-performance of the Contractor.

§ 8 If the Surety elects to act under Section 5.1, 5.3 or 5.4, the Surety's liability is limited to the amount of this Bond.

§ 9 The Surety shall not be liable to the Owner or others for obligations of the Contractor that are unrelated to the Construction Contract, and the Balance of the Contract Price shall not be reduced or set off on account of any such unrelated obligations. No right of action shall accrue on this Bond to any person or entity other than the Owner or its heirs, executors, administrators, successors and assigns.

§ 10 The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.

§ 11 Any proceeding, legal or equitable, under this Bond may be instituted in any court of competent jurisdiction in the location in which the work or part of the work is located and shall be instituted within two years after a declaration of Contractor Default or within two years after the Contractor ceased working or within two years after the Surety refuses or fails to perform its obligations under this Bond, whichever occurs first. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.

§ 12 Notice to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the page on which their signature appears.

§ 13 When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

§ 14 Definitions

§ 14.1 **Balance of the Contract Price.** The total amount payable by the Owner to the Contractor under the Construction Contract after all proper adjustments have been made, including allowance to the Contractor of any amounts received or to be received by the Owner in settlement of insurance or other claims for damages to which the Contractor is entitled, reduced by all valid and proper payments made to or on behalf of the Contractor under the Construction Contract.

§ 14.2 **Construction Contract.** The agreement between the Owner and Contractor identified on the cover page, including all Contract Documents and changes made to the agreement and the Contract Documents.

§ 14.3 **Contractor Default.** Failure of the Contractor, which has not been remedied or waived, to perform or otherwise to comply with a material term of the Construction Contract.

§ 14.4 **Owner Default.** Failure of the Owner, which has not been remedied or waived, to pay the Contractor as required under the Construction Contract or to perform and complete or comply with the other material terms of the Construction Contract.

§ 14.5 **Contract Documents.** All the documents that comprise the agreement between the Owner and Contractor.

§ 15 If this Bond is issued for an agreement between a Contractor and subcontractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

§ 16 Modifications to this bond are as follows:

(Space is provided below for additional signatures of added parties, other than those appearing on the cover page.)

CONTRACTOR AS PRINCIPAL

Company:

Signature: _____
Name and Title:

SURETY

Company: **FIDELITY AND DEPOSIT COMPANY OF
MARYLAND**

Signature: _____
Name
and Title: **ATTORNEY-IN-FACT**

SURETY

Company: **LIBERTY MUTUAL INSURANCE COMPANY**

Signature: _____
Name
and Title: **ATTORNEY-IN-FACT**

PERFORMANCE BOND RIDER ADDING ADDITIONAL OBLIGEEES

This rider is to be attached to and forms a part of performance bond number _____, dated the ___ day of _____, 2013 ("Performance Bond") executed by Federal Insurance Company, as surety (the "Surety"), on behalf of Tishman/Burling Rosenwald, a Joint Venture, One South Wacker Drive, Suite 2300, Chicago, Illinois, as principal ("Principal"), in favor of Rosenwald Courts Apartments, LP, 20 Sandstone Drive, LeClaire, Iowa, as obligee ("Obligee").

WHEREAS, Principal has entered into a contract dated the ___ day of _____, 2013, with the Obligee for demolition, environmental remediation, and other services in connection with the rehabilitation of the Rosenwald Courts Apartments bounded by Michigan and Wabash Avenues and 46th and 47th Streets, Chicago, Illinois ("Contract"), as further described in the Contract.

WHEREAS, Obligee requests Principal and Surety to add Rosenwald Courts Master Tenant, LP, Citibank, N.A., City of Chicago, Chicago Housing Authority, USA Rosenwald Courts LLC, and USA HTC Rosenwald LLC, as additional obligees to the Performance Bond.

WHEREAS, Principal and Surety agree to add Rosenwald Courts Master Tenant, LP, Citibank, N.A., City of Chicago, Chicago Housing Authority, USA Rosenwald Courts LLC, and USA HTC Rosenwald LLC, as additional obligees to the Performance Bond.

NOW, THEREFORE, the undersigned agree as follows:

1. Rosenwald Courts Master Tenant, LP, Citibank, N.A., City of Chicago, Chicago Housing Authority, USA Rosenwald Courts LLC, and USA IITC Rosenwald LLC, are added to the Performance Bond as obligees ("Additional Obligees").
2. There shall be no liability of the Surety under the Performance Bond to the Additional Obligees, unless the Obligee or the Additional Obligees make payments to the Principal (or, in the event the Surety arranges for the completion of the Contract, to the Surety) in accordance with the terms of the Contract and shall perform all other obligations under the Contract at the time and in the manner required by the Contract. In no event, however, shall Additional Obligees be liable or responsible for performance of the Contract unless they undertake in a separate writing to be so bound.
3. In no event shall the aggregate liability of the Surety to the Obligee and Additional Obligees exceed the penal sum of the Performance Bond. At the Surety's election, any payment under the Performance Bond may be made by check issued to Obligee and Additional Obligees.
4. Except as modified in this rider, all other terms and conditions of the Performance Bond shall remain in full force and effect.

This change is effective the _____ day of _____, 2013.

Signatures on the following page.

EXHIBIT Q
ENVIRONMENTAL DOCUMENTS
(see attached)

ROSENWALD ENVIRONMENTAL REPORTS SUMMARY

Report Name	Consultant	Date of Report
1. Phase 1 Environmental Site Assessment (Building)	GSG	October 2013
2. Phase II Environmental Site Assessment Report (Building)	GSG	March 2012
3. Hazardous Material Building Survey (Building)	GSG	March 2012
4. Lead-Based Paint (LBP) Survey Report (Building)	GSG	March 2012
5. CSI/ROR/RAP (Building)	GSG	October 2013
6. RACR (Building)	GSG	To Be Determined
7. Phase 1 ESA, Lot A, 4638-4652 S. Wabash	GSG	July 2012
8. Phase 1 ESA Update, Lot A, 4638-4652 S. Wabash	GSG	September 2013
9. Phase II ESA, Lot A, 4638-4652 S. Wabash	GSG	October 2013
10. CSI/ROR/RAP, Lot A, 4638-4652 S. Wabash	GSG	To Be Determined
11. RACR, Lot A, 4638-4652 S. Wabash	GSG	To Be Determined
12. Phase 1 ESA, Lot B, 4602 S. Wabash	GSG	July 2012
13. Phase 1 ESA Update, Lot B, 4602 S. Wabash	GSG	September 2012
14. Phase II ESA, Lot B, 4602 S. Wabash	GSG	October 2013
15. CSI/ROR/RAP, Lot B, 4602 S. Wabash	GSG	To Be Determined
16. RACR, Lot B, 4602 S. Wabash	GSG	To Be Determined
17. Phase 1 ESA, Lot C, 4601-4611 S. Michigan	GSG	July 2012
18. Phase 1 ESA Update, Lot C, 4601-4611 S. Michigan	GSG	September 2013
19. Geotechnical Subsurface Investigation	GSG	October 2, 2012

NOTES:

CSI – Comprehensive Site Investigation Report

ROR – Remedial Objectives Report

RAP – Remedial Action Plan

RACR – Remedial Action Completion Report

EXHIBIT R

2FM ENVIRONMENTAL COMPLIANCE CERTIFICATION

(see attached)





DEPARTMENT OF FLEET & FACILITY MANAGEMENT

MEMORANDUM

To: Lawrence Grisham
Managing Deputy Commissioner, Bureau of Housing
Department of Housing and Economic Development

From: David J. Reynolds, P.E., LEED AP
Commissioner 

Date: January 17, 2013

Subject: Environmental Compliance Certification
Multi-Family Loan Program and Neighborhood Stabilization Program 2
4600 S. Michigan Avenue – Rosenwald Courts

The Department of Fleet and Facility Management (2FM) has completed the required federal environmental assessment review for the federal funded project listed below (the project), namely:

1. 4600 S. Michigan Avenue (Rosenwald Courts)

2FM has determined that the project is in compliance with the environmental laws and authorities cited in the U.S. Department of Housing and Urban Development's (HUD's) "Environmental Review Procedures for Entities Assuming HUD Environmental Responsibilities," as set forth in 24 CFR Part 58.

Please note that this environmental clearance is conditional on the developer appropriately addressing the environmental and historical conditions present at the project as follows:

1. Enrollment into the Illinois Environmental Protection Agency (IEPA) Site Remediation Program for purposes of obtaining a comprehensive No Further Remediation letter;
2. Removal of old underground storage tanks (USTs), if present, in accordance with all local, state, and federal regulations;
3. Abating asbestos containing material (ACM) and lead-based paint in accordance with all local, state, and federal regulations; and
4. Submission of plans and specifications to the Illinois Historic Preservation Agency (IHPA) for review and approval to ensure compliance with the Secretary of the Interior's "Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings".

Lawrence Grisham
January 17, 2013
Page 2 of 2

In accordance with the federal grant conditions, 2FM has prepared the applicable environmental review record file for the project. This record file documents the City's finding that the proposed project actions are part of a larger undertaking for which Findings of No Significant Impact (FONSI) were made on April 25, 2007 and June 1, 2010, and for which circumstances have not changed significantly. All documentation supporting the FONSI level of clearance determination for the project will be maintained by 2FM.

If you have any questions regarding this matter, please contact Kevin Laberge, of my staff, at (312) 742-0463.

cc: Roman Segal, DHED
Tracy Sanchez, DHED
Kimberly Worthington, 2FM

DJR/EHS/kml